

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

TRACY RANDLE, ALLISON TAYLOR,
ARTHUR BOYD, and TAHIR JOHNSON
on behalf of themselves and all others
similarly situated,

Plaintiffs,

v.

SUNTRUST BANKS, INC., SUNTRUST
INVESTMENT SERVICES, INC., TRUIST
FINANCIAL CORPORATION, and
TRUIST INVESTMENT SERVICES, INC.,

Defendants.

Case No. 1:18-cv-01525-TJK

SETTLEMENT AGREEMENT

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I. INTRODUCTION

Subject to approval by the Court, this Settlement Agreement (“Settlement Agreement” or “Agreement”) sets forth the full and final terms by which the Named Plaintiffs, on behalf of themselves and the Settlement Class Members, and SunTrust Investment Services, Inc., now known as Truist Investment Services, Inc., (“STIS”) and Truist Financial Corporation successor by merger to SunTrust Banks, Inc., have settled and resolved all race and color employment discrimination and retaliation claims that have been raised or could have been raised in the Civil Action captioned *Tracy Randle, Allison Taylor, Arthur Boyd, and Tahir Johnson, on behalf of themselves and all others similarly situated, v. SunTrust Banks, Inc., SunTrust Investment Services, Inc, Truist Financial Corporation, and Truist Investment Services, Inc.*, Case No. 1:18-cv-01525-TJK, pending in the United States District Court for the District of Columbia before the Honorable U.S. District Judge Timothy J. Kelly. This Settlement Agreement applies to the Class as defined in Section III.C.1 below.

II. NATURE AND RESOLUTION OF THE CASE

A. Named Plaintiffs Tracy Randle and Allison Taylor, who are African American and were employed by STIS as Financial Advisors (“FAs”) until July 6, 2016, and September 29, 2016, respectively, retained Class Counsel to represent them in connection with what they believed to be race discrimination.

B. Class Counsel conducted an extensive investigation into the individual and class-wide claims at issue. They conducted in-depth interviews of potential class members and reviewed and analyzed company documents and publicly available information, including information

about STIS, the financial services industry, and United States Census data reflecting the demographics of financial advisor branch locations.

C. As a result of its investigation, Plaintiff Randle, with the assistance of Class Counsel, filed a representative charge of discrimination with the Equal Employment Opportunity Commission (“EEOC”) on or about May 8, 2017.

D. On June 26, 2018, Randle and Taylor filed a Complaint against STIS and “SunTrust Bank, Inc.”¹ in the Court alleging that STIS was engaged in a pattern or practice of race discrimination and maintained policies and practices that harm African American FAs and including claims of disparate treatment and disparate impact discrimination and retaliation pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000(e), *et seq.* (“Title VII”) and 42 U.S.C. § 1981 (“Section 1981”) on behalf of themselves and a class of all African American FAs. Dkt. 1.

E. Defendants moved to dismiss the Complaint on October 9, 2018. Dkt. 7.

F. On November 29, 2018, the Complaint was amended (the “Amended Complaint”) to add Named Plaintiffs Boyd and Johnson.² Dkt. 16.

G. On January 11, 2019, Defendants moved to dismiss the Amended Complaint. Dkt. 18.

H. On December 6, 2019, SunTrust Banks, Inc. merged with BB&T Corporation and the following day the name of the merged entity was changed to Truist Financial Corporation. On

¹ SunTrust Bank, Inc. did not exist. SunTrust Banks, Inc. was the indirect parent of SunTrust Investment Services, Inc.

² Plaintiffs also corrected the misnomer of SunTrust Banks, Inc.

December 14, 2020, SunTrust Investment Services, Inc. changed its name to Truist Investment Services, Inc. (“TIS”).

I. On November 30, 2020, the Court denied Defendants’ motion to dismiss. 11/30/2020 Minute Order. The Court explained the reasoning for its ruling in a court conference on December 14, 2020. Dkt. 34.

J. After the conference with the Court, the Parties agreed to engage in settlement negotiations and asked the Court to stay the case to facilitate the Parties’ settlement discussions, including the deadline for Defendants to file their answer to the operative complaint or any amendment thereto. Dkt. 36.

K. The Court agreed and stayed all deadlines in the case. 1/11/2021 Minute Order. The Court has continued to stay the case at the Parties’ requests. Dkts. 39, 43-51 and related Minute Orders.

L. On January 29, 2021, Plaintiffs filed a Second Amended Complaint. Dkt. 38. Defendants’ time to respond to the Second Amended Complaint was stayed by the above-referenced Minute Orders.

M. In order to assist them in their efforts to explore a potential resolution, the Parties engaged the services of a highly experienced professional mediator, Michael K. Lewis, at JAMS, who has been involved in the settlement of numerous, complex employment discrimination cases. Over the course of the next almost two years, the Parties’ counsel, who are experienced class action attorneys, participated in detailed and exhaustive settlement sessions and discussions with the assistance of Mr. Lewis.

N. Before the first formal mediation session, the Parties entered into a mediation agreement that established a framework for the confidential exchange of particular materials and information between counsel for the Parties. Under that mediation agreement, Class Counsel sought, and Defendants produced to Class Counsel, voluminous employment workforce, compensation, and production data. In addition, Class Counsel reviewed relevant employment policies and related documents concerning the Financial Advisor workforce and work practices relevant to the claims asserted and damages sought by Plaintiffs and the putative class. Class Counsel obtained supplemental data from Defendants as the negotiations continued. Class Counsel interviewed putative class members during the course of their investigation and retained an expert in labor economics and statistics to conduct statistical analyses of the data. The expert worked with Class Counsel to review the data, ensure it was complete, request supplemental data, and analyze the data. The expert also conducted studies similar to those he would have conducted in preparation for a trial of this matter.

O. The Parties, including all of the Named Plaintiffs, and their counsel participated in all day mediation sessions by video conference in June and July 2021 and in person in April and August 2022. In the interim, Class Counsel, Counsel for Defendants, and Mr. Lewis met four times to discuss Plaintiffs' analyses of the data. Mr. Lewis worked with the Parties and counsel throughout these sessions and in numerous additional meetings and discussions with Class Counsel and Defendants' Counsel, which culminated in the execution of this Settlement Agreement. During the negotiations, counsel bargained vigorously on behalf of their clients. All negotiations were conducted at arm's length and in good faith.

P. As a result of the exchange of information, the investigation, and other activity both prior to and after filing the Complaint, counsel for the Parties are familiar with the strengths and weaknesses of their respective positions, and have had a full opportunity to assess the litigation risks presented in this case.

Q. All Parties and their counsel recognize that, in the absence of an approved settlement, they would face a long litigation course, including a motion for class certification, potential interlocutory appeal of a class certification decision, formal discovery, motions for summary judgment, class issue and individual damages trials, and potential appellate proceedings that would consume time and resources and present each party with ongoing litigation risks and uncertainties. The Parties wish to avoid these risks and uncertainties, as well as the consumption of time and resources, and have decided that an amicable settlement pursuant to the terms and conditions of this Settlement Agreement is more beneficial to them than continued litigation. Class Counsel and Named Plaintiffs believe that the terms of the Settlement Agreement are in the best interests of the Class and are fair, reasonable, and adequate.

R. Defendants generally and specifically deny all of the claims asserted in the EEOC charges and the Action, deny any and all liability or wrongdoing of any kind whatsoever associated with any of the facts or claims alleged in the EEOC charges and the Action, and make no concession or admission of wrongdoing or liability of any kind whatsoever. This Settlement Agreement does not, and is not intended to constitute, nor shall it be deemed to constitute, an admission by any Party as to the merits, validity, or accuracy of any of the allegations, claims, or defenses of any Party in this case. By entering into this Settlement Agreement, Defendants do not admit or concede, expressly or impliedly, but instead specifically deny, that they have in any way

violated Title VII, Section 1981, any federal, state, or local laws prohibiting discrimination, harassment, or retaliation, the common law of any jurisdiction, or any other federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any other obligation or duty at law or in equity. Neither this Court nor any other court has made any findings concerning the merits, validity, or accuracy of any of the allegations, claims, or defenses in this Action.

S. Nothing in this Settlement Agreement, or any action taken in implementation thereof (including, without limitation, the results of the Claims Resolution Process established under this Settlement Agreement), or any statements, discussions, or communications between the Parties, or any materials prepared, exchanged, issued, or used during the course of the mediation or negotiations leading to this Settlement Agreement, is intended by the Parties to or be introduced or used, and shall not be admissible, in any way in this Action or any other judicial, arbitral, administrative, investigative, or other proceeding of whatsoever kind or nature, including, but not limited to, as evidence of discrimination or retaliation, or as evidence of any violation of Title VII, Section 1981, federal, state, or local laws prohibiting discrimination, harassment, or retaliation, the common law of any jurisdiction, or any other federal, state, or local law, statute, ordinance, regulation, rule, or executive order, or any obligation or duty at law or in equity. Notwithstanding the foregoing, this Settlement Agreement may be used in any proceeding in the Court to enforce or implement any of its provisions or implement any orders or judgments of the Court entered in connection herewith as set forth in Section IV.

T. Without any admission or concession by Defendants of any liability or wrongdoing with respect to the allegations in any administrative charge or in the Second Amended Complaint, all Released Claims shall be finally and fully compromised, settled, and released, subject to the

terms and conditions of this Settlement Agreement, which were the product of vigorous, arm's-length negotiations by the Parties.

III. GENERAL TERMS OF THE SETTLEMENT AGREEMENT

A. Definitions. In addition to terms identified and defined elsewhere in this Settlement Agreement, and as used in this Settlement Agreement, the terms listed below shall have the following meanings:

1. "Action" means the civil action captioned *Tracy Randle, Allison Taylor, Arthur Boyd, and Tahir Johnson, on behalf of themselves and all others similarly situated, v. SunTrust Banks, Inc., SunTrust Investment Services, Inc, Truist Financial Corporation, and Truist Investment Services, Inc.*, Case No. 1:18-cv-01525-TJK, pending in the United States District Court for the District of Columbia before the Honorable U.S. District Judge Timothy J. Kelly, and the allegations contained in the Complaint, Amended Complaint, and Second Amended Complaint filed in the Action.

2. "Amended Complaint" means the Amended Complaint filed in the Action on November 29, 2018.

3. "CAFA Notice" means the notice required by 28 U.S.C. § 1715(b).

4. "Claimants" means Settlement Class Members who have submitted a timely Claim Form.

5. "Claim Form" means the form to be submitted by eligible Settlement Class Members to receive a Monetary Award.

6. "Claims Resolution Process" or "CRP" means the process for Claimants to seek a Monetary Award described in Section IX.

7. “Claims Administrator” means a claims administration company selected by Class Counsel to fulfill the duties set forth herein, including to service Notice, maintain a website accessible to Class Members, and administer aspects of the Claims Resolution Process and Settlement Fund and related orders of the Court.

8. “Class” means the class that Plaintiffs seek to have certified, solely for the purposes of the Settlement Agreement, which is defined as all individuals who were employed by STIS as a Financial Advisor (as defined in Section III.C.1 below) at any time between June 24, 2014 and February 17, 2021, and who self-identified to STIS as African American and/or Black, as reflected in Defendants’ workforce data, which was used to develop the class list provided by Defendants to Class Counsel.

9. “Class Counsel” means the law firm of Stowell & Friedman, Ltd. and Linda D. Friedman, Suzanne E. Bish, and George S. Robot.

10. “Class Member” means any person who meets the criteria set forth in the definition “Class” above.

11. “Complaint” means the Complaint filed in the Action on June 26, 2018.

12. “Court” means the United States District Court for the District of Columbia.

13. “Defendants” means Truist Investment Services, Inc. formerly known as SunTrust Investment Services, Inc. and Truist Financial Corporation as successor by merger to SunTrust Banks, Inc.

14. “Defendants’ Counsel” means the law firm McGuireWoods LLP.

