

SETTLEMENT AGREEMENT

This settlement agreement (hereinafter “Agreement”) is entered into on this 25th day of March, 2013, between plaintiffs Kyle O’Donnell and Lisa Matteson (hereinafter “plaintiffs”), on behalf of themselves and all “Settlement Class” members as that term is defined in paragraph II.A of this Agreement, and defendant Southwestern Bell Yellow Pages, Inc., now doing business as YP Texas Region Yellow Pages LLC (collectively “SWBYP”), by and through their respective counsel, to resolve all claims asserted in *O’Donnell v. Southwestern Bell Yellow Pages, Inc.*, Case No. 4:11-CV-1107(CEJ) (E.D. Mo.). This Agreement is made for the following purposes and with reference to the following facts:

I. RECITALS

WHEREAS, plaintiffs filed *O’Donnell v. Southwestern Bell Yellow Pages, Inc.*, Case No. 4:11-CV-1107(CEJ) (“the *O’Donnell* litigation”), on June 20, 2011, in the United States District Court for the Eastern District of Missouri alleging that SWBYP failed to pay cyber sales telephone representatives at its Olivette and St. Louis, Missouri call centers for all hours worked in excess of 40 in a work week in violation of the Fair Labor Standards Act and the Missouri Minimum Wage law, Mo. Rev. Stat. § 290.500, *et seq.*;

WHEREAS, on May 17, 2012, pursuant to 29 U.S.C. § 216(b) the Court conditionally certified a collective action consisting of “all current and former telephone sales representatives who worked at defendant’s Olivette and St. Louis call centers at any time during the three-year period immediately preceding” the date of the Court’s order;

WHEREAS, notice was sent to the putative class of approximately 500 current and former cyber sales representatives on June 14, 2012, and 178 persons submitted opt-in consent forms during the opt-in period;

WHEREAS, no Rule 23 class has been certified as to plaintiffs’ state law claims;

WHEREAS, the purpose of this Agreement is to finally and fully resolve, settle, release, and discharge all claims asserted by plaintiffs, individually and on behalf of all Settlement Class members, against SWBYP (collectively “the parties”) in the *O’Donnell* litigation, including without limitation any claims for unpaid overtime, liquidated damages, attorney’s fees and costs, or any other claim for relief asserted by plaintiffs under federal or state law;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained in this Agreement and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, and to avoid litigation, the parties hereby agree as follows:

II. SETTLEMENT CLASS AND CLAIMANTS

A. For purposes of this Agreement, the Settlement Class includes the following subclasses:

1. All current and former cyber sales representatives who worked at SWBYP's Olivette and St. Louis call centers between May 17, 2009 and May 17, 2012 and who filed opt-in consent forms during the opt-in period (hereinafter "FLSA Subclass"); and

2. All current and former cyber sales representatives who worked at SWBYP's Olivette and St. Louis, Missouri call centers at any time between June 20, 2009 through the date the Court enters an order preliminary approving this Agreement who did not file an opt-in consent form during the opt-in period (hereinafter "Rule 23 Subclass").

B. "Claimants" are Settlement Class members who do not opt-out of the settlement and timely return a completed Claim Form and Release Agreement as described in paragraph IV.B.6 below. "Claimants" also includes all members of the FLSA Subclass whether or not a Claim Form and Release Agreement is returned.

C. Nothing herein shall be construed as an admission or acknowledgement by the parties that any class or collective action treatment is either proper or improper in the *O'Donnell* litigation, except for purposes of settlement. Neither the Agreement nor approval by the Court of the Agreement shall be admissible in any other proceeding regarding the propriety of class or collective action treatment.

D. In the event this Agreement is not approved, is terminated, or fails to be enforceable, the parties shall not be deemed to have waived in this action their claims, positions, objections, or defenses, including their positions on whether the *O'Donnell* litigation is appropriate for class or collective action treatment.

III. COMPROMISE ACKNOWLEDGMENT

A. The parties and their respective counsel agree that this Agreement is entered into solely upon the basis of a compromise of disputed claims, and that this agreement is not, and is not to be construed as, an admission by the parties of any liability whatsoever, including any violation of federal, state, local, or common law, statute, ordinance, regulations, or order. The parties further agree that the furnishing of consideration shall not be deemed or construed for any purpose as admission of liability or wrongful conduct of any kind by either party.

B. Plaintiffs believe that the claims asserted have merit. However, plaintiffs recognize the significant cost to prosecute the litigation against SWBYP through trial and the uncertain outcome and risk of loss in any litigation, especially in a complex action such as this, and the difficulties and delays inherent in such litigation. Plaintiffs also are mindful of the potential problems of proof and possible defenses to the causes of action asserted.

C. Plaintiffs believe that this Agreement confers substantial benefits on all Settlement Class members and that it is fair, reasonable, adequate, and in the best interest of themselves and the Settlement Class.

D. Plaintiffs' counsel have independently concluded that the terms of this Agreement are fair, reasonable, adequate, and in the best interests of the Settlement Class, and independently determined that settlement and dismissal of the *O'Donnell* litigation with prejudice is proper.

E. SWBYP believes the claims asserted by plaintiffs, on behalf of themselves and the Settlement Class, are without merit. SWBYP denies all the claims and contentions asserted by plaintiffs as well as all charges of wrongdoing and liability arising out of any of the acts, omissions, facts, transactions, or occurrences alleged or that could have been alleged in this action.

