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SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF TULARE

AMANDA HERNANDEZ, KIMBERLY
CONLEY, GRAVIELA VALENCIA, and
SERENA VELASQUEZ, individuals, on
behalf of themselves and on behalf of all
persons similarly situated,

Plaintiffs,

v.

PARENTING NETWORK, INC., a California
Corporation, a California Corporation; and
DOES 1-50, Inclusive,

Defendant.

Case No. VCU287027

Action Filed: May 19, 2021

**DECLARATION OF JEAN-CLAUDE
LAPUYADE, ESQ. IN SUPPORT OF
PLAINTIFFS' MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 16, 2022
Time: 8:30 AM

Dept.: 7
Judge: Hon. Brett Hillman

1 I, Jean-Claude Lapuyade, Esq., declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would competently
3 testify to the following facts from my own personal knowledge. I am an attorney-at-law and the owner
4 of the law firm of JCL LAW FIRM, APC (hereinafter "Class Counsel"). I am counsel of record for
5 Plaintiffs AMANDA HERNANDEZ ("Plaintiff Hernandez"), KIMBERLY CONLEY ("Plaintiff
6 Conley"), GRAVIELA VALENCIA ("Plaintiff Valencia"), and SERENA VELASQUEZ ("Plaintiff
7 Velasquez") (collectively, hereinafter, "Plaintiffs") in this wage and hour class action filed against
8 PARENTING NETWORK, INC. (hereinafter "Defendant").

9 2. This declaration is being submitted in support of Plaintiffs' motion for Preliminary
10 Approval of Class Action and PAGA Settlement.

11 **I. EXHIBITS**

12 3. Attached hereto as **Exhibit "1"** is a true and correct copy of the fully executed Stipulation
13 of Settlement of Class Action and PAGA Claims and Release of Claims ("Agreement" or "Settlement
14 Agreement"). Attached as **Exhibit "A"** to the Agreement is a true and correct copy of the proposed
15 Class Notice.

16 4. Attached hereto as **Exhibit "2"** is a true and correct copy of the proof of filing with the
17 Labor and Workforce Development Agency notice of this settlement with the Settlement Agreement
18 and Motion for Preliminary Approval of Class Action and PAGA Settlement evidencing Class
19 Counsel's compliance with California Labor Code Section 2699(l)(2).

20 **II. INTRODUCTION**

21 5. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of
22 the Class is fair, reasonable, and valuable. The Settlement was negotiated by the Parties at arm's length.
23 The Settlement confers substantial benefits to the Class Members. The relief offered by the Settlement
24 is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage
25 and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will
26 not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being
27 denied or of Defendant prevailing at trial. Given that there are approximately 92 Settlement Class
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Members, *the average gross recovery is approximately \$1,054.34* (Net Settlement Amount of \$97,000 divided by Settlement Class Members).

6. As discussed below, the proposed Settlement satisfies all criteria for preliminary settlement approval under California law and is within the range of reasonableness. The average Individual Settlement Payment to the Settlement Class meet or exceeds awards in similar wage and hour class actions. Moreover, the proposed Class is appropriate for provisional certification. Accordingly, Plaintiffs respectfully request that this Court grant preliminary approval of the Settlement.

III. FACTS AND PROCEDURE

A. Overview of the Litigation

7. Defendant provides child care services in Tulare County where Plaintiffs worked.

8. Plaintiff Hernandez worked for Defendant between January of 2019 to November of 2020. Plaintiff Conley worked for Defendant between March of 2019 to November of 2020. Plaintiff Valencia worked for Defendant between March of 2019 to November of 2020. Plaintiff Velasquez worked for Defendant between December of 2016 to November of 2020. Throughout their employment, Plaintiffs worked for Defendant in California and were classified as non-exempt hourly employees. Plaintiffs are members of the Class and during their employment were subject to Defendant's Employee Handbook and the other employment policies generally applicable to all non-exempt employees.

9. Generally, Plaintiffs claim that Defendant (1) maintained unlawful meal and rest period policies and practices that failed to provide duty free meal and rest periods; (2) failed to pay for time spent working off-the-clock; (3) failed to pay reporting time pay; (4) issued inaccurate itemized wage statements; (5) failed reimburse for required business expenses; and (6) failed to pay all wages when due.

10. On February 19, 2021, Plaintiffs served Defendant and the Labor and Workforce Development Agency ("LWDA") with a Notice of Violations ("PAGA Notice"). Plaintiffs' PAGA Notice set forth the facts and theories supporting Defendant's alleged violations of various provisions of the California Labor Code and applicable Industrial Welfare Commissions ("IWC") Wage Order and

1 of their intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab.
2 Code Sections 2698 *et seq* (“PAGA”).

3 11. On May 19, 2021, Plaintiffs filed a class action complaint in the Tulare County Superior
4 Court for: (1) Unfair Competition in Violation of Cal. Bus. & Prof. Code § 17200 *et seq*; (2) Failure to
5 Pay Minimum Wages in Violation of Cal. Lab. Code §§ 1194, 1197 & 1197.1; (3) Failure to Pay
6 Overtime Wages in Violation of Cal. Lab. Code §§ 510 *et seq.*; (4) Failure to Provide Required Meal
7 Periods in Violation of Cal. Lab. Code §§ 226.7 and 512 and the Applicable IWC Wage Order; (5)
8 Failure to Provide Required Rest Periods in Violation of Cal. Lab. Code §§ 226.7 and 512 and the
9 Applicable IWC Wage Order; (6) Failure to Reimburse Employees for Required Expenses in Violation
10 of Cal. Lab. Code § 2802; (7) Failure to Provide Accurate Itemized Wage Statements in Violation of
11 Cal. Lab. Code §§ 226 and 226.2; (8) Failure to Provide Wages When Due in Violation of Cal. Lab.
12 Code §§ 201, 202 and 203; and (9) Violations of the Private Attorneys General Act [Labor Code §§
13 2698, *et seq.*]

14 12. Prior to conducting any formal discovery, the Parties agreed to mediate this action. In
15 anticipation of mediation, the Parties agreed to stay formal discovery. To prepare for mediation, the
16 Parties agreed to informally exchange relevant documents and data points subject to the mediation
17 privilege. Pursuant to that agreement, Defendant produced a sample of the Class Members’ time and
18 payroll data along with itemized wage statements and relevant policies applicable to Class Members.
19 As discussed *infra*, Plaintiffs’ counsel retained Berger Consulting Group to analyze Defendant’s time
20 and payroll data.

21 13. On January 19, 2022, the Parties participated in a full day mediation with a respected and
22 experienced jurist and wage and hour class action and PAGA mediator, Hon. Carl J. West (Ret.). After
23 arms-length negotiations and bargaining, the Parties reached an agreement to settle after both sides
24 agreed to a Mediator’s proposal which was subsequently memorialized in the form of a Memorandum
25 of Understanding. After reaching an agreement in principle, the Parties drafted and negotiated a long-
26 form settlement agreement, which is the subject of the instant motion.

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1 worked shift during the Class Period. Additionally, Berger estimated the number of allegedly unpaid
2 wages, reporting time premiums, missed, late or truncated meal and rest periods, the amount of meal
3 period premiums paid during the Class Period, and the amount of off-the-clock work performed by the
4 Class Members during the Class Period.

5 19. Berger calculated and created a damage model for Defendant's potential liability
6 exposure while accounting for the uncertainties of continued litigation. This damage model informed
7 and guided Class Counsel during the mediated settlement discussions.

8 20. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1)
9 determining Plaintiffs' suitability as putative class representatives through interviews, background
10 investigations, and analysis of their employment files; (2) evaluating all of Plaintiffs' potential claims;
11 (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions,
12 and the type of employer; (4) analyzing the Settlement Class's time and payroll records; (5) analyzing
13 Defendant's labor policies and practices; (6) researching settlements in similar cases as well as
14 outstanding issues which could affect settlement approval; (7) estimating Defendant's alleged liability
15 for purposes of settlement; (8) drafting the mediation brief; and (9) participating in the mediation. This
16 investigation allowed Class Counsel to fully assess the nature and magnitude of the claims being settled,
17 as well as the impediments to recovery, such as to make an independent assessment of the
18 reasonableness of the terms to which the parties have agreed.

19 **C. The Parties Settled at Mediation**

20 21. On January 19, 2022, the Parties participated in mediation presided over by Hon. Carl J.
21 West (Ret.). Judge West is renowned for managing the expectations of the parties and providing a
22 useful, neutral analysis of the issues and risks to both sides. Prior to mediation, the parties exchanged
23 information regarding their respective claims and defenses, including their respective evaluation of the
24 damages. While the Parties attended the mediation voluntarily, it was always at arm's length and
25 adversarial. Without revealing any confidential information about the mediation itself, the Parties
26 believe that a settlement could not have been reached without the specific action of Judge West. At the
27 conclusion of the mediation, each side, represented by its respective counsel, agreed to settle the Action

1 based on a Mediator's proposal which was memorialized in the form of a Memorandum of
2 Understanding. The complete and final terms of the Parties' settlement are now set forth in the
3 Agreement. Class Counsel submits that the Settlement constitutes a fair, adequate, and reasonable
4 compromise of the claims at issue.

5 **IV. ARGUMENT**

6 **A. The Court Should Preliminarily Approve the Settlement**

7 22. The Gross Settlement Amount of \$225,000 is well within the range of reasonable for
8 preliminary approval. To determine whether a settlement is fair and reasonable, the court should
9 "consider enough information about the nature and magnitude of the claims being settled, as well as the
10 impediments to recovery, to make an independent assessment of the reasonableness of the terms to
11 which the parties have agreed." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133.)
12 In making this determination, the court is "not to try the case" but rather "satisfy itself that the class
13 action settlement is within the 'ballpark of reasonableness.'" (*Id.*) For this analysis, courts do "not
14 require any such explicit statement of value; [they] require[] a record which allows an understanding of
15 the amount that is in controversy and the realistic range of outcomes of the litigation." (*Munoz v. BCI*
16 *Coca-Cola Bottling Co.* (2010) 186 Cal.App.4th 399, 409 (internal citation omitted).) The
17 reasonableness of a settlement is not dependent upon its actual value approaching the potential recovery
18 plaintiffs might have received if they had succeeded at trial.¹ Indeed, "[t]he determination whether a
19 settlement is reasonable does not involve the use of a 'mathematical equation yielding a particularized
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22 ¹ Federal district courts recognize that there is an inherent "range of reasonableness" in determining whether to approve a
23 settlement "which recognizes the uncertainties of law and fact in any particular case and the concomitant risks and costs
24 necessarily inherent in taking any litigation to completion." *Newman v. Stein* (2d. Cir. 2002) 464 F.2d 689, 693; *see In re*
25 *Omnivision Tech, Inc.* (N.D. Cal. 2008) 559 F.Supp.2d 1036; *see also Nat'l Rural Telecomm. Coop. v. Directv. Inc.* (C.D.
26 Cal. 2004) 221 F.R.D. 523, 527 ("well settled law that a proposed settlement may be acceptable even though it amounts to
27 only a fraction of the potential recovery"); *In re Global Crossing Sec. and ERISA Litig.* (S.D.N.Y 2004) 225 F.R.D. 436,
28 460 ("settlement amount's ratio to the maximum potential recovery need not be the sole, or even dominant, consideration
when assessing settlements fairness"); *In re IKON Office Solutions, Inc Sec Litig.* (E.D. Pa. 2000) 194 F.R.D. 166, 184
("the fact that a proposed settlement constitutes a relatively small percentage of the most optimistic estimate does not, in
itself, weigh against the settlement; rather the percentage should be considered in light of strength of the claims"); *Officers*
for Justice v. Civil Serv. Comm. (9th Cir. 1982) 688 F.2d 615, 628 (it is "the complete package, taken as a whole rather
than the individual component parts, that must be examined for overall fairness").

1 sum.” (Frank v. Eastman Kodak Co. (W.D.N.Y. 2005) 228 FRD. 174, 186 (quoting In re Michael
2 Milken and Assoc. Sec. Litig. (S.D.N.Y. 1993) 150 F.R.D. 57, 66).)

3 23. In conclusion, the settlement of \$225,000 represents approximately 41.65% of the value
4 of the maximum potential damages at issue. Even when including the penalties for Plaintiffs’ claim for
5 wage statement violations and waiting time penalties under Labor Code Sections 203 and 226, the
6 settlement represents up to 28.54% of the maximum potential liability, assuming all of these amounts
7 could be proved at trial. This is well within the bounds of reasonableness. (See Vicerol v. Mistras Grp.,
8 Inc. (N.D. Cal. 2016) 2016 WL 5907869, at *3, 7 (approving a California wage and hour settlement
9 where the class received 11.6% of the estimated total liability); Leverage v. Traeger Pellet Grills, LLC
10 (N.D. Cal. 2017) 2017 WL 2797811, at *7 (Approving a California wage and hour settlement where
11 the class received 18% of the estimated total liability); Stovall-Gusman v. W.W. Granger, Inc., (N.D.
12 Cal. 2015) 2015 WL 3776765 at * 4 (Approving California wage and hour misclassification settlement
13 where the class received approximately 7.3% of the estimated trial award was within the “range of
14 reasonableness.”).).

