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SUPERIOR COURT FOR THE STATE OF CALIFORNIA
FOR COUNTY OF SAN DIEGO

NOELLE M. RAWLINS, individually and on
behalf of all others similarly situated,

Plaintiff,

v.

HORIZON EDUCATION HK LIMITED DBA
SAYABC, a foreign corporation, and DOES 1 to
10, inclusive,

Defendant.

Case No. 37-2021-00022215-CU-OE-CTL

CLASS ACTION SETTLEMENT
AGREEMENT

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Attorneys for Defendant

This Class Action Settlement Agreement (“Settlement Agreement”) is made and entered into between Plaintiff NOELLE M. RAWLINS (“Plaintiff” or “Class Representative”) and Defendant HORIZON EDUCATION HK LIMITED DBA SAYABC (“Defendant” or “SAYABC”) on the other hand subject to the approval of the Court, as provided below. This Settlement Agreement is intended by Plaintiff and Defendant to fully, finally, and forever resolve, discharge, and settle the Action (as defined below) and Released Claims (as defined below), upon and subject to the terms and conditions hereof, as follows:

1. Definitions.

As used herein, for the purposes of this Settlement Agreement only, the following terms will be defined as set forth below:

1.1 “Action” refers to the civil action entitled *Noelle M. Rawlins v. Horizon Education HK Limited dba SayABC* to be filed in San Diego County Superior Court.

1.2 “Class Counsel” refers to the attorneys of record for the Class Representative, *i.e.*, Ackermann & Tilajef, P.C., Employment Rights Law Group, APC, and India Lin Bodien, Attorney at Law.

1.3 “Class Member” refers to all individuals who performed services as teachers in California through Defendant’s platform from July 24, 2019 to the preliminary approval date or June 30, 2021, whichever comes first. Defendant represents there are approximately 139 Class Members as of March 25, 2021.

1.4 “Class Notice” refers to the form of direct-mail notices substantially in the form of the “Notice of Settlement of Class Action and Settlement Hearing” attached as “**Exhibit A**,” as may be modified by the Court.

1.5 “Class Period” means July 24, 2016 through the date of preliminary approval of the settlement or June 30, 2021, whichever comes first.

1.6 “Complaint” refers to the operative Complaint to be filed in this Action.

1.7 “Court” refers to the California Superior Court for the County of San Diego.

1.8 “Defendant” means Horizon Education HK Limited dba SayABC.

1.9 “Final Approval Hearing” refers to the hearing at which the Court will make a final

determination whether the terms of the Settlement are fair, reasonable, and adequate for the Class and meet all applicable requirements for approval.

1.10 “Final Approval Order” refers to the final order by the Court approving the Settlement following the Final Approval Hearing and entering final judgment.

1.11 “Final Effective Date” refers to the date the Final Approval Order is entered if no objections to the Settlement are filed. If objections are filed and overruled, and no appeal of the Final Approval Order is filed, then the Final Effective Date will be sixty (60) calendar days following the date the Final Approval Order is signed. If an appeal is taken from the Final Approval Order, then the Final Effective Date will be twenty (20) calendar days after the appeal is withdrawn or after an appellate decision affirming the Final Approval Order becomes final.

1.12 “Gross Settlement Amount” (“GSA”) refers to the maximum payment of Three Hundred Fifty Thousand Dollars and no cents (\$350,000.00) Defendant will be obligated to make. The GSA represents an “all in” figure and includes all payments made to Settlement Class Members, Enhancement Award payment to Class Representative, all Settlement Administration Costs, the PAGA Award, and attorneys’ fees and litigation costs and expenses to Class Counsel, as approved by the Court.

1.13 “Net Settlement Amount” (also referred to herein as “NSA”) is the GSA minus Court-approved attorney’s fees and litigation costs, Settlement Administration Costs, Court-approved Enhancement Award, and the PAGA Award. The NSA is the maximum amount that will be available for distribution to Settlement Class Members except for their share of the PAGA Award.

1.14 “PAGA Award” refers to the Twenty Thousand Dollars and no cents (\$20,000.00) that will be set aside for the PAGA penalty, with Fifteen Thousand Dollars and no cents (\$15,000.00) paid to the LWDA and the remaining Five Thousand Dollars and no cents (\$5,000.00) payable to the Class Members who performed services in California during the PAGA Period (regardless of whether the Class Member participates in or elects to be excluded from the Settlement Class). “PAGA” refers to the California Private Attorney’s General Act. “LWDA” refers to the California Labor and Workforce Development Agency.

1.15 “PAGA Payment” refers to the share of the PAGA Award to be paid to each Class Member who performed services in California during the PAGA Period.

1.16 “PAGA Period” means July 24, 2019 through the date of preliminary approval of the

1 settlement or June 30, 2021, whichever comes first.

2 **1.17** “Parties” are Plaintiