

CLASS ACTION SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Class Action Settlement Agreement and General Release (“Settlement Agreement”) is entered into, for good and valuable consideration, by and between John Tauchman and Chris Tauchman, successors in interest to Terry Tauchman (the named plaintiff in *Tauchman v. Outerwall, Inc.* (Case No. 34-2013-00154815, Sacramento Sup. Ct.) (collectively referred to as “Tauchman”) and Melvin Lockett (the named plaintiff in *Lockett v. Outerwall, Inc., et. al.* (Case No. BC569423, Los Angeles Sup. Ct.)) (jointly, “Plaintiffs”), on behalf of themselves and the members of the Settlement Class (as defined herein), with the assistance and approval of Class Counsel (as defined herein), on the one hand, and Outerwall Inc. (as defined herein), with the assistance of their counsel of record in the Tauchman Litigation and Lockett Litigation (as those terms are defined herein), on the other hand. The parties agree that the Tauchman Litigation, the Lockett Litigation, and the Released Claims (as defined herein) shall be fully and finally compromised, settled and released, and dismissed with prejudice upon the terms and conditions as set forth herein.

RECITALS

1. The Tauchman Litigation was commenced by Terry Tauchman on November 18, 2013, individually and on behalf of an alleged class of persons defined as “all non-exempt employees of Defendant[] who worked in California as Coinstar technicians during the period from November 18, 2009 to the present.” The Tauchman Litigation is currently pending;

2. On September 28, 2015, the named plaintiff in the Tauchman Litigation, Terry Tauchman, passed away. On June 10, 2016, the Court in the Tauchman Litigation entered an order appointing John Tauchman and Chris Tauchman as successors in interest to Terry Tauchman.

3. The Lockett Litigation was commenced by Lockett on January 14, 2015 (subsequent to the Tauchman Litigation), individually and on behalf of an alleged class of persons, with the settlement class defined as “all non-exempt employees of Defendant[] who

worked in California during the period from January 14, 2011 to the present,” excluding Tauchman class members. The Lockett Litigation is currently stayed, pursuant to an order by Hon. Kenneth R. Freeman of the Los Angeles Superior Court, pending resolution of the Tauchman Litigation;

4. In the Tauchman Litigation and Lockett Litigation, both Plaintiffs allege, and Outerwall denies, that Plaintiffs were not properly paid wages due under the California Labor Code including overtime, meal period premiums, rest period premiums, business expenses or minimum wage; were not paid wages or final wages in a timely manner; and did not receive vacation wages or proper wage statements. Plaintiffs further allege and Defendant denies that it failed to keep payroll records; did not pay wages set by a statute or contract; and engaged in unfair business practices;

5. Outerwall contends that Plaintiff Lockett cannot proceed as a member of the putative class in the Lockett Litigation because he is included within the putative class definition in the Tauchman Litigation, and that the class definition in the Lockett Litigation overlaps with the class definition in Tauchman Litigation;

6. Outerwall denies all of Plaintiffs’ claims and allegations of non-compliance, denies any and all liability to Plaintiffs or any putative member of the alleged or proposed classes, denies wrongdoing of any and every kind, contends that it complied at all times with the California Labor Code, and contends that the Tauchman Litigation and Lockett Litigation are neither meritorious nor appropriate for class treatment other than for purposes of settlement;

7. Plaintiffs and Outerwall agree that it is desirable that the Tauchman Litigation and Lockett Litigation be settled upon the terms and conditions set forth below to avoid further expense and uncertainty, burdensome and potentially protracted litigation, and to resolve all claims that have been or could have been asserted; and

8. The parties have engaged in arm’s-length settlement negotiations for an extended period, including mediation with the Hon. Ronald M. Sabraw (Ret.) at JAMS on December 16, 2014. Class Counsel represent that they have conducted a thorough study and investigation of

the law and the facts relating to the claims that have been or might have been asserted in the Tauchman Litigation and Lockett Litigation, including extensive review of information and documents obtained in discovery on the issues and claims, and have concluded, taking into account the benefits that Plaintiffs and the members of the Settlement Class will receive as a result of this Settlement Agreement and the risks and delays of further litigation, that this Settlement Agreement is fair, reasonable and adequate, and in the best interests of Plaintiffs and the Settlement Class;

NOW THEREFORE, intending to be legally bound and acknowledging the sufficiency of the consideration and undertakings set forth in this Settlement Agreement, the parties agree through their counsel, subject to approval by the Court of the provisions contained in this Settlement Agreement, that the Tauchman Litigation and Lockett Litigation shall be fully and finally settled and released, and dismissed with prejudice on the terms set forth below.