15 24. One of Plaintiffs’ claims in the Actions was that Defendant failed to pay for all hours
16 worked. Specifically, Plaintiffs asserted that Defendant required Plaintiffs to work while clocked out
17 during what was supposed to be Plaintiffs’ off-duty meal break, as well as before Plaintiffs’ shift started
18 and after it ended.

19 25. Defendant vigorously denied liability for claim. Defendant asserted that its written
20 policies and procedures directed its employees to ensure all work is conducted while on-the-clock.
21 Defendant asserted that any deviation from these written policies were employee specific and, thus,
22 created individualized issues of liability unsuitable for class treatment.

23 26. Assuming thirty (30) minutes of unpaid compensable time between projects for Class
24 Members employed in Respite job positions, and 30 minutes of unpaid compensable time per pay period
25 for all other Class Members, during the Class Period, BCG estimated Defendant’s exposure for this
26 claim at \$33,882.

27. Plaintiffs also allege that Defendant failed to provide compliant meal periods. Plaintiffs contended that because of Plaintiffs' and Class Members' rigorous work requirements, the Class Members were often denied complaint meal periods.

28. Conversely, Defendant again argued that its policies and procedures required uninterrupted, statutorily compliant meal breaks. Similarly, Defendant argued any divergence from these written policies were not systematic and, if they existed at all, were employee specific. Defendant also asserted that it maintained facially compliant meal period policies and practices throughout the Class Period. Thus, Defendant argued that there was no potential liability for Plaintiffs' alleged meal period violations.

29. Plaintiffs' meal period claim (together with the rest period claim) likely represented the most factually contested claim in the Action. Accounting for the strength of Defendant's defenses, and the arguably individualized nature of the claim, Plaintiffs discounted Defendant's potential liability for meal period violations. Plaintiffs estimated the damages for this claim at \$167,810.

30. Plaintiffs also alleged that Defendant failed to provide compliant rest periods. Specifically, Plaintiffs alleged that because of their rigorous work schedule they were not able to take timely and duty-free rest periods.

31. Again, Defendant denied liability and asserted that it maintained legally compliant rest period policies and practices throughout the Class Period. Moreover, Plaintiffs recognize the evidentiary burdens establishing this claim. Establishing Plaintiffs' rest period claim would rely, almost entirely, on Class Member testimony, making it a riskier claim at class certification and liability stages. Defendant likely would have argued that only a small number of Class Members missed their rest breaks. Certification likely would have required depositions of Class Members who provided declarations, and Defendant surely would have obtained opposing declarations stating either rest breaks were taken, or rest breaks were voluntarily waived. *See, e.g., Ordonez v. Radio Shack, Inc.* (C.D. Cal. Jan. 17, 2013) 2013 WL 210223, at *11 ("Because of the competing testimony before the Court, plaintiff's evidence that defendant may have an illegal, written rest break policy is insufficient for this Court to find that common issues predominate."); *Villa v. United Site Servs. of California, Inc.* (N.D.

1 Cal. Nov. 13, 2012) 2012 WL 5503550, at *8 (“Indeed, Plaintiff’s own evidence confirms that the
2 written policy does not generate uniform practices.”). Accordingly, the rest break claim was discounted
3 in Plaintiffs’ valuation of the case and was estimated at \$264,811.

4 32. Plaintiffs alleged that Defendant required the Class Members to incur personal expenses
5 for the use of their personal cell phones. California employers who require employees to incur personal
6 business expenses for work purposes must reimburse the employee for the cost incurred. (See Cal.
7 Labor Code § 2802(a), providing that “An employer shall indemnify his or her employee for all
8 necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his
9 or her duties, or of his or her obedience to the directions of the employer...”). Specifically, Plaintiffs
10 alleged Defendant required Plaintiffs and Class Members to use their personal cell phones in order to
11 perform work-related tasks, but Defendant failed to reimburse Plaintiffs and Class Members for the
12 required business expenses in violation of Labor Code Section 2802.

13 33. Again, Defendant vigorously denied any liability for this claim. Defendant argued that
14 on the rare occasions where employees did incur business expenses, these expenses were fully
15 reimbursed. Plaintiffs estimated Defendant’s exposure for this claim at \$40,800.

16 34. Additionally, Plaintiffs allege that Defendant required the Class Members to report for
17 work by, for example, remaining on standby and available to work. However, Defendant, at times, failed
18 to put Class Members to work and/or failed to furnish them with work for at least half of their scheduled
19 shift. More specifically, Defendant required Plaintiffs and Class Members to remain on standby and
20 available to work *on the same day, up 2 hours before they were expected to show up for work*, when
21 Defendant needed Plaintiffs and Class Members to work. However, if Plaintiffs and Class Members
22 were not furnished with work for at least half of their scheduled shift, Defendant would not compensate
23 Plaintiffs and Class Members for the scheduled shift.

24 35. Defendant denied any liability for this claim. Defendant argued that any reporting time
25 pay, if any, was paid to Plaintiffs and Class Members. Further, Defendant argued any determination of
26 whether a Class Member was entitled to reporting time pay required a highly individualized analysis.
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Accounting for the strength of Defendant's defenses, and the arguably individualized nature of the claim, Plaintiffs estimated the damages for this claim at \$32,905.

36. Further, Plaintiffs allege that Defendant's alleged violations resulted in derivative violations of Labor Code sections 203 and 226(a). Class Counsel considered these penalties and weighed the potential recoveries against probable defenses. Specifically, Defendant could argue that Plaintiffs could not prove the "willful" prong needed to obtain waiting time penalties under Labor Code section 203. Additionally, Defendant could argue that Plaintiffs could not show that Class Members suffered an "injury" because of wage statement violations, as required by Labor Code section 226. Defendant could also argue that that meal and rest period violations do not entitle employees like Plaintiffs and the Class Members to pursue the derivative waiting time and itemized wage statement penalties. (*See Maldonado v. Epsilon Plastics, Inc.* (2018) 22 Cal.App.5th 1308.) Plaintiffs would have to overcome precedent to prove the Class deserved the penalties. *See, e.g., Howard v. CVS Caremark Corp.*, 2014 U.S. Dist. LEXIS 172406 (C.D. Cal. Dec. 9, 2014) (denying class certification for the same penalty claims); *Alonzo v. Maximus, Inc.*, 832 F. Supp. 2d 1122, 1134-1137 (C.D. Cal. 2011) (finding insufficient evidence of bad faith or actual injury). These claims represented Plaintiffs' most legally precarious and uncertain claims. Notwithstanding the uncertain nature of the claims, Plaintiffs estimated Defendant's *maximum* exposure for these claims at approximately \$248,143 (approximately \$154,243 for waiting time and \$93,900 for wage statement).

37. Class Counsel's damage models also estimated Defendant's exposure for PAGA penalties. At the time of mediation, Plaintiffs estimated Defendant's PAGA exposure was approximately \$751,200.

38. In order to recover any PAGA penalties, Plaintiffs would be required at trial to prove each of the underlying Labor Code violations. *See Cardenas v. McLane Foodservice, Inc.*, 2011 U.S. Dist. LEXIS 13126, *10 (C.D. Cal. 2011) ("Given the statutory language [of PAGA], a plaintiff cannot recover on behalf of individuals whom the plaintiff has not proven suffered a violation of the Labor Code by the defendant."). Here, Plaintiffs would need to prove that each Aggrieved Employee suffered a violation for each pay period the employee worked. Again, Defendant raised several defenses that

presented serious threats to the claims of the Plaintiffs and the Aggrieved Employees. Defendant asserted that its employment practices complied with all applicable Labor Laws. In addition to those arguments discussed *supra*, Defendant also argued that the Court of Appeals decision in *Cacho v. Eurostar, Inc.* (2019) 43 Cal.App.5th 885, weakened Plaintiffs' claims, on liability, value, and manageability as to the rest period claims. In all, Plaintiffs' PAGA liability exposure is hotly contested.

B. Litigation Risks

39. Assuming Plaintiffs successfully argued against the defenses discussed above, Plaintiffs then faced the challenge of a contested class certification. The risks attendant to the certification of similar wage and hour claims are demonstrated by *Magadia v. Wal-Mart Associates, Inc.* (9th Cir. 2021) 999 F.3d 668. There, the Ninth Circuit, vacated reversed and remanded a \$110 million judgement against an employer for, *inter alia*, inaccurately paying overtime, and directed the trial court to enter judgement in favor of the employer. (*See also O'Conner v. Uber Technologies, Inc.* (9th Cir. 2018) 904 F.3d 1087 (decertification of wage and hour misclassification action); *see also Duran v. U.S. Bank National Association* (2014) 59 Cal.4th 1, 31 (reversing a trial verdict in favor plaintiffs in a wage and hour class action)); *Tien v. Tenet Healthcare Corp.* (2012) 209 Cal.App.4th 1077, 1088 ("[T]he reason, if any, that employees might not take their breaks were predominantly individualized questions of fact not susceptible to class treatment."); *Ali v. U.S.A. Cab Ltd.* (2009) 176 Cal.App.4th 1333, 1341 (affirming denial of certification because employees' declarations attesting to having taken meal and rest breaks demonstrated that individualized inquiries were required to show harm); *Campbell v. Best Buy Stores, L.P.*, (C.D. Cal. 2013) 2013 WL 5302217 at *11-13 (following *Brinker* and denying certification of proposed off-the-clock and rest and meal break classes due to lack of uniform policy); *Brown v. Fed Express Corp.* (C.D. Cal. 2008) 249 F.R.D. 580, 587-88 (denying certification of driver meal and rest period claims based on the predominance of individual issues).) Collectively, the examples cited above illustrate the uncertain nature of class litigation. Consequently, the uncertainty of obtaining certification through a contested motion is a significant risk factor favoring settlement.

40. Finally, continuing to litigate this action would require continued and extensive resources coupled with significant Court time to proceed through trial and post-trial motions; which can often

1 take years. Furthermore, wage and hour litigation are complex and expensive, as it often necessitates
2 extensive expert testimony, particularly with regards to damages. But even if Plaintiffs are successful
3 at trial, Plaintiffs are acutely aware that a judgment does not end the litigation and expects that
4 Defendant would appeal any unfavorable judgment. In this matter, Class Counsel negotiated a Gross
5 Settlement Amount of \$225,000 that is roughly 41.65% of Defendant's liability exposure for damages,
6 and 28.54% of Defendant's liability exposure for damages and penalties. Given the amount of the
7 settlement here, as compared to potential value of the claims, offset by the various inherent risks to
8 continued litigation, the settlement is fair and reasonable.

9 **C. Proposed Notice Informs the Class About the Case and Settlement**

10 41. The Parties jointly drafted the Class Notice which fairly and neutrally informs the
11 Settlement Class of their rights and remedies in this action. The Settlement Administrator will first
12 verify addresses, then mail the proposed Class Notice to entire Settlement Class. The Notice will
13 include information regarding the nature of the lawsuit, a summary of the substance of the Settlement's
14 terms, the class definition, the procedure and time period within which to requests for exclusions or
15 objections to the Settlement, the date for the final approval hearing, the formula used to calculate
16 settlement payments, and the terms and scope of the Released Claims. Agreement at §III(L). This
17 method was negotiated by the Parties to ensure delivering the most reasonable method of notice to the
18 Settlement Class while ensuring cost effective administration of the Settlement.

19 42. As detailed in the Agreement, the method of disseminating the proposed Class Notice and
20 contents of the Proposed Class Notice satisfy due process and the California Rule of Court 3.766.

21 **D. The Court Should Preliminarily Approve the Class Representative Service Awards**

22 43. Approximately 92 Class Members will share in the estimated \$97,000 Net Settlement
23 Amount due entirely to the effort and commitment of Plaintiffs. Subject to Court approval, therefore,
24 the Settlement provides for Class Representative Service Awards of \$7,500² to Plaintiff Hernandez,

25 ² The amount of the requested enhancement payment-\$10,000-is reasonable by reference to the amounts that California courts (both
26 federal and state) have repeatedly found to be reasonable for wage and hour class action settlements: *See Baker v. LA. Fitness Int'l, LLC*,
27 No. BC438654 (L.A. County Super. Ct. Dec. 12, 2012) (awarding \$10,000 enhancement payments to three of the named plaintiffs); *Blue*
28 *v. Codwell Banker Residential Brokerage Co.*, No. BC417335 (L.A. County Super. Ct. Mar. 21, 2011) (awarding \$10,000 enhancement
payment); *Buckmire v. Jo-Ann Stores, Inc.*, No. BC394795 (L.A. County Super. Ct. June 11, 2010) (awarding \$10,000 enhancement
payments to the named plaintiff); *Coleman v. Estes Express Lines, Inc.*, No. BC429042 (LA. County Super. Ct. Oct. 3, 2013) (awarding

1 \$7,500 to Plaintiff Conley, \$5,000 to Plaintiff Valencia, and \$5,000 to Plaintiff Velasquez. The service
2 awards are fair and reasonable compensation for the Plaintiffs' efforts bringing the action, assisting
3 Class Counsel with the litigation and settlement, regularly conferring with Class Counsel on the status
4 of their case and the strategies for prosecuting the claims, reviewing the proposed Settlement to ensure
5 that its terms are fair and provide adequate relief for the Settlement Class, and agreeing to provide
6 Defendant a general release of all claims arising out of their employment, *except* as provided for in the
7 Agreement at §§ I(CC), III(D) and III(M)(9).

