DISTRICT COURT, CITY AND COUNTY OF DENVER, COLORADO 1437 Bannock Street Denver, CO 80202	DATE FILED November 21, 2025 2:18 PM FILING ID: 387D78D5668B3 CASE NUMBER: 2025CV34220
PHILLIP J. WEISER, ATTORNEY GENERAL OF COLORADO, COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT PLAINTIFFS, v. GARUDA LABS, INC, d/b/a INSTAWORK, ADVANTAGE WORKFORCE SERVICES, DEFENDANTS.	▲ **COURT USE ONLY** ▲ Case No.: Div.:

STIPULATED CONSENT JUDGMENT

Plaintiffs, Philip J. Weiser, Attorney General of Colorado, in his official law enforcement capacity ("Attorney General"), acting on behalf of the State of Colorado (collectively the "State of Colorado") and the Colorado Department of Labor and Employment ("CDLE") (State of Colorado and CDLE collectively "Plaintiffs") and Defendants Garuda Labs, Inc. d/b/a Instawork and Advantage Workforce Services, LLC (Garuda Labs, Inc. d/b/a Instawork and Advantage Workforce Services, LLC collectively "Defendants") (Plaintiffs and Defendants referred to collectively as the "Parties," and each a "Party") jointly submit this Stipulated Consent Judgment ("Consent Judgment") pursuant to Rule 58(a). This Consent Judgment resolves the dispute

between the Parties and the Parties request that the Court adopt the Consent Judgment as an Order of the Court.

The Court, having been fully advised in the premises, FINDS, CONCLUDES, AND ORDERS:

A. That this Court has jurisdiction over the Parties and the subject matter of this action under the grounds alleged in the Complaint filed by Plaintiffs.

B. Venue in the City and County of Denver is proper pursuant to C.R.S. § 24-31-1203; and

C. That the Parties shall be subject to the following provisions:

1. INTRODUCTION

1.1 This Consent Judgment is entered into pursuant to the Colorado False Claims Act ("CFCA"), C.R.S. §§ 24-31-1201 to 1211 and the Colorado Employment Security Act ("CESA"), C.R.S. § 8-70-101 et seq.

1.2 Plaintiffs filed a complaint simultaneously with this Consent Judgment.

1.3 The Parties are entering into this Consent Judgment to compromise and resolve all Released Claims and to avoid the expense of further litigation.

2. DEFINITIONS

2.1 Unless otherwise stated in this Consent Judgment, all terms included herein shall have the same meaning as they do under the CFCA and CESA. If a term is undefined in this Consent Judgment and undefined in the CFCA and CESA, it shall have the same meaning it has under Colorado law.

2.2 Unless context otherwise requires, these terms shall have these meanings:

a. “Affiliate” means any person or entity that controls, is controlled by, or is under common control with another person.

b. “AWS” means Advantage Workforce Services, LLC.

c. “Contractor-Based Shift” means a shift facilitated by Instawork through the Platform where a worker performs services for any Partner and is classified by Instawork or the Partner as an independent contractor.

d. “Covered Conduct” means the conduct alleged or that could have been alleged in the Complaint simultaneously filed with this Consent Judgement, that relates to Contractor-Based Shifts and/or W2 Shifts that have or could have been alleged to violate the CFCA, CESA, Colorado Wage Act, C.R.S. § 8-4-101, et seq. (“CWA”), Colorado Minimum Wage Act, C.R.S. § 8-6-101, et seq. (“CMWA”), Healthy Families and Workplaces Act, C.R.S. § 8-13.3-401, et seq. (“HFWA”), or any other statutes, orders, or legal standards Plaintiffs have authority to enforce.

e. “DLSS” means Colorado Department of Labor and Employment, Division of Labor Standards and Statistics.

f. “Effective Date” means the date on which the Court enters this Consent Judgment as an order.

g. “Instawork” means Garuda Labs, Inc. d/b/a Instawork and its affiliates, successors, assigns, and subsidiaries (including, but not limited to, AWS).