TERMS OF SETTLEMENT

1. **Conditional Nature of Settlement Agreement.** This Settlement Agreement, including all associated exhibits and attachments, is made solely for the purpose of resolving all claims in the Tauchman Litigation and Lockett Litigation and is made in compromise of disputed claims. The Settlement Agreement is intended to fully, finally, and forever resolve, discharge, and settle the Released Claims (defined herein) based on and subject to the terms and conditions set forth in this Settlement Agreement. Because both the Tauchman Litigation and Lockett Litigation were pled as class actions, this Settlement Agreement must be court-approved. The parties anticipate that they will do the following: (i) submit a proposed stipulation and order in the Tauchman Litigation to add Melvin Lockett as a named plaintiff for purposes of the Settlement Class; and (ii) submit a dismissal with prejudice of the Lockett Litigation within five court days of the Effective Date. Should the dismissal with prejudice not effect a full dismissal of the Lockett Litigation, then Plaintiffs agree to take the necessary steps to ensure the full dismissal of the Lockett Litigation.

2. **Effect of Disapproval.** In the event that the Court in the Tauchman Litigation does not execute and file the Order of Final Approval (as defined herein) or in the event that the court in the Lockett Litigation does not dismiss the Lockett Litigation, or in the event that the associated judgment is not entered or does not become Final for any reason, this Settlement Agreement shall be deemed null and void *ab initio*; it shall be of no force or effect whatsoever; it shall not be referred to or utilized for any purpose whatsoever; and any negotiations, terms and entry of the Settlement Agreement shall remain subject to the provisions of Section 1152 of the Evidence Code of the State of California and any similar state or federal law.

3. **Denial of Liability; No Admissions.** Outerwall denies all of the claims as to liability, damages, penalties, interest, fees, restitution and all forms of injunctive and declaratory relief as well as the class action allegations asserted in the Tauchman Litigation and Lockett Litigation. Neither this Settlement Agreement, nor any of its terms and provisions, nor any of the negotiations connected with it, shall be construed as an admission or concession by Outerwall of any legal violations, any legal requirement or any failure to comply with any applicable law. Except as necessary in a proceeding to enforce the terms of this Settlement Agreement, this Settlement Agreement and its terms and provisions shall not be offered or received as evidence in any action or proceeding to establish any liability or admission on the part of Outerwall or to establish any condition constituting a violation of or non-compliance with federal, state, local or other applicable law, or the propriety of class certification in any proceeding or action. The parties expressly agree and represent that, in the event that the Court does not approve the Settlement Agreement, or any appellate court disapproves of the Settlement Agreement in any way that prevents the settlement from becoming final and effective, or the court in the Lockett Litigation does not dismiss the Lockett Litigation, no party will use or attempt to use any conduct or statement of any other party in connection with this Settlement Agreement or any effort to seek approval of the settlement to affect or prejudice any other party's rights in any ensuing litigation. Outerwall has agreed to resolve the Tauchman Litigation and Lockett Litigation through this Settlement Agreement, but to the extent this Settlement

Agreement is deemed void or the Effective Date does not occur, Outerwall does not waive, but rather expressly reserves, all rights to challenge all such claims and allegations in the Tauchman Litigation and Lockett Litigation upon all procedural and factual grounds, including without limitation the ability to challenge class action treatment on any grounds or assert any and all defenses or privileges. Outerwall expressly reserves all rights and defenses as to any claims and does not waive any such rights or defenses in the event that the Settlement Agreement is not approved for any reason. Plaintiffs and Class Counsel agree that Outerwall retains and reserves these rights and agree not to take a position to the contrary; specifically the Plaintiffs and Class Counsel agree not to argue or present any argument, and hereby waive any argument, that Outerwall could not contest class certification on any grounds if the Tauchman Litigation and Lockett Litigation, or either of them, were to proceed.

4. Definitions.

As used in all parts of this Settlement Agreement, the following terms have the meanings specified below:

4.1. “Administration Fees” means fees associated with the work of the Settlement Administrator for the purpose of coordinating notice, issuing and mailing checks and reporting payments to the IRS and to members of the Settlement Class, *i.e.*, all administrative duties required by this Settlement Agreement.

4.2. “Settlement Class” or “Class” means, for purposes of this Settlement Agreement, all California Coinstar Technicians and Service Representatives of Defendant employed during the Class Period who serviced Coinstar Kiosks and did not already release their claims individually. Outerwall represents that there are currently sixteen (16) members of the Settlement Class including the Plaintiffs. For purposes of this Settlement Agreement, the Settlement Class shall be the same for the Tauchman Litigation and the Lockett Litigation.