8 44. Class Counsel on behalf of Plaintiffs will file a formal motion for the negotiated Class
9 Representative Service Awards once preliminary approval of the Settlement is granted. Plaintiffs
10 respectfully submit that the above showing is sufficient for preliminary approval of the negotiated Class
11 Representative Service Awards.

12 **E. The Court Should Preliminary Approve the Negotiated Class Counsel Award**

13 45. Class Counsel took this matter on a contingency fee basis and invested significant time
14 and expense successfully prosecuting Plaintiffs' claims. As discussed *supra*, the estimated average
15 Individual Settlement Payment illustrates the demonstrably positive outcome for the Class Members.

16
17 \$10,000 enhancement payment); *Ethridge v. Universal Health Services, Inc.*, No. BC391958 (L.A. County Super. Ct. May 27, 2011)
18 (awarding \$10,000 enhancement payment); *Hickson v. South Coast Auto Insurance Marketing, Inc.*, No. BC390395 (L.A. County Super.
19 Ct. Mar. 27, 2012) (awarding \$10,000 enhancement payment); *Hill v. Sunglass Hut Int'l, Inc.*, No. BC422934 (L.A. County Super. Ct. July
20 2, 2012) (awarding \$10,000 enhancement payments to the named plaintiffs); *Kabamba v. Victoria's Secret Stores, LLC*, No. BC368528
21 (L.A. County Super. Ct. Aug. 19, 2011) (awarding enhancement payments of \$ 10,000 to the named plaintiffs along with additional
22 compensation for their general release of claims); *Magee v. American Residential Services, LLC*, No. BC423798 (L.A. County Super. Ct.
23 Apr. 21, 2011) (awarding \$15,000 enhancement payment); *Mares v. BFS Retail & Commercial Operations, LLC*, No. BC375967 (L.A.
24 County Super. Ct. June 24, 2010) (awarding \$15,000 enhancement payments to the named plaintiffs); *Nevarez v. Trader Joe's Co.*, No.
25 BC373910 (L.A. County Super. Ct. Jan. 29, 2010) (awarding \$10,000 enhancement payment); *Ordaz v. Rose Hills Mortuary, LP.*, No.
26 BC386500 (L.A. County Super. Ct. Mar. 19, 2010) (awarding 10,000 enhancement payments to the named plaintiffs); *Sheldon v. AHMC*
27 *Monterey Park Hospital LP*, No. BC440282 (L.A. County Super. Ct. Feb. 22, 2013) (awarding \$10,000 enhancement payment); *Silva v.*
28 *Catholic Moray Services, Inc.*, No. BC408054 (L.A. County Super. Ct. Feb. 8, 2011) (awarding \$10,000 enhancement payments to the
named plaintiffs); *Weisbarth v. Banc West Investment Services, Inc.*, No. BC422202 (L.A. County Super. Ct. May 24, 2013) (awarding
\$10,000 enhancement payment); *Zamora v. Balboa Life & Casualty LLC*, No. BC360026 (L.A. County Super. Ct. Mar. 7, 2013) (awarding
\$25,000 enhancement payments to the named plaintiffs); *Acheson v. Express, LLC*, No. 109CV135335 (Santa Clara County Super. Ct.
Sep. 13, 2011) (awarding \$10,000 enhancement payment); *Aguiar v. Cingular Wireless, LLC*, No. CV 06-8197 DDP (AJWx) (C.D. Cal.
Mar. 17, 2011) (awarding \$14,767 enhancement payment); *Bejarano v. Amerisave Mortgage Corp.*, No. EDCV 08-00599 SGL (Opx)
(C.D. Cal. June 22, 2010) (awarding \$10,000 enhancement payment); *Carbajal v. Sally Beauty Supply LLC*, No. CIVVS 1004307 (San
Bernardino Super. Ct. Aug. 6, 2012) (awarding \$10,000 enhancement payments to the named Plaintiffs); *Contreras v. Serco Inc.*, No. 10-
cv-04526-CAS-JEMx (CD. Cal. Sep. 10, 2012) (awarding \$10,000 enhancement payment); *Guerrero v. R.R. Donnelley & Sons Co.*, No.
RIC 10005196 (Riverside Super. Ct. July 16, 2013) (awarding \$10,000 enhancement payment); *Kisliuk v. ADT Security Services, Inc.*, No.
CV08-0324 DSF (RZx) (C.D. Cal. Jan. 10, 2011) (awarding \$10,000 enhancement payment); *Morales v. BCBG Maxaria Int'l Holdings,*
Inc., No. JCCP 4582 (Orange County Super. Ct. Jan. 24, 2013) (awarding \$10,000 enhancement payment); and *Barrett v. Doyon Security*
Services, LLC, Nos. BS900199, BS900517 (San Bernardino County Super. Ct. Apr. 23, 2010) (awarding \$10,000 enhancement payment).

1 The Agreement provides for a Class Counsel Award in the amount of up to one-third of the Gross
2 Settlement Amount and litigation costs and expenses not to exceed \$15,000. Agreement at §III(M)(10).
3 In light of the positive outcome for the Settlement Class, and in light of the supporting authority, the
4 proposed Class Counsel award is fair and reasonable.

5 46. Plaintiffs will file a formal motion for the negotiated Class Counsel Award once
6 preliminary approval of the Settlement is granted. Plaintiffs respectfully submit that the above showing
7 is sufficient for preliminary approval of the negotiated attorneys' fees.

8 **F. The Court Should Provisionally Certify the Settlement Class**

9 47. For the purpose of Settlement, Plaintiffs contend, and Defendant does not dispute, that
10 provisional certification of the Settlement Class is appropriate.

11 48. Generally, the proposed Class consists of all of Defendant's current and former non-
12 exempt employees employed in California during the Class Period. Defendant's records show that the
13 Class consists of approximately 92 individuals, making joinder of all Class Members impracticable.
14 Further, because all Class Members are Defendant's current and former employees, the class is readily
15 ascertainable from Defendant's regular business records, i.e., payroll records.

16 49. The California statutes relating to each of Plaintiffs' claims apply with equal force and
17 effect to the entire Settlement Class. Factually, Defendant's policies and practices apply class-wide and
18 Plaintiffs contend that Defendant's liability can be determined by facts common to all members of the
19 class. The wage and hour issues are both numerous and substantial, and a class action is the most
20 advantageous method of dealing with the claims of the Class Members.

21 50. Plaintiffs' wage and hour claims are typical of the proposed Settlement Class because
22 they arise from the same factual basis and are based on the same legal theories applicable to the other
23 Class Members. Likewise, Plaintiffs' interests are entirely coextensive with the interests of the
24 Settlement Class. Plaintiffs allege that they were injured by the same company-wide practices to which
25 the proposed Class Members were subject to and seek the same relief. Plaintiffs have already
26 demonstrated their ability to advocate for the interests of the Class Members by initiating this litigation,
27
28

1 assisting in the investigation of claims alleged in the action, and evaluating the proposed settlement to
2 assure that it is fair.

3 51. Additionally, Plaintiffs are represented by competent Class Counsel who have extensive
4 experience in litigating wage and hour class action cases. Class Counsel successfully briefed, argued,
5 certified, and gained state court settlement approval of the same class-wide causes of action that are at
6 issue in this case. Class Counsel's wage and hour class action experience establishes that they are well
7 qualified to represent the interests of this Class.

8 52. A class action is superior to a multitude of individual lawsuits. Given the size and amount
9 of each individual claim, the Class Members likely have little incentive to litigate their claims on an
10 individual basis because the out-of-pocket expense and personal commitment necessary to litigate each
11 claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case
12 adjudication.

13 **G. Class Counsel's Interest in The Selected Cy Pres**

14 53. The Parties agreed to appoint the Children Advocacy Institute (CAI) as the Cy Pres. I do
15 not have any interest in, or relationship or connection with, the Children's Advocacy Institute.
16 Similarly, no attorney in my firm has such interest, relationship or connection. Finally, I have conferred
17 with my co-counsel and the Plaintiffs and confirmed that they do not have any connection to or
18 relationship with the Children's Advocacy Institute. Separate declarations from my co-counsel and
19 Plaintiffs are submitted concurrently herewith.

20 **H. Class Counsel's Experience**

21 54. Plaintiffs, the Settlement Class Members and the Aggrieved Employees are represented
22 by competent and experienced counsel to pursue their claims. I established the JCL Law Firm, APC
23 ("Firm"), in 2010. The Firm is a boutique plaintiff firm representing aggrieved employees and
24 consumers throughout California in wage and hour class actions, PAGA Actions and complex multi-
25 party product liability matters. The Firm currently consists of myself, Jean-Claude Lapuyade, Esq.
26 (Partner/Owner), Eduardo Garcia, Esq. (Associate Attorney), Sydney Castillo-Johnson, Esq. (Associate
27
28

1 Attorney), Tesla Stone (Paralegal), Jennifer Heming (Legal Assistant), Sara Christensen (Legal
2 Secretary).

3 55. I am qualified to represent the Plaintiffs, the State of California and the Aggrieved
4 Employees. I have extensive experience with wage and hour class and representative actions litigation
5 like this matter, and employment matters in general. Additionally, I have extensive complex mass tort
6 litigation experience and complex construction product liability experience. I can, will and have
7 adequately represented the interests of the Plaintiffs, the State of California and the Aggrieved
8 Employees throughout this action.

9 56. I have represented consumers and employees in California class actions, and complex
10 multi-party product liability actions exclusively for more than 15 years. I have been in practice as a
11 plaintiffs' civil litigation attorney since April 2007.

12 57. I have significant class counsel and collective action counsel experience. I served as class
13 and/or collective (PAGA) counsel in the following matters:

14 a. *Nunes v. Home Depot U.S.A., Inc.* San Joaquin Superior Court Case No. Case
15 No. STK-CV-UOE-2020-0011011 (October 20, 2021 – Hon. Roger Ross appointed the
16 Jean-Claude Lapuyade, Esq. as Class Counsel and approved a \$1.5 million dollar wage
17 and hour class and PAGA action settlement for, among things, unpaid off-the-clock
18 work.

19 b. *Munoz v. AMTCR, Inc.*, San Bernardino Superior Court Case No.
20 CIVDS2001914 (August 24, 2021 – Hon. David Cohn approved a \$1.85 million dollar
21 wage and hour class and PAGA action for, among other things, inaccurate itemized wage
22 statements, and appointed the JCL Law Firm, APC as Class Counsel.)

23 c. *Rodriguez v. RSI Home Products, Inc.*, San Bernardino Superior Court Case No.
24 CIVDS2023354 (July 30, 2021 – Hon. David Cohn approved a \$1.45 million class and
25 PAGA settlement for, *inter alia*, failure to comply with piece-rate laws, and appointed
26 the JCL Law Firm, APC as Class Counsel)

1 d. *Jer Vang v. Bridge Property Management*, Alameda County Superior Court,
2 Case No RG19047434 (January 8, 2021 – Hon. Winifred Smith approved a class and
3 PAGA settlement for, *inter alia*, unpaid off the clock work. The JCL Law Firm, APC
4 acted as class counsel for the settlement class and as representative PAGA counsel the
5 State of California and the Aggrieved Employees.)

6 e. *Johnson v. Volt Management Corp., Inc. et al.*, Los Angeles County Superior
7 Court, Case No. 19STCV16466 (December 11, 2020 – Hon. Amy Hogue approved a
8 PAGA Settlement negotiated on behalf of the State of California and the aggrieved
9 employees by the JCL Law Firm, APC.)

10 f. *Salazar v. Frontier Auto Sales Inc., dba Frontier Toyota*, Los Angeles Superior
11 Court, Case No. 19STCV20382 (November 24, 2020 – Hon. John P. Doyle appointed
12 the JCL Law Firm, APC as class counsel and approved a class and PAGA settlement
13 for, *inter alia*, missed meal and rest periods.)

14 g. *Villalobos v. Alterra Group, LLC et al.*, Los Angeles County Superior Court,
15 Case No. 19STCV19448 (November 11, 2020 – Hon. Richard Fruin approved a PAGA
16 Settlement for, *inter alia*, unreimbursed business expenses. The JCL Law Firm, APC
17 acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.)

18 h. *Stevens et al., v. Bank of England*, San Diego County Superior Court Case No.
19 37-2019-00018662-CU-OE-CTL (October 16, 2020 – Hon. John Meyer appointed JCL
20 Law Firm as Class Counsel and granted final approval of wage and hour class action for,
21 *inter alia*, off-the-clock work.)