h. “Instawork Partner” or “Partner” means a business that uses Instawork’s Platform to find workers and fill shifts in Colorado.

i. “Instawork Platform” or “Platform” means any mobile application or other similar service through which Instawork facilitates Contractor-Based Shifts and/or W2 Shifts in Colorado.

j. “Instawork Professionals” or “Instawork Pros” or “Professionals” or “Pros” mean any person(s) who utilized the Instawork Platform to book shifts located in the state of Colorado, regardless of whether the person is classified as an independent contractor or an employee.

k. “Person” means an individual, partnership, company, corporation, association (incorporated or unincorporated), trust, estate, cooperative organization, or other entity.

l. “The AG” means the Colorado Attorney General’s Office.

m. “The UI Division” means Colorado Department of Labor and Employment, Division of Unemployment Insurance.

n. “W2 Shift” means a shift facilitated by Instawork through the Instawork Platform where a worker performs services for a Partner as an employee of Instawork.

All definitions included within the CFCA and CESA are incorporated.

3. CONDUCT PROVISIONS

Contractor-Based Shifts

3.1 Subject to the provisions of Section 4.3, Instawork shall cease making any Contractor-Based Shifts available in Colorado available on the Platform within 90 days of the Effective Date.

3.2 Any remuneration paid to Pros classified as independent contractors for shifts in Colorado during the 90-day implementation period shall be reported to the UI Division so that appropriate taxes are paid during the applicable reporting period.

3.3 Subject to the provisions of Section 4.3, Instawork shall not, directly or indirectly, resume offering any Contractor-Based Shifts in Colorado on the Instawork Platform.

3.4 If necessary, Instawork shall modify policies and practices as needed to ensure compliance with applicable Colorado labor and employment laws.

Overtime

3.5 Instawork will ensure that all Pros who have worked Contractor-Based Shifts and/or W2 Shifts in Colorado from May 1, 2021 until either the Effective Date or the date when Contractor-Based Shifts in Colorado cease, whichever is later, have received time-and-a-half payment for work beyond either 40 hours per week, 12 hours per day, or any 12 consecutive hours, whichever results in the higher payment of wages. In its calculations, Instawork will consider any hours worked that could be deemed overtime, including daily or weekly overtime, irrespective of whether the shift was a Contractor-Based Shift or a W2 Shift.

Paid Sick Leave

3.6 Instawork shall ensure that all Pros who have worked Contractor-Based Shifts or W2 Shifts in Colorado from May 1, 2021 until either the Effective Date or the date when Contractor-Based Shifts in Colorado cease, whichever is later, have accrued a balance of Paid Sick Leave in compliance with the HFWA. The accrual shall be calculated based on an accrual of all hours worked on the Instawork Platform, including Contractor-Based Shifts and W2 Shifts, and the accrued hours shall be made available to Pros for use as provided for in the HFWA.

Notice

3.7 Within 30 days of the Effective Date, Instawork will distribute a Notice of Rights to all current and former Pros who have worked Contractor-Based Shifts and/or W2 Shifts in Colorado, notifying such Pros:

a. of all new or revised employment policies and practices, including Instawork's paid sick leave policy and directions to determine whether accrued sick leave is owed to them;

b. that their rights may have been violated; and

c. they are not prohibited from filing an individual wage claim with CDLE.

Distribution of the Notice of Rights required by this Section 3.7 shall not be deemed a waiver by Instawork of the statute of limitations or other defenses applicable to any claim.

4. REPORTING REQUIREMENTS

4.1 Instawork shall submit an Annual Report to the AG for the five-year period following the Effective Date or the date when Contractor-Based Shifts in Colorado cease, whichever is later. The Annual Report shall consist of a signed certification form from a corporate representative of Instawork attesting to compliance with the terms of the settlement as well as with the HFWA, the CESA, the CFCA, and the Colorado Overtime and Minimum Pay Standards. The AG may request a compliance certification form at any time during the five-year period and Instawork shall have thirty days to comply.