F. SWBYP also denies that the litigation is appropriate for class or collective action treatment, except for settlement purposes.

G. SWBYP has vigorously contested the claims, but has determined that further defense of this action would be protracted, expensive, and contrary to its best interest and that it is desirable that the action be completely and finally settled upon the terms and conditions set forth herein. In addition, SWBYP has taken into account the uncertainty and risks inherent in litigation, especially in a complex action like this.

H. Nothing in this Agreement or any action taken to implement the Agreement or any statements, discussions, communications, or materials prepared or used during the course of settlement negotiations shall be used in any other proceeding of any kind or be considered evidence of a violation of any federal, state, or local law, statute, rule or executive order, or any obligation or duty at law or equity. Notwithstanding the foregoing, the Agreement may be used in any proceeding that has as its purpose the interpretation or enforcement of the Agreement or any orders or judgment of the Court entered in connection therewith.

IV. TERMS OF THE SETTLEMENT AGREEMENT

A. Appointment Of Third-Party Administrator

1. A third-party administrator selected by SWBYP and approved by plaintiffs shall be used to: (a) provide notice of the settlement to Settlement Class members; (b) administer any opt-out requests and objections from Settlement Class members; (c) administer the claims process; (d) set up and administer a qualified settlement fund to disburse of settlement payments; (e) calculate settlement amounts for each Claimant; (f) distribute all settlement checks; (g) address any questions from Settlement Class members; (h) prepare and mail all necessary W-2 and 1099 IRS forms; and (i) perform any other duties necessary to effectuate the agreement.

2. The parties shall cooperate fully to resolve promptly any issues identified by the third-party administrator. Each party shall designate a counsel to serve as the primary contact for the third-party administrator.

B. Preliminary Approval And Notice To Class Members

1. The parties agree to submit a joint motion for preliminary approval of the settlement and proposed order granting preliminary approval by March 25, 2013.

2. Within 15 days after the Court signs an order preliminarily approving the terms of this Agreement, SWBYP shall provide the third-party administrator with the final list of Settlement Class members agreed on by the parties. The list shall include the name, last known

address, and social security number for each member of the Settlement Class. Plaintiffs' counsel may also provide address information to the third-party administrator.

3. Within 30 days after preliminary approval of this Agreement, the third-party administrator shall mail via first class U.S. mail a notice of preliminary approval to each Settlement Class member. Proposed notices to the FLSA and Rule 23 Subclasses are attached to the Agreement as exhibits A and B respectively.

4. The third-party administrator alone is responsible for mailing the notices of preliminary approval to Settlement Class members.

5. The mailing to each Settlement Class member shall also include a Claim Form and Release Agreement. Such proposed Claim Form and Release Agreement for the FLSA and Rule 23 Subclasses are attached to the Agreement as exhibits C and D respectively.

6. The notice of preliminary approval shall instruct Settlement Class members that in order to participate in the settlement and receive payment under the settlement, they must complete and sign the Claim Form and Release Agreement and return it to the third-party administrator postmarked no later than 60 days after the date the notice was initially mailed. The third-party administrator shall be solely responsible for deciding if Claim Form and Release Agreements were timely returned and whether a Settlement Class member is a Claimant. Settlement Class members are responsible for sending the Claim Form and Release Agreement and providing proof of mailing if a dispute arises as to the timeliness of their Claim Form and Release Agreements.

7. During the 60-day period, the third-party administrator shall report three times to the parties' designated counsel the number of notices of preliminary approval that have been returned as undeliverable and the number of Settlement Class members who have returned a completed Claim Form and Release Agreement. The third-party administrator shall perform a reasonable search using a national computerized address database in an effort to find Settlement Class members whose notices were not delivered. If the third-party administrator's search is successful, the third-party administrator shall re-mail the notice within five days of obtaining the correct address. Settlement Class members to whom notices must be re-mailed must return the signed claim for to the third-party administrator within 60 days of the date of re-mailing. The third-party administrator shall issue only one re-mailing to Settlement Class members whose notices were returned as undeliverable.

8. Rule 23 Subclass members who fail to return a timely and complete Claim Form and Release Agreement within the applicable 60-day period shall be ineligible to receive any settlement payment pursuant to this Agreement. If FLSA Subclass members do not complete and return a timely Claim Form and Release Agreement, their settlement payment will be provided to the unclaimed property fund of the state to which their notice was mailed. A Claim Form and Release Agreement is not complete if the Settlement Class member fails to make the required declaration or sign the Claim Form and Release Agreement as required.

9. The notice of preliminary approval for Rule 23 Subclass members shall explain that any member of the Settlement Class who wants to opt-out of the Settlement Class in

accordance with Federal Rules of Civil Procedure 23(c)(2)(B) and 23(e)(4) must submit a written request to the third-party administrator within 45 days of the initial mailing of the notice. The third-party administrator shall provide copies of any opt-out requests to the parties' designated counsel. Plaintiffs' counsel shall be responsible for promptly filing any opt-out requests.

