

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is a three-way agreement made and entered into by and among: Federal Express Corporation, successor by merger to FedEx Ground Package System, Inc. (“Respondent”); complainant [REDACTED] (“Complainant”); and the California Civil Rights Department (“CRD” or “Department”) (collectively, “Parties”, or referred to individually herein as “Party”).

In exchange for the promises and representations set forth herein, the Parties agree to settle the investigation of CRD matter [REDACTED] v. *Federal Express Corporation* (Case No. [REDACTED]) that resulted in the Department’s finding of cause on November 13, 2025, as follows:

1. This Agreement is voluntarily entered into by all the above-listed Parties.
2. This Agreement shall be effective as of the date when all Parties have fully executed this Agreement (the “Effective Date”).
3. In consideration of Respondent’s promises in this Agreement, including specifically the promises in Paragraphs 5 and 6 of this Agreement, Complainant agrees to release Respondent (including Respondent’s agents, employees, or representatives) from any and all claims alleged in Complainant’s administrative complaint with CRD through the Effective Date.
4. In consideration of Respondent’s promises in this Agreement, CRD and Complainant agree to not institute any action, either together or separately, in state or federal court, or before any local, state, or federal government entity, that arises out of the alleged unlawful acts and/or omissions of Respondent or any of Respondent’s agents, employees, or representatives, as alleged or investigated in the CRD matter. This paragraph is subject to the rights of CRD under paragraphs 11 and 16 below.

Monetary Terms

5. Within fourteen (14) calendar days of the Effective Date and as consideration for the releases set forth herein, Respondent will pay the total sum of Eighty-Five Thousand Dollars (\$85,000.00) directly to Complainant via check, payable to [REDACTED] (the “Settlement Amount”).
 - a. The Settlement Amount will be classified as non-wages, will not be subject to withholdings, and will be paid in one lump sum.
 - b. Respondent shall report the Settlement Amount as a non-wage payment via an IRS Form 1099.
 - c. Complainant shall bear responsibility for taxes owed by [REDACTED], if any, with respect to the Settlement Amount.

- d. Respondent will send the check to the following address via overnight FedEx, signature required: [REDACTED]

Non-Monetary Terms

6. In addition, Respondent agrees to the following within ninety (90) calendar days after the Effective Date of this Settlement Agreement:
 - a. Respondent will provide a 90-minute training on the Fair Chance Act to Respondent's employees holding the titles "SPS Systems Specialist" and "CSP Resources Specialist" ("Specialists"). Specialists shall record their attendance at the training, which will be provided live online and in person. Respondent will provide verification of its training obligations to CRD by sending a copy of the training slides used, a list of Specialists who attended the training, and those Specialists' signatures.
 - b. Respondent will create and implement a California-specific job aid for Specialists that handle the individualized assessment process. Respondent will send a copy of the job aid to CRD.
 - c. Respondent will implement a revised version of Respondent's Pre-Adverse Action Notice for California. Respondent will submit the revised notice template to CRD for review.
7. Verification for the above items shall be sent to the following email address by August 15, 2026: dylan.crary@calcivilrights.ca.gov. Except as provided for in Paragraph 16, the Parties shall each bear their own costs and attorneys' fees incurred in connection with or in relation to the CRD matter and/or this Agreement.

Acknowledgements

8. This Agreement does not prohibit Complainant from testifying, assisting, or participating in an investigation, hearing, or proceeding conducted by any state, local, or federal governmental entity, or from helping other individuals to pursue their rights. In addition, nothing in this Agreement prevents the disclosure of factual information by any Party as specified in California Code of Civil Procedure section 1001.
9. The existence, terms, and conditions of this Agreement and underlying factual information related to the CRD matter are not confidential, and the Agreement constitutes a public record.
10. The Parties acknowledge that this Agreement represents the sole and entire Agreement between the Parties and supersedes all prior agreements, negotiations, and discussions among them and/or their respective counsel with respect to the above-referenced CRD matter. In signing this Agreement, the Parties agree that they have not relied on any other

promises, inducement, or representations, other than as expressly set forth herein. The Parties further agree and understand that this Agreement may only be modified in a writing signed by all Parties.

11. The Parties acknowledge that the CRD does not waive its right to process any other complaints against Respondent by any other person. The CRD's participation in this Agreement is limited to the particular factual allegations of the underlying CRD matter. CRD does not, nor is it able to, waive the rights of any other person who may want to file a complaint against Respondent of matters under its jurisdiction. Nor is CRD waiving its right to initiate a Director's Complaint based on allegations that are unrelated to any claims released pursuant to Paragraph 3 above.
12. Nothing in this Agreement shall be construed as an admission by Respondent of any liability nor shall compliance with this Agreement constitute or be construed as an admission by Respondent of any liability or its agreement with any findings by the CRD to date. This paragraph shall not, however, diminish or otherwise affect Respondent's obligations, responsibilities, and duties under this Agreement.
13. In signing this Agreement, the Parties acknowledge that the CRD and any of its agents and employees have not served as an attorney or a tax advisor to either Complainant or Respondent. The Parties further acknowledge that each Party has the right to seek tax advice or advice related to how this settlement will affect any public benefits, and to review this Agreement with an attorney or tax consultant, prior to signing.
14. If any provision of this Agreement is held to be invalid and/or unenforceable, the Agreement shall be considered as if the invalid and/or unenforceable portion did not exist, with all remaining portions considered valid and enforceable.
15. This Agreement shall be construed and enforced pursuant to the laws of the State of California.
16. Should any Party fail to comply with its obligations under this Agreement, in whole or in part, in any action or proceeding brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs. In addition, the Parties agree and understand that the CRD has the authority to investigate compliance with this Agreement; to enforce the Agreement in court; or, in the event of breach of this Agreement by any of the parties, to reopen the CRD matter, continue its investigations, and pursue the matter to the full extent of its legal authority.
17. The Parties acknowledge that: (a) they have read and fully understand all the provisions of this Agreement; (b) they are voluntarily entering into this Agreement, without coercion; (c) they have entered into this Agreement based on their own judgment; and (d) they have not relied upon any representations or promises made by the other parties other than those contained herein.

18. The Parties represent and acknowledge that they have had an opportunity to be represented by legal counsel of their own choice throughout all of the negotiations which preceded this Agreement in connection with the negotiation, preparation, and execution of this Agreement.
19. The terms of this Agreement are contractual in nature and are not merely recitals.
20. This Agreement may be executed in counterparts and facsimile, e-mail and photocopies shall be deemed as originals for the purposes of this Agreement. To the extent any of the undersigned individuals is signing on behalf of a Party, that individual hereby certifies that he or she has full authority to enter into this agreement for the Party on whose behalf he or she has signed and agreed. This document may be executed in duplicate originals, each of which shall be equally admissible in evidence.
21. Nothing in this Agreement, whether express or implied, is intended to or shall (a) confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties hereto and their respective successors and assigns; (b) relieve or discharge the obligation or liability of any third person to any Party hereto, or (c) give any third person any right of subrogation or action against any Party to this Agreement.

[SIGNATURE PAGE TO FOLLOW ON NEXT PAGE]

It is so agreed.

Complainant:

[Redacted]

Signature: [Redacted] May 7, 2026 11:19:01 PDT

Dated: _____

Respondent:

Federal Express Corporation

Signed by:

Signature: [Redacted]

Title: Managing Director

Dated: 5/13/2026

Civil Rights Department:

Signature: *Dylan Crary*

Title: Staff Counsel

Dated: 05/07/2026