15. “Depository Bank” means a bank selected by Class Counsel or the Claims Administrator to receive, hold, invest, and disburse the Settlement Fund at the direction of the Claims Administrator.

16. “Effective Date” means the date on which all of the following have occurred: (1) the Court has finally approved this Settlement Agreement and has signed and entered an order so indicating; (2) the Court has entered an order and separate judgment under FRCP 58(a) dismissing the Action with prejudice, with continuing jurisdiction limited to enforcing this Settlement Agreement; and (3) the time for appeal of the order finally approving this settlement and judgment has either run without an appeal being filed or any appeal (including any requests for rehearing *en banc*, petitions for certiorari, or appellate review) has been finally resolved with the final order approving the Settlement Agreement affirmed.

17. “Fairness Hearing” means the hearing at which the Court will consider final approval of this Settlement Agreement and related matters.

18. “Final Approval” means a written order entered by the Court granting final approval of the Settlement and entering judgment dismissing the Action with prejudice.

19. “Financial Advisor” or “FA”, for purposes of this Settlement Agreement, means a person who held FINRA Series 7 and Series 66 (or equivalent) licenses and was employed by STIS in job code 108300 (job titles STIS Financial Advisor 1 or STIS Private Financial Advisor Branch) or 107810 (job titles STIS Private Financial Advisor or STIS Private Financial Advisor Hub).

20. “Monetary Award” means the amount of money determined by the Neutral for eligible Claimants as described in Section IX below and includes all applicable federal, state,

and local income taxes, including the employee's and employer's portion of applicable payroll taxes (e.g., FUTA, SUTA, FICA, and Medicare) in connection with Monetary Awards.

21. "Named Plaintiff Release" means the release of claims set forth in Section V.B below applicable to the Named Plaintiffs.

22. "Neutral Administrator" means the individual appointed by the Court to perform certain duties in connection with this Settlement Agreement as described in Section IX.B below.

23. "Notice" means the Notice of the Class Action, Proposed Settlement Agreement, and Fairness Hearing, which the Claims Administrator will mail directly to Class Members substantially in the form attached hereto as Exhibit 1.

24. "Notice of Award" means the letter sent to each Claimant specifying the amount of that Claimant's Monetary Award, as determined by the Neutral.

25. "Notice of Final Approval" means the Notice of Final Approval of Settlement Agreement if the Court approves the Settlement at the Fairness Hearing.

26. "Opt Out" means any Class Member who timely submits an Opt-Out Statement in the manner provided for in Section IV.D.

27. "Parties" means the Named Plaintiffs, on behalf of themselves and Class Members, and Defendants.

28. "Plaintiffs" or "Named Plaintiffs" means Tracy Randle, Allison Taylor, Arthur Boyd, and Tahir Johnson.

29. "Preliminary Approval" means a written order entered by the Court preliminarily certifying the Class for purposes of settlement, preliminarily approving this

Settlement Agreement and approving the Notice to be sent to Class Members, as set forth in Section IV.B below.

30. “Programmatic Relief” means the non-monetary terms of the Settlement Agreement described in Section VII.

31. “Released Claims” means any and all claims, demands, causes of action, suits, and liabilities, known or unknown, of race and/or color discrimination or retaliation arising out of or relating to the Settlement Class Members’ employment and/or separation from employment with STIS as Financial Advisors and any facts asserted in the Complaint, Amended Complaint, and Second Amended Complaint filed in the Action, under any legal or equitable theory whether contractual, common-law, or statutory, and whether under federal, state, or local law, that the Settlement Class Members may have against Released Parties, from the beginning of time through the date the Court enters an order of preliminary approval, including any and all claims that were or could have been asserted in the Complaint, Amended Complaint, and Second Amended Complaint filed in the Action or any subsequent amended complaint that could have been filed in the Action. Specifically included in the Released Claims are all claims of alleged racial employment discrimination, harassment, retaliation, or benefits claims under Title VII, Section 1981, or other federal, state, or local statute, regulation, or common law, specifically including but not limited to disparate impact, disparate treatment, and pattern or practice claims. Furthermore, the Released Claims include all claims for monetary damages, including without limitation back pay, front pay, and compensatory and punitive damages, injunctive, declaratory or equitable relief, and costs and attorneys’ fees.

32. “Released Parties” means Defendants, their parents, subsidiaries, divisions, affiliates, and predecessors, and in the case of all such entities, their respective past and present, owners, officers, directors, agents, shareholders, trustees, insurers, administrators, representatives, attorneys, employees, predecessors, successors and assigns. Released Parties specifically include, but are not limited to, SunTrust Banks, Inc., SunTrust Investment Services, Inc, Truist Financial Corporation, and Truist Investment Services, Inc.

33. “Second Amended Complaint” means Second Amended Complaint filed in the Action on January 29, 2021.

34. “Service Award” means the proposed awards for Named Plaintiffs for their service to the Class and as consideration for executing a general release of claims, as described in Section X.C.

35. “Settlement,” “Agreement,” and “Settlement Agreement” each means the agreement to settle this Action as reflected in this Settlement Agreement.

36. “Settlement Class” means the Class as defined in Section III.C.1 excluding any Class Member who files and serves a timely Opt-Out Statement that is not subsequently rescinded within the allotted time period for revocation.

37. “Settlement Class Member” means any person who meets the criteria set forth in the definition of “Settlement Class.”

38. “Settlement Class Member Release” means the release of claims set forth in Section V.A below applicable to those Settlement Class Members who are not Named Plaintiffs.

39. “Settlement Fund” or “Fund” means the fourteen million dollars and no cents (\$14,000,000.00) to be transferred by Defendants to the Depository Bank pursuant to Section

VIII of this Settlement Agreement, including any interest earned thereon, to be held, invested, administered, and disbursed pursuant to this Settlement Agreement. The Fund constitutes the full, complete, and total cash outlay by Defendants under the Settlement Agreement.

B. Cooperation. The Parties agree that they will cooperate to effectuate and implement all terms and conditions of this Settlement Agreement, and exercise good faith efforts to accomplish the terms and conditions of this Settlement Agreement. The Parties agree to accept non-material and procedural changes to this Settlement Agreement if so required by the Court in connection with Final Approval of the Settlement, but are not obligated to accept any changes in the monetary amount of relief, material change in the substantive Programmatic Relief provided for herein, the scope of releases, or any other material substantive change.

C. Persons Covered by this Settlement Agreement.

1. Definition of “Class.” Solely for purposes of Settlement and judicial approval of this Settlement Agreement, the Plaintiffs seek to certify the following Class:

All individuals who were employed by STIS as a Financial Advisor at any time between June 24, 2014 and February 17, 2021, and who self-identified to STIS as African American and/or Black, as reflected in Defendants’ workforce data, which was used to develop the class list provided by Defendants to Class Counsel.³

“Financial Advisor” or “FA”, for purposes of this Settlement Agreement, means a person who held FINRA Series 7 and Series 66 (or equivalent) licenses and was employed by STIS in job code 108300 (job titles STIS Financial Advisor 1 or STIS Private Financial Advisor Branch) or 107810 (job titles STIS Private Financial Advisor or STIS Private Financial Advisor Hub).

³ The Plaintiffs will provide this class list under seal to the Court.

2. Certification. Plaintiffs will request that the Court certify the Class pursuant to Federal Rule of Civil Procedure 23(b)(2) and 23(b)(3). Defendants will not object to certification of the Class for settlement purposes only. Defendants do not waive, and instead expressly reserve, their right to challenge the propriety of class certification for any purpose as if this Settlement Agreement had not been entered into should the Court not approve the Settlement Agreement, should the Settlement Agreement not become effective, or should Defendants exercise their right to terminate the Settlement Agreement as described in Section IV.G below. The Plaintiffs and Class Counsel agree that, if the Action were to proceed, they would not argue or present any argument, and hereby waive any argument, based on this Settlement Agreement or any exhibit and attachment hereto, or any act performed or document executed pursuant to or in furtherance of settlement or this Settlement Agreement or negotiations that led to settlement, that Defendants should be thereby barred from contesting class action certification pursuant to Federal Rule of Civil Procedure 23. This Settlement Agreement shall not be deemed an admission by, or a basis for estoppel against, Defendants as to any procedural or substantive defenses in the Action or any other action, including without limitation defenses that the standards for class action treatment pursuant to Federal Rule of Civil Procedure 23 have not been demonstrated or that class treatment is improper for any other grounds.

IV. COURT APPROVAL, NOTICE, AND FAIRNESS HEARING

A. Jurisdiction. The Parties agree that the Court has jurisdiction over the Parties and the subject matter of this Action. The Court shall retain jurisdiction of this Action for three (3) years from the Effective Date of the Settlement Agreement for the purpose of entering all orders and judgments authorized hereunder that may be necessary to implement and enforce the relief

provided herein. If, for any reason, the Court does not enter Final Approval, or fails to enter the judgment, or if this Settlement Agreement is lawfully terminated for any other reason, then Defendants shall retain the right to present all available procedural and substantive defenses, including but not limited to the right to contest venue and jurisdiction of Plaintiffs' individual and class action claims.

B. Preliminary Approval. Within thirty (30) days after this Settlement Agreement is fully executed, Plaintiffs shall file an unopposed motion seeking Preliminary Approval, including: preliminarily certifying the Class; preliminarily approving this Settlement Agreement; approving the Notice to be sent to Class Members describing the terms of the Settlement and informing them of Class Members' rights to submit objections and to opt out; appointing a Claims Administrator in accordance with this Settlement Agreement; and preliminarily enjoining, pending the outcome of the Fairness Hearing, (i) all Class Members, including Plaintiffs, from commencing, prosecuting or maintaining in any court or forum other than the Court any claim already asserted in, or encompassed by, this Action, and (ii) all Class Members (including those who request exclusion) from commencing, prosecuting, pursuing or maintaining in any court or forum other than the Court any claim, action or other proceeding that challenges or seeks review of or relief from any order, judgment, act, decision or ruling of the Court in connection with this Settlement Agreement or otherwise in connection with this Action. Class Counsel will give Defendants' Counsel a draft of the motion for Preliminary Approval, order, and other papers three (3) business days before they plan to file the motion.

C. Claims Administrator and Notices.

1. As part of the unopposed motion for Preliminary Approval, Plaintiffs shall provide the Court for its review and approval a Notice to be sent to Class Members in the form of Exhibit 1 hereto.

2. The Court will appoint a Claims Administrator to perform the following tasks, among others:

- (a) Distribute the Notice to the Class Members;
- (b) Receive and forward to Class Counsel and Defendants' Counsel any objections or elections to opt out from Class Members;
- (c) Distribute the notice of Final Approval and Claim Forms to the Settlement Class Members;
- (d) Maintain a website on which the Settlement Agreement, Notices, related Court Orders, and other documents and content approved by Class Counsel for posting on this website are available to Class Members only, and a secure portal through which Settlement Class Members, following Final Approval of the Settlement, can electronically submit Claim Forms and other documents in a confidential and private manner;
- (e) Facilitate communications to and from the Neutral in a confidential manner;
- (f) Distribute the Notice of Award to Settlement Class Members; and
- (g) Properly process the Monetary Award, including for tax purposes.

3. No later than seven (7) days following Class Counsel's filing of the Settlement Agreement with the Court, the Defendants shall cause the CAFA Notice, along with the accompanying materials, to be served upon the appropriate state and federal officials, as required by 28 U.S.C. § 1715. For purposes of compliance with CAFA, Defendants shall be permitted to compile all of the relevant documents into a single compact disc for delivery to

federal and state officials. Defendants shall confirm in writing service of the CAFA Notice to the appropriate federal and state officials.

4. Defendants will provide to the Claims Administrator and Class Counsel in electronic format, within ten (10) days after Preliminary Approval is entered, the name, social security number, and last known address of each Class Member. This data shall be maintained as strictly confidential and not shared with any other person or entity.