10. The notice of preliminary approval for Rule 23 Subclass members also shall explain that any member of the Settlement Class may object to the settlement by submitting objections to the Court, and serving them upon counsel of record, no later than 45 days after the initial mailing of the notice of preliminary approval. Objections must state the basis and, if the objector intends to appear at the final approval hearing, he or she must state such fact and state the purpose of the appearance. The parties shall be permitted to respond in writing to objections within the time period set by the Court in its order granting preliminary approval. Settlement Class members who fail to file and serve timely objections shall be deemed to have waived objections to the settlement and shall be foreclosed from making any objections. By failing to make timely objections to the settlement, Settlement Class members also shall be foreclosed from appealing any aspect of the settlement after the Court's final approval.

11. The parties agree that neither they, nor their counsel, shall make any effort to solicit or otherwise persuade members of the Rule 23 Subclass to participate in, opt out of, or object to the settlement. Plaintiffs' counsel are permitted to contact members of the FLSA Subclass to ensure a Claim Form and Release Agreement are submitted to the Claims Administrator.

12. Pursuant to 28 U.S.C. § 1715(b), within 10 days after the parties file their motion for preliminary approval, SWBYP shall serve a notice of the proposed settlement on the appropriate federal and state officials.

C. Waiver And Release

1. Plaintiffs, on behalf of themselves and all members of the Settlement Class, their heirs, descendants, dependents, executors, administrators, successors, and assigns fully and finally release and discharge SWBYP, its prior and present subsidiaries, parents, affiliates, predecessors, successors, representatives, officers, directors, agents, attorneys, accountants, assigns, and employees, in their personal, individual, official, and/or corporate capacities, from any and all claims and rights of any kind that they may have, whether known or unknown, whether contingent or non-contingent, whether specifically asserted or not, arising through the date of preliminary approval of this Agreement by the Court and arising under the Fair Labor Standards Act, Missouri Rev. Stat. § 290.500, *et seq.*, the Employee Retirement Income Security Act, and any other local, state, and federal laws, including all wage and hour, common law, contract, and tort laws, that are based upon or related to any alleged claims for overtime or minimum wages of current and former SWBYP cyber sales representatives who worked at SWBYP's Olivette or St. Louis, Missouri call centers, including, but not limited to, claims for penalties, interest, liquidated damages, litigation costs, and attorney's fees (collectively "Released Claims"). Released claims shall not include claims for retaliation, discrimination, tort, disability, or any other claims unrelated to wage-and-hour claims.

2. Nothing in this Agreement shall be considered a waiver of any claims by Settlement Class members that may arise after the date the Agreement is preliminarily approved by the Court.

3. The parties acknowledge that the above waiver and release was separately bargained for and is a material element of this Agreement.

4. By endorsing a settlement check, each Claimant shall be deemed to have released his or her Released Claims. Upon final approval of the Agreement by the Court, execution of the Agreement by plaintiffs' counsel shall fully effectuate the release provisions herein to which each Settlement Class member is bound, even if each such person does not endorse a settlement check or timely submit a complete Claim Form and Release Agreement.

D. Settlement Amounts

1. Gross Settlement Amount: In full consideration for the terms, conditions, and promises in this Agreement, SWBYP agrees to pay a Gross Settlement Amount not to exceed \$1,100,000.00. The Gross Settlement Amount includes all amounts to be paid by SWBYP under this Agreement, including settlement payments to Settlement Class members, attorney's fees, litigation costs, interest, penalties, enhancements for plaintiffs, and third-party administrator payments and costs. The Gross Settlement Amount is the maximum amount that SWBYP is obligated to pay under this Agreement, except that, in addition to the Gross Settlement Amount, SWBYP shall pay its share of employer payroll taxes on the applicable portions of the settlement payments. In no event shall SWBYP be required to pay more than the Gross Settlement Amount in complete satisfaction of all its obligations under this Agreement, except, as provided herein, SWBYP shall pay its share of employer payroll taxes. SWBYP agrees that it shall pay the amounts due to Settlement Class Members under paragraph IV.D(7) to the Claims Administrator at least 20 days prior to the deadline for the Claims Administrator to mail settlement payments under paragraph IV.F.

2. Attorney's Fees and Litigation Costs

a) SWBYP agrees not to oppose a request by plaintiffs' counsel for reasonable attorney's fees and litigation costs, provided that the amount of requested attorney's fees and costs does not exceed one-third (1/3) of the Gross Settlement Amount. Plaintiffs' counsel agrees that they shall not seek attorney's fees and litigation costs in excess of this amount. The attorney's fees and litigation costs shall be paid solely from the Gross Settlement Amount. The Agreement is not contingent on approval of the above amount. Thus, even if the Court approves lesser amounts for fees or costs, the Agreement shall remain fully enforceable.

b) Within 20 days after an order approving an award of attorney's fees and litigation costs, and the expiration of the time for appealing such order or, if appealed, exhaustion of such appeal, plaintiffs' counsel shall provide SWBYP and the third-party administrator with a signed W-9 IRS form.

c) Within 5 days after receipt of the signed W-9 IRS form the third-party administrator shall transmit the funds for attorney's fees and litigation costs by check or wire transfer (if requested) to plaintiffs' counsel in accordance with plaintiffs' counsel's

directions.

3. Named Plaintiffs Enhancements: In recognition of their leadership role on behalf of the Settlement Class and time and effort in pursuing these actions, plaintiffs O'Donnell and Matteson shall each be entitled to an enhancement \$7,500 each, subject to the Court's final approval. The enhancement payments shall be treated as non-wage income and shall be included on the IRS form 1099 to be issued to each plaintiff.

4. Costs of Third-Party Administrator: The entire administrative costs of the third-party administrator, including payment for all services and mailings, shall be paid from the Gross Settlement Amount, unless such administrative costs, the total amount claimed by members of the FLSA and Rule 23 Subclasses, and the amounts paid from the Gross Settlement Amount pursuant to paragraphs IV.D.2-IV.D.3 exceed the Gross Settlement Amount. In such a case, SWBYP shall be responsible for paying any administrative costs of a third-party administrator that are in excess of the Gross Settlement Amount.

5. Employer Payroll Taxes: The employer share of FICA, FUTA, SUTA, Medicare and any other applicable payroll taxes for the payment amounts allocated to Settlement Class members shall be paid by SWBYP.

6. Employee Payroll Taxes: All Settlement Class members are responsible for paying their share of FICA, FUTA, SUTA, Medicare and any other applicable payroll taxes for the payment amounts allocated to them under this Agreement.

7. Payment Amounts to Members of the Settlement Class

a) Forty percent of the Gross Settlement Amount, after deduction of all amounts required to be paid under paragraphs IV.D.2-IV.D.3, shall be allocated among members of the FLSA Subclass of the Settlement Class ("FLSA Subclass Fund"). The FLSA Subclass Fund shall be allocated among members of the FLSA subclass based on: (1) the total number of weeks worked in excess of 38 hours during the three year period preceding the date each class member filed his or her opt-in consent form through the date the Court enters an order preliminarily approving this Agreement; and (2) the average regular rate of pay (total weekly compensation divided by total weekly hours) for each class member for each workweek. The proportionate share for each member of the FLSA Subclass shall be equal to: (1) the total of the number workweeks in excess of 38 hours, multiplied by the average regular rate of pay; (2) divided by the total number of workweeks, multiplied by the average regular rate of pay for all FLSA Subclass members ((the sum of all workweeks for individual A * the average regular rate) / (the total sum of workweeks for all individuals * the regular rates for all individuals each week)).

b) Sixty percent of the Gross Settlement Amount, after deduction of all amounts required to be paid under paragraphs IV.D.2-IV.D.3, shall be allocated for settlement payments to Claimants from the Rule 23 Subclass. ("FLSA Subclass Fund"). The FLSA Subclass Fund shall be allocated among members of the FLSA subclass based on: (1) the total number of weeks worked in excess of 38 hours between June 20, 2009, through the date the Court enters an order preliminarily approving this Agreement; and (2) the average regular rate of pay (total weekly compensation divided by total weekly hours) for each class member. The

proportionate share for each member of the FLSA Subclass shall be equal to the total of: (1) the number workweeks in excess of 38 hours, multiplied by the average regular rate of pay per week; (2) divided by the total number of workweeks, multiplied by the average regular rate of pay for all FLSA Subclass members ((the sum of all workweeks for individual A * the average regular rate) / (the total sum of all workweeks for all individuals * the average regular rate)). Any portion of the settlement funds allocated for settlement payments to Claimants from the Rule 23 Subclass that are not claimed by Rule 23 Subclass members shall first be used to pay the administrative costs of the third-party administrator pursuant to paragraph IV.D.4. The third-party administrator shall return to SWBYP all funds for the Rule 23 Subclass that have not been claimed by the Rule 23 Subclass pursuant to paragraphs IV.B.6-IV.B.10 of this Agreement within 180 days after final approval of this Agreement.

c) SWBYP's payroll records shall be used to determine the number of work weeks and hours worked. After preliminary approval by the Court, SWBYP shall provide the third-party administrator with a complete list of Settlement Class members and the number of the workweeks in excess of 38 and the average regular rate each Settlement Class member. The third-party administrator or some other mutually-agreeable designee shall calculate the amounts to be allocated to each Settlement Class member as described in paragraph IV.E.7.a.

d) Settlement payments made to individual Claimants shall be allocated in each instance as follows: 50 percent to wages and 50 percent to liquidated damages and interest. Claimants shall be solely responsible for the payment of taxes (federal, state, and local) owed as a result of receiving any consideration under this Agreement.

E. Final Approval

1. Following the end of the claims and opt-out periods, the parties shall file a joint motion for final approval of the settlement. The parties shall take all necessary actions to secure final approval of the Agreement. The motion for final approval shall be filed no later than 30 days after the end of the claims and opt-out periods or as otherwise directed by the Court.

2. In the event this Agreement is not approved by the Court, the Agreement shall be null and void in its entirety, unless expressly agreed to in writing by the parties.

F. Delivery Of Settlement Checks

1. Within 20 days after the date of final approval, the third-party administrator shall provide the parties with the final list of Claimants agreed on by the parties that will receive payments under the settlement. The list shall include the following for each Claimant: (a) full name, (b) best known address, (c) social security number, and (d) pro rata share of the Final Settlement Amount based upon the formula in paragraphs IV.D.7.a and IV.D.7.b. The information listed in this paragraph shall remain confidential and be disclosed only to the third-party administrator and to counsel for each party, except as required by taxing authorities or the Court.

2. The third-party administrator shall mail Claimants settlement checks within 30 days after the date of final approval. For any Claimant whose settlement check is returned as undelivered, the third-party administrator shall take reasonable steps to locate the

Claimant and re-mail the check. Plaintiffs' counsel may assist in seeking to locate members of the Settlement Class whose settlement check was returned as undeliverable.