4.3. “Class Counsel” means the law firms of Justice Law Corporation and Law Offices of Kenneth H. Yoon. Class Counsel were and are counsel of record in both the Tauchman Litigation and Lockett Litigation.

4.4. “Class Period” means the time frame from November 18, 2009 until the date the Court grants preliminary approval of this settlement.

4.5. “Class Representative” means Terry Tauchman and/or Melvin Lockett.

4.6. “Court” means the Sacramento County Superior Court (Hon. Alan G. Perkins, presiding) overseeing the Tauchman Litigation who will oversee approval of the Settlement Agreement and dismissal of the Tauchman Litigation;

4.7. “Effective Date” means the date on which the judgment becomes Final, unless there are no objections to the settlement, in which case the Effective Date will be the date of entry of judgment.

4.8. “Final” means the latest of: (i) the date of final affirmance of the last pending appeal of the judgment; (ii) the date of final dismissal with prejudice of the last pending appeal from the judgment; or (iii) if no appeal is filed, the expiration date of the time for the filing or noticing of any form of valid appeal from the judgment.

4.9. “Final Approval” means the approval of this Settlement Agreement by the Court under Rule 3.769 of the California Rules of Court after Notice of Class Action Settlement and a Settlement Hearing.

4.10. “Kiosk” means a Coinstar-branded automatic coin-counting kiosk.

4.11. “Lockett Litigation” means the lawsuit captioned *Lockett v. Outerwall, Inc., et. al.*, Case No. BC569423 in the Superior Court of California, County of Los Angeles.

4.12. “Notice” or “Class Notice” means notice of this Settlement Agreement as provided in Section 11 herein, including Notice of Class Action Settlement regarding the terms of this Settlement Agreement, attached as **Exhibit 1** or materially identical thereto and objection procedures pursuant to Section 11 herein.

4.13. “Notice of Class Action Settlement” means the same as “Notice” or “Class Notice”.

4.14. “Order of Final Approval” means the Court’s written order issuing approval of this Settlement Agreement under Rule 3.769 of the California Rules of Court after Notice of Class Action Settlement and a Settlement Hearing.

4.15. “Outerwall” or “Defendant” means Outerwall Inc. and any of its directors, officers, employees, partners, principals, shareholders, attorneys, accountants, auditors, advisors, consultants, personal or legal representatives, insurers, predecessors, successors, parents, subsidiaries, affiliates, divisions, agents, assigns, and related or affiliated entities of Outerwall Inc.

4.16. “Preliminary Approval” means the initial approval by the Court of the terms of this Settlement Agreement, which shall occur prior to any Notice being provided to the Settlement Class in accordance with Section 11 herein. A draft Proposed Order Granting Motion for Preliminary Approval of Class Settlement is provided here as **Exhibit 2**.

4.17. “Released Parties” means Outerwall and all its past, present, and future parent companies, subsidiaries, affiliates, divisions, and agents, and all of their respective employees, members, officers, directors, partners, legal representatives, accountants, trustees, administrators, real or alleged alter egos, predecessors, successors, transferees, assigns, and insurers.

4.18. “Released Claims” means, individually and collectively, any and all claims and causes of action, whether known or unknown, and asserted or not asserted in the original and First Amended Complaint, which were asserted or could have been asserted in the Litigation or otherwise (such as wage claims with the Labor Commissioner) against Released Parties under the California Labor Code provisions that govern wages and expenses, IWC wage orders, any other state laws governing the payment of wages and/or expenses to workers in any classification, and any other state or federal statute, regulation or rule, that governs payment of wages and/or reimbursement of business and work expenses. “Released Claims” also includes any cause or causes of action for alleged failure to pay wages while employed by Outerwall, including but not limited to overtime, on-call, or waiting time pay, or minimum wages; failure to

provide meal periods and/or rest breaks; failure to accurately calculate wages, failure to pay vacation wages on termination, failure to keep records, failure to pay wages on termination, failure to timely pay any compensation earned, and “misclassification,” up to and including the Effective Date of this Settlement Agreement. No claims for wages or business expense reimbursement or claims that were asserted in the Complaints can be asserted, filed, or prosecuted by the Settlement Class members in the future regarding the class period after this Settlement Agreement becomes effective.

4.19. “Settlement Administrator” means a third party administrator selected by Plaintiffs for the purpose of coordinating notice, issuing and mailing checks and reporting payments to the IRS and to members of the Settlement Class, *i.e.*, all administrative duties required by this Settlement Agreement to ensure compliance with the terms of settlement.