4.2 Instawork must notify the AG of any development that may affect compliance obligations arising under the Settlement Agreement, including but not limited to, a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor company; the

creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to the Consent Judgment; the filing of any bankruptcy or insolvency proceeding by or against Instawork or AWS; a change in any Instawork's name or address; or a change in the law that Instawork believes impacts its obligations under the Consent Judgment. Instawork must provide this notice, if practicable, at least 30 days before the development, but in any case, no later than 30 days after the development.

4.3 Instawork must notify the AG of its intention to offer any Contractor-Based Shifts on the Instawork Platform (or any similar platform) in Colorado for a five-year period following the Effective date at least thirty days before the positions are offered.

4.4 Instawork will also file a report with the AG demonstrating full compliance with Section 3.5 within 30 days of the Effective Date or the date when Contractor-Based Shifts in Colorado cease, whichever is later.

4.5 Instawork will also file a report with the AG demonstrating full compliance with Section 3.6 within 30 days of the Effective Date or the date when Contractor-Based Shifts in Colorado cease, whichever is later.

4.6 Instawork will also file a report with the AG demonstrating full compliance with Section 3.7 within 30 days of the Effective Date including evidence that Instawork sent the notice to all applicable Pros.

5. MONETARY JUDGMENT

5.1 Defendants shall pay to the State of Colorado $400,000 ("Settlement Amount").

5.2 Within 14 days of the Effective Date, Defendants shall send payment by electronic funds transfer pursuant to written instructions to be provided by the False Claims Unit of the Colorado Department of Law.

5.3 If Defendants fail to make the payment required by this Consent Judgment, the Attorney General shall be entitled to immediate entry of Judgment against Defendants for the full amount owed plus interest at the rate of eight (8) percent per annum, as provided in C.R.S. § 5-12-102.

5.4 Defendants have provided financial disclosures and supporting documents (collectively, "Financial Disclosures") to the State of Colorado and the State of Colorado has relied on the accuracy and completeness of those Financial Disclosures in reaching this Consent Judgment. Defendants warrant that such Financial Disclosures are complete, accurate, and current as of the Effective Date of this Consent Judgment. If the State of Colorado learns that the Financial Disclosures materially understated amounts owed to the State of Colorado for the Covered Conduct, the State of Colorado may, at its option: (a) rescind this Consent Judgment and file a suit or reinstate a suit based on the Covered Conduct or (b) collect the full Settlement Amount in accordance with this Consent Judgment plus three hundred percent (300%) of the net value of Defendants' previously undisclosed amounts owed to the State of Colorado. Defendants agree not to contest any collection action undertaken by the State of Colorado pursuant to this provision, and agrees that they will immediately pay the State of Colorado the State of Colorado's reasonable attorneys' fees and expenses incurred in such an action. In the event that the State of Colorado, pursuant to this paragraph, rescinds this Consent Judgment, Defendants waive and agree not to plead, argue, or otherwise raise any defenses under the theories of statute of limitations, laches, estoppel, or other similar theories, to any civil or administrative claims that

relate to the Covered Conduct and are filed by the State of Colorado within 120 calendar days of written notification to Defendants that this Consent Judgment has been rescinded.

5.5 Any payment Defendants make pursuant to this Consent Judgment to the Colorado Department of Law is to be held, along with any interest thereon, in the False Claims Recovery Cash Fund to be used in the Attorney General's sole discretion for reimbursement of the State's actual costs and attorney's fees, the payment of monies owed by Defendants to the unemployment compensation fund, and for the Colorado Department of Law to carry out its duties pursuant to the Colorado False Claims Act, C.F.R. § 24-31-1201 et. seq.