3. Settlement checks which are not presented for payment after 360 days of the mailing date shall be transmitted by the third-party administrator to the unclaimed property fund for each state to which the unclaimed check was mailed. The third-party administrator shall provide notice of transmittal of any unclaimed funds to the designated counsel of each party. The third-party administrator shall issue for each member of the class an IRS for 1099 showing the amount of liquidated damages paid and IRS form W-2 showing the amount of back pay in the year it was paid.

G. Dismissal Of Action With Prejudice

Plaintiffs and Settlement Class members accept the benefits provided herein as consideration in full and complete satisfaction and release of all the claims asserted in the *O'Donnell* litigation or covered in this Agreement. Based upon the provisions herein, plaintiffs and Settlement Class members agree that this action shall be dismissed with prejudice. If the Court does not enter an order dismissing the claims of plaintiffs and the Settlement Class members upon final approval of this Agreement, plaintiffs shall file a stipulation dismissing all the claims in this action with prejudice within 10 days of final approval of this Agreement.

H. Parties' Authority

1. The signatories to this Agreement represent that they are fully authorized to enter into this Agreement and to bind the parties hereto to the terms and conditions of the Agreement.

2. The parties acknowledge that throughout negotiations they have been represented by counsel experienced in wage and hour class litigation and that this Agreement is made with the consent and approval of counsel who have prepared the Agreement.

I. Mutual Full Cooperation

The parties agree to cooperate fully to implement and effectuate the terms of this Agreement including executing all necessary documents.

J. Enforcement Actions

If any party institutes any legal action or other proceeding for the purpose of enforcing this Agreement against any other party, the unsuccessful party shall be required to pay the successful party all reasonable attorney's fees and costs incurred in enforcing the Agreement.

K. Confidentiality And Limitations On Publicity

1. Plaintiffs, Settlement Class members, and their counsel agree to keep the monetary terms of this Agreement confidential to the fullest extent permitted by law, and not to disclose the monetary terms of this settlement to any third parties, except immediate family members and tax and legal advisors. The parties agree that they shall not publicize this

settlement or the events and negotiations surrounding this Agreement in any way prior to final approval of the Agreement except by joint pleadings filed with the Court. Notwithstanding the foregoing, the parties agree that the fact that the parties have reached a settlement of the *O'Donnell* litigation is not confidential, and that the parties may communicate that the action was resolved on a satisfactory basis.

2. If any party believes a statement is made in violation of paragraph IV.K.1, the parties shall meet-and-confer informally in an effort to resolve the dispute. If the dispute cannot be resolved informally, it shall be submitted to the Court for resolution. In the event the Court decides that a violation has occurred, the determination shall be binding and the offending party must immediately cease and desist from making the statement or statements. The prevailing party shall be entitled to an award of reasonable attorney's fees and costs.

L. Modification

This Agreement and its exhibits may not be changed, altered, or modified, except in writing and signed by the parties, and approved by the Court.

M. Entire Agreement

This Agreement and its exhibits constitute the entire agreement between the parties concerning the subject matter hereof. No extrinsic evidence of any kind shall modify or contradict the terms of this Agreement.

N. Voiding The Agreement

1. In the event this Agreement is not approved by the Court, the Agreement shall be null and void in its entirety, unless expressly agreed to in writing by the parties.

2. Notwithstanding the above paragraph, if the Court rejects any portion of IV.K.1 and IV.K.2, the parties agree that such portions shall be removed from the Agreement or modified in a manner consistent with the Court's ruling. The enforceability of the remainder of the Agreement shall not be affected by such removal or modification.

3. If judicial approval of the Agreement is otherwise denied, the parties shall attempt to reach agreement on provisions rejected by the Court for a period not less than 45 days after the date on which approval is denied. The parties shall file a joint motion for a stay of the action during the 45-day period.

O. Counterparts

This Agreement may be executed in counterparts, and when each party has executed at least one counterpart, the counterpart shall be deemed an original, and when taken together, shall constitute on Agreement, which shall be binding and effective as to all parties.

P. Binding on Assigns And Successors

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

Q. Miscellaneous

1. Plaintiffs and their counsel agree that any documents and information exchanged in connection with this settlement is confidential and shall be used solely for purposes of ensuring compliance with the terms of this Agreement.

2. The headings contained in this Agreement are for reference only and are not to be construed as part of the Agreement.

3. The United States District Court for the Eastern District of Missouri shall have jurisdiction to interpret and enforce this Agreement.

4. No party shall be considered a prevailing party for any purpose.

In witness hereof, the parties' duly authorized representatives have executed this Agreement below.

Dated: March 25, 2013

J. Derek Braziel (Pro Hac Vice)
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ATTORNEYS FOR PLAINTIFFS AND THE
SETTLEMENT CLASS

Dated: March 25, 2013

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ATTORNEYS FOR DEFENDANT
SOUTHWESTERN BELL YELLOW PAGES,
INC.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF MISSOURI
EASTERN DIVISION

KYLE O'DONNELL and LISA)	
MATTESON, Individually and on)	
Behalf of All Others Similarly Situated,)	
)	Case No. 4:11-CV-01107(CEJ)
Plaintiffs,)	
)	
v.)	
)	
SOUTHWESTERN BELL YELLOW)	
PAGES, INC. d/b/a AT&T ADVERTISING)	
SOLUTIONS)	
)	
Defendant.)	