4.20. “Settlement Agreement” means this Class Action Settlement Agreement and General Release, and all of its attachments and exhibits, which the parties understand and agree sets forth all material terms and conditions of the settlement between them and which is subject to Court approval. It is understood and agreed that Outerwall’s obligation to implement the relief contemplated by this Settlement Agreement is contingent upon the Court’s approval of the Settlement Agreement and consequent triggering of the Effective Date. Also, it is understood and agreed that Outerwall’s obligation to pay Class Counsels’ fees and costs is conditioned upon the Court’s Final Approval of the Settlement Agreement.

4.21. “Settlement Hearing” means a hearing set by the Court for the purpose of (i) determining the fairness, adequacy and reasonableness of the Settlement Agreement and associated settlement pursuant to class action procedures and requirements; and (ii) entering judgment.

4.22. “Tauchman Litigation” means the lawsuit captioned *Tauchman v. Outerwall, Inc.*, Case No. 34-2013-00154815 in the Superior Court of California, County of Sacramento.

5. **Settlement Amount and Payment.** In consideration for release of all Released Claims of the Settlement Class against Outerwall (as described more fully in Section 9, below), Outerwall agrees to pay a total of One-hundred seventeen thousand and five hundred dollars (\$117,500) (“Settlement Amount”), which shall settle all pending issues including, but not limited to, dismissal of the Lockett Litigation, all payments of class claims, individual settlement claims, attorneys’ fees, costs and expenses awarded by the Court, incentive payments awarded by the Court, the costs of notice and administration of the settlement, and, as set forth below, if applicable, payment to the designated charitable institution. This Settlement Amount is being paid on a non-reversionary basis. The payments are not being made for any other purpose than as stated herein. The Settlement Amount shall be divided as set forth below:

a. Each member of the Class will be provided with a court approved Notice of Class Action Settlement describing the terms of the settlement and their individual Settlement Amount, setting forth the amount to be awarded to each individual member of the Class. Unless the member of the Class opts out from the settlement, they will be mailed their individual Settlement Amount. The Settlement Amount has been determined for each member based on their tenure with Outerwall. The sixteen members of the Class, including Tauchman and Lockett, shall be paid the amounts below, for a total of \$21,229.14.

- \$687.50
- \$729.16
- \$875.00
- \$895.84
- \$1,041.66
- \$1,145.84
- \$1,166.66
- \$1,229.16

- \$1,354.16
 - \$1,541.66
 - \$1,562.50
 - \$1,645.84
 - \$1,812.50
 - \$1,812.50
 - \$1,812.50
 - \$1,916.66
- b. Class Counsel shall seek approval from the Court for Tauchman and Lockett to each be paid a reasonable incentive compensation of up to \$3,500.00 each (\$7,000.00 total). Defendant will not oppose the application for reasonable incentive compensation of up to \$3,500.00 each (\$7,000.00 total).
- c. Counsel shall seek approval from the Court for an award of attorneys' fees of up to \$65,000.00. Defendant will not oppose an application for a reasonable award of attorneys' fees of up to \$65,000.00.
- d. Defendant will agree to pay up to \$23,270.86 for costs incurred and to be incurred by Class Counsel, which includes the cost of Administration Fees. Class Counsel shall apply to the Court for an award of costs. Defendant will not oppose an application for a reasonable combined award of costs not to exceed \$23,270.86.
- e. Pursuant to the Private Attorneys General Act of 2004, a payment in the amount of \$1,000 for alleged Labor Code violations shall be paid out by Defendant, 75% (or \$750) of which shall be paid to the California Labor and Workforce Development Agency ("LWDA") and 25% (or \$250) will be distributed to members of the Class on a pro rata basis.

- f. To the extent the Court grants the motion for preliminary approval but approves less than the above-stated amounts in any category (costs, attorneys' fees, incentive compensation, and/or the PAGA payment), the difference between the approved amount and the amounts to be requested per this Settlement Agreement shall instead be directed to the Legal Services of Northern California serving Sacramento County as a *cy pres* recipient.

6. **Dismissal of *Lockett* Litigation and Entry of Judgment in *Tauchman***

Litigation. Lockett and Class Counsel shall take all necessary steps to dismiss the Lockett Litigation with prejudice pursuant to California Rule of Court 3.770 in connection with Final Approval of this Settlement Agreement as ordered by the Court. For purposes of this Settlement Agreement, Lockett shall be considered a member of the Class in the Tauchman Litigation, as the intention is to file a stipulation to add Mr. Lockett as a plaintiff. Any individual Settlement Amount and/or incentive compensation to be paid by Defendant to Lockett shall be in his capacity as a member of the Settlement Class in the Tauchman Litigation. The Class Representative and Class Counsel shall work to affect entry of judgment in the Tauchman Litigation to be effective upon Final Approval.