5. Within ten (10) days after receiving the information set out in Section IV.C.4 above, the Claims Administrator will mail the Notice to each Class Member in the form approved by the Court. In order to provide the best notice practicable, before mailing the Notice, the Claims Administrator will run the list of all Class Members through the United States Postal Service's National Change of Address database ("NCOA").

6. If an envelope containing the Notice is returned with forwarding addresses, the Claims Administrator shall re-mail the Notice to the new address within three (3) business days.

7. If an envelope containing the Notice is returned because the address of the recipient is no longer valid, i.e., the envelope is marked "Return to Sender," the Claims Administrator shall perform a standard skip trace in an effort to ascertain the current address of the Class Member and, if such an address is ascertained, the Claims Administrator will re-send the Notice within three (3) business days of receiving the newly ascertained address. If no updated address is obtained for that Class Member, the Notice shall be sent again to the last known address. In either event, the duty to deliver the Notice shall be deemed satisfied once it is mailed for the second time, although further efforts may be undertaken.

8. The Claims Administrator shall provide to Class Counsel a list of the names of those Class Members who have not been located. Notwithstanding Section IV.C.7 above, Plaintiffs' Counsel shall take all reasonable steps to ensure that all Class Members actually receive the Notice.

9. If the Court grants Final Approval, within ten (10) days of Final Approval, the Claims Administrator shall mail Notice of the Final Approval and the Claim Form to each Settlement Class Member, along with a unique claimant identification number ("Claimant ID"). The Claim Form shall also be made available electronically on a website accessible only to Class Members maintained by the Claims Administrator. Using the Claimant ID, Settlement Class Members will be able to submit the Claim Form and other relevant documents through a secure, non-public portal in a confidential and private manner.

10. The Claims Administrator will maintain a log of all of its activities undertaken pursuant to this Settlement Agreement, including the dates of mailing the Notice and Notice of Final Approval, and the mailing and receipt of Claim Forms, returned mail, and other communications and attempted communications with Class Members. The Claims Administrator shall further confirm in writing the substance of its activities and completion of the administration of the settlement; timely respond to communications from the Parties or their respective counsel; and perform such other tasks as the Parties mutually agree or are ordered by the Court.

D. Exclusions / Opt Outs.

1. Class Members, other than the Named Plaintiffs, have the right to opt out of the Settlement. The election to opt out must be in writing, signed by the Class Member, and include a statement that the Class Member understands that by opting out he or she will forego

the opportunity to receive any monetary benefit from the Settlement. To be timely, the election to opt out must be received by the Claims Administrator within forty (40) days after Notice is mailed to Class Members. The Claims Administrator shall provide to all counsel for the Parties elections to opt out it receives within three (3) days of receipt. The Claims Administrator shall determine whether a Class Member has timely and properly opted out of the Settlement Class.

2. Class Members who have timely and properly opted out of the Settlement may not object to the Settlement or participate in the Fairness Hearing, will not be included in the Settlement Class, and are not entitled to any Monetary Award under this Settlement Agreement.

3. Class Members may rescind their election to opt out of the Settlement. To be effective, such rescissions must be in writing, signed by the Class Member, and must be received by the Claims Administrator or Class Counsel no later than the day before the Fairness Hearing. The Claims Administrator shall provide to counsel for the Parties any rescission it receives within one (1) business day of receipt.

4. Once the deadline for all Class Members to timely elect to opt-out has passed (and in no event later than the day Class Counsel files the motion for Final Approval as provided in Section IV.F.1), Class Counsel must provide Defendants' Counsel a list of Class Members who have elected to opt out and have not rescinded such election.

E. Objections. Settlement Class Members have the right to object to the Settlement. Settlement Class Member objections to this Settlement Agreement must be in writing, signed by the Settlement Class Member, include a detailed description of the basis of the objection(s), and indicate whether the Settlement Class Member intends to appear at the Fairness Hearing. To be timely and considered by the Court, objections must be received by the Claims Administrator

within forty (40) days after Notice is mailed to Class Members. The Claims Administrator shall provide to counsel for the Parties all objections it receives within three (3) days of receipt. Class Counsel shall be responsible for filing any objections timely returned by Settlement Class Members with the Court. Settlement Class Members may be heard on their objection(s) at the Fairness Hearing only if he or she has timely returned a signed, written objection(s) and stated in writing their intent to object at the Fairness Hearing.

F. Fairness Hearing.

1. Upon preliminary approval, a briefing schedule and Fairness Hearing date will be set at the Court's convenience, provided that the Fairness Hearing is scheduled no earlier than 90 days after CAFA Notice is issued. The Plaintiffs' motion for Final Approval will be due no later than ten (10) days before the Fairness Hearing. Neither this Settlement Agreement nor the Court's Preliminary or Final Approval hereof shall be admissible in any court regarding the propriety of class certification or regarding any other issue or subject (except for the purpose of enforcing this Settlement Agreement).

2. In the event that this Settlement Agreement does not become final and binding, no party shall be deemed to have waived any claims, objections, rights or defenses, or legal arguments or positions, including, but not limited to, claims or objections to class certification, and claims and defenses on the merits. Each party reserves the right to prosecute or defend this Action in the event that the Settlement Agreement does not become final and binding.

3. If this Settlement Agreement is not approved by the Court or for any other reason is terminated or fails to become effective in accordance with its terms (or if, following approval by this Court, such approval is reversed or substantively modified), (a) the Parties shall

be restored to their respective positions that existed in this Action prior to entering into this Settlement Agreement, (b) the terms and provisions of this Settlement Agreement shall have no force or effect and shall not be used in this Action or in any proceeding for any purpose, (c) the Settlement Fund shall be returned to Defendants, including any interest earned by the Settlement Fund through the date of termination, (d) any judgment entered by the Court in accordance with the terms of this Settlement Agreement shall be treated as vacated, *nunc pro tunc*, and (e) the litigation of the Action will resume as if there had been no Settlement Agreement, with no stipulated Class. The Parties retain all rights, claims, and defenses as to class certification and otherwise as to any of the allegations asserted in this Action. This Settlement Agreement will not be considered an admission of liability or damages by Defendant or represent a cap on damages available to the Named Plaintiffs or the Class.

G. Defendants' Right to Withdraw From the Settlement Agreement.

1. Defendants shall have the right to withdraw from and fully terminate this Settlement Agreement as set forth in Exhibit 2 filed with the Court under seal concurrently with this Settlement Agreement. Defendants must provide written notice to Class Counsel of their election to withdraw from the Settlement Agreement within five (5) business days after receipt of the list required by Section IV.D.4 above.

2. In the event Defendants elect to withdraw from this Settlement Agreement, the provisions of Section IV.F.3 shall apply and within five (5) business days the Claims Administrator shall return the entire Settlement Fund (including all income and/or interest) to Defendants.

V. RELEASES BY SETTLEMENT CLASS MEMBERS AND NAMED PLAINTIFFS

A. Settlement Class Member Release. Upon the occurrence of the Effective Date, Settlement Class Members (on behalf of themselves and their heirs, executors, administrators, representatives, dependents, successors, and assigns) fully, finally, and irrevocably waive, release, and discharge the Released Parties from the Released Claims, as defined in Sections III.A.31 and 32 above.

B. Named Plaintiff General Release. Upon the occurrence of the Effective Date, Named Plaintiffs (on behalf of themselves and their heirs, executors, administrators, representatives, dependents, successors, and assigns) fully, finally, and irrevocably waive, release and discharge the Released Parties from any and all claims, demands, causes of action, suits, and liabilities, known or unknown, under any legal or equitable theory whether contractual, common-law, or statutory, and whether under federal, state, or local law, that the Named Plaintiffs may have against Released Parties, including, but not limited to all claims of alleged employment discrimination, harassment, retaliation, or benefits claims under Title VII, Section 1981, or other federal, state, or local statute, regulation, or common law, specifically including but not limited to disparate impact, disparate treatment, and pattern or practice claims, any claims that were or could have been asserted in the Complaint, Amended Complaint, and Second Amended Complaint filed in the Action or any subsequent amended complaint that could have been filed in the Action, and any claims for monetary damages, including without limitation back pay, front pay, and compensatory and punitive damages, injunctive, declaratory or equitable relief, and costs and attorneys' fees, from the beginning of time through the date that the Notice is mailed to the Class. The Named Plaintiff Release is more expansive than the limited Settlement Class Member

Release. It releases all of the Named Plaintiffs' individual claims and is a general release of all claims of any nature, whether known or unknown, against the Released Parties under federal, state, and local laws for any period up through the date that Notice is mailed to the Class.

1. Named Plaintiffs must execute a Named Plaintiff General Release in the form of Exhibit 3 hereto as a condition precedent to any payment under this Agreement. A Named Plaintiff's execution of the Named Plaintiff General Release serves only to re-confirm that the Named Plaintiff has generally discharged all claims. Class members will sign a Settlement Class Member Release on the back of their Monetary Award check in order to negotiate payment but that execution serves only to re-confirm that the Settlement Class Member has discharged the Released Claims.

C. Res Judicata and Collateral Estoppel. The doctrines of *res judicata* and collateral estoppel shall apply, to the extent provided for by the governing law, to the Named Plaintiffs and Settlement Class Members who do not timely opt out, as provided by this Agreement, with respect to all claims defined as "Released Claims" herein, which are known or unknown, actual or potential, and regardless of whether the individual has or has not filed a Claim Form or executed a Named Plaintiff General Release or a Settlement Class Member Release in exchange for the Monetary Award determined for that individual under this Agreement.

VI. NO ADMISSION, NO DETERMINATION

A. Defendants deny all claims as to wrongdoing, liability, damages, penalties, interest, fees, injunctive relief and all other forms of relief, as well as the class allegations asserted in the Action. Defendants have agreed to resolve the Action via this Settlement Agreement, but to the extent this Settlement Agreement is deemed void or the Effective Date does not occur, Defendants

do not waive, but rather expressly reserve, all rights to challenge any and all claims and allegations asserted by the Named Plaintiffs in the Action upon all procedural and substantive grounds, including without limitation the ability to challenge class action treatment on any grounds and to assert any and all other potential defenses or privileges. The Named Plaintiffs and Class Counsel agree that Defendants retain and reserve these rights, and they agree not to take a position to the contrary. This Settlement Agreement shall not be deemed an admission by, or a basis for estoppel against, Defendants as to liability, wrongdoing, or any procedural or substantive defenses in the Action or any other action, including without limitation defenses that satisfaction of the standards for class action treatment pursuant to Federal Rule of Civil Procedure 23 have not been demonstrated or that class treatment is improper for any other grounds.

B. This Settlement Agreement does not and is not intended to constitute, nor shall it be deemed to constitute, an admission by any party as to the merits, validity or accuracy of any of the allegations, claims or defenses of any party in this case. The Class Members continue to assert the merits and validity of their claims under Section 1981, Title VII, and state and local laws prohibiting race discrimination. By entering into this Agreement, Defendants do not admit or concede, expressly or impliedly, but continue to deny that they have in any way violated 42 U.S.C. Section 1981, Title VII, state and local laws prohibiting race discrimination, the common law of any jurisdiction, or any other federal, state or local law, statute, ordinance, regulation, rule or executive order, or any obligation or duty at law or in equity. Neither the Court nor any other court has made any findings or expressed any opinion concerning the merits, validity or accuracy, or lack thereof, of any of the claims in this case.

VII. PROGRAMMATIC RELIEF

A. Duration of the Programmatic Relief. The Programmatic Relief embodied in this Settlement Agreement shall remain binding on the Parties and their agents and successors for two (2) years following the Effective Date (the “Programmatic Relief Period”).

B. Access to Business Development Funds. TIS will encourage eligible FAs, including African American or Black FAs, to access funds established by TIS to support business development events or activities, consistent with TIS’s overall business development funding and strategy. TIS management shall determine in good faith and in its discretion whether a business development proposal submitted by an FA should be approved in accordance with TIS’s policy and practice.