22 i. *Frazier v. ASA Carlton, Inc.*, San Diego Superior Court Case No. 37-2019-
23 00036147 (October 9, 2020 Hon. Kenneth Medel appointed the JCL Law Firm as Class
24 Counsel and granted final approval of wage and hour class action for off-the-clock
25 work.)

26 j. *Krake et al., v. Central Valley Diner, Inc.*, Placer County Superior Court Case
27 No. SCV0041645 (September 4, 2020 – Hon. Michael Jones appointed JCL Law Firm
28

as class counsel and granted final approval of wage and hour class action for meal period violations.)

k. *Conner v. Ascendant Marketing, LLC et al.*, San Diego Superior Court Case No. 37-2019-00026864-CU-OE-CTL (July 24, 2020 Hon. Joel Wohlfeil granted approval of PAGA Settlement for, among other things, off-the-clock work. JCL Law Firm, APC acted as lead counsel.)

l. *Guerrero v. Estancia Operations, LLC.*, San Diego Superior Court Case No. 37-2019-00028963 (August 25, 2020 – Hon. Katherine Bacal approved PAGA Settlement for, *inter alia*, missed meal and rest periods. JCL LAW Firm, APC, acted as lead counsel.)

m. *Moreno v. Dash Lube, et al.*, United States District Court, Southern District of California, Case No. 18cv1922 DMS (AHG) (December 13, 2019 – Granted class certification of Labor Code Section 226 claim and appointed JCL Law Firm, APC, as Class Counsel.)

n. *Perkins et al., v. Tahiti Enterprises, Inc., et al.*, Orange County Superior Court Case No. 30-2016-00863095 (October 22, 2019 – Hon. Peter Wilson appointed JCL Law Firm, APC, as Class Counsel and granted final approval for an unlawful housing class action settlement arising out of Civil Code Section 1940.1.)

o. *Hill v. Stemak Holdings, Ltd.*, San Diego Superior Court Case No., 37-2018-00000747 (January 28, 2020 – Hon. Kenneth Medel appointed JCL Law Firm, APC as class counsel and granted final approval of wage and hour class action for unpaid overtime.)

p. *Shachno et al., v. KT Hotels, LLC, et al.* San Diego Superior Court Case No Case No. 37-2018-00043601 (May 31, 2019 – Hon, Gregory Pollack appointed JCL Law Firm, APC, as Class Counsel and granted preliminary approval for the wage and hour class action settlement involving nearly 900 current and former employees. Final approval scheduled for October 4, 2019)

1 q. *Almanza v. The Express Group, Inc.*, San Bernardino Superior Court Case No.
2 CIVDS1722542 (April 19, 2019 – Hon. David Cohn appointed the JCL Law Firm, APC,
3 as Class Counsel and granted final approval for a wage and hour class action settlement
4 for *inter alia*, missed meal and rest periods and independent contractor
5 misclassification.)

6 r. *Moschetto v. Pillow Global, Inc. San Diego Superior Court*, Case No. 37-2017-
7 00024031-CU-OE-CTL (April 5, 2019 – Hon. John S. Meyer appointed JCL LAW Firm,
8 APC, as Class Counsel and granted final approval for a wage and hour wage class action
9 settlement involving misclassified house cleaners.)

10 s. *Burke v. Friendship Hotel, LLC*, San Diego County Superior Court Case No. 37-
11 2017-00022517-CU-OE-CTL (March 10, 2019 – final approval granted on for an
12 unlawful housing class action arising under Civil Code Section 1940.2)

13 t. *Terrado et al., v. Accredited Debt Relief, LLC*, San Diego County Superior Court
14 Case No. 37-2018-00014181-CU-OE-CTL (February 8, 2019 – Hon. Gregory W.
15 Pollock appointed JCL Law Firm, APC as Class Counsel and granted final approval for
16 a wage and hour class action settlement for meal and rest period violations);

17 u. *Macaspac v. San Antonio Regional Hospital*, San Bernardino Superior Court
18 Case No. CIVDS1512625, (July 27, 2018 – Hon. Thomas S. Garza appointed JCL Law
19 Firm, APC, as Class Counsel and granted final approval for a wage and hour class action
20 settlement involving claims for on duty meal and rest periods.);

21 v. *Summerlin et al. v. Maplebear, Inc. dba Instacart*, Los Angeles Superior Court
22 Case No. BC603030 (2018 - certified and settled wage and hour class action.)

23 w. *Ortega v. Prime Healthcare*, San Diego Superior Court Case No. 37-2014-
24 00011240-CU-OE-CTL (2018 – Approved PAGA only settlement for on duty meal and
25 rest periods)

26
27
28

1 x. *Engstrom v. Bender-Rosenthal, Inc.* San Diego Superior Court Case No. 37-
2 2016-00012373-CU-OE-CTL (2017 - Certified and settled class action for employee
3 misclassification);

4 y. *Crawford v. Outlook Amusements, Inc.*, Los Angeles Superior Court Case No.
5 BC617160 (2017 - Certified and settled wage and hour class action.);

6 z. *Hernandez v. Sunglass Hut Trading, LLC*, San Bernardino Superior Court Case
7 No. CIVDS1505181 (2016 - Certified and settled wage and hour class action);

8 aa. *Burns v. Shalom, LLC*, San Diego Superior Court, Case No., 37-2013-00058356-
9 CU-BT-CTL (2015 - certified and settled class action for unlawful housing practices
10 arising out of Civil Code Section 1940.1);

11 58. Since 2010, my firm has successfully resolved more than sixty (65) cases and recovered
12 in excess of \$75 million on behalf of the Firm's clients.

13 59. Since 2010, I have successfully tried two (2) cases to conclusion, each resulting in a
14 favorable verdict for the firm's clients.

15 60. Finally, I have published appellate experience in *William Blanchette et al., v. The*
16 *Superior Court of Imperial County, (GHA Enterprises)*, 8 Cal.App.5th 521.

17 61. Consequently, I was named to the prestigious Thomson Reuters, Super Lawyers, Rising
18 Star in 2015, 2016, 2017 and, again, in 2018. According to Thomson Reuters, the Super Lawyers, Rising
19 Star list recognizes the top 2.5% of eligible attorneys. (see
20 https://www.superlawyers.com/about/selection_process.html.)

21 I declare under the penalty of perjury under the laws of the State of California that the foregoing
22 is true and correct. Executed this 25th day of July 2022, at San Diego, California.

23
24 **JCL LAW FIRM, APC**

25 By: 
26 Jean-Claude Lapuyade
27 Attorneys for Plaintiffs

EXHIBIT 1

ZAKAY LAW GROUP, APLC
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SUPERIOR COURT OF CALIFORNIA
COUNTY OF TULARE

AMANDA HERNANDEZ, KIMBERLY
CONLEY, GRAVIELA VALENCIA, and
SERENA VELASQUEZ, individuals, on
behalf of themselves and on behalf of all
persons similarly situated,

Plaintiffs,

v.

PARENTING NETWORK, INC., a California
Corporation, a California Corporation; and
DOES 1-50, Inclusive,

DEFENDANT.

Case No. VCU287027

[Action Filed 05/19/2021]

**STIPULATION OF SETTLEMENT OF
CLASS ACTION AND PAGA CLAIMS
AND RELEASE OF CLAIMS**

Judge: Honorable Bret Hillman
Dept.: 7

1 This Stipulation of Class Action Settlement and Release of Claims is entered into by and
2 between Plaintiffs AMANDA HERNANDEZ, KIMBERLY CONLEY, GRAVIELA VALENCIA,
3 and SERENA VELASQUEZ (hereinafter collectively “Plaintiffs”), individually and on behalf of the
4 Settlement Class, and in their representative capacity on behalf of the State of California and the
5 Aggrieved Employees, and Defendant PARENTING NETWORK, INC., a California Corporation.
6 (hereinafter “Defendant”).

7 **I. DEFINITIONS**

- 8 A. “Action” shall mean *Hernandez v. Parenting Network, Inc.*, a California Corporation,
9 Tulare Superior Court, Case No. VCU287027 (hereinafter “the Action”).
10
- 11 B. “Aggrieved Employees” shall mean all employees who are or previously were
12 employed by Defendant in California and who were classified as non-exempt
13 employees during the PAGA Period.
14
- 15 C. “Agreement” or “Settlement Agreement” means this Stipulation of Settlement of
16 Class Action and PAGA Claims and Release of Claims.
17
- 18 D. “Class Counsel” shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and
19 Shani Zakay of Zakay Law Group, APLC.
20
- 21 E. “Class Counsel Award” means the award of fees and expenses that the Court
22 authorizes to be paid to Class Counsel for the services they have rendered to
23 Plaintiffs and the Class in the Action, consisting of attorneys’ fees currently not to
24 exceed one-third of the Gross Settlement Amount currently estimated to be \$75,000
25 out of \$225,000.00 plus costs and expenses \$15,000 and supported by declaration as
26 to the reasonableness of attorney’s fees and costs. Class Counsel’s award for
27 attorneys’ fees will be allocated between Class Counsel as follows: Fifty percent
28

(50%) to the JCL Law Firm, APC; fifty percent (50%) to the Zakay Law Group, APLC.

F. “Class Data” means information regarding Class Members that Defendant will in good faith compile from its records and provide to the Settlement Administrator. It shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class Member’s full name; last known address; Social Security Number; start dates and end dates of employment.

G. “Class Members” or the “Class” means all of Defendant’s current and former non-exempt employees employed in California during the Class Period.

H. “Class Period” means the period from May 19, 2017 to January 19, 2022.

I. “Class Representative Service Awards” means the amount that the Court authorizes to be paid to the Class Representatives, in addition to their Individual Settlement Payments and their pro-rata share of the PAGA Settlement, in recognition of their efforts and risks in assisting with the prosecution of the Actions and, partially, in exchange for executing a General Release of Defendant.

J. “Class Representatives” shall mean plaintiffs AMANDA HERNANDEZ, KIMBERLY CONLEY, GRAVIELA VALENCIA, and SERENA VELASQUEZ.

K. “Court” means the Superior Court for the State of California, County of Tulare currently presiding over the Action.

L. “Defendant” shall mean PARENTING NETWORK, INC., a California Corporation.

- 1 M. “Effective Date” means the date of entry by the Court of an order and judgment finally
2 approving this Settlement.
3
- 4 N. “Funding Date #1” shall mean five (5) calendar days after the Effective Date and is
5 the date Defendant transfers \$112,500 of the Gross Settlement Amount into the QSF
6 in accord with the terms of this Agreement. The funds received on Funding Date #1
7 will be allocated first to the Class Members to satisfy their Individual Settlement
8 Payments, so that the delay in receiving the remainder of the Gross Settlement
9 Amount will not affect the Class Members, and will, for the most part, affect only
10 Class Counsel’s receipt of the Class Counsel Award. Included within this first
11 “Funding Date #1” shall be the entirety of all wage allocation amounts of \$22,500.00.
12
- 13 O. “Funding Date #2” shall mean (6) months after the Effective Date and is the date
14 Defendant transfers the remaining \$112,500 of the Gross Settlement Amount into the
15 QSF in accord with the terms of this Agreement.
16
- 17 P. “Individual Settlement Payment” means the amount payable from the Net Settlement
18 Amount to each Settlement Class Member and excludes any amounts distributed to
19 Aggrieved Employees pursuant to PAGA.
20
- 21 Q. “Net Settlement Amount” or “NSA” means the Gross Settlement Amount, less Class
22 Counsel Award, Class Representative Service Awards, PAGA Settlement, and
23 Settlement Administration Costs.
24
- 25 R. “Notice Packet” means the Class Notice to be provided to the Class Members by the
26 Settlement Administrator in the form set forth as Exhibit A to this Agreement (other
27 than formatting changes to facilitate printing by the Settlement Administrator).
28

- 1 S. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
2 Labor Code § 2698 *et seq.*
3
- 4 T. "PAGA Payment Ratio" means the respective Workweeks during the PAGA Period
5 for each Aggrieved Employee divided by the sum total of the Workweeks for all
6 Aggrieved Employees during the PAGA Period.
7
- 8 U. "PAGA Period" means the period of February 19, 2020 to January 19, 2022 (the
9 "PAGA Period").
10
- 11 V. "PAGA Settlement" shall mean Five Thousand Dollars (\$5,000.00) to be allocated
12 from the Gross Settlement Amount.
13
- 14 W. "Parties" means Plaintiffs and Defendant, collectively, and "Party" shall mean either
15 Plaintiffs or Defendant, individually.
16
- 17 X. "Payment Ratio" means the respective Workweeks for each Class Member divided
18 by the sum total Workweeks for all Class Members.
19
- 20 Y. "Plaintiffs" shall mean AMANDA HERNANDEZ, KIMBERLY CONLEY,
21 GRAVIELA VALENCIA, and SERENA VELASQUEZ.
22
- 23 Z. "QSF" means the Qualified Settlement Fund established, designated and maintained
24 by the Settlement Administrator to fund the Gross Settlement Amount.
25
- 26 AA. "Released Class Claims" means all class claims alleged in the operative complaint
27 which occurred during the Class Period, and expressly excluding all other claims,
28 including claims for vested benefits, wrongful termination, unemployment insurance,

1 disability, social security, workers' compensation, and class claims outside of the
2 Class Period.

3
4 BB. "Released PAGA Claims" means all PAGA claims alleged in the operative complaint
5 and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period,
6 and expressly excluding all other claims, including claims for vested benefits,
7 wrongful termination, unemployment insurance, disability, social security, workers'
8 compensation, and PAGA claims outside of the PAGA Period.

9
10 CC. "Plaintiffs Hernandez and Conley Released Claims" shall mean Plaintiff Hernandez'
11 and Plaintiff Conley's broad release of all employment-related claims in exchange for
12 their respective service awards. Nothing in this Agreement shall act as, or be
13 construed as, a release by Plaintiffs Valencia and Valesquez of any claims for
14 damages and remedies arising from violations of California's whistleblower statute
15 (California *Labor Code* § 1102.5); unsafe workplace violations and retaliation for
16 complaints of an unsafe workplace (California *Labor Code* §§ 6300, 6400 et seq.);
17 and retaliation and wrongful termination in violation of public policy, all of which are
18 being released pursuant to separate individual settlement agreements between
19 Plaintiffs Valencia and Velasquez and Defendant. Except for those claims which are
20 not being released herein and are separately being released pursuant to separate
21 individual settlement agreements between Plaintiffs Valencia and Valesquez and
22 Defendant, Plaintiffs Valencia and Valesquez release all other employment-related
23 claims, which are not covered in the separate settlement agreements, in exchange for
24 their respective service awards.
25
26
27

28 DD. "Released Parties" shall mean Defendant.

1 EE. "Response Deadline" means the date forty-five (45) days after the Settlement
2 Administrator mails Notice Packets to Class Members and the last date on which
3 Class Members may submit requests for exclusion or objections to the Settlement.
4

5 FF. "Settlement" means the disposition of the Action pursuant to this Agreement.
6

7 GG. "Settlement Administrator" means ILYM Group Inc., 14771 Plaza Drive, Ste. L,
8 Tustin, CA 92780; Tel: 1-888-250-6810; Fax: 1-888-845-6185. The Settlement
9 Administrator establishes, designates and maintains, as a QSF under Internal Revenue
10 Code section 468B and Treasury Regulation section 1.468B-1, into which the amount
11 of the Gross Settlement Amount is deposited for the purpose of resolving the claims
12 of Settlement Class Members. The Settlement Administrator shall maintain the funds
13 until distribution in an account(s) segregated from the assets of Defendant and any
14 person related to Defendant. *All accrued interest shall be paid and distributed to the*
15 *Settlement Class Members as part of their respective Individual Settlement*
16 *Payment.*
17

18
19 HH. "Settlement Class Members" or "Settlement Class" means all Class Members who
20 have not submitted a timely and valid request for exclusion as provided in this
21 Agreement.
22

23 II. "Gross Settlement Amount" means Two Hundred Twenty-Five Thousand Dollars
24 (\$225,000.00) that Defendant must pay into the QSF in connection with this
25 Settlement, inclusive of the sum of the Individual Settlement Payments, the Class
26 Representative Service Awards, the Class Counsel Award, PAGA Settlement and the
27
28

1 Settlement Administration Costs and *exclusive* of the employer's share of payroll tax,
2 if any, triggered by any payment under this Settlement.

3
4 JJ. "Workweeks", Workweeks", for purposes of calculating the distribution of the Net
5 Settlement Amount, means the number of weeks of employment during the Class
6 Period that each Class Member was employed by Defendant in California, excluding
7 weeks during which the Class Member did not perform any work for Defendant.

8
9 KK. "PAGA Pay Periods", for purposes of calculating the distribution of the Aggrieved
10 Employee Payment, as defined herein, means the number of pay periods of
11 employment during the PAGA Period that each Aggrieved Employee worked in
12 California.

13
14 **II. RECITALS**

15 A. On February 19, 2021, Plaintiffs filed a Notice of Violations with the Labor and
16 Workforce Development Agency (LWDA) and served the same on Defendant.

17
18 B. On May 19, 2021, Plaintiffs filed the Lawsuit for:

19 1. Unfair Competition in Violation of Bus. and Prof. Code sections 17200 *et seq*;

20
21 2. Failure to pay minimum wages in violation of California Labor Code sections
22 1194, 1197 and 1197.1

23
24 3. Failure to pay overtime wages in violation of California Labor Code sections
25 510 *et seq*;

26
27 4. Failure to provide required meal periods in violation of California Labor Code
28 sections 226.7 and 512 and the applicable IWC wage order;

1 5. Failure to provide required rest periods in violation of California Labor Code
2 sections 226.7 and 512 and the applicable IWC wage order;

3
4 6. Failure to reimburse Plaintiff for required expenses in violation of California
5 Labor Code section 2802;

6
7 7. Failure to provide accurate itemized wage statements in violation of California
8 Labor Code section 226 and 226.2;

9
10 8. Failure to provide wages when due in violation of California Labor Code
11 sections 201, 202 and 203;

12 9. Violation of the private attorneys general act in violation of Labor Code
13 sections 2698 et seq.

14
15 C. The Class Representatives believe they have meritorious claims based on alleged
16 violations of the California Labor Code, and the Industrial Wage Commission
17 Orders, and that class certification is appropriate because the prerequisites for class
18 certification can be satisfied in the Action, and this action is manageable as a PAGA
19 representative action.
20

21 D. Defendant denies any liability or wrongdoing of any kind associated with the claims
22 alleged in the Action, disputes any wages, damages and penalties claimed by the
23 Class Representatives are owed, and further contend that, for any purpose other than
24 settlement, the Action is not appropriate for class or representative action treatment.
25 Defendant contends, among other things, that at all times they complied with the
26 California Labor Code and the Industrial Wage Commission Orders.
27
28

1 E. The Class Representatives are represented by Class Counsel. Class Counsel
2 conducted an investigation into the facts relevant to the Action, including
3 conducting an independent investigation as to the allegations, reviewing documents
4 and information exchanged through informal discovery, and reviewing documents
5 and information provided by Defendant pursuant to informal requests for
6 information to prepare for mediation. Defendant produced for the purpose of
7 settlement negotiations certain employment data concerning the Settlement Class,
8 which Class Counsel reviewed and analyzed. Class Counsel engaged in a
9 comprehensive review and analysis of Defendant's discovery responses, including
10 obtaining the contact information of the class members and conducting numerous
11 interviews of the class members. Based on their own independent investigation and
12 evaluation, Class Counsel are of the opinion that the Settlement with Defendant is
13 fair, reasonable and adequate, and is in the best interest of the Settlement Class in
14 light of all known facts and circumstances, including the risks of significant delay,
15 defenses asserted by Defendant, uncertainties regarding class certification, and
16 numerous potential appellate issues. Although it denies any liability, Defendant is
17 agreeing to this Settlement solely to avoid the inconveniences and cost of further
18 litigation. The Parties and their counsel have agreed to settle the claims on the terms
19 set forth in this Agreement
20
21
22

23 F. On January 19, 2022, the Parties participated in mediation presided over by Hon. Carl
24 J. West (Ret.) a respected and experienced jurist and mediator of wage and hour class
25 and PAGA actions. The mediation concluded with a settlement after both sides agreed
26 to a Mediator's proposal which was subsequently memorialized in the form of a
27 Memorandum of Understanding ("MOU").
28

1 G. This Agreement replaces and supersedes the MOU and any other agreements,
2 understandings, or representations between the Parties. This Agreement represents a
3 compromise and settlement of highly disputed claims. Nothing in this Agreement is
4 intended or will be construed as an admission by Defendant that the claims in the
5 Action of Plaintiffs or the Class Members have merit or that Defendant bears any
6 liability to Plaintiffs or the Class on those claims or any other claims, or as an
7 admission by Plaintiffs that Defendant's defenses in the Action have merit.
8

9
10 H. The Parties believe that the Settlement is fair, reasonable and adequate. The
11 Settlement was arrived at through arm's-length negotiations, taking into account all
12 relevant factors. The Parties recognize the uncertainty, risk, expense and delay
13 attendant to continuing the Action through trial and any appeal. Accordingly, the
14 Parties desire to fully, finally, and forever settle, compromise and discharge all
15 disputes and claims arising from or relating to the Action.
16

17 I. The Parties agree to certification of the Class for purposes of this Settlement only. If
18 for any reason the settlement does not become effective, Defendant reserves the right
19 to contest certification of any class for any reason and reserves all available defenses
20 to the claims in the Action.
21

22 Based on these Recitals that are a part of this Agreement, the Parties agree as follows:
23

24 **III. TERMS OF AGREEMENT**

25 A. Settlement Consideration and Settlement Payments by Defendant.

- 26
27 1. Settlement Consideration. In full and complete settlement of the Actions, and
28 in exchange for the releases set forth below, Defendant and the Released

1 Parties will pay the sum of the Individual Settlement Payment, the Class
2 Representative Service Awards, the Class Counsel Award, PAGA Settlement,
3 and the Settlement Administration Costs, as specified in this Agreement, equal
4 to the Gross Settlement Amount of Two Hundred Twenty-Five Thousand
5 Dollars (\$225,000.00). The Parties agree that this is a non-reversionary
6 Settlement and that no portion of the Gross Settlement Amount shall revert to
7 Defendant. Other than the Defendant's share of employer payroll taxes, or as
8 otherwise specified in the Agreement, Defendant shall not be required to pay
9 more or less than the Gross Settlement Amount, except as provided for
10 hereinbelow.
11

12
13 2. Class Size. At the time of mediation, Defendant estimated that the Settlement
14 Class was comprised of 92 individuals who collectively worked
15 approximately 5,618 Workweeks ("Projected Workweeks") during the Class
16 Period. Defendant will provide a declaration under penalty of perjury before
17 the deadline for filing the motion for preliminary approval of the settlement,
18 confirming the number of applicable Class Members and workweeks they
19 worked during the applicable Class Period. If the workweek number is greater
20 than 105% of the workweek estimate provided for herein, the end date of the
21 Class Period will be adjusted so that the number of workweeks in the Class
22 Period does not exceed 105% of the estimate.
23

24
25 3. Settlement Payment. Defendant and the Released Parties, and each of them,
26 are jointly and severally liable for payment of the Gross Settlement Amount.
27 Defendant shall pay, via wire transfer, the Gross Settlement Amount in two
28

installments as follows: \$112,500 on Funding Date # 1 and \$112,500 due on Funding Date #2.

4. Defendant's Share of Payroll Taxes. Defendant's share of employer side payroll taxes is in addition to the Gross Settlement Amount and shall be paid together with the Gross Settlement Amount on Funding Date #1.

B. Release by Settlement Class Members. As of the funding in full of the Gross Settlement Amount on Funding Date #2, in exchange for the consideration set forth in this Agreement, Plaintiffs and the Settlement Class Members release the Released Parties from the Released Class Claims for the Class Period.

C. Release by the Aggrieved Employees. As of the funding in full of the Gross Settlement Amount on Funding Date #2, in exchange for the consideration set forth in this Agreement, the Plaintiffs, the LWDA and the State of California release the Released Parties from the PAGA Released Claims for the PAGA Period.

D. General Release by Plaintiffs. As of the funding in full of the Gross Settlement Amount on Funding Date #2, for the consideration set forth in this Agreement which includes the Class Representative Service Awards, Plaintiffs waive, release, acquit and forever discharge the Released Parties from any and all claims, whether known or unknown, which exist or may exist on their behalf as of the date of this Agreement, including but not limited to any and all tort claims, contract claims, wage claims, wrongful termination claims, disability claims, benefit claims, public policy claims, retaliation claims, statutory claims, personal injury claims, emotional distress claims, invasion of privacy claims, defamation claims, fraud claims, quantum meruit claims, and any and all claims arising under any federal, state or other governmental

1 statute, law, regulation or ordinance, including, but not limited to claims for violation
2 of the Fair Labor Standards Act, the California Labor Code, the Wage Orders of
3 California's Industrial Welfare Commission, other state wage and hour laws, the
4 Americans with Disabilities Act, the Age Discrimination in Employment Act
5 (ADEA), the Employee Retirement Income Security Act, Title VII of the Civil
6 Rights Act of 1964, the California Fair Employment and Housing Act, the California
7 Family Rights Act, the Family Medical Leave Act, California's Whistleblower
8 Protection Act, California Business & Professions Code Section 17200 et seq., and
9 any and all claims arising under any federal, state or other governmental statute, law,
10 regulation or ordinance. Plaintiffs also waive and relinquish any and all claims,
11 rights or benefits that they may have under California Civil Code § 1542, which
12 provides as follows:
13
14

15 ***A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE***
16 ***CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO***
17 ***EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE***
18 ***RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE***
19 ***MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE***
20 ***DEBTOR OR RELEASED PARTY.***
21

22
23 Thus, notwithstanding the provisions of section 1542, and to implement a full and
24 complete release and discharge of the Released Parties, Plaintiffs expressly
25 acknowledge this Settlement Agreement is intended to include in its effect, without
26 limitation, all claims Plaintiffs does not know or suspect to exist in Plaintiffs' favor at
27 the time of signing this Settlement Agreement, and that this Settlement Agreement
28

1 contemplates the extinguishment of any such claims. Plaintiffs warrant that Plaintiffs
2 have read this Settlement Agreement, including this waiver of California Civil Code
3 section 1542, and that Plaintiffs have consulted with or had the opportunity to consult
4 with counsel of Plaintiffs' choosing about this Settlement Agreement and specifically
5 about the waiver of section 1542, and that Plaintiffs understand this Settlement
6 Agreement and the section 1542 waiver, and so Plaintiffs freely and knowingly enter
7 into this Settlement Agreement. Plaintiffs further acknowledge that Plaintiffs later
8 may discover facts different from or in addition to those Plaintiffs now know or
9 believe to be true regarding the matters released or described in this Settlement
10 Agreement, and even so Plaintiffs agree that the releases and agreements contained in
11 this Settlement Agreement shall remain effective in all respects notwithstanding any
12 later discovery of any different or additional facts. Plaintiffs expressly assume any and
13 all risk of any mistake in connection with the true facts involved in the matters,
14 disputes, or controversies released or described in this Settlement Agreement or with
15 regard to any facts now unknown to Plaintiffs relating thereto.

16
17
18
19 Notwithstanding this paragraph and/or any other language in this Agreement to the
20 contrary, nothing in this Agreement, including this paragraph and its section 1542
21 waiver, shall act as, or be construed as, a release by Plaintiffs Valencia and
22 Valesquez of any claims for damages and remedies arising from violations of
23 California's whistleblower statute (California *Labor Code* § 1102.5); unsafe
24 workplace violations and retaliation for complaints of an unsafe workplace
25 (California *Labor Code* §§ 6300, 6400 et seq.); and retaliation and wrongful
26 termination in violation of public policy, all of which are being released pursuant to
27
28

1 separate individual settlement agreements between Plaintiffs Valencia and
2 Velasquez and Defendant.

3
4 E. Conditions Precedent: This Settlement will become final and effective only upon the
5 occurrence of all of the following events:

- 6
7 1. The Court enters an order granting preliminary approval of the Settlement;
8
9 2. The Court enters an order granting final approval of the Settlement and a Final
10 Judgment;
11
12 3. If an objector appears at the final approval hearing, the time for appeal of the
13 Final Judgment and Order Granting Final Approval of Class Action
14 Settlement expires; or, if an appeal is timely filed, there is a final resolution of
15 any appeal from the Judgment and Order Granting Final Approval of Class
16 Action Settlement; and
17
18 4. Defendant fully funds the Gross Settlement Amount.

19 F. Nullification of Settlement Agreement. In the event that this Settlement Agreement is
20 not preliminarily or finally approved by the Court, fails to become effective, or is
21 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits
22 Defendant from obtaining a complete resolution of the Released Claims, or if
23 Defendant fails to fully fund the Gross Settlement Amount:
24

- 25 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
26 and shall not be admissible in any judicial, administrative or arbitral
27
28

proceeding for any purpose or with respect to any issue, substantive or procedural;

2. The conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural; and

3. None of the Parties to this Settlement will be deemed to have waived any claims, objections, defenses or arguments in the Action, including with respect to the issue of class certification.

4. Defendant shall bear the sole responsibility for any cost to issue or reissue any curative notice to the Settlement Class Members and all Settlement Administration Costs incurred to the date of nullification.

G. Certification of the Settlement Class. The Parties stipulate to conditional class certification of the Class for the Class Period for purposes of settlement only. In the event that this Settlement is not approved by the Court, fails to become effective, or is reversed, withdrawn or modified by the Court, or in any way prevents or prohibits Defendant from obtaining a complete resolution of the Released Claims, the conditional class certification (obtained for any purpose) shall be void *ab initio* and of no force or effect, and shall not be admissible in any judicial, administrative or arbitral proceeding for any purpose or with respect to any issue, substantive or procedural.

H. Tax Liability. The Parties make no representations as to the tax treatment or legal effect of the payments called for, and Class Members and/or Aggrieved Employees are

1 not relying on any statement or representation by the Parties in this regard. Class
2 Members and/or Aggrieved Employees understand and agree that they will be
3 responsible for the payment of any taxes and penalties assessed on the Individual
4 Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA
5 Settlement described and will be solely responsible for any penalties or other
6 obligations resulting from their personal tax reporting of Individual Settlement
7 Payments and/or Aggrieved Employees' individual shares of the PAGA Settlement.
8

- 9
- 10 I. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
11 the "acknowledging party" and each Party to this Agreement other than the
12 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
13 of this Agreement, and no written communication or disclosure between or among the
14 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
15 such communication or disclosure constitute or be construed or be relied upon as, tax
16 advice within the meaning of United States Treasury Department circular 230 (31 CFR
17 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
18 her or its own, independent legal and tax counsel for advice (including tax advice) in
19 connection with this Agreement, (b) has not entered into this Agreement based upon
20 the recommendation of any other Party or any attorney or advisor to any other Party,
21 and (c) is not entitled to rely upon any communication or disclosure by any attorney
22 or adviser to any other party to avoid any tax penalty that may be imposed on the
23 acknowledging party, and (3) no attorney or adviser to any other Party has imposed
24 any limitation that protects the confidentiality of any such attorney's or adviser's tax
25 strategies (regardless of whether such limitation is legally binding) upon disclosure by
26
27
28

1 the acknowledging party of the tax treatment or tax structure of any transaction,
2 including any transaction contemplated by this Agreement.

3
4 J. Preliminary Approval Motion. At the earliest practicable time, Plaintiffs shall file with
5 the Court a Motion for Order Granting Preliminary Approval and supporting papers,
6 which shall include this Settlement Agreement. Plaintiffs will provide Defendant with
7 a draft of the Motion at least 3 business days prior to the filing of the Motion to give
8 Defendant an opportunity to propose changes or additions to the Motion.

9
10 K. Settlement Administrator. The Settlement Administrator shall be responsible for:
11 establishing and administering the QSF; calculating, processing and mailing payments
12 to the Class Representatives, Class Counsel, LWDA and Class Members; printing and
13 mailing the Notice Packets to the Class Members as directed by the Court; receiving
14 and reporting the objections and requests for exclusion; calculating, deducting and
15 remitting all legally required taxes from Individual Settlement Payments, including the
16 any employer side payroll taxes Defendant is obligated to pay as a result of the
17 Individual Settlement Payments, and distributing tax forms for the Wage Portion and
18 Non-Wage Portion of the Individual Settlement Payments and/or Aggrieved
19 Employees' individual shares of the PAGA Settlement; processing and mailing tax
20 payments to the appropriate state and federal taxing authorities; providing
21 declaration(s) as necessary in support of preliminary and/or final approval of this
22 Settlement; and other tasks as the Parties mutually agree or the Court orders the
23 Settlement Administrator to perform. The Settlement Administrator shall keep the
24 Parties timely apprised of the performance of all Settlement Administrator
25 responsibilities by among other things, sending a weekly status report to the Parties'

counsel stating the date of the mailing, the of number of Elections Not to Participate in Settlement it receives (including the numbers of valid and deficient), and number of objections received.

L. Notice Procedure.

1. Class Data. No later than ten (10) business days after the Preliminary Approval Date, Defendant shall provide the Settlement Administrator with the Class Data for purposes of preparing and mailing Notice Packets to the Class Members.

2. Notice Packets.

a) The Notice Packet shall contain the Notice of Class Action Settlement in a form substantially similar to the form attached as Exhibit A. The Notice of Class Action Settlement shall inform Class Members and Aggrieved Employees that they need not do anything in order to receive an Individual Settlement Payment and/or Aggrieved Employees' individual shares of the PAGA Settlement and to keep the Settlement Administrator apprised of their current mailing address, to which the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA Settlement will be mailed following the Funding Date. The Notice of Class Action Settlement shall set forth the release to be given by all members of the Class who do not request to be excluded from the Settlement Class and/or Aggrieved Employees' in exchange for an Individual Settlement

1 Payment and/or Aggrieved Employees' individual shares of the PAGA
2 Settlement, the number of Workweeks worked by each Class Member
3 during the Class Period and PAGA Period, if any, and the estimated
4 amount of their Individual Settlement Payment if they do not request
5 to be excluded from the Settlement and each Aggrieved Employee's
6 share of the PAGA Settlement, if any. The Settlement Administrator
7 shall use the Class Data to determine Class Members' Workweeks and
8 PAGA Workweeks. The Notice will also advise the Aggrieved
9 Employees that they will release the Released PAGA Claims and will
10 receive their share of the PAGA Settlement regardless of whether they
11 request to be excluded from the Settlement.
12
13

14 b) The Notice Packet's mailing envelope shall include the following
15 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
16 ENTITLED TO PARTICIPATE IN A CLASS ACTION
17 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
18 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
19 NOTICE."
20
21

22 3. Notice by First Class U.S. Mail and Email. Upon receipt of the Class Data,
23 the Settlement Administrator will perform a search based on the National
24 Change of Address Database to update and correct any known or identifiable
25 address changes. No later than fourteen (14) calendar days after receiving the
26 Class Data from Defendant, the Settlement Administrator shall mail and email
27 copies of the Notice Packet to all Class Members via regular First-Class U.S.
28

1 Mail and electronic mail. The Settlement Administrator shall exercise its best
2 judgment to determine the current mailing address for each Class Member.
3 The address identified by the Settlement Administrator as the current mailing
4 address shall be presumed to be the best mailing address for each Class
5 Member.
6

7 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
8 Administrator as non-delivered on or before the Response Deadline shall be
9 re-mailed to any forwarding address provided. If no forwarding address is
10 provided, the Settlement Administrator shall promptly attempt to determine a
11 correct address by lawful use of skip-tracing, or other search using the name,
12 address and/or Social Security number of the Class Member involved, and
13 shall then perform a re-mailing, if another mailing address is identified by the
14 Settlement Administrator. In addition, if any Notice Packets, which are
15 addressed to Class Members who are currently employed by Defendant, are
16 returned to the Settlement Administrator as non-delivered and no forwarding
17 address is provided, the Settlement Administrator shall notify Defendant.
18 Defendant will request that the currently employed Class Member provide a
19 corrected address and transmit to the Administrator any corrected address
20 provided by the Class Member. Class Members who received a re-mailed
21 Notice Packet shall have their Response Deadline extended fifteen (15) days
22 from the original Response Deadline.
23
24
25

26 5. Disputes Regarding Individual Settlement Payments. Class Members will
27 have the opportunity, should they disagree with Defendant's records regarding
28

1 the start and end dates of employment to provide documentation and/or an
2 explanation to show contrary dates. If there is a dispute, the Settlement
3 Administrator will consult with the Parties to determine whether an
4 adjustment is warranted. The Settlement Administrator shall determine the
5 eligibility for, and the amounts of, any Individual Settlement Payments under
6 the terms of this Agreement. The Settlement Administrator's determination
7 of the eligibility for and amount of any Individual Settlement Payment shall
8 be binding upon the Class Member and the Parties.
9

10
11 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
12 by the Settlement Administrator concerning the administration of the
13 Settlement will be resolved by the Court under the laws of the State of
14 California. Before any such involvement of the Court, counsel for the Parties
15 will confer in good faith to resolve the disputes without the necessity of
16 involving the Court.
17

18 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
19 Packet shall state that Class Members who wish to exclude themselves from
20 the Settlement must submit a written request for exclusion by the Response
21 Deadline. The written request for exclusion must state that the Class Member
22 wishes to exclude himself or herself from the Settlement and (1) must contain
23 the name, address, and the last four digits of the Social Security number of the
24 person requesting exclusion; (2) must be signed by the Class Member; (3)
25 must be postmarked or fax stamped by the Response Deadline and returned to
26 the Settlement Administrator at the specified address or fax telephone number;
27
28

1 and (4) contain a typewritten or handwritten notice stating in substance: “I
2 wish to opt out of the settlement of the class action lawsuit entitled *Hernandez*
3 *v. Parenting Network, Inc.*, currently pending in the Tulare Superior Court,
4 Case No. VCU287027. I understand that by requesting to be excluded from
5 the settlement, I will receive no money from the Settlement described in this
6 Notice.” The request for exclusion will not be valid if it is not timely
7 submitted, if it is not signed by the Class Member, or if it does not contain the
8 name and address and last four digits of the Social Security number of the
9 Class Member. The date of the postmark on the mailing envelope or fax stamp
10 on the request for exclusion shall be the exclusive means used to determine
11 whether the request for exclusion was timely submitted. Any Class Member
12 who requests to be excluded from the Settlement Class will not be entitled to
13 an Individual Settlement Payment and will not be otherwise bound by the
14 terms of the Settlement or have any right to object, appeal or comment
15 thereon. However, any Class Member that submits a timely request for
16 exclusion that is also a member of the Aggrieved Employees will still receive
17 his/her pro rata share of the PAGA Settlement, as specified below, and in
18 consideration, will be bound by the Release by the Aggrieved Employees as
19 set forth herein. Settlement Class Members who fail to submit a valid and
20 timely written request for exclusion on or before the Response Deadline shall
21 be bound by all terms of the Settlement and any final judgment entered in this
22 Action if the Settlement is approved by the Court. No later than fourteen (14)
23 calendar days after the Response Deadline, the Settlement Administrator shall
24 provide counsel for the Parties with a final list of the Class Members who have
25
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27
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1 timely submitted written requests for exclusion. At no time shall any of the
2 Parties or their counsel seek to solicit or otherwise encourage members of the
3 Class to submit requests for exclusion from the Settlement.
4