7. **Uncashed Checks.** All settlement checks shall expire after 180 days of initial issuance. If any checks remain uncashed or not deposited by the expiration of the 180 days, the Settlement Administrator will pay the funds represented by such un-redeemed checks to the California Department of Industrial Relations pursuant to California unclaimed property law, with an identification of each member of the Class to whom the funds belong.

8. **Taxes.** The Settlement Administrator will make wage deductions and report payments on IRS Forms W-2 and 1099 as appropriate. The parties allocate the individual Settlement Amounts as follows: 25% to wages, 75% to interest and penalties. Members of the Settlement Class shall be responsible for the payment of any taxes attributable to such payments.

9. **Release and Waiver.** Upon the Effective Date, the Plaintiffs, the Class Representative and each of the members of the Class of the Tauchman Litigation and Lockett Litigation (for themselves and their respective heirs, executors, administrators, affiliates, successors and assigns) shall be deemed to have, and by operation of the judgment shall have, fully, finally, and forever released, dismissed with prejudice, relinquished and discharged all Released Claims. The Plaintiffs, Class Representative and each member of the Settlement Class may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Released Claims, but the Plaintiffs, Class Representative and each member of the Settlement Class, upon the Effective Date, shall be deemed to have, and by operation of the judgment shall have, fully, finally, and forever settled, waived, and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which then exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, reckless, intentional, with or without malice, or a breach of any duty, law, regulation or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Plaintiffs and Class Representative acknowledge, and the members of the Settlement Class shall be deemed by operation of the judgment to have acknowledged, that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part. Claims that cannot be released as a matter of law are excluded from the scope of this release.

10. **Named Plaintiffs Release.** In addition to the releases made by members of the Settlement Class, Terry Tauchman and Melvin Lockett make the additional following general release of all claims, known or unknown, in exchange and consideration of the payments set forth above. These named Plaintiffs agree to a general release of Outerwall from all claims, demands, rights, liabilities, grievances, demands for arbitration, and causes of action of every nature and description whatsoever, known or unknown, pending or threatened, asserted or that might have been asserted, whether brought in tort or in contract, whether under state or federal or

local law. This general release includes all employment-related and non-employment-related claims, whether known or unknown, arising during the Class Period.

Except as otherwise specifically provided under this Settlement Agreement, the named Plaintiffs, for themselves and the Settlement Class, expressly waive and relinquish all rights and benefits afforded by Section 1542 of the Civil Code of the State of California, which states:

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

11. **Preliminary Approval, Notice to the Settlement Class, and Objections.**

11.1. Promptly after execution of this Settlement Agreement, the parties shall (1) jointly file the Settlement Agreement, including its attachments, with the Court; and (2) file a joint motion for Preliminary Approval of the Settlement Agreement with the Court.

11.2. Notice Procedures. No later than 15 calendar days after entry of Preliminary Approval, Outerwall will provide to the Settlement Administrator all of the following information about each member of the Class in a format requested by the Settlement Administrator: (1) name, (2) last known mailing address and telephone number(s), (3) social security number, (4) dates of employment as a member of the Class; and (5) individual Settlement Amount. Before notice is mailed, the Settlement Administrator will conduct a search of all addresses of members of the Class using the National Change of Address database to obtain current addresses. Within 10 calendar days after receipt of the list of members of the Class from Defendant the Settlement Administrator will send a Court approved Notice of Class Action Settlement, attached as **Exhibit 1**, to each member of the Class by first class mail. The Notice of Class Action Settlement will provide the Settlement Class with all information

required to be provided as part of a California class action settlement. For members of the Settlement Class whose notice is returned to the Settlement Administrator undelivered there will be an additional attempt to secure a correct address using “skip tracing” and, if such “skip tracing” is successful, a subsequent notice shall be sent to the new address within seven calendar days of receipt of the returned mail, and if such “skip tracing” is unsuccessful, another notice shall be sent to the original address within seven calendar days of receipt of the returned mail.

11.3. The Settlement Administrator make available to members of the Settlement Class by posting on their website the settlement documents and information including the final judgment in satisfaction with California Rules of Court, Rule 3.771(b).

11.4. The Notice of Class Action Settlement shall provide members of the Class with the actual dollar figure for their individual Settlement Amount that will be mailed to them if they do not opt out of the settlement.

11.5. At least fourteen (14) days before the Settlement Hearing, Class Counsel will provide a declaration to the Court, attesting that notice was provided consistent with this Settlement Agreement.