C. Good Faith Efforts to Increase African American Representation in Candidate Pools for FA Positions, Including Private Client Group Financial Advisor Positions. TIS will devise and implement a plan of good faith efforts to increase the number of African Americans in the candidate pools for FA positions (including both Investment Services Group and Private Client Group Financial Advisors), such as expanded outreach and recruitment.

D. Diversity Reporting to Wealth Leadership. In order to assess its progress with regard to diversity and inclusion, TIS will provide the Head of Wealth Brokerage with data concerning the hiring, retention, branch assignment, position, account distributions, teaming, performance—including but not limited to production, assets under management, and compensation—and attrition of FAs broken out by race on a biannual basis.

E. FA Advisory Council. TIS will create and maintain an FA Advisory Council that will meet on a biannual basis during the Programmatic Relief Period to discuss issues of diversity,

equity, and inclusion facing African American Financial Advisors. The Head of Wealth Brokerage will select a project manager, who may or may not be a member of the FA Advisory Council, to chair each meeting and provide feedback to him or her on what was discussed during the FA Advisory Council meeting. The Head of Wealth Brokerage shall determine in good faith and in his or her sole discretion whether and how to implement any feedback that is received from the Leadership Counsel.

F. Branch Assignments. TIS will maintain a process for branch-based FAs to indicate an interest in a branch when an opening becomes available. TIS will consider those FAs who have indicated an interest in a branch when making an assignment to or filling a vacancy at that branch. At all times, TIS management will retain the discretion to make branch assignments or fill branch vacancies based on business needs and in the best interest of TIS's clients.

G. Distribution of Client Accounts of Departing FAs. TIS has and will continue to implement its written and published policy governing the distribution of accounts from Financial Advisors who leave the firm. TIS shall confirm that accounts are distributed according to the written policy and review the impact of the policy on African American FAs on an annual basis. TIS will consult with and obtain feedback from the FA Advisory Council regarding the account distribution policy. For avoidance of any doubt, in no event will TIS distribute accounts based on the FA's race.

H. Manager Performance. TIS is committed to continuing its efforts to increase the diversity of FA population, including the number of African American FAs it recruits and retains. As part of its regular performance evaluation of Wealth Brokerage managers, TIS will consider managers' involvement in TIS's good faith efforts to recruit competitively qualified diverse

candidates for open FA positions, as well as their success in retaining diverse FAs whose performance is satisfactory.

I. Exit Surveys. TIS will offer to conduct voluntary exit surveys with all voluntarily departing African American/Black FAs and share a summary of these surveys with the head of TIS.

J. Privileged and Confidential Information. Any work product prepared to allow Defendants to assess and/or comply with their obligations under this Settlement Agreement, shall be considered privileged and confidential and attorney-client privileged and shall be protected from disclosure to the fullest extent possible or allowable by governing law.

VIII. MONETARY RELIEF

A. Settlement Fund.

1. No later than five (5) business days after the Effective Date, Defendants shall pay by wire transfer or otherwise transmit to the Claims Administrator the sum of fourteen million dollars and no cents (\$14,000,000.00). That amount, together with any interest subsequently earned thereon, shall constitute the Settlement Fund. The Claims Administrator shall provide Defendants with all tax and other necessary documentation for the Qualified Settlement Fund at least 30 days before the Fairness Hearing. Defendants, in their sole and absolute discretion and without any obligation to do so, may transfer some or all of the \$14 million to the Qualified Settlement Fund prior to the Effective Date. If the transfer is made prior to the Effective Date and either the Court does not enter an order granting Final Approval or the Effective Date does not occur within forty days of Final Approval, then the Settlement Fund, and any interest earned thereon, shall be immediately returned to Defendants upon their demand and

Defendants will have no obligation to pay the funds until twenty (20) business days after the Effective Date occurs. Under no circumstance shall any portion of the Settlement Fund be distributed prior to the Effective Date. No additional payment shall be required by Defendants under this Agreement.

2. The Settlement Fund shall be used to pay:
 - (a) all Monetary Awards paid to Settlement Class Members, including Named Plaintiffs, which are to be distributed pursuant to Section IX below;
 - (b) all attorneys' fees and costs awarded by the Court to Class Counsel, including those relating to securing court approval of the Settlement, the Claims Resolution Process, and monitoring of the Settlement Agreement, as described in Section X below;
 - (c) all Service Awards to Named Plaintiffs, pursuant to Section X below;
 - (d) all costs in connection with the administration of the Settlement Agreement and the Settlement Fund including, but not limited to, those related to sending Notice, the Claims Resolution Process, the establishment of the Qualified Settlement Fund, tax reporting of awards to Settlement Class Members, preparation of tax returns (and the taxes associated with such tax returns), the Claims Administrator's fees and expenses, and the fees and expenses of the Neutral;
 - (e) all applicable federal, state, and local income taxes, including the employee's and employer's portion of applicable payroll taxes.

B. Qualified Settlement Fund. The Settlement Fund will be placed in a Qualified Settlement Fund, intended by the Parties to be a "Qualified Settlement Fund" as described in Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq. and to operate in accordance with these provisions and regulations.

IX. CLAIMS FILING AND CLAIMS RESOLUTION PROCESS FOR MONETARY AWARDS TO SETTLEMENT CLASS MEMBERS AND NAMED PLAINTIFFS

A. Claims Resolution Procedures for Monetary Relief. Monetary Awards to the Settlement Class Members, including Named Plaintiffs, will be determined through the Claims Resolution Process (“CRP”) described below.

B. Neutral Administrator.

1. The Parties have agreed upon Michael Lewis to be appointed by the Court to serve as the Neutral Administrator (“Neutral”) to monitor and assist with the Settlement. If Mr. Lewis is unavailable to serve as Neutral, the Parties shall select another similarly qualified person to serve as Neutral. The Parties jointly prepared a proposed order appointing the Neutral Administrator, attached hereto as Exhibit 4. The proposed order shall state the name of the Neutral Administrator agreed upon by the Parties and shall describe the Neutral Administrator’s duties.

2. The Neutral shall, among other things: review and assess the Settlement Class Members’ claims and determine the Monetary Awards as provided in this Section IX; review and approve the contract and bills for the services of the Claims Administrator to be paid out of the Settlement Fund; decide whether to accept any late claim forms for good cause shown; and other similar duties requested by Class Counsel or the Court and as detailed more fully in the order appointing the Neutral Administrator.

C. Claims Filing Procedure for Class Members to Obtain Monetary Relief.

1. All Settlement Class Members, including the Named Plaintiffs, may be eligible to receive a Monetary Award from the Settlement Fund.

2. All Settlement Class Members, including the Named Plaintiffs, who seek a Monetary Award must complete, sign, and submit a Claim Form to the Claims Administrator,

which must be received by the Claims Administrator no later than forty-five (45) days after Notice of Final Approval is mailed to Class Members. The Claim Form may be submitted via mail or via secure electronic submission and must be signed or electronically affirmed, under penalty of perjury. Class Members must complete the Claim Form in accordance with the procedures and requirements set forth on the Claim Form. Every Class Member who timely submits a signed, completed Claim Form shall receive, at a minimum, a Monetary Award of \$25,000.

3. Claim Forms shall be maintained by the Claims Administrator and shall remain strictly confidential. Neither the Claim Forms nor the contents therein shall be disclosed to Defendants.

D. Claims Resolution Process for Settlement Class Members.

1. Settlement Class Members who timely submit a signed, completed Claim Form will have their claim individually evaluated, and Monetary Award determined, by the Neutral, who will determine the final amounts of the Monetary Awards. All Monetary Awards shall be final, binding, and non-appealable.

2. The Claim Form shall be completed in its entirety, including responses to questions concerning allegations of race discrimination, financial losses, and any alleged emotional distress. Claimants may submit additional documentation, up to 25 pages, that the Claimants deem appropriate. In order to seek financial recovery for any period after a Claimant's employment with STIS ended, the Claimant must submit qualified documentary evidence of post-STIS income and work history. In order to seek financial recovery for any emotional distress, Claimants must complete the emotional distress section of the Claim Form.

3. Claimants may elect to meet with the Neutral for up to a 60-minute session in order to present aspects of his or her claim and answer questions from the Neutral (the “Interview”). The Interview will take place via video-conference. Class Counsel shall represent the Claimants during the CRP. Claimants may elect to have Class Counsel present at the Interview. All individuals appearing at the Interview must agree to confidentiality.

4. Claimants may elect to forgo the Interview and have his or her Monetary Award determined by the Neutral based solely on the Claim Form and supporting documents, if any.

E. Neutral Evaluation of Claims in the CRP.

1. The Neutral shall review the Claim Forms and supporting documentation, and information from the Interview (if any), to determine the amounts of the Monetary Awards (as noted above, the minimum award shall be no less than \$25,000) to be paid to each Claimant. The Neutral shall determine the Monetary Awards in a manner that does substantial justice in allocating the available funds in light of the balance of the strength and weaknesses of each Claimant’s claims submission.

2. Factors and information the Neutral shall weigh when determining the appropriate Monetary Award include but are not limited to the following:

- (a) Length of service at STIS;
- (b) Length of employment as an FA within the Class Period;
- (c) The Claimant’s description of their experiences with regard to branch assignments, account and book distribution, partnership opportunities, business opportunities, resources available (including licensed banker support), office environment and other treatment;
- (d) Claimant’s description of any alleged racial harassment and hostile work environment;

- (e) Whether the Claimant lodged an internal complaint of discrimination;
- (f) Whether the Claimant filed a charge of discrimination and/or lawsuit;
- (g) Any alleged retaliation suffered as a result of lodging a complaint or engaging in protected activity;
- (h) Any alleged emotional distress suffered, and whether supporting evidence is submitted regarding such alleged emotional distress;
- (i) Any alleged severe financial distress;
- (j) Any alleged career or reputational harm;
- (k) Any alleged lost opportunities and financial losses;
- (l) Any alleged lost future earnings;
- (m) Mitigation and post-STIS earnings;
- (n) Whether the Claimant previously released some but not all of his or her claims and, if so, the date and scope of any such release of claims; and
- (o) Such other factors as the Neutral determines appropriate to secure substantial justice in the allocation of the available funds.

F. Class Counsel Assistance to Class Members.

1. Class Counsel shall be a consistent resource to Settlement Class Members throughout the Settlement approval and Claims Resolution Process.

2. Class Counsel shall answer questions from Settlement Class Members regarding the Claim Form, the CRP, or the Settlement in general.

3. Class Counsel shall assist Settlement Class Members in understanding the Settlement, CRP, and in preparing their Claim Forms if timely requested by Settlement Class Members. Attorneys from Class Counsel are available to review and assist Settlement Class Members in the preparation, review, and filing of their Claim Forms and supporting

documentation, as applicable, upon timely and reasonable request from Settlement Class Members.

4. Class Counsel will assign a staff member of its firm to act as liaison and coordinator of this Claims Resolution Process and with Settlement Class Members, and Class Counsel will provide attorneys to provide substantive assistance with Claim Forms upon timely requests.

5. Class Counsel shall provide training and confidential information to the Neutral regarding the facts, legal theories and evidentiary basis of the claims, as well as regarding the financial services industry and Financial Advisor role at STIS.

G. Award Parameters.

1. The total amount of all of the Monetary Awards shall not exceed the net amount remaining in the Settlement Fund after payment of: (i) all attorneys' fees and costs as described in Section X.A; (ii) Service Awards to the Named Plaintiffs as described in Section X.C; (iii) all costs in connection with the administration of the Settlement Agreement and the Settlement Fund as described in Section VIII.A.2; and (iv) applicable taxes, including Defendants' share of payroll taxes, as described in Section VIII.A.2.

2. The Neutral will also establish, for tax purposes, the allocation of the Monetary Awards to wages, interest, compensatory damages or other tax character as are appropriate based on the principles set forth in the IRS Regulations.

3. After determining the amount of all of the Monetary Awards, the Neutral shall report the Monetary Awards (including tax allocations thereof) to the Claims Administrator.