- 5 8. Objections. The Notice of Class Action Settlement contained in the Notice
6 Packet shall state that Class Members who wish to object to the Settlement
7 may submit to the Settlement Administrator a written statement of objection
8 (“Notice of Objection”) by the Response Deadline. The postmark date of
9 mailing shall be deemed the exclusive means for determining that a Notice of
10 Objection was served timely. The Notice of Objection must be signed by the
11 Settlement Class Member and state: (1) the case name and number; (2) the
12 name of the Settlement Class Member; (3) the address of the Settlement Class
13 Member; (4) the last four digits of the Settlement Class Member’s Social
14 Security number; (4) the basis for the objection; and (5) if the Settlement Class
15 Member intends to appear at the Final Approval/Settlement Fairness Hearing.
16 Class Members who fail to make objections in writing in the manner specified
17 above may still make their objections orally at the Final Approval/Settlement
18 Fairness Hearing with the Court’s permission. Settlement Class Members will
19 have a right to appear at the Final Approval/Settlement Fairness Hearing to
20 have their objections heard by the Court. At no time shall any of the Parties
21 or their counsel seek to solicit or otherwise encourage Class Members to file
22 or serve written objections to the Settlement or appeal from the Order and
23 Final Judgment. Class Members who submit a written request for exclusion
24 may not object to the Settlement. Class Members may not object to the PAGA
25 Settlement
26
27
28

1 M. Funding and Allocation of the Gross Settlement Amount. Defendant is required to pay
2 the Gross Settlement Amount on or before the Funding Dates, plus any employer's
3 share of payroll taxes as mandated by law within the time specified herein.
4

5 1. Individual Settlement Payments. Individual Settlement Payments shall be
6 paid from the Net Settlement Amount and shall be paid pursuant to the
7 formula set forth herein. Using the Class Data, the Settlement Administrator
8 shall add up the total number of Workweeks for all Class Members. The
9 respective Workweeks for each Class Member will be divided by the total
10 Workweeks for all Class Members, resulting in the Payment Ratio for each
11 Class Member. Each Class Member's Payment Ratio will then be multiplied
12 by the Net Settlement Amount to calculate each Class Member's estimated
13 Individual Settlement Payments. Each Individual Settlement Payment will be
14 reduced by any legally mandated employee tax withholdings (e.g., employee
15 payroll taxes, etc.). Individual Settlement Payments for Class Members who
16 submit valid and timely requests for exclusion will be redistributed to
17 Settlement Class Members who do not submit valid and timely requests for
18 exclusion on a pro rata basis based on their respective Payment Ratios.
19
20

21 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
22 Class Data, the Settlement Administrator shall add up the total number of
23 PAGA pay periods for all Aggrieved Employees during the PAGA Period.
24 The respective PAGA pay periods for each Aggrieved Employee will be
25 divided by the total PAGA pay periods for all Aggrieved Employees, resulting
26 in the "PAGA Payment Ratio" for each Aggrieved Employee. Each
27
28

1 Aggrieved Employee's PAGA Payment Ratio will then be multiplied by the
2 Aggrieved Employee Payment to calculate each Aggrieved Employee's
3 estimated share of the PAGA Settlement.
4

5 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
6 Settlement Payments shall be allocated and treated as follows: 10% as wages
7 ("Wage Portion"); 90% as penalties and interest ("Non-Wage Portion"). The
8 Wage Portion is subject to wage withholdings and shall be reported on IRS
9 Form W-2. The Non-Wage Portion shall not be subject to wage withholdings
10 and shall be reported on IRS Form 1099.
11

12 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
13 Employee Settlement Payments shall be allocated and treated as 100%
14 penalties and shall be reported on IRS Form 1099.
15

16 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
17 individual shares of the PAGA Settlement made to Settlement Class Members
18 and/or Aggrieved Employees under this Settlement Agreement, as well as any
19 other payments made pursuant to this Settlement Agreement, will not be
20 utilized to calculate any additional benefits under any benefit plans to which
21 any Class Members may be eligible, including, but not limited to profit-
22 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
23 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the
24 Parties' intention that this Settlement Agreement will not affect any rights,
25 contributions, or amounts to which any Class Members may be entitled under
26 any benefit plans.
27
28

1 6. All monies received by Settlement Class Members under the Settlement which
2 are attributable to wages shall constitute income to such Settlement Class
3 Members solely in the year in which such monies actually are received by the
4 Settlement Class Members. It is the intent of the Parties that Individual
5 Settlement Payments and individual shares of the PAGA Settlement provided
6 for in this Settlement agreement are the sole payments to be made by Defendant
7 to Settlement Class Members and/or Aggrieved Employees in connection with
8 this Settlement Agreement, with the exception of Plaintiffs, and that the
9 Settlement Class Members and/or Aggrieved Employees are not entitled to any
10 new or additional compensation or benefits as a result of having received the
11 Individual Settlement Payments and/or their shares of the PAGA Settlement.
12

13
14 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
15 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'
16 and/or Aggrieved Employees last known mailing address no later than fifteen
17 (15) calendar days after Funding Date #1.
18

19 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
20 Employees shall remain valid and negotiable for one hundred and eighty (180)
21 days from the date of their issuance. If a Settlement Class Member and/or
22 Aggrieved Employee does not cash his or her settlement check within 90 days,
23 the Settlement Administrator will send a letter to such persons, advising that
24 the check will expire after the 180th day, and invite that Settlement Class
25 Member and/or Aggrieved Employee to request reissuance in the event the
26 check was destroyed, lost or misplaced. In the event an Individual Settlement
27 check was destroyed, lost or misplaced. In the event an Individual Settlement
28

1 Payment and/or Aggrieved Employee's individual share of the PAGA
2 Settlement check has not been cashed within one hundred and eighty (180)
3 days, all funds represented by such uncashed checks, plus any interest accrued
4 thereon, shall be distributed consistent with California Code of Civil
5 Procedure Section 384 as follows: to The Children's Advocacy Institute
6 (CAI), founded at the nonprofit University of San Diego School of Law in
7 1989. Class Counsel, Defendant's counsel, nor any of the Parties, have any
8 interest, pecuniary or otherwise, in CAI.
9

- 10
11 9. Class Representative Service Awards. In addition to the Individual Settlement
12 Payment and their individual share of the PAGA Settlement to be paid to
13 Plaintiffs, Plaintiffs will apply to the Court for an award of not more than
14 \$7,500 for Plaintiff Hernandez, \$7,5,000 for Plaintiff Conley and \$5,000 for
15 Plaintiff Valencia, and \$5,000 for Plaintiff Velasquez, as the Class
16 Representative Service Awards. Defendant does not presently intend to
17 oppose Class Representative Service Awards of not more than \$7,500 for
18 Plaintiff Hernandez, \$7,5,000 for Plaintiff Conley and \$5,000 for Plaintiff
19 Valencia, and \$5,000 for Plaintiff Velasquez. In the event the Court reduces
20 or does not approve of the requested Service Award payments, Plaintiffs shall
21 not have the right to revoke the settlement and it will remain binding. Plaintiffs
22 each retain the right to appeal any denial of a requested Service Award. The
23 Settlement Administrator shall pay the Class Representative Service Awards,
24 either in the amount stated herein if approved by the Court or some other
25 amount as approved by the Court, to Plaintiffs from the Gross Settlement
26 Amount no later than fifteen (15) calendar days after Funding Date #2. Any
27
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1 portion of the requested Class Representative Service Awards that are not
2 awarded to the Class Representatives shall be part of the Net Settlement
3 Amount and shall be distributed to Settlement Class Members as provided in
4 this Agreement. The Settlement Administrator shall issue an IRS Form 1099
5 — MISC to Plaintiffs for their Class Representative Service Awards.
6 Plaintiffs shall be solely and legally responsible to pay any and all applicable
7 taxes on their Class Representative Service Awards and shall hold harmless
8 the Released Parties from any claim or liability for taxes, penalties, or interest
9 arising as a result of the Class Representative Service Awards. The Class
10 Representative Service Awards shall be in addition to Plaintiffs' Individual
11 Settlement Payment as a Settlement Class Member. Approval of this
12 Settlement shall not be conditioned on Court approval of the requested amount
13 of the Class Representative Service Award. In the event that the Court reduces
14 or does not approve the requested Class Representative Service Award,
15 Plaintiffs shall not have the right to revoke the Settlement, and it will remain
16 binding.
17
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- 20 10. Class Counsel Award. Defendant understands a motion by Class Counsel for
21 attorneys' fees not to exceed one-third of the Gross Settlement Amount
22 currently estimated to be \$75,000 plus costs and expenses supported by
23 declaration not to exceed Fifteen Thousand Dollars (\$15,000), from the Gross
24 Settlement Amount will be filed. Any portion of the requested Class Counsel
25 Award that is not awarded to Class Counsel shall be part of the Net Settlement
26 Amount and shall be distributed to Settlement Class Members as provided in
27 this Agreement. The Settlement Administrator shall allocate and pay the
28

1 Class Counsel Award to Class Counsel from the Gross Settlement Amount no
2 later than fifteen (15) calendar days after Funding Date #2. Class Counsel
3 shall be solely and legally responsible to pay all applicable taxes on the
4 payment made pursuant to this paragraph. The Settlement Administrator shall
5 issue an IRS Form 1099 — MISC to Class Counsel for the payments made
6 pursuant to this paragraph. In the event that the Court reduces or does not
7 approve the requested Class Counsel Award, Plaintiffs and Class Counsel
8 shall not have the right to revoke the Settlement, or to appeal such order, and
9 the Settlement will remain binding.
10

11
12 11. PAGA Settlement. Five Thousand Dollars (\$5,000) shall be allocated from
13 the Gross Settlement Amount for settlement of claims for civil penalties under
14 the Private Attorneys General Act of 2004 (“PAGA Settlement”). The
15 Settlement Administrator shall pay seventy-five percent (75%) of the PAGA
16 Settlement (\$3,750) to the California Labor and Workforce Development
17 Agency no later than twenty-five (25) calendar days after the Funding Date
18 (hereinafter “LWDA Payment”). Twenty-five (25%) of the PAGA Settlement
19 (\$1,250) will be distributed to the Aggrieved Employees as described in this
20 Agreement (hereinafter “Aggrieved Employee Payment”). For purposes of
21 distributing the PAGA Settlement to the Aggrieved Employees, each
22 Aggrieved Employee shall receive their pro-rata share of the Aggrieved
23 Employee Payment using the PAGA Payment Ratio as defined above.
24

25
26 12. Settlement Administration Costs. The Settlement Administrator shall be paid
27 for the costs of administration of the Settlement from the Gross Settlement
28

1 Amount. The estimate of the Settlement Administration Costs is \$8,000.00.
2 The Settlement Administrator shall be paid the Settlement Administration
3 Costs no later than fifteen (15) calendar days after Funding Date #2.
4

5 N. Final Approval Motion. Class Counsel and Plaintiffs shall use best efforts to file with
6 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
7 twenty-eight (28) days following the expiration of the Response Deadline, which
8 motion shall request final approval of the Settlement and a determination of the
9 amounts payable for the Class Representative Service Award, the Class Counsel
10 Award, the PAGA Settlement, and the Settlement Administration Costs. Plaintiffs
11 will provide Defendant with a draft of the Motion at least 3 business days prior to the
12 filing of the Motion to give Defendant an opportunity to propose changes or additions
13 to the Motion
14

15
16 1. Declaration by Settlement Administrator. No later than fourteen (14) days
17 after the Response Deadline, the Settlement Administrator shall submit a
18 declaration in support of Plaintiffs' motion for final approval of this
19 Settlement detailing the number of Notice Packets mailed and re-mailed to
20 Class Members, the number of undeliverable Notice Packets, the number of
21 timely requests for exclusion, the number of objections received, the amount
22 of the average Individual Settlement Payment and highest Individual
23 Settlement Payment, the Settlement Administration Costs, and any other
24 information as the Parties mutually agree or the Court orders the Settlement
25 Administrator to provide.
26
27
28

1 2. Final Approval Order and Judgment. Class Counsel shall present an Order
2 Granting Final Approval of Class Action Settlement to the Court for its
3 approval, and Judgment thereon, at the time Class Counsel files the Motion
4 for Final Approval.
5

6 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
7 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
8 Final Approval, including the Order Granting Final Approval of Class Action
9 Settlement, and Judgment before filing with the Court. The Parties and their counsel
10 will cooperate with each other and use their best efforts to affect the Court's approval
11 of the Motions for Preliminary and Final Approval of the Settlement, and entry of
12 Judgment.
13

14 O. Cooperation. The Parties and their counsel will cooperate with each other and use
15 their best efforts to implement the Settlement.
16

17 P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Actions,
18 except such proceedings necessary to implement and complete the Settlement, pending
19 the Final Approval/Settlement Fairness Hearing to be conducted by the Court
20

21 Q. Amendment or Modification. This Agreement may be amended or modified only by
22 a written instrument signed by counsel for all Parties or their successors-in-interest.
23

24 R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
25 Agreement among these Parties, and no oral or written representations, warranties or
26 inducements have been made to any Party concerning this Agreement or its Exhibit
27
28

1 other than the representations, warranties and covenants contained and memorialized
2 in this Agreement and its Exhibit.