11.6. Opt Out Procedure: Members of the Settlement Class shall have 30 days from the distribution of the Notice of Class Action Settlement (and in the case of a re-mailed Notice, 30 days from the original distribution or 14 days from the date of re-mailing, whichever is greater) to request to opt out. To be valid, a written request to opt out must: (1) state the member’s name, address and telephone number; (2) that the member wishes to opt out from the settlement; (3) be signed by the member; and (4) be timely mailed by first-class postage pre-paid to the Settlement Administrator. The date of the post-mark will determine if it was timely mailed.

11.7. Objection Procedure: The Notice of Class Action Settlement shall provide that any member of the Settlement Class who objects to the settlement must serve on the Settlement Administrator a written statement objecting to the settlement and/or a written notice of intention to appear at the Final Approval hearing and object at that time. Such written

statement or notice must be served on the Settlement Administrator within 30 calendar days following the date of the Notice (and in the case of a re-mailed Notice, 30 days from the original distribution or 14 days from the date of re-mailing, whichever is greater). Members of the Settlement Class who fail to serve timely written objections and/or notice of intention to appear and object in the manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by appeal or otherwise) to the settlement. If both an objection and a valid and timely opt out request is received from the same person, the opt out request will be accepted and the objection will be rejected. Members of the Class may not dispute their individual Settlement Amount. Members of the Class may elect to opt out of the settlement, object to the entire settlement as set forth above, or accept all terms.

11.8. All disputes relating to the Settlement Administrator's ability and need to perform duties shall be referred to the Court, if necessary, which will have continuing jurisdiction over this Settlement Agreement until all obligations contemplated by the Settlement Agreement have been fully carried out.

12. **Motion for Final Approval--Tauchman.** Prior to the Settlement Hearing and consistent with the rules established by the Court, the parties shall jointly move the Court for entry of the Order of Final Approval (and the associated entry of judgment). Also prior to the Settlement Hearing, Class Counsel shall file a motion for fees and costs, consistent with this Settlement Agreement. The Class Representative and Class Counsel shall be responsible for justifying the agreed upon payments set forth in this Settlement Agreement. To the extent possible, the motion seeking entry of the Order of Final Approval shall be noticed for the same day as the Settlement Hearing. The parties shall take all reasonable efforts to secure entry of the Order of Final Approval. If the Court rejects the settlement, fails to enter the Order of Final Approval, or fails to enter the judgment, this Settlement Agreement shall be void *ab initio* in accordance with Section 2, *supra*.

13. **Motion for Dismissal--Lockett.** In accordance with the procedures set out in Sections 1 and 6, *supra*, the parties shall secure dismissal of the Lockett Litigation with prejudice

in connection with entry of the Order of Final Approval in the Tauchman Litigation, at such time as the court in the Lockett Litigation may direct. As such, if the court in the Lockett Litigation fails for any reason to dismiss the case with prejudice, this Settlement Agreement shall be void *ab initio* in accordance with Section 2, *supra*.

14. **Termination of Settlement.** In the event that the Settlement Agreement is not approved by the Court or the Settlement Agreement is terminated, cancelled, declared void or fails to become effective in accordance with its terms, or if the judgment does not become Final, or to the extent termination, cancellation or voiding of the Settlement Agreement is otherwise provided, no payments shall be made or distributed to anyone in accordance with the terms of this Settlement Agreement. The parties will bear their own costs and fees with regard to the efforts to obtain Court approval, except Plaintiffs shall be responsible for Administration Fees, and this Settlement Agreement shall be deemed null and void with no effect on the Tauchman Litigation or Lockett Litigation whatsoever. In such event, the terms and provisions of the Settlement Agreement shall have no further force and effect with respect to the parties and shall not be used in the Tauchman Litigation, Lockett Litigation, or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Settlement Agreement shall be treated as vacated, *nunc pro tunc*.

15. **Funding of Settlement and Distribution of Settlement Funds.** Within 10 business days of the Effective Date, Outerwall shall complete transfer of the Settlement Amount to the Settlement Administrator including all fees and costs awarded to Class Counsel. Funds shall be distributed to the Settlement Class, Class Counsel, and the named Plaintiffs within 10 business days after the funding of the settlement.

16. Miscellaneous Provisions.

16.1. The parties (a) acknowledge that it is their intent to consummate this Settlement Agreement; and (b) agree to cooperate to the extent reasonably necessary to effect and implement all terms and conditions of the Settlement Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of the Settlement Agreement.

16.2. The Settlement Agreement compromises claims which are contested in good faith, and it shall not be deemed an admission by any of the parties as to the merits of any claim or defense. The parties agree that the amounts paid in accordance with the Settlement Agreement and the other terms of the settlement were negotiated in good faith by the parties, and reflect a settlement that was reached voluntarily after consultation with competent and experienced legal counsel.