NOTICE OF PRELIMINARY APPROVAL OF CONFIDENTIAL SETTLEMENT

TO: FLSA collective action plaintiffs in *O'Donnell v. Southwestern Bell Yellow Pages, Inc.*

You are receiving this notice because you have joined the above-referenced collective action as a plaintiff. The parties have agreed to settle this litigation, and the Court has preliminarily approved the settlement. This notice describes what you must do if you wish to receive your monetary payment in the amount stated below.

Enclosed with this notice is a Claim Form and Release Agreement that includes (1) the settlement amount that you will be paid pursuant to the settlement agreement reached by the parties, and (2) an incorporated waiver and release of any overtime claims that you may have against Southwestern Bell Yellow Pages, Inc. In order to receive the amount identified in the Claim Form and Release Agreement you must:

1. Review the Claim Form and Release Agreement carefully;
2. Sign and date the Claim Form and Release Agreement; and
3. Mail the completed Claim Form and Release Agreement to the following address within 60 days of the notice date below: [ADDRESS OF THIRD-PARTY ADMINISTRATOR]

It is important that you complete and mail the enclosed Claim Form and Release Agreement within 60 days of the notice date listed below. If you fail to mail and postmark the enclosed Claim Form and Release Agreement within 60 days of the date of this notice, your settlement funds cannot be released to you by the claims administrator

NOTICE DATE: _____

NOTICE OF PROPOSED CONFIDENTIAL SETTLEMENT AND RIGHT TO OPT OUT

O'DONNELL V. SOUTHWESTERN BELL YELLOW PAGES, INC., NO. 4:11-CV-01107 (CEJ)

A Federal Court authorized this Notice. This is not a solicitation from a lawyer.

The United States District Court for the Eastern District of Missouri has preliminarily approved a class action settlement in *O'Donnell v. Southwestern Bell Yellow Pages, Inc.*, Case No. 4:11-CV-01107 (CEJ). The Settlement Class members are individuals who worked as SWBYP cyber sales representatives in the Company's Olivette and St. Louis, Missouri call centers between June 20, 2009 and [preliminary approval date].

What Is The Class Action About?

The claims in this case involve SWBYP cyber sales representatives in Missouri who allege they worked more than 40 hours in a week, but did not receive overtime compensation. By entering this agreement, SWBYP denies any wrongdoing or liability. The settlement is an effort by both parties to avoid costly litigation. The Court has not decided who is right in this case. The Settlement Class involves approximately 322 past and present SWBYP cyber sales representatives.

What Are My Rights?

You have the following choices:

<p>SUBMIT A CLAIM FORM AND RELEASE AGREEMENT</p> <p>Postmark Deadline: [60 days after notice mailed]</p>	<p>In order to receive a settlement payment, you <u>must</u> complete, sign, and return the Claim Form and Release Agreement, with an incorporated waiver and release (enclosed with this notice), in the enclosed postage pre-paid envelope by <u>[60 days after notice mailed]</u>. If your Claim Form and Release Agreement is postmarked by the deadline, you will receive a proportionate share of the "Gross Settlement Amount," which will not exceed \$1.1 million, less allocations to attorney's fees and litigation costs and incentive payments for the two named plaintiffs. Your share shall be based on the number of workweeks in which you worked more than 40 hours as a SWBYP cyber sales representative in Missouri during the time period above and on your earnings during that time period. The Estimated Settlement Amount for you is listed on the accompanying Claim Form and Release Agreement.</p> <p><i>If your Claim Form and Release Agreement is not completed and signed, or is not postmarked by the deadline, you will not receive a payment and your claims will be released.</i></p>
<p>DO NOTHING BUT STAY IN THE SETTLEMENT CLASS</p>	<p>By doing nothing, you will remain in the Settlement Class, but you will not be entitled to receive a payment. You will be legally bound by all orders and judgments of the Court, and you will not be able to sue, or continue to sue, SWBYP in any lawsuit relating to any alleged failure to pay overtime to cyber sales</p>

NOTICE OF PROPOSED CONFIDENTIAL SETTLEMENT AND RIGHT TO OPT OUT

O'DONNELL V. SOUTHWESTERN BELL YELLOW PAGES, INC., NO. 4:11-CV-01107 (CEJ)

	representatives during the time period above.
<p>EXCLUDE YOURSELF</p> <p>Postmark Deadline: [45 days after notice mailed]</p>	<p>You may exclude yourself from the Settlement Class. If you do so, you will receive no benefits or payment, you will not be giving up any legal claims you may have against SWBYP, and you will not be bound by any orders or judgments of the Court. To be excluded, you must send a letter to [ADMINISTRATOR ADDRESS] explaining that you want to be excluded from the Settlement Class. The letter should include your name, address, telephone number, and the last four digits of your social security number.</p>
<p>OBJECT AND GO TO A HEARING</p> <p>Postmark Deadline: [45 days after notice mailed]</p>	<p>You may write to the Court at the address below about why you do not like the settlement and, if you plan to attend the hearing, the purpose of your appearance.</p> <p>Clerk of Court, Case No. 4:11-CV-01107 (CEJ) United States District Court for the Eastern District of Missouri, Eastern Division Thomas F. Eagleton Courthouse 111 South 10th Street, Suite 3.300 St. Louis, MO 63102</p> <p>You <u>must</u> also send a copy of your objections to:</p> <p><u>Attorneys for the Settlement Class:</u> J. Derek Braziel LEE & BRAZIEL, LLP 1801 N. Lamar Street, Suite 325 Dallas, TX 75202</p> <p><u>Attorneys for SWBYP:</u> Kelly M. Scindian, Esq. AKIN GUMP STRAUSS HAUER & FELD LLP 1333 New Hampshire Avenue, NW Washington, DC 20036</p> <p><i>The complete rules for objecting and appearing at the Fairness Hearing are contained in the preliminary approval order.</i></p>

Do I Have A Lawyer In The Case?