6. GENERAL TERMS

6.1 Attorney General's Release of Claims. By execution of this Consent Judgment, and upon the State of Colorado's receipt of the Settlement Amount, the Attorney General agrees that this Consent Judgment constitutes a complete settlement and release of all claims, damages, demands, fees, actions, or causes of action, whether known or unknown, that the State of Colorado and CDLE have asserted, could have asserted, or could otherwise assert in the future against the Defendants and their officers, directors, shareholders, partners, employees, attorneys, and agents, based on, arising out of, or in any way related to the Covered Conduct prior to the Effective Date to the full extent of the Attorney General's power and authority to release claims. Notwithstanding any term of this Consent Judgment, any and all of the following forms of liability are specifically reserved and not released under this paragraph:

a. Any criminal liability;

b. Any civil or administrative liability under any statute, regulation, or rule not expressly released in this Consent Judgment;

c. Any liability to the State of Colorado for any conduct other than the Covered Conduct;

d. Any liability of individuals;

e. Any liability for state or federal securities violations;

f. Any liability for state tax violations unrelated to the CESA and any liability for federal tax violations;

g. Any liability for any state or federal antitrust violations; and

h. Any liability stemming from enforcement of the terms of this Consent Judgment.

6.2 Colorado Department of Labor and Employment, Division of Labor Standards and Statistics ("DLSS") Release of Claims. DLSS agrees that upon execution of this Consent Judgment, DLSS will close its Division-initiated investigation without investigating further or issuing determinations and release Defendants from liability for the Covered Conduct on the terms and conditions herein. Nothing in this Consent Judgment will be construed to limit or reduce Instawork's obligation to comply fully with HFWA, the CWA, the CMWA, the Colorado Overtime and Minimum Pay Standards Order, or any other applicable state or federal employment statute or regulation. Nothing in this Consent Judgment shall be construed to preclude DLSS from enforcing this Consent Judgment, or any of the laws that are the subject of the Covered Conduct, in the event that Instawork fails to perform the promises and representations contained herein. This Consent Judgment in no way affects DLSS's right to bring, process, investigate, or litigate claims or charges that may be in existence or may later arise against Instawork and that are unrelated to the Covered Conduct. This Consent Judgment is binding only on the Parties, and not on any individual Professional or current or former

employee of Instawork. DLSS is required to investigate any individual claims filed against Instawork, including claims based on or relating to the same laws and/or facts as the Covered Conduct. Amounts paid to Professionals pursuant to this settlement and similar payments made by Instawork prior to and separate from this Consent Judgment shall be considered wages in satisfaction of Instawork's wage obligations for the covered period for the purpose of any individual claims.

6.3 Colorado Department of Labor and Employment, Division of Unemployment Insurance ("The UI Division") Release of Claims. The UI Division agrees to release and forever discharge Instawork and Instawork's predecessors, successors, assigns, parents, subsidiaries, affiliates, and the officers, directors, shareholders, partners, employees, attorneys, and agents, past and present, of each of the aforesaid entities from all claims, from damages, demands, fees, actions, or causes of action, whether known or unknown, that the UI Division has asserted, could have asserted, or could otherwise assert in the future related to the Covered Conduct prior to the Effective Date to the full extent of the UI Division's power and authority to release claims. If Instawork fails to fulfill or perform any of its obligations under this Consent Judgment, or if Instawork violates any of the terms of this Consent Judgment, the UI Division shall have the right to terminate this Consent Judgment and pursue all remedies available by law. The UI Division reserves the right to conduct additional audits of Instawork at any time in the future subject to the UI Division's statutory authority to do so. The UI Division reserves the right to collect additional unemployment insurance premiums, civil penalties, and interest to the full extent allowable by law if, upon completion of a future audit, the UI Division determines that Instawork has failed to

properly classify its employees and independent contractors in accordance with state law and the terms of this Consent Judgment.

6.4 Instawork Release of Claims. Instawork fully and finally releases the State of Colorado, its departments, agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that Instawork has asserted, could have asserted, or may assert in the future against the State of Colorado, its departments, agencies, officers, agents, employees, and servants, related to the Covered Conduct or the State of Colorado's investigation or prosecution thereof.