16.3. Neither the Settlement Agreement, nor any act performed or document executed pursuant to, or in furtherance of the Settlement Agreement: (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of Outerwall; or (b) is or may be deemed to be or may be used as an admission of, or evidence of any fault, liability, or omission of Outerwall, in any civil, criminal or administrative proceeding in any court, administrative agency or other tribunal.

16.4. All of the attachments to the Settlement Agreement are material and integral parts hereof and are fully incorporated herein by this reference.

16.5. Except as otherwise provided in this Settlement Agreement, each party shall bear its or their own attorneys' fees and costs.

16.6. The Settlement Agreement constitutes the entire agreement between and among the parties to the Tauchman Litigation and Lockett Litigation and no representations, warranties or inducements have been made to any party concerning the Settlement Agreement or its exhibits other than the representations, warranties and covenants contained and memorialized in such documents. This Settlement Agreement supersedes any and all prior oral or written understandings, agreements, and arrangements between the parties with respect to the settlement

of the Tauchman Litigation, Lockett Litigation, and the Released Claims. Except those set forth expressly in this Settlement Agreement, there are no other agreements, covenants, promises, representations, or arrangements between the parties with respect to the settlement of the Tauchman Litigation, Lockett Litigation, and the Released Claims. This Settlement Agreement may be altered, amended, modified, or waived, in whole or in part, only by a writing signed by all parties to this Settlement Agreement, and may not be altered, amended, modified, or waived, in whole or in part, orally or by an unsigned writing of any kind.

16.7. Class Counsel, on behalf of the Class, are expressly authorized by the Class Representative and Plaintiffs to take all appropriate action required or permitted to be taken by the Class pursuant to the Settlement Agreement to effect its terms, and also are expressly authorized to enter into any modifications or amendments to the Settlement Agreement on behalf of the Class which they deem appropriate. Each party to this Settlement Agreement warrants that he, she, or it is acting upon his, her, or its independent judgment and/or upon the advice of his, her, or its own counsel, and is not acting in reliance upon any warranty or representation, express or implied, of any nature or kind by any other party, other than the warranties and representations expressly made in writing in this Settlement Agreement.

16.8. Each counsel or other person executing the Settlement Agreement or any of the attachments on behalf of any party hereto hereby warrants that such person has the full authority to do so.

16.9. The Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument.

16.10. This Settlement Agreement shall be binding upon, and inure to the benefit of, the heirs, administrators, executors, successors and assigns of the parties hereto; but otherwise this Settlement Agreement is not designed to and does not create any type of third party beneficiaries.

16.11. The parties agree that this Settlement Agreement shall be binding and enforceable pursuant to California Code of Civil Procedure Section 664.6, with any disputes

reviewable by the Court in which the action was brought. The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of the Settlement Agreement, and all parties hereto submit to the jurisdiction of the Court for purposes of implementing and enforcing the settlement embodied in the Settlement Agreement.

16.12. The Settlement Agreement and the exhibits hereto shall be considered to have been negotiated, executed and delivered, and to have been wholly performed, in the State of California, and the rights and obligations of the parties to the Settlement Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of California without giving effect to the State of California's choice of law principles.

16.13. The language of all parts of this Settlement Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against either party. No party shall be deemed the drafter of this Settlement Agreement. The parties acknowledge that the terms of the Settlement Agreement are contractual and are the product of negotiations between the parties and their counsel. The parties and their counsel cooperated in the drafting and preparation of the Settlement Agreement. In any construction to be made of the Settlement Agreement, the Settlement Agreement shall not be construed against any party. Any canon of contract interpretation to the contrary, under the law of any state, shall not be applied.

16.14. The Class Representative, the Plaintiffs, and Class Counsel shall not directly or indirectly cause any aspect of the Tauchman Litigation, the Lockett Litigation, or the terms of this Settlement Agreement to be reported to the media or news reporting services or to be made public in any manner except as necessary to reach final resolution and dismissal (*i.e.*, filing papers and motions with the Court necessary to obtain good faith settlement approval; court appearances including motion hearings attendant to effectuating the settlement, class administration, and dismissal; and effectuating and facilitating required notices to the Class including communications with claims administrators and members of the Class members). The parties, Class Counsel, and defense counsel of record further agree that none of them will post commentary about this settlement or the terms of this Settlement Agreement on any social media

website, or through any on-line or print media outlet, or in any article or blog, and that neither Class Counsel nor defense counsel of record shall list or reference the Tauchman Litigation or Lockett Litigation by case name or by reference to the parties, specifically including Defendant Outerwall (and “Coinstar”), on any law firm website or law firm advertisement, article, or commentary, at any time. The parties acknowledge and agree that non-public information about the business practices and business records of Defendant disclosed solely during the scope of privileged mediator proceedings and settlement negotiations will not be disclosed to third parties and will be returned to Defendant, with no copies retained after the Court issues Final Approval. The parties further acknowledge and agree that such information has not and will not be used for any purpose other than for evaluating claims for purposes of entering into this Settlement Agreement.