The Court has appointed attorneys for the Settlement Class (“Class Counsel”). You will not be charged by Class Counsel, but they will receive a payment from the Gross Settlement Amount, not to exceed one-third (1/3) of the Gross Settlement Amount for attorney’s fees and litigation

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costs, upon approval of the Court. If you want to be represented by your own lawyer, you may hire one at your own expense. If you do so, your lawyer must file an appearance in this case.

What Do I Give Up As A Result Of The Settlement?

As part of the settlement, and in consideration for your eligibility to receive an individual settlement amount, you will be releasing SWBYP, its affiliates and subsidiaries from any liability for any wage and hour-related claims concerning or related, directly or indirectly, to the alleged non-payment of overtime compensation to Missouri SWBYP cyber sales representatives from June 20, 2009 to [preliminary approval date].

When Will The Court Decide Whether To Give Final Approval To The Settlement?

The Court will hold a Fairness Hearing at [time] on [date], 2013, in Courtroom [#], 111 South 10th Street, St. Louis, MO 63102. At that time, the Court will review the papers submitted by the parties and any objectors, and hear properly notices witnesses, if any. The Court will decide either at, or after, the Fairness Hearing whether to grant final approval, and will issue a written order of its decision.

May I Attend the Final Approval Hearing?

Yes, any Settlement Class member may attend the hearing. If you object to the settlement, you must submit your objections, along with any supporting documents, and declare your intent to appear, either personally or through an attorney, to the Court and to the attorneys for the Settlement Class and SWBYP by the deadline stated above.

What Happens If The Court Does Not Give Final Approval?

If the Court denies the parties' request for final approval of the settlement agreement, no payments will be made under the settlement and this action will revert to its status immediately prior to the execution of the settlement agreement.

If The Settlement Is Approved, When Will I Receive My Settlement Check?

If the Court grants final approval, the settlement agreement will become effective. If you are eligible for an individual settlement amount, it will be distributed to you within 30 days after the settlement become effective and final.

How Will My Settlement Amount Be Distributed To Me?

If you are eligible for a settlement payment, the settlement administrator will send you two checks. Fifty percent of your settlement amount will be allocated to back pay. This portion of the settlement amount is subject to withholding of federal, state, and local income and payroll taxes, as well as any other required holdings. You will receive an IRS Form W-2 for this payment from the settlement fund. The remaining 50 percent of your settlement amount will be for liquidated damages and interest, and will not be subject to any payroll or income tax withholding unless you are subject to backup withholding or other required withholdings. You will receive an IRS Form 1099 for this second amount.

Who Is Responsible for Paying The Taxes On My Settlement Amount?

Taxes that would normally be withheld from a paycheck will be withheld from the portion of your settlement payment that is considered back wages. You are responsible for paying any

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other taxes due based upon your receipt of the settlement payment. Neither your attorneys nor SWBYP's attorney can provide any advice about such tax payments. You should consult your tax advisor if you have questions about the tax consequences of your individual settlement payments.

Will I Be Retaliated Against for Filing a Claim?

No. State and federal laws prohibit retaliation for participating in a case such as this one.

What If I Have Questions About This Notice Or My Individual Settlement Amount?

If you have questions concerning this notice or concerning your individual settlement amount, you should contact the settlement administrator, [contact name], at (***) ***-****. *You should not contact the Court if you have questions about the settlement or this notice.*

NOTICE DATE: _____

CLAIM FORM AND RELEASE AGREEMENT

O'Donnell v. Southwestern Bell Yellow Pages, Inc., No. 4:11-CV-01107 (CEJ), United States District Court for the Eastern District of Missouri

THE DEADLINE FOR SUBMITTING THIS FORM IS [60 DAYS FROM MAILING OF NOTICE].

This is a Claim Form and Release Agreement to join the settlement of this lawsuit, details of which were in the Notice sent to you. If the settlement is approved, Southwestern Bell Yellow Pages, Inc., now doing business as YP Texas Region Yellow Pages LLC, (collectively "SWBYP") shall pay you the following amount if you return this sign and return this Claim Form and Release Agreement by the deadline above:

Claimant Name: _____

Estimated Settlement Payment Amount (Before Taxes Are Withheld): _____

Pursuant to the Order of the District Court, dated [preliminary approval date], in order to receive payment under the settlement, you must sign this Claim Form and Release Agreement and return it by first-class U.S. mail, postmarked no later than [60 days from notice mailing], 2013, to the following address:

[settlement administrator address]

If you fail to submit a signed Claim Form and Release Agreement, the Claims Administrator cannot release your payment to you (although you will be bound by the provisions of the settlement agreement approved by the Court).

Please do not mail or deliver this form to the Court or to any of the parties or their counsel. In addition, do not telephone the Judge or Clerk of the Court or any representative of SWBYP about this form.