3
4 S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
5 represent they are expressly authorized by the Parties whom they represent to negotiate
6 this Agreement and to take all appropriate Action required or permitted to be taken by
7 such Parties pursuant to this Agreement to effectuate its terms, and to execute any other
8 documents required to effectuate the terms of this Agreement. The persons signing
9 this Agreement on behalf of Defendant represents and warrants that he/she is
10 authorized to sign this Agreement on behalf of Defendant. Plaintiffs represent and
11 warrant that they are authorized to sign this Agreement and that they have not assigned
12 any claim, or part of a claim, covered by this Settlement to a third-party.
13

14
15 T. No Public Comment: The Parties and their counsel agree that they will not issue any
16 press releases, initiate any contact with the press, respond to any press inquiry, or have
17 any communication with the press about the fact, amount or terms of the Settlement
18 Agreement. Class Counsel further agrees not to use the Settlement Agreement or any
19 of its terms for any marketing or promotional purposes. Nothing herein will restrict
20 Class Counsel from including publicly available information regarding this settlement
21 in future judicial submissions regarding Class Counsel's qualifications and experience.
22 Further, Class Counsel will not include, reference or use the Settlement Agreement for
23 any marketing or promotional purposes, either before or after the Motion for
24 Preliminary Approval is filed. Nothing herein or in the individual settlement
25 agreements between Plaintiffs Hernandez and Conley and Defendant shall prevent
26
27
28

1 Plaintiffs from disclosing the terms of those individual settlements to the Court, upon
2 the Court's request, in an effort to seek and obtain approval of this Settlement.

3
4 U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure
5 to the benefit of, the successors or assigns of the Parties, as previously defined.

6
7 V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes
8 shall be governed by and interpreted according to the laws of the State of California.

9
10 W. Counterparts. This Agreement may be executed in one or more counterparts. All
11 executed counterparts and each of them shall be deemed to be one and the same
12 instrument provided that counsel for the Parties to this Agreement shall exchange
13 among themselves copies or originals of the signed counterparts.

14
15 X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement
16 is a fair, adequate and reasonable settlement of this Action and have arrived at this
17 Settlement after extensive arms-length negotiations, taking into account all relevant
18 factors, present and potential.

19
20 Y. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with
21 respect to the interpretation, implementation and enforcement of the terms of this
22 Agreement and all orders and judgments entered in connection therewith, and the
23 Parties and their counsel submit to the jurisdiction of the Court for purposes of
24 interpreting, implementing and enforcing the settlement and all orders and judgments
25 entered in connection with this Agreement.
26
27
28

1 Z. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
2 the Court shall first attempt to construe the provisions valid to the fullest extent
3 possible consistent with applicable precedents so as to define all provisions of this
4 Agreement valid and enforceable.

5
6 AA. No Unalleged Claims. Plaintiffs and Class Counsel represent that, except for Plaintiffs
7 Hernandez' and Conley's individual claims, which are covered in their individual
8 settlement agreements, they do not currently intend to pursue any claims against the
9 Released Parties, including, but not limited to, any and all claims relating to or arising
10 from Plaintiffs' employment with Defendant, regardless of whether Class Counsel is
11 currently aware of any facts or legal theories upon which any claims or causes of action
12 could be brought against Released Parties, including those facts or legal theories
13 alleged in the operative complaint in this Action. The Parties further acknowledge,
14 understand and agree that this representation is essential to the Agreement and that this
15 Agreement would not have been entered into were it not for this representation.

16
17
18 BB. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
19 certification for purposes of this settlement only.

20
21 CC. No Admissions by the Parties. Plaintiffs have claimed and continue to claim that the
22 Released Claims have merit and give rise to liability on the part of Defendant.
23 Defendant claims that the Released Claims have no merit and do not give rise to
24 liability. This Agreement is a compromise of disputed claims. Nothing contained in
25 this Agreement and no documents referred to and no action taken to carry out this
26 Agreement may be construed or used as an admission by or against the Defendant or
27 Plaintiffs or Class Counsel as to the merits or lack thereof of the claims asserted. Other
28

than as may be specifically set forth herein, each Party shall be responsible for and shall bear its/their own attorney's fees and costs.

DD. Confidentiality. Class Counsel agrees that it will not initiate or contact or have any communications with putative Class Members during the Settlement approval process. Nothing will prevent Class Counsel from responding to inquiries from putative Class Members. For its part, Defendant agrees it shall not discourage putative Class Members from participating in the Settlement and shall refer any questions to the Claims Administrator. No public comment, communications to media, or any form of advertising or public announcement (including social media) regarding the case shall be made by Plaintiffs or Class Counsel at any time. Prior to filing of the Motions for Preliminary and Final Approval, Class Counsel shall not discuss the terms of the settlement or the negotiations leading to settlement with any person other than the Plaintiffs and Class Administrator. Nothing herein or in the individual settlement agreements between Plaintiffs Hernandez and Conley and Defendant shall prevent Plaintiffs from disclosing the terms of those individual settlements to the Court, upon the Court's request, in an effort to seek and obtain approval of this Settlement.

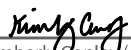
IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFFS:

DATED: Jun 15, 2022


Amanda Hernandez (Jun 15, 2022 15:29 PDT)

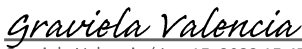
AMANDA HERNANDEZ

DATED: Jun 15, 2022


Kimberly Conley (Jun 15, 2022 16:19 PDT)

KIMBERLY CONLEY

DATED: Jun 15, 2022


Graviela Valencia (Jun 15, 2022 15:47 PDT)

GRAVIELA VALENCIA

1 DATED: Jun 14, 2022

Serena Velasquez
Serena Velasquez (Jun 14, 2022 13:49 PDT)

SERENA VELASQUEZ

2
3
4 IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

5
6 DATED: 7/18/22

[Signature]
PARENTING NETWORK, INC.

7
8 Mike Ambros
Printed Name

9
10 Executive Director
Title

11
12 IT IS SO AGREED AS TO FORM BY COUNSEL:

13
14 DATED: June 16, 2022

JCL LAW FIRM, A.P.C.

15 By: [Signature]

16 Attorneys for Plaintiffs and the Settlement Class
17 Members

18
19 DATED: June 16, 2022

ZAKAY LAW GROUP, APLC

20 By: [Signature]

21 Attorneys for Plaintiffs and the Settlement Class
22 Members

23
24 DATED: 7/18/22

ANTHONY N. DEMARIA
DEMARIA LAW FIRM, A.P.C.

25 By: [Signature]

26 Attorneys for Defendant
27
28

EXHIBIT A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND FINAL HEARING DATE**

Hernandez v. Parenting Network, Inc.
Tulare County Superior Court Case No. VCU287027

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT.
PLEASE READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<<[REDACTED]>>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Tulare (the “Court”) has been reached between Plaintiffs Amanda Hernandez, Kimberly Conley, Graviela Valencia, and Serena Velasquez (“Plaintiffs”) and Defendant Parenting Network, Inc. (“Defendant”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All employees who are or previously were employed by Defendant in California during the Class Period.

The “Class Period” is the period of time running from May 19, 2017 to January 19, 2022.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On May 19, 2021, Plaintiffs filed a Complaint against Defendant in the Superior Court of the State of California, County of San Diego. Plaintiffs asserted claims that Defendant: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; (c) Failed to pay overtime wages in violation of California Labor Code §§ 510, *et seq.*; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (f) Failed to reimburse employees for required business expenses in violation of California Labor Code § 2802; (g) Failed to provide accurate and complete itemized wage statements in violation of California Labor Code § 226 and 226.2; (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203; and (i) Violation of the Private Attorneys General Act [Labor Code §§ 2698, *et seq.*].

Defendant denies and disputes all claims asserted in the Action. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendant paid any members of the class all wages due them at the time of their terminations; that Defendant reimbursed members of the class for all required business expenses; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action.

On January 19, 2022, the Parties participated in an all-day mediation with Hon. Carl J. West (Ret.), a respected and experienced jurist and mediator of wage and hour class and PAGA actions. At the conclusion of the full-day mediation, the Parties were able to reach an agreement for settlement. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representative and the law firms of Zakay Law Group, APC and JCL Law Firm, APC.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of Two Hundred Twenty-Five Thousand Dollars (\$225,000) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Expenses, the LWDA Payment, PAGA Shares, and the Class Representative Service Payments to the Plaintiffs.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator in two installments: (1) 50% after final approval, and (2) 50% six months after final approval. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and the Judgment is affirmed.

Amounts to be Paid From the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$8,000.00 for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.

- Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the Gross Settlement Amount (currently \$75,000.00) and a Class Counsel Litigation Expenses Payment of not more than \$15,000.00 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Payments. Class Representative Service Payments of up to Seven Thousand and Five Hundred Dollars (\$7,500.00) for Plaintiff Hernandez, Seven Thousand and Five Hundred Dollars (\$7,500.00) for Plaintiff Conley, Five Thousand Dollars (\$5,000) for Plaintiff Valencia and Five Thousand (\$5,000.00) Dollars for Plaintiff Velasquez, or such lesser amount as may be approved by the Court, to compensate them for services on behalf of the Class in initiating and prosecuting the Action, and for the risks they undertook.
- PAGA Payment. A payment of \$5,000 relating to Plaintiffs' claim under the Private Attorneys General Act ("PAGA"), \$3,750 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$1,250 will be distributed to PAGA Employees as part of the Net PAGA Amount.
- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments, the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Participating Class Members"). The Settlement Share for each Participating Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Participating Class Members that occurred during the Class Period and multiplying the result by each individual Participating Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as a normal seven-day week of work during the Class Period in which, according to Defendant's records, a member of the class worked at least one-day during any such workweek.
- Calculation of PAGA Penalties Payments to PAGA Employees. The Net PAGA Amount shall be distributed to PAGA Employees irrespective of whether they exclude themselves or opt-out. The Net PAGA Amount will be divided by the total number of pay periods worked by all PAGA Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective PAGA Employee during the PAGA Period. "PAGA Employees" means all employees who are or previously were employed by Defendant in California and classified as non-exempt employees during the period of February 19, 2020 to January 19, 2022.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. 10% of each Settlement Share is allocated to wages. Taxes are withheld from this amount, and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment. 90% of each Settlement Share is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld, and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Penalties paid to PAGA Employees, and each PAGA Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or

taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiffs and the Participating Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims are defined as all class claims alleged in the operative complaint which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period. The Released PAGA Claims shall be released as follows. As of the Settlement Effective Date and upon funding in full of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" are defined as all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<____>> work-weeks worked during the Class Period (May 19, 2017 to January 19, 2022).

Based on this information, your estimated Settlement Share is <<____>>.

Defendant's records reflect that you have <<____>> pay periods worked during the PAGA Period (February 19, 2020 to January 19, 2022).

Based on this information, your estimated Settlement Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: _____. (800) _____.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a

year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is _____. The request for exclusion must state in substance: "I have read the Class Notice and I wish to opt out of the class action and settlement of the case *Hernandez v. Parenting Network Inc., Case No. VCU287027*." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is *Hernandez v. Parenting Network Inc., Case No. VCU287027*. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is _____.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Dr., Ste. 3600
San Diego, CA 92121
Tel.: (619) 599-8292
Fax: (619) 599-2891
E-Mail: jlapuyade@jcl-lawfirm.com

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Dr., Ste. 3600
San Diego, CA 92121
Tel: (619) 255-9047
Email: shani@zakaylaw.com
Website: www.zakaylaw.com

Counsel for Defendant:

Anthony N. DeMaria
DeMaria Law Firm, APC
1690 W. Shaw Ave., Ste. 220
Fresno, CA 93711
Tel: (559) 206-2410
Fax: (559) 570-0126
Email: ademaria@demarialawfirm.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at **00:00 AM/PM on** _____, at the Tulare County Superior Court, located at 221 S. Mooney Blvd., Visalia, CA 93291 in Department 7 before Judge Bret Hillman. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at _____ or write to *Hernandez v. Parenting Network Inc.*, Case No. VCU287027, Settlement Administrator, c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to Zakay Law Group, APLC, 5440 Morehouse Dr., Ste. 3600, San Diego, CA 92121 or by visiting the website page provided above.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to the Children Advocacy Institute. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2