6.5 Preservation of Law Enforcement Action. Nothing herein precludes Plaintiffs, however, from enforcing the provisions of this Consent Judgment, including those provisions to ensure compliance, or from pursuing any law enforcement action under the CFCA and CESA with respect to acts or practices of Instawork not covered by this Consent Judgment.

6.6 Waiver of Defenses. Instawork waives and shall not assert any defenses Instawork may have to any criminal prosecution or administrative action and relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the United States Constitution, or the Excessive Fines Clause in the Eighth Amendment of the United States Constitution, this Consent Judgment bars a remedy sought in such criminal prosecution or administrative action.

6.7 Compliance with and Application of State Law. Nothing in this Consent Judgment herein relieves Instawork of its duty to comply with any federal, state, or local law, regulation, ordinance, or rule. Nothing in this Consent Judgment constitutes authorization by the Attorney

General to engage in acts or practices prohibited by such laws. This Consent Judgment is governed by the laws of the State of Colorado.

6.8 No Approval of Conduct. Nothing herein constitutes approval by the Attorney General of Instawork's conduct, or past or future business practices. Instawork shall not make any representation contrary to this paragraph.

6.9 Unallowable Costs:

a. *Unallowable Costs Defined:* All costs incurred by or on behalf of Instawork or their present or former agents in connection with:

   i. The matters covered by this Consent Judgment;

   ii. The State of Colorado's audit(s) and any civil or criminal investigation(s) related to the Covered Conduct;

   iii. Instawork's investigation, defense, and corrective actions undertaken in response to the State of Colorado's audit(s) and any civil or criminal investigation(s) in connection with the Covered Conduct (including attorneys' fees);

   iv. The negotiation and performance of this Consent Judgment in connection with the Covered Conduct; and

   v. The payment Instawork makes to the State of Colorado pursuant to this Consent Judgment are "Unallowable Costs" for government contracting purposes under any State of Colorado program or grant.

b. *Future Treatment of Unallowable Costs:* Unallowable Costs shall be separately determined and accounted for by Instawork, and Instawork shall not charge such Unallowable Costs directly or indirectly to any contracts with the State of Colorado, or

seek payment for such Unallowable Costs through any cost report, cost statement, invoice, information statement, or payment request submitted by or on behalf of Instawork to any State of Colorado programs.

6.10 Third-Party Claims. Nothing herein shall be construed as a waiver of any rights of third parties, including individuals who worked Contractor-Based Shifts or W2 Shifts with an Instawork Partner through the Instawork Platform to seek restitution or other legal remedies through other actions or proceedings. This Consent Judgment is only for the benefit of the Parties, and does not create or confer rights or remedies upon any other person, including rights as a third-party beneficiary. This Consent Judgment does not create a private right of action on the part of any person or entity, whether to enforce this Consent Judgment or otherwise, other than the Parties and their successors in interest.

6.11 Use of Settlement as Defense. Nothing herein shall prevent, or be interpreted to prevent, the Attorney General from taking enforcement action to address acts or conduct occurring after the date of entry of this Consent Judgment that the Attorney General believes to be in violation of the law. The fact that such acts or conduct were not expressly prohibited by this Consent Judgment shall not be a defense to any such enforcement action.

6.12 Use of Settlement in Business Activity. Under no circumstances shall this Consent Judgment, the name of the Attorney General, or the name of any employee of the Attorney General or his representatives or CDLE be used by Instawork as an endorsement of any past or present act or conduct of Instawork.