RELEASE OF CLAIMS

By signing, I certify that I was employed in Missouri by SWBYP as a cyber sales representative during the period May 17, 2009 through May 17, 2012.

By signing, I further agree on behalf of myself and my heirs, descendants, dependents, executors, administrators, successors, and assigns, to fully and finally release and discharge SWBYP, YP Texas Region Yellow Pages LLC, and YP LLC, their prior and present subsidiaries, affiliates, parents, predecessors, successors, representatives, officers, directors, agents, attorneys, accountants, assigns, and employees, in their personal, individual, official, and/or corporate capacities, from any and all claims and rights of any kind that I may have, whether known or unknown, whether contingent or non-contingent, whether specifically asserted or not, arising through the date of preliminary approval by the Court and arising under the Fair Labor Standards Act, Missouri Rev. Stat. § 290.500, *et seq.*, the Employee Retirement Income Security Act, and any other local, state, and federal laws, including all wage and hour, common, contract, and tort laws, that are based upon or related to any alleged overtime claims of current and former SWBYP cyber sales representatives who worked at SWBYP's Olivette or St. Louis, Missouri call centers, including, but not limited to, claims for penalties, interest, liquidated damages, litigation costs, and attorney's fees (collectively "Released Claims"). Released claims shall not

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include claims for retaliation, discrimination, tort, disability, or any other claims unrelated to wage-and-hour-related claims.

By signing, I

1. Agree to keep the monetary terms of this settlement agreement confidential, except that I may disclose the monetary terms of this agreement to my immediate family members and any tax, financial, or legal professionals that I may retain;
2. Acknowledge that SWBYP's agreement to settle and any payment I receive is not an admission of liability or an acknowledge of any violation of any law or statute; and

By signing, I acknowledge that I have had the opportunity to review this Claim Form and Release Agreement and that I understand and voluntarily agree to its terms.

Print Name (First, Middle, Last)	Signature
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Date: _____

Claimant Identification

Please make any name/address corrections below:

<<First>> <<Last>>

<<Address1>>

<<Address2>>

<<City>>, <<State>> <<Zip>>

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THE DEADLINE FOR SUBMITTING THIS FORM IS [60 DAYS FROM MAILING OF NOTICE].

This is a Claim Form and Release Agreement to join the settlement of this lawsuit, details of which were in the Notice sent to you. If the settlement is approved, Southwestern Bell Yellow Pages, Inc., now doing business as YP Texas Region Yellow Pages LLC, (collective "SWBYP") shall pay you the following amount if you return this sign and return this Claim Form and Release Agreement by the deadline above:

Claimant Name: _____

Estimated Settlement Payment Amount (Before Taxes Are Withheld): _____

Pursuant to the Order of the District Court, dated [preliminary approval date], in order to receive payment under the settlement, you must sign this Claim Form and Release Agreement and return it by first-class U.S. mail, postmarked no later than [60 days from mailing of notice], 2013, to the following address:

[settlement administrator address]

If you fail to submit a signed Claim Form and Release Agreement by the due date listed above, your claim will be rejected and you will not receive any payment in connection with the settlement (although you will be bound by the provisions of the settlement agreement approved by the Court).

Please do not mail or deliver this form to the Court or to any of the parties or their counsel. In addition, do not telephone the Judge or Clerk of the Court or any representative of SWBYP about this form.

RELEASE OF CLAIMS

By signing, I certify that I was employed in Missouri by SWBYP as a cyber sales representative during the period June 20, 2009 through [date of pre-approval].

By signing, I further agree on behalf of myself and my heirs, descendants, dependents, executors, administrators, successors, and assigns, to fully and finally release and discharge SWBYP, YP Texas Region Yellow Pages LLC, and YP LLC, their prior and present subsidiaries, affiliates, parents, predecessors, successors, representatives, officers, directors, agents, attorneys, accountants, assigns, and employees, in their personal, individual, official, and/or corporate capacities, from any and all claims and rights of any kind that I may have, whether known or unknown, whether contingent or non-contingent, whether specifically asserted or not, arising through the date of preliminary approval by the Court and arising under the Fair Labor Standards Act, Missouri Rev. Stat. § 290.500, *et seq.*, the Employee Retirement Income Security Act, and any other local, state, and federal laws, including all wage and hour, common, contract, and tort laws, that are based upon or related to any alleged overtime claims of current and former SWBYP cyber sales representatives who worked at SWBYP's Olivette or St. Louis, Missouri call centers, including, but not limited to, claims for penalties, interest, liquidated damages,

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litigation costs, and attorney's fees (collectively "Released Claims"). Released claims shall not include claims for retaliation, discrimination, tort, disability, or any other claims that are unrelated to wage-and-hour-related claims.

By signing, I

1. Agree to keep the monetary terms of this settlement agreement confidential, except that I may disclose the monetary terms of this agreement to my immediate family members and any tax, financial, or legal professionals that I may retain;
2. Acknowledge that SWBYP's agreement to settle and any payment I receive is not an admission of liability or an acknowledge of any violation of any law or statute; and

By signing, I acknowledge that I have had the opportunity to review this Claim Form and Release Agreement and that I understand and voluntarily agree to its terms.

Print Name (First, Middle, Last)	Signature
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Date: _____

Claimant Identification

Please make any name/address corrections below:

<<First>> <<Last>>

<<Address1>>

<<Address2>>

<<City>>, <<State>> <<Zip>>