4. The Monetary Awards determined by the Neutral will be inadmissible in this Action or any other subsequent proceeding for any purpose other than to enforce the Settlement Agreement or for any potential set off as described in Section IX.K, and shall not be deemed to be a finding as to the merits of any claim.

5. There shall be no appeal from the final Monetary Awards determined by the Neutral, which shall be final and not subject to review by, or appeal to, any court, mediator, arbitrator or other judicial body, including without limitation the Court. As will be reflected in the final order approving this Settlement, Defendants, Defendants' Counsel, Class Counsel, and the Neutral may not be held liable for any determination reached by the Neutral.

H. Confidentiality of Claims Resolution Process and Settlement Administration. Before receiving any Confidential Information, the Claims Administrator, Neutral, and any other third-party involved in the CRP or the administration of this Settlement Agreement must sign a confidentiality agreement in a form and containing terms jointly agreed by Class Counsel and Defendants' Counsel. Claim Forms completed by Settlement Class Members, information submitted by the Settlement Class Members, the Interviews with the Neutral, and all other aspects of the Claims Resolution Process will be confidential.

I. Distribution of Monetary Awards.

1. Within twenty (20) business days after the Neutral has determined Monetary Awards of all of the Settlement Class Members (but in no event earlier than the Effective Date), the Claims Administrator shall send to each Settlement Class Member who has submitted the appropriate tax forms required by law or regulation, a check for the Monetary Award determined by the Neutral.

2. The back of each check will state: “By negotiating this check and accepting payment I agree that I have waived and released the Released Parties from all Released Claims as defined in the Settlement Agreement and in the Notice in this matter. This Release became effective on the Effective Date.” A Claimant’s endorsement of a check drawn from the Settlement Fund shall serve only to re-confirm that the Claimant has discharged the Released Claims.

3. No Monetary Awards shall be mailed to any Settlement Class Member or Named Plaintiff who has not completed and returned the tax forms required by law or regulation (such as an IRS W-4 and/or W-9 form).

4. The Claims Administrator shall retain copies of each check cashed by Settlement Class Members or Named Plaintiffs and provide those checks to Defendants’ Counsel in the event the Settlement Class Member or Named Plaintiff raises a claim Defendants believe to be released by this Settlement Agreement.

5. Settlement Class Members will have one hundred twenty (120) days after the date on check for the Monetary Award to negotiate it. If any Settlement Class Member does not negotiate his or her check within one hundred twenty (120) days, the check will be voided by the Claims Administrator and remitted to the unclaimed property fund of the State in which that Settlement Class Member resides in his/her name for claiming thereafter from the State in accordance with its escheatment laws.

J. Confidentiality Regarding Amount of Monetary Award. All Class Members receiving Monetary Awards will be required to keep the amount of their Monetary Award confidential, except that they may disclose the amount to immediate family, legal counsel, or tax advisors, or as otherwise required by law.

K. Non-Admissibility of Award. The Monetary Award shall not be deemed to be a finding as to the merits of any claim and shall not be admissible in any other proceeding (including but not limited to this Action) for any purpose, other than to enforce a Named Plaintiff General Release or a Settlement Class Member Release or to the extent that it would constitute a set off in an action for damages that were not released pursuant to this Settlement Agreement.

L. Tax Treatment.

1. Qualified Tax Status and Tax Responsibilities. The Settlement Fund shall be established as a Qualified Settlement Fund within the meaning of Section 468B of the Internal Revenue Code of 1986, as amended, and Treas. Reg. Section 1.468B-1, et seq., and shall be administered by Class Counsel and Claims Administrator under the Court's supervision. Defendants shall hereby be deemed to have made an election under Section 468B of the Revenue Code to have the Fund treated as a "Qualified Settlement Fund." The Parties shall cooperate to ensure such treatment and shall not take a position in any filing or before any tax authority inconsistent with such treatment.

2. Payment of Federal, State, and Local Taxes. The Parties recognize that the Monetary Award to eligible Class Members will be subject to applicable tax withholding and reporting, which will be handled as follows:

- (a) The Claims Administrator shall serve as trustee of the portion of the Settlement Fund devoted to paying claims ("Claims Fund") and shall act as a fiduciary with respect to the handling, management, and distribution of the claims, including the handling of tax-related issues and payments. Specifically, the Claims Administrator shall be responsible for withholding, remitting and reporting of the Class Members' and the employer's share of the payroll taxes from the Claims Fund.
- (b) The Neutral will establish and provide to the Claims Administrator, for tax purposes, the allocation of Monetary Awards to wage and non-wage

income or other tax character as is appropriate based on the principles set forth in the IRS Regulations.

- (c) The Claims Administrator shall be responsible for the timely reporting and remitting of the Employer Payroll Tax Payment to the appropriate taxing authorities and shall take all steps necessary to correct any inaccurate calculations, including but not limited to indemnifying Defendants and Class Counsel for any penalty arising out of an incorrect calculation and/or interest with respect to late payment of the same.
- (d) Subject to the Claims Administrator's obligation to comply with applicable laws, the Parties anticipate that: (i) any amounts designated as interest shall not be subject to withholding and shall be reported, if required, to the IRS on Form 1099-INT; and (ii) amounts paid for emotional distress, if any, shall not be subject to withholding and shall be reported to the IRS on Form 1099-MISC.
- (e) The Claims Administrator shall be responsible to satisfy from the Claims Fund any and all federal, state and local employment and withholding taxes, including, without limitation, federal and state income tax withholding, FICA, Medicare, and any state employment taxes. To the extent that a state requires the employer to remit the state taxes, the Claims Administrator shall provide Defendants with the necessary information and the corresponding funds for them to do so.
- (f) The Claims Administrator shall satisfy all federal, state, local, and other reporting requirements (including any applicable reporting with respect to attorneys' fees and other costs and expenses subject to reporting), and any and all taxes, penalties, and other obligations with respect to the payments or distributions from the Settlement Fund not otherwise addressed herein.
- (g) All (i) taxes (including any estimated taxes, interest or penalties) arising with respect to the income earned by the Settlement Fund, including any taxes or tax detriments that may be imposed on Defendants with respect to income earned for any period during which the Settlement Fund does not qualify as a "Qualified Settlement Fund" for federal and state income tax purposes (hereinafter "Settlement Fund Taxes"), and (ii) expenses and costs incurred in connection with the operation and implementation of this Section (including, without limitation, expenses of tax attorneys and/or accountants, mailing and distribution costs, and expenses relating to filing (or failing to file) any returns described herein or otherwise required to be filed pursuant to applicable authorities) (hereinafter "Settlement Fund Tax Expenses"), shall be paid out of the Settlement Fund. Further, Settlement Fund Taxes and Settlement Fund Tax Expenses shall be treated as a cost of the administration of the Settlement Fund. The Parties hereto agree to

cooperate with the Claims Administrator, each other, and their tax attorneys and accountants to the extent reasonably necessary to carry out the provisions set forth in this Section.

- (h) Other than the withholding and reporting requirements set forth in Section IX.L.2(a), Settlement Class Members and Named Plaintiffs shall be solely responsible for the reporting and payment of any federal, state, and/or local income or other tax or any other withholdings, if any, on any of the payments made pursuant to this Settlement Agreement. Defendants make no representations and it is understood and agreed that Defendants have made no representations as to the taxability of any portions of the payments to any Settlement Class Members, the payment of any cost or an award of attorney fees, or any payments to the Named Plaintiffs. The Notice will advise Settlement Class Members to seek their own tax advice prior to acting in response to the Notice.

M. Defendants Have No Further Obligation, Liability or Responsibility. Defendants shall have no withholding, reporting, or any other tax reporting or payment responsibilities with regard to the Settlement Fund or the distribution to Settlement Class Members (except as provided in the second sentence of IX.L.2(e) above). Moreover, Defendants shall have no liability, obligation, or responsibility for the administration of the Settlement Fund, the determination of any method for disbursement, or the disbursement of any monies from the Settlement Fund, except for (1) its obligation to pay the \$14 million into the Settlement Fund as described in Section VIII.A; and (2) its agreement to cooperate in providing information which is necessary for Settlement administration set forth herein. The Claims Administrator shall indemnify Defendants for any tax liability, damages, or penalties arising out of their performance of any duties required by this Settlement Agreement.

X. ATTORNEYS' FEES AND EXPENSES OF CLASS COUNSEL AND SERVICE AWARDS TO NAMED PLAINTIFFS

A. As discussed above in Section VIII.A.2, all of Class Counsel's fees and costs, including those in connection with securing Court approval of this Settlement Agreement, the

Claims Resolution Process and any monitoring of this Settlement Agreement, shall be paid from the Settlement Fund, following approval of those attorneys' fees and costs by the Court. Subject to approval by the Court, Class Counsel will seek attorneys' fees of up to 25% of the Settlement Fund, plus reimbursement of reasonable costs and expenses. Defendants shall not object to Class Counsel's requests for fees and costs up to the amount stated in this paragraph.

B. Defendants' payment of Plaintiffs' attorneys' fees, costs, and expenses from the Settlement Fund shall constitute full satisfaction of Defendants' obligation to pay any person, expert, attorney, or law firm for attorneys' fees, costs, and expenses incurred on behalf of the Settlement Class and Named Plaintiffs, and shall relieve Defendants from any other claims or liability to any other attorney or law firm or person or expert for any attorneys' fees, expenses, and costs to which any of them may claim to be entitled on behalf of the Settlement Class or any of the Named Plaintiffs that are in any way related to the Released Claims or claims released by Named Plaintiffs in their Named Plaintiff General Releases.

C. The Named Plaintiffs have invested substantial time and effort assisting Class Counsel and serving as fiduciaries for the Settlement Class. As is standard in class litigation, Class Counsel intends to petition the Court for Service Awards to Named Plaintiffs for their efforts and service to the Settlement Class. Defendants shall not object to Plaintiffs' motion for Service Award payments up to an amount of \$175,000 per Named Plaintiff.

XI. ENFORCEMENT AND DISPUTE RESOLUTION MECHANISMS

A. The Parties will work diligently and in good faith to resolve all disputes that may arise between them concerning the rights, obligations, and duties of the Parties to this Agreement. In the event that the Parties cannot agree, the Parties will attempt to resolve the dispute with the

facilitation of a mediator jointly agreed by the Parties. In the event that mediation is unsuccessful, then after thirty (30) days following conclusion of such mediation, either party may institute an enforcement action.

B. Enforcement of this Agreement shall be prosecuted by the Named Plaintiffs, through Class Counsel, or Defendants only. Neither Settlement Class Members nor any third parties will have any individual rights to enforce the terms of the Settlement Agreement, except that a Settlement Class Member, through Class Counsel, may bring an appropriate action against the Claims Administrator in the event a Monetary Award awarded by the Neutral in the CRP to that Settlement Class Member is not paid despite the Settlement Class Member having timely returned the required tax documents.

C. Any enforcement proceedings related to or arising out of this Settlement Agreement will be resolved and adjudicated only by the Honorable Timothy J. Kelly of the United States District Court for the District of Columbia, or by any other judge of that Court to whom the Action subsequently may be assigned, unless otherwise provided in this Settlement Agreement. Nothing in this Section prevents Released Parties from using this Settlement Agreement as a defense to a claim brought in another court or venue.

XII. CONFIDENTIALITY

A. Public Comment. Prior to the date the motion for Preliminary Approval is filed, the fact of this Settlement Agreement and all its terms shall be kept strictly confidential by the Plaintiffs and Defendant and counsel for the Parties. At all times, including but not limited to after filing the motion for Preliminary Approval, other than necessary disclosures made to the

Court, the content of the Parties' settlement negotiations, all of which are confidential, shall continue to be held confidential by the Plaintiffs and Defendant and counsel for the Parties.