Dated: _____

On behalf of Named Plaintiffs and the Settlement Class:

Counsel for Named Plaintiffs and
The Settlement Class

John Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative


Christopher A. Tauchman (Jul 18, 2016)

Chris Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative

Kenneth H. Yoon
Law Offices of Kenneth H. Yoon

Douglas Han
Justice Law Corporation

Melvin Lockett
Plaintiff

website, or through any on-line or print media outlet, or in any article or blog, and that neither Class Counsel nor defense counsel of record shall list or reference the Tauchman Litigation or Lockett Litigation by case name or by reference to the parties, specifically including Defendant Outerwall (and “Coinstar”), on any law firm website or law firm advertisement, article, or commentary, at any time. The parties acknowledge and agree that non-public information about the business practices and business records of Defendant disclosed solely during the scope of privileged mediator proceedings and settlement negotiations will not be disclosed to third parties and will be returned to Defendant, with no copies retained after the Court issues Final Approval. The parties further acknowledge and agree that such information has not and will not be used for any purpose other than for evaluating claims for purposes of entering into this Settlement Agreement.

Dated: _____

On behalf of Named Plaintiffs and the Settlement Class:

Counsel for Named Plaintiffs and
The Settlement Class



John Tauchman (Jul 18, 2016)

John Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative

Kenneth H. Yoon
Law Offices of Kenneth H. Yoon

Chris Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative

Douglas Han
Justice Law Corporation

Melvin Lockett
Plaintiff

website, or through any on-line or print media outlet, or in any article or blog, and that neither Class Counsel nor defense counsel of record shall list or reference the Tauchman Litigation or Lockett Litigation by case name or by reference to the parties, specifically including Defendant Outerwall (and “Coinstar”), on any law firm website or law firm advertisement, article, or commentary, at any time. The parties acknowledge and agree that non-public information about the business practices and business records of Defendant disclosed solely during the scope of privileged mediator proceedings and settlement negotiations will not be disclosed to third parties and will be returned to Defendant, with no copies retained after the Court issues Final Approval. The parties further acknowledge and agree that such information has not and will not be used for any purpose other than for evaluating claims for purposes of entering into this Settlement Agreement.

Dated: _____

On behalf of Named Plaintiffs and the Settlement Class:

Counsel for Named Plaintiffs and
The Settlement Class

John Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative

Kenneth H. Yoon
Law Offices of Kenneth H. Yoon

Chris Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative

Douglas Han
Justice Law Corporation

Melvin Lockett


Melvin Lockett (Jul 18, 2016)

Melvin Lockett
Plaintiff

website, or through any on-line or print media outlet, or in any article or blog, and that neither Class Counsel nor defense counsel of record shall list or reference the Tauchman Litigation or Lockett Litigation by case name or by reference to the parties, specifically including Defendant Outerwall (and "Coinstar"), on any law firm website or law firm, advertisement, article, or commentary, at any time. The parties acknowledge and agree that non-public information about the business practices and business records of Defendant disclosed solely during the scope of privileged mediator proceedings and settlement negotiations will not be disclosed to third parties and will be returned to Defendant, with no copies retained after the Court issues Final Approval. The parties further acknowledge and agree that such information has not and will not be used for any purpose other than for evaluating claims for purposes of entering into this Settlement Agreement.

Dated: _____

On behalf of Named Plaintiffs and the Settlement Class:




John Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative


Chris Tauchman,
as successor in interest to Terry Tauchman
Plaintiff and Class Representative

Melvin Lockett
Plaintiff

Counsel for Named Plaintiffs and
The Settlement Class



Kenneth H. Yoon
Law Offices of Kenneth H. Yoon

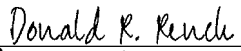


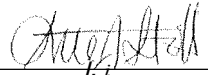
Douglas Han
Justice Law Corporation

On behalf of Defendant:

OUTERWALL INC.

Counsel for Defendant


By: Donald R. Rench
Its: Chief Legal officer


Sue J. Tott
Perkins Coie, LLP

On behalf of Defendant:

OUTERWALL INC.

Counsel for Defendant

By: _____
Its: _____

Sue J. Stott
Perkins Coie, LLP