6.13 Retention of Jurisdiction. This Consent Judgment is governed by the laws of the State of Colorado. This Court retains jurisdiction over this matter, and the Parties, for the purpose of

enforcing this Consent Judgment. Any Party may apply to the Court at any time for further orders which may be necessary or appropriate for the construction, interpretation, modification, or execution of this Consent Judgment, the enforcement of compliance with this Consent Judgment, and/or the punishment of violations of this Consent Judgment. For the purposes of construing this Consent Judgment, the Consent Judgment shall be deemed to have been drafted by all Parties to this Consent Judgment and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

6.14 Contempt. The Parties understand and agree that violating any term of this Consent Judgment may give rise to all available remedies allowed by law including, but not limited to, those remedies allowed by C.R.S. §§ 24-31-1203(1), (6), and/or a judgment of contempt. The Attorney General may be entitled to attorneys' fees pursuant to C.R.S. §§ 24-31-1203(4), (8) if he is successful in proving a violation of this Consent Judgment.

6.15 Severability. If any provision(s) of this Consent Judgment is found to be invalid, illegal, unenforceable, or in conflict with the laws of any jurisdiction the remaining terms remain valid, legal, and enforceable.

6.16 Successors in Interest. The terms and provisions of this Consent Judgment may be enforced by the current Attorney General and by any of the Attorney General's authorized agents or representatives, as well as by any of the Attorney General's successors in interest and any of his/her/their agents or representatives or CDLE.

6.17 Execution of Consent Judgment. This Consent Judgment may be executed in counterparts. Electronic signatures shall have the same effect as original signatures so long as the electronic signature otherwise complies with C.R.S. § 24-71.3-101, et. seq.

6.18 Attorney's Fees and Costs. Each Party shall bear its own attorney's fees, costs, and expenses in connection with this matter and the Consent Judgment, except that the Attorney General may be entitled to attorney's fees pursuant to C.R.S. § 24-31-1203(4) if he successfully enforces this Consent Judgment.

6.19 Amendment. This Consent Judgment may only be amended by written agreement signed by the Parties.

6.20 Acknowledgment. Defendants agree and acknowledge that they have thoroughly reviewed this Consent Judgment and had the opportunity to confer with legal counsel of their choice regarding this Consent Judgment. Defendants understand and agree to the terms of this Consent Judgment and understand that it will be entered as an Order of the Court.

6.21 Representations and Warranties. Instawork represents that it is financially solvent as of the Effective Date and has the present ability to comply with all of its obligations under this Consent Judgment. The Attorney General relies on these representations as a material inducement to resolve this matter and enter into this Consent Judgment.

6.22 Integration. This Consent Judgment represents the entire agreement between the Parties, and there are no representations, agreements, arrangements, or understandings, oral or written, between the parties relating to the Covered Conduct that are not fully expressed herein. In any action undertaken by the Parties, no prior versions of this Consent Judgment and no prior versions of any of its terms that were not entered as an Order of the court in this Consent Judgment may be introduced for any purpose whatsoever.

6.23 Notice. Instawork is responsible for ensuring that any Person subject to the terms of this Consent Judgment receives sufficient notice of the Consent Judgment. Whenever Instawork is to

provide notice or any other documents to the Attorney General under this Consent Judgment, that requirement shall be satisfied by sending notice to:

Lauren Gleason
Colorado Department of Law
1300 Broadway, 9th Floor
Denver, CO 80203
lauren.gleason@coag.gov

Any notice or other documents to be provided by the Attorney General to Instawork pursuant to this Consent Judgment shall be sent to:

Naomi Beer
Craig Waugh
Greenberg Traurig, LLP
1144 15th Street, Suite 3300
Denver, CO 80202
beern@gtlaw.com
craig.waugh@gtlaw.com

SO ORDERED and SIGNED THIS _____ DAY OF _____, ____.

BY THE COURT

_____
District Court Judge

Approved as to Form:

For the Attorney General:

Lauren Gleason, 59002
Assistant Attorney General
Colorado Department of Law

For CDLE:

Philip Spesshardt
Director, Division of Unemployment Insurance
Colorado Department of Labor and Employment

50309

Kristina Rosett, AR #50309
Director, Division of Labor Standards and Statistics
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For the Defendants:

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