B. Documents and Information Produced by Defendants and Class Counsel. All proprietary and confidential documents, data, or information that have previously been provided to either Defendants or Class Counsel as of the date this Settlement Agreement is executed, or which are produced by Defendants or Class Counsel pursuant to any provision of this Settlement Agreement shall, unless otherwise agreed, be treated as, and thereafter remain, confidential. Said documents and information shall not be disclosed to anyone other than the mediator or the Court in connection with any proceeding to enforce any provision of this Settlement Agreement, or as otherwise provided in this Settlement Agreement. If third party disclosure is deemed necessary by Class Counsel or Defendants, Class Counsel or Defendants shall identify and disclose to the other party such documents and information deemed necessary to disclose at least ten (10) business days prior to filing such documents with any court, and, if a party so requests, shall seek permission to file said documents with this Court under seal. The Parties acknowledge that they remain bound by the Stipulated Protective Order entered by the Court on April 15, 2021 (Dkt. 40) and the Supplemental Mediation Confidentiality Agreement signed by Counsel for the Parties on October 22, 2021. No later than sixty (60) days after the end of the Programmatic Relief Period, the parties shall return or destroy all documents, data, or information received from the other Party as provided in Paragraph 17 of the Stipulated Protective Order.

XIII. OTHER TERMS AND CONDITIONS OF SETTLEMENT

A. Governing Law. The Parties agree that federal law shall govern the validity, construction, and enforcement of this Settlement Agreement. To the extent that it is determined

that the validity, construction, or enforcement of this Settlement Agreement, the Named Plaintiff General Release, or the Settlement Class Member Release hereunder pursuant to its terms is governed by state law, the substantive law of North Carolina shall apply. Nothing in this Settlement Agreement shall be construed as requiring TIS to take action(s) that could violate any employment discrimination or other laws, including making hiring or other employment-related decisions based on race.

B. Entire Agreement. This Settlement Agreement, including the Exhibits hereto, contains the entire agreement and understanding of the Parties with respect to the Settlement. This Settlement Agreement does not impose any obligations on the Parties beyond the terms and conditions stated herein. Accordingly, this Settlement Agreement shall not prevent or preclude Defendants from revising their employment practices and policies or taking other personnel actions during the term of this Settlement Agreement so long as such actions would not violate the terms of this Settlement Agreement.

C. Exhibits. The Exhibits referenced in this Settlement Agreement are material and integral parts hereof and are fully incorporated herein by reference.

D. Modifications. Except as specifically provided for herein, this Settlement Agreement may not be amended or modified except with the express written consent of the Parties.

E. Notices to Counsel. All notices to counsel required or desired to be given under this Settlement Agreement shall be in writing and by overnight mail and e-mail to counsel for the respective Parties (specifically, to Linda D. Friedman for the Class and Elena D. Marcuss of McGuireWoods LLP and the Chief Legal Officer of Truist for Defendants).

F. Failure to Insist on Strict Compliance. The failure of any party to insist in any one or more instances on strict compliance with the terms and conditions hereof shall not be construed to be a waiver of remedies available with respect to any prior or subsequent breach.

G. Settlement Agreement Binding. This Settlement Agreement shall be binding upon, the Named Plaintiffs and the Settlement Class Members, and their respective heirs, dependents, executors, administrators, trustees, legal representatives, personal representatives, agents, successors and assigns. This Settlement Agreement shall inure to the benefit of Released Parties. Settlement Class Members will not be deemed third party beneficiaries of the Settlement Agreement and will have no individual right to enforce its terms.

H. No Drafting Presumption. All Parties hereto have participated, through their respective counsel, in the drafting of this Settlement Agreement and, therefore, this Settlement Agreement shall not be construed more strictly against one party than another.

I. Dispute as to Meaning of Agreement Terms. In the event of any dispute or disagreement with respect to the meaning, effect or interpretation of this Settlement Agreement or any Exhibit hereto, or in the event of a claimed breach of the Settlement Agreement, the Parties agree that such dispute will be resolved and adjudicated only in accordance with the dispute resolution provisions of Section XI of this Settlement Agreement. This provision shall not prevent Defendants from relying on this Agreement, an executed Named Plaintiff General Release, or a Settlement Class Member Release in order to seek dismissal or judgment in the event that a Named Plaintiff or Settlement Class Member files an action against them.

J. Interpretation of Terms. Whenever possible, each provision and term of this Settlement Agreement shall be interpreted in such a manner as to be valid and enforceable.

K. Severability. Except as provided in Section IV.F.3, if after Final Approval is granted, any portion of this Settlement Agreement is subsequently judged to be unenforceable, the remainder of this Settlement Agreement shall continue to be valid and enforceable.

L. Integration. This Settlement Agreement contains the entire agreement between the Parties relating to any and all matters addressed in the Settlement Agreement, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, with respect to such matters are extinguished. No rights hereunder may be waived or modified except in a writing signed by all Parties.

M. Paragraph and Section Headings. Paragraph and section headings are for convenience of reference only and are not intended to create substantive rights or obligations.

N. Counterparts. This Settlement Agreement may be executed in counterparts. Each signed counterpart together with the others shall constitute the full Settlement Agreement.

O. Agreement Binding. As of the date on which Plaintiffs and Defendants and counsel for the Parties execute this Settlement Agreement, this Settlement Agreement will be binding in all respects, unless the Court fails to approve this Settlement Agreement and the Settlement Agreement is thus vacated.

P. Parties' Authority. The signatories hereby represent that they are fully authorized to enter into this Settlement Agreement and to bind the Parties to the terms and conditions hereof. Plaintiffs and Defendants acknowledge that through this Settlement Agreement and its exhibits, they and the Class Members are being advised that they may consult an attorney regarding their participation in this Settlement Agreement, and the Parties acknowledge that they in fact have

been represented by competent, experienced Counsel throughout all negotiations which preceded the execution of this Settlement Agreement, and this Settlement Agreement is made with the consent and advice of Class Counsel and Defendants' Counsel who have jointly prepared this Settlement Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have executed this Settlement Agreements as of the date set forth below:

Dated: 8/3/2023 | 2:08 PM PDT

TRACY RANDLE

DocuSigned by:

Tracy Randle

20172CFE676E4A7...

Dated: 8/3/2023 | 3:38 PM PDT

ALLISON TAYLOR

DocuSigned by:

Allison Taylor

FE2F123B38D84D3...

Dated: 8/3/2023 | 2:56 PM CDT

ARTHUR BOYD

DocuSigned by:

Arthur Boyd

50853D1E90B441B...

Dated: 8/3/2023 | 4:26 PM EDT

TAHIR JOHNSON

DocuSigned by:

Tahir Johnson

3921EB548E10466

Dated: 8/3/2023 | 3:22 PM CDT

STOWELL & FRIEDMAN, LTD.

DocuSigned by:

George Robot

By

1E5B26DDEE7314E9...

Linda D. Friedman

Suzanne E. Bish

George S. Robot

303 W. Madison Street,

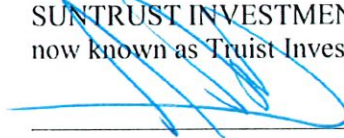
Suite 2600

Chicago, Illinois 60606

Attorneys for the Class

Dated: 8.3.2023

SUNTRUST INVESTMENT SERVICES, INC.
now known as Truist Investment Services, Inc.



Dated: 8.3.2023

TRUIST FINANCIAL CORPORATION as
successor by merger to SunTrust Banks, Inc.



Dated: 8/4/2023

MCGUIREWOODS LLP

By Elena D. Marcuss

Elena D. Marcuss
500 E. Pratt St. Ste. 1000
Baltimore, MD 21202

Jonathan P. Harmon
Gateway Plaza
800 E. Canal Street
Richmond, VA 23219

William E. Doyle, Jr.
501 Fayetteville Street, Ste. 500
Raleigh, NC 27601

Attorneys for Defendants

Exhibit 1 to the Settlement Agreement

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA
NOTICE OF CLASS ACTION, PROPOSED SETTLEMENT AGREEMENT, AND
FAIRNESS HEARING

A federal court has authorized this Notice. This is not a solicitation from a lawyer.

On [DATE], Judge Timothy J. Kelly of the U.S. District Court for the District of Columbia granted Preliminary Approval of a proposed class action settlement (“Settlement”) in the lawsuit *Randle, et al. v. SunTrust Banks, Inc., et al.*, Case No. 1:18-cv-01525-TJK (the “Action”). You have been identified as a potential Class Member in the Settlement, and the Court ordered this Notice to inform you of your rights and options under the Settlement.

The proposed Settlement will provide a Settlement Fund of \$14 million for a class of African American and/or Black Financial Advisors (“FAs”) to resolve claims of race and color discrimination and retaliation against SunTrust Banks, Inc., SunTrust Investment Services, Inc. (“STIS”), Truist Financial Corporation, and Truist Investment Services, Inc. (“TIS”) (“Defendants”). The proposed Settlement will also provide Programmatic Relief related to the claims in the Action.

Your Legal Rights and Options in this Settlement:	
Exclude Yourself (Opt Out)	<p>Opt out of the Settlement’s monetary relief. Receive no money from the Settlement. Keep any rights to sue Defendants separately for the claims in this lawsuit.</p> <p>You must Opt Out, or seek exclusion from, the Settlement by [40 DAYS FROM WHEN NOTICE IS MAILED]</p>
Object	<p>Write to the Court about why you don’t think the Settlement is fair.</p> <p>You must object to the Settlement by [40 DAYS FROM WHEN NOTICE IS MAILED]</p>
Do Nothing to become a Settlement Class Member	<p>Wait for the Court. Stay in the lawsuit. Seek a Monetary Award from the Settlement Fund, which will be a minimum of \$25,000, if the Court approves the Settlement. Give up certain rights.</p> <p>If you wish to participate in the Settlement, you must wait for the Court to decide whether to grant final approval of the Settlement.</p> <p>If it does so, you will be mailed a separate notice about your rights and a claim form that you must timely submit to seek a Monetary Award from the Settlement.</p>

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

This Notice contains a summary of the terms of the Settlement and the capitalized terms in this Notice are defined in the Settlement Agreement. If there is any inconsistency between this Notice and the Settlement Agreement, the Settlement Agreement shall control.

What This Notice Contains

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1. Purpose of This Notice

The purpose of this Notice is to inform you about: (i) this lawsuit (the Action); (ii) the Settlement and Settlement Class definition that the Court has preliminarily approved; and (iii) your legal rights and options in connection with the Settlement and a hearing to be held before the Court on **[DATE]** to consider the fairness, reasonableness, and adequacy of the Settlement and related matters (“Fairness Hearing”). This Notice also describes the steps to be taken by those who wish to be excluded from the Class, by those who wish to object to the Settlement, and, for those who remain in the Class, the steps necessary to seek a share of the Settlement Fund if the Court approves the Settlement.

2. Background: About the Action

Plaintiffs Tracy Randle and Allison Taylor, who are African American and were employed by STIS as Financial Advisors (“FAs”) until July 6, 2016, and September 29, 2016, respectively, retained Class Counsel to represent them in connection with what they believed to be race discrimination. On May 8, 2017, on Plaintiff Randle’s behalf, Class Counsel filed a representative charge of discrimination with the Equal Employment Opportunity Commission. On June 26, 2018, Plaintiff Randle and Plaintiff Taylor filed a class action lawsuit against STIS, and its parent company, SunTrust Banks, Inc., alleging that STIS was engaged in a pattern or practice of race discrimination and maintained policies and practices that harm African American FAs and including claims of disparate treatment and disparate impact discrimination and retaliation pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000(e), *et seq.* (“Title VII”) and 42 U.S.C. § 1981 (“Section 1981”) on behalf of themselves and a class of all African American FAs. Over time, the lawsuit was amended to add the new entities created following the merger of SunTrust and BB&T Corp. – Truist Financial Corporation and Truist Investment Services, Inc. – as defendants, and to add Arthur Boyd and Tahir Johnson as plaintiffs. Together Plaintiffs Randle, Taylor, Boyd, and Johnson are called “Named Plaintiffs” because they brought the lawsuit seeking to represent a group (or “class”) of similarly situated current and former African American and/or Black Financial Advisors employed by STIS. The Second Amended Complaint describes Plaintiffs’ claims and can be found at [www.\[website\].com](http://www.[website].com). The lawsuit (or Action) is known as *Randle, et al. v. SunTrust Banks, Inc., et al.*, No. 18-cv-01525 (D.D.C.).

Defendants deny and continue to deny all of the allegations and claims asserted in the Action, including any alleged liability or wrongdoing, and deny that the Named Plaintiffs or Class Members are entitled to any relief. The Court has not made and will not make any determination on the merits of this matter or decide who is right and who is wrong. By entering into the proposed Settlement, Defendants do not admit any liability or wrongdoing. The Settlement resolves claims of race and color discrimination, harassment, and retaliation in terms and conditions of employment, including claims brought or that could have been brought in the lawsuit under Title VII, and Section 1981, as well as any other federal, state, or local anti-discrimination laws.

The Court has reviewed the Settlement and has preliminarily approved it as being fair, adequate, and reasonable. Before deciding whether to give Final Approval to the Settlement, the Court wishes to inform the Class of the general terms of the Settlement and of the right of Class Members to object to or to opt out of (be excluded from participating in) the Settlement.

3. Class Definition

The Settlement Class is defined as:

All individuals who were employed by SunTrust Investment Services, Inc. as a Financial Advisor (as defined in Section III.A.19 of the Settlement Agreement) at any time between June 24, 2014 and February 17, 2021, and who self-identified to STIS as African American and/or Black, as reflected in Defendants’ workforce data, which was used to develop the class list provided by Defendants to Class Counsel.

If you received this Notice in a mailing addressed to you, then Defendants’ records show that you are a Class Member, i.e., that you fit the definition above. If so, you have legal rights and options

that you can exercise before the Court finally approves the Settlement.

4. Summary of Settlement Terms

Defendants have agreed to create a Settlement Fund in the total amount of \$14 million. The Settlement Fund will cover payments to Class Members, Service Awards to the Named Plaintiffs, Class Counsel's attorneys' fees and costs, taxes (including the employer's share of payroll taxes), and the costs of the Claims Resolution Process and administering the Settlement Fund.

In addition to establishing the Settlement Fund, Defendants have agreed to certain programmatic relief for two years following the effective date of the Settlement, including, among other things:

- TIS will devise and implement a plan to increase the number of African Americans in the candidate pools for FA positions (including both Investment Services Group and Private Client Group Financial Advisors).
- TIS will provide the Head of Wealth Brokerage with data concerning the hiring, retention, branch assignment, position, account distributions, teaming, performance—including but not limited to production, assets under management, and compensation—and attrition of FAs broken out by race on a biannual basis.
- TIS will create and maintain a FA Advisory Council who will meet on a biannual basis to discuss issues of diversity, equity, and inclusion facing African American Financial Advisors.
- TIS will confirm that all account distributions are distributed according to the written policy and review the impact of the policy on African American FAs on an annual basis. Further, TIS will consult with and obtain feedback from the FA Advisory Council regarding the account distribution policy.
- TIS, as part of its regular performance evaluation of Wealth Brokerage managers, will consider managers' involvement in Firm's efforts to recruit diverse FA candidates, as well as their success in retaining diverse FAs whose performance is satisfactory.

5. How to Proceed: Your Options

Option A: Opt Out (Exclude) Yourself from the Settlement

If you do not want to participate in the Settlement, and wish to retain your own rights to sue Defendants on your own for the legal claims covered by this Settlement, you must request to opt out of, or be excluded from, this Settlement. If you opt out, you will not be eligible for any Monetary Award from the Settlement. However, you will keep any rights you might have to sue Defendants separately for the legal claims covered by this Settlement. You may not opt out of the Programmatic Relief of the Settlement.

If you wish to opt out, you must mail a written, signed statement that you are opting out of the

Settlement to the Claims Administrator, at the address listed below. To be effective, this opt-out statement must be received by the Claims Administrator on or before **[40 days from the date notice is mailed]**, and must include the following language:

I hereby opt out of the class action Settlement in the lawsuit *Randle, et al. v. SunTrust Banks, Inc., et al.*, No. 18-cv-01525 (D.D.C.). I understand that, by requesting to be excluded from the monetary settlement in this case, I will receive no money from the Settlement Fund created under the Settlement Agreement. I understand that I may bring a separate legal action seeking damages, but I might receive nothing or less than what I would have received if I had filed a claim under the class Monetary Award procedure in this case.

The address of the Claims Administrator is:

[Claims Administrator Address]

Class Members who submit opt-outs may rescind their opt-outs (i.e., you may change your mind and decide to stay in the Class). To be effective, such rescissions must be submitted in writing, signed, and received by the Claims Administrator or Class Counsel no later than the day before the Fairness Hearing.

Class Members who submit timely and valid requests for exclusion, and who do not rescind their opt-out, will have no right to object to the Settlement in Court, will no longer be represented by Class Counsel, and will not receive a Monetary Award.

You may not Opt Out of the Programmatic Relief to be provided as part of this Settlement.

Option B: Object to the Settlement

The Court must assess the overall fairness and reasonableness of the Settlement to the Class. If you do not opt-out (Option A), you may object to the Settlement, regardless of whether you intend to seek Monetary Relief.

In order to have your objection to the Settlement considered by the Court or to speak at the Fairness Hearing, your written objection to the Settlement must: (1) be signed and submitted to the Claims Administrator; (2) include a detailed description of the basis of the objection; (3) indicate whether you intend to appear at the Fairness Hearing; and (4) be received by the Claims Administrator on or before **[40 days from the date notice is mailed]**. You do not need to be represented by separate counsel to object to the Settlement.

The address of the Claims Administrator is:

[Claims Administrator Address]

Option C: Do Nothing and Wait Until the Court Decides on Final Approval of the Settlement

The Court still must decide whether to grant Final Approval of the Settlement. If you wish to participate in the Settlement, and do not wish to object, you do not need to do anything at this

time – you will automatically become a Settlement Class Member. If the Court approves the Settlement, you will receive a separate notice advising you of your rights and the process and deadlines by which you may submit a Claim Form to seek a Monetary Award from the Settlement Fund. Submitting a Claim Form by the deadline set by the Court is the only way to get money from the Settlement. You must timely submit a Claim Form in order to receive money from the Settlement.

6. What Will Happen Next and If the Settlement Is Approved?

If you do not timely and properly request to be excluded (opt-out), you will remain a part of the Settlement Class and be eligible to seek payment (Monetary Award) from the Settlement Fund. The Court will hold the Fairness Hearing and you, as a Class Member, will be represented by Class Counsel at no cost to you. If the Court grants Final Approval to the Settlement (and after any appeals are resolved), you will then receive a separate notice advising you of your rights and the process and deadlines by which you may submit a Claim Form to seek a Monetary Award from the Settlement Fund. In order to be eligible to receive a share of the Settlement Fund, you must fill out, sign, and submit a Claim Form to the Claims Administrator by the claims submission deadline to be set by the Court after Final Approval of the Settlement. Further, before you receive a Monetary Award from the Settlement Fund, you must submit to the Claims Administrator relevant tax forms, such as IRS Forms W-4 and/or W-9. *See* Section 8 below for additional detail about submitting a Claim Form.

7. Release

If the Court grants Final Approval of the Settlement, then all Class Members who have not opted out will release Defendants and their related entities from all claims of race and color discrimination, harassment, and retaliation arising out of or relating to their employment with and/or separation from STIS. *See* Settlement Agreement at Sections V.A. To “release” a claim means that you cannot sue Defendants or their related entities for any of the claims covered by the release. Unless you properly and timely opt out of the Settlement, you will be covered by the release and lose your claims, even if you do not submit a Claim Form for a Monetary Award.

8. How Will My Settlement Award Be Calculated?

Each Settlement Class Member is eligible for a Monetary Award from the Settlement Fund.

In order to receive a Monetary Award, Settlement Class Members must fill out and submit a Claim Form and relevant tax forms, such as IRS Forms W-4 and/or W-9, within the timeframes identified in the notice that will be sent after the Fairness Hearing. Every Settlement Class Member who timely submits a completed Claim Form shall receive, at a minimum, a Monetary Award of \$25,000.

Settlement Class Members’ individual Monetary Awards will be determined using a Claims Resolution Process that allows for the individualized assessment of Settlement Class Members’ claims by a Court-appointed Neutral, as described in more detail in Section IX.E. of the Settlement Agreement. In order to receive a Monetary Award, Settlement Class Members must submit a detailed Claim Form. The Claim Form seeks information about your claims and employment at

STIS. The Claim Form must be completed in its entirety, including responding to questions seeking information about any alleged race discrimination, financial losses, and emotional distress. In order to seek financial recovery for any period after your employment with STIS, you must submit qualified documentary evidence of post-STIS income and work history. In addition, in order to seek financial recovery for alleged emotional distress, you must complete the section of the Claim Form regarding emotional distress. Class Members may also elect to meet with the Neutral for up to 60-minutes in order to present aspects of their claim.

The Neutral will then assess your claim and determine a Monetary Award based on all available information, including the individual facts and circumstances of your claim and all claims submitted by Settlement Class Members. Every Settlement Class Member who submits a timely and completed Claim Form will receive, at a minimum, a Monetary Award of \$25,000. Settlement Class Members may submit up to 25 pages of additional information regarding their individual claims and circumstances, including any alleged emotional distress and economic damages suffered after leaving the employ of STIS, among other factors.

Class Counsel will be available to assist Settlement Class Members in the Claims Resolution Process. Settlement Class Members can elect to have Class Counsel attend the 60-minute meeting with the Neutral with them at no cost to them. Settlement Class Members may also retain their own attorney to assist them in this process, at their own expense. Claim Forms will remain strictly confidential. Neither the Claim Forms nor the contents thereof will be disclosed to Defendants.

All Monetary Awards will be determined by the Neutral appointed by the Court to make sure they are fair and consistent. You will not have a right to challenge your individual Monetary Award or the allocation and distribution of the Settlement Fund as determined by the Neutral in the Claims Resolution Process. All Monetary Awards are final, binding, confidential, and non-appealable.

9. Are There Tax Consequences for Any Money I Might Get?

Yes, the Monetary Award you receive from the Settlement Fund will have tax consequences for you. The Neutral will be responsible for allocating any monetary payments appropriately between different types of income or monetary compensation (*e.g.*, wages, interest, emotional distress). The Claims Administrator will withhold, remit, and report your share of payroll taxes from the Monetary Award based on the W-4 form you fill out. Ultimately, you will be responsible for any and all individual taxes owed on any Monetary Award.

Class Counsel are not tax advisors and cannot give you advice on any tax matters. Class Counsel urge you to consult your tax advisor for answers to any questions you may have about the tax implications of any potential award. Class Counsel and Defendants' Counsel make no representations as to the taxability of any portion of any award you receive from the Settlement Fund.

10. The Lawyers Representing You and the Class

As a Settlement Class Member, you are represented in this litigation by Class Counsel:

Linda D. Friedman

Suzanne E. Bish
George S. Robot
Stowell & Friedman, Ltd.
303 W. Madison, Suite 2600
Chicago, IL 60606-3395
Telephone: (312) 431-0888
lfriedman@sfltd.com
sbish@sfltd.com
grobot@sfltd.com

Unless you elect to opt out of the Settlement, you will continue to be represented by Class Counsel in connection with implementation of the Settlement at no cost to you. Although it is not required, you may, if you wish, retain your own attorney at your own expense.

How Will the Lawyers Be Paid?

Class Counsel have pursued these claims on behalf of the Named Plaintiffs and the Class without receiving any compensation for their services or reimbursement of the litigation expenses they incurred. If you are a Settlement Class Member and receive an award from the Settlement Fund, you will not owe any fees or expenses to the lawyers who have represented you as part of the Class. Class Counsel will ask the Court to award them attorneys' fees of not more than 25% of the Settlement Fund, or \$3,500,000, plus reimbursement of their reasonable litigation costs and expenses. The Court will decide how much to award Class Counsel for fees, costs, and expenses, which will be paid from the Settlement Fund.

11. Terms and Payments Specific to the Named Plaintiffs

The Named Plaintiffs Tracy Randle, Allison Taylor, Arthur Boyd, and Tahir Johnson have represented the interests of the Class Members during this Action by bringing this Action and interacting with Class Counsel throughout the Action and settlement negotiations. The Named Plaintiffs may participate in the Claims Resolution Process and receive a Monetary Award like any other Settlement Class Member. In addition, Class Counsel will ask the Court to grant Service Awards of \$175,000 for each of the Named Plaintiffs. This recognizes the benefits the Named Plaintiffs achieved for the Class, the risks they faced in bringing the case, the time they spent pursuing the lawsuit and the Settlement for Class Members, and the fact that they are generally releasing all claims against Defendants.

12. The Fairness Hearing

The Fairness Hearing on the Settlement will be held before the Honorable Timothy J. Kelly at _____ a.m. on _____. [ANY OTHER RELEVANT INFO ABOUT THE HEARING, I.E. IN-PERSON OR REMOTE] At this hearing, the Court will determine whether the proposed Settlement is fair, reasonable, and adequate and whether it should be granted Final Approval. The Court will also consider the amount of fees and expenses to award to Class Counsel, the amount of the Service Awards to grant to the Named Plaintiffs, and whether, in accordance with the Settlement, an order and judgment should be entered bringing the lawsuit to an end.

Do I Have to Attend the Fairness Hearing?

No. You are not required to attend the hearing, but you are welcome to if you so choose. Class Counsel will appear at the Fairness Hearing on behalf of all Settlement Class Members, at no cost to you. If you file an objection, you may but do not have to attend the hearing to talk about it. As long as you did not opt out and you filed your written objection on time, the Court will consider it. You may also hire a lawyer to attend for you at your own expense, but it is not required. If the Court gives Final Approval to this Settlement (and after any appeals are resolved), the Court's judgment will be final and binding on all Class Members who have not timely opted out.

13. Getting More Information

If you have further questions or still are not sure whether you are included in the Class, you can get free help at **[settlement website url]**, by calling the Claims Administrator at **[phone number]**, or by calling or writing to Class Counsel in this case at the contact number/address listed in paragraph 10.

This Notice contains only a summary of the terms of the Settlement. If there is any inconsistency between this Notice and the Settlement Agreement, the Settlement Agreement shall control. Further information about the Settlement Agreement, including the complete Settlement Agreement and other documents connected with the Settlement, are available for review and/or download at **[settlement website url]**.

Again, the important deadlines are:

Last Day to Opt Out of the Settlement Class: [40 days after mailing notice]

Last Day to Object to the Settlement: [40 days after mailing notice]

Fairness Hearing: [DATE]

PLEASE DO NOT CALL OR CONTACT THE COURT, THE OFFICE OF THE CLERK OF COURT, OR DEFENDANTS WITH QUESTIONS REGARDING THIS NOTICE.

**Exhibit 2 to the
Settlement Agreement
(Filed Under Seal)**

Exhibit 3 to the Settlement Agreement

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

TRACY RANDLE, ALLISON TAYLOR,
ARTHUR BOYD, and TAHIR JOHNSON
on behalf of themselves and all others
similarly situated,

Plaintiffs,

v.

SUNTRUST BANKS, INC., SUNTRUST
INVESTMENT SERVICES, INC., TRUIST
FINANCIAL CORPORATION, and
TRUIST INVESTMENT SERVICES, INC.,

Defendants.

Case No. 1:18-cv-01525-TJK

GENERAL RELEASE AGREEMENT

In consideration of the amounts that I will receive in conjunction with the Settlement Agreement in the above-captioned matter, I hereby agree to be bound by the terms of this General Release Agreement (“Agreement”).

I. Definitions

Unless otherwise specified in this Agreement, the terms used herein shall have the same meanings as those set forth in the Settlement Agreement in *Tracy Randle, et al. v. SunTrust Banks, Inc, et al.*, Civil Action No. 1:18-cv-01525-TJK (the “Action”).

II. Complete General Release of Claims

I hereby fully, finally, and irrevocably waive, release and discharge SunTrust Banks, Inc., SunTrust Investment Services, Inc, Truist Financial Corporation, and Truist Investment Services, Inc., their parents, subsidiaries, divisions, affiliates, and predecessors, and in the case of all such entities, their respective past and present, owners, officers, directors, agents, shareholders, trustees, insurers, administrators, representatives, attorneys, employees, predecessors, successors and assigns (“Released Parties”), from and with respect to any and all claims, demands, causes of action, suits, and liabilities, known or unknown, under any legal or equitable theory whether contractual, common-law, or statutory, and whether under federal, state, or local law, that I may have against Released Parties from the beginning of time through the date that the Notice of the class action and proposed settlement agreement is mailed to the Class. The claims released by this general release include, but are not limited to all claims of alleged employment discrimination, harassment, retaliation, or benefits claims under Title VII of the Civil Rights Act of 1964, 42

U.S.C. § 2000e, *et seq.* (“Title VII”), 42 U.S.C. § 1981 (“Section 1981”), or other federal, state, or local statute, regulation, or common law, specifically including but not limited to disparate impact, disparate treatment, and pattern or practice claims, any claims that were or could have been asserted in the Complaint, Amended Complaint, and Second Amended Complaint filed in the Action or any subsequent amended complaint that could have been filed in the Action, and any claims for monetary damages, including without limitation back pay, front pay, and compensatory and punitive damages, injunctive, declaratory or equitable relief, and costs and attorneys’ fees. I intend this release to be general and comprehensive in nature and to release all claims and potential claims against the Released Parties to the maximum extent permitted at law.

I recognize that as part of my general release of claims I am releasing any claims I may have for age discrimination under the Age Discrimination in Employment Act (“ADEA”). I acknowledge and agree that I conferred with my attorneys in the Action about this release, I have had in excess of twenty-one (21) days to consider this Agreement before signing it, and I intend this general release to include a fully binding and enforceable release of all claims under the ADEA. I understand that I have seven (7) days after executing this Agreement to revoke it. I understand that if I revoke this Agreement then this Agreement and the Settlement Agreement in the Action will both be void.

I understand that nothing in this Agreement limits me from filing a file a charge or complaint with, communicating with, or participating in an investigation or action brought by the Equal Employment Opportunity Commission, the National Labor Relations Board, or similar federal, state, or local governmental agency. However, I hereby waive any right I otherwise would have to recover, and agree that I will not seek or accept, any monetary damages, including costs and attorneys’ fees, in connection with any such charge, complaint, or action filed by me or by anyone else on my behalf related to the claims I have released.

III. Indemnification

I understand that, other than the withholding and reporting to be done by the Claims Administrator, I am solely responsible for the reporting and payment of any federal, state, and/or local income or other tax or any other withholdings on any money that I receive pursuant to this Settlement Agreement. Accordingly, I agree to indemnify and hold harmless the Released Parties, Class Counsel, Defendants’ Counsel, the Claims Administrator, and the Neutral Administrator from any tax liability relating to any money that I received pursuant to the Settlement Agreement, including penalties and interest and costs of any proceedings.

IV. No Admission

Nothing contained in this Agreement shall be deemed or construed as an admission by Defendants of wrongdoing or liability.

V. Other Agreements and Representations

A. Confidentiality. In accordance with Section IX.J. of the Settlement Agreement, I agree to keep the amount of any Monetary Award confidential, except that I may disclose the amount to immediate family, legal counsel, or tax advisors, or as otherwise required by law. Further, I understand that nothing in this Agreement prohibits or restricts me from reporting possible violations of law or regulation to any federal or state regulatory authority or self-regulatory organization, including, but not limited to, the Department of Justice, the Securities and Exchange Commission, and Financial Industry Regulatory Authority, Inc., or making other disclosures that are protected or required under the whistleblower or other provisions of federal or state law or regulation.

B. Absence of Certain Claims and Covenant Not To Sue. Except for the Action and any administrative charges filed with respect to the claims asserted therein all which are being terminated pursuant to the Settlement Agreement, I represent and warrant that I have not filed or caused to be filed any lawsuit, complaint, or action with respect to any claim that I am releasing in this Agreement or the Settlement Agreement, and I promise never to file or prosecute a lawsuit, complaint, or action based on such released claims. I agree that if a Released Party successfully asserts the general release in this Agreement or the Settlement Agreement as a defense or bar to any claim, I shall be liable for the costs and attorney's fees of the Released Party in defending such claim or asserting such defense.

C. Ownership of Claims. I represent and warrant that I have not assigned or transferred any claim that I am waiving or releasing in this Agreement or the Settlement Agreement.

D. Successors and Assigns. This Agreement binds my heirs, executors, administrators, representatives, dependents, successors, and assigns.

E. Interpretation. This Agreement shall be construed as a whole according to its fair meaning.

F. Governing Law. The validity, construction, and enforcement of this Agreement shall be governed by federal law. To the extent that it is determined that the validity, construction, or enforcement of this Agreement is governed by state law, the substantive law of North Carolina shall apply.

G. Knowing and Voluntary Agreement. I represent that: (a) I have read and understand this Agreement and the Settlement Agreement in their entirety; (b) I have conferred with my attorneys in the Action about both agreements; and (c) I have been given ample time to consider my decision to sign both agreements and in doing so am acting of my own free will.

Signature

Date

Printed Name

Exhibit 4 to the Settlement Agreement

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

TRACY RANDLE, ALLISON TAYLOR,
ARTHUR BOYD, and TAHIR JOHNSON
on behalf of themselves and all others
similarly situated,

Plaintiffs,

v.

SUNTRUST BANKS, INC., SUNTRUST
INVESTMENT SERVICES, INC., TRUIST
FINANCIAL CORPORATION, and
TRUIST INVESTMENT SERVICES, INC.,

Defendants.

Case No. 1:18-cv-01525-TJK

[PROPOSED] ORDER APPOINTING NEUTRAL

Pursuant to the parties' Settlement Agreement, the Court hereby appoints Michael K. Lewis, Esq. as a Neutral to perform the duties described below. Unless otherwise specified herein, capitalized terms shall have the meanings stated in the parties' Settlement Agreement.

1. **Duties of Neutral.** The Neutral shall oversee the Claims Resolution Process ("CRP") set forth in the parties' Settlement Agreement, including proceeding with all reasonable diligence to perform the following duties, among others:

- a. The Neutral shall review the Claim Forms and supporting documentation, and information from the Interview (if any), to determine the amounts of the Monetary Awards (the minimum award shall be no less than \$25,000) to be paid to each Claimant based on the factors set forth in the Settlement Agreement.

- b. The Neutral will establish and provide to the Claims Administrator, for tax purposes, the allocation of Monetary Awards to wage and non-wage income or other tax character as is appropriate based on the principles set forth in the IRS Regulations.
- c. The Neutral will review and approve all disbursements from the Settlement Fund to ensure compliance with Sections VIII.A and IX.G.1, including the contract and bills for the services of the Claims Administrator to be paid out of the Settlement Fund.

2. **Awards Are Final and Binding.** There shall be no appeal from the final Monetary Awards determined by the Neutral, which shall be final, binding, and non-appealable.

3. **Communications with the Court and the Parties.** In executing the duties stated above, the Neutral may communicate *ex parte* with the Court, Class Members, the Claims Administrator, Class Counsel, and/or Defendant's Counsel. The Neutral may also submit information *in camera* to the Court as necessary.

4. **Record of the Neutral's Activities.** The Neutral shall maintain such materials as he deems necessary to support his decisions in the Claims Resolution Process, as well as billing and time records associated therewith.

SO ORDERED this _____ day of _____ 2023.

Judge Timothy J. Kelly
United States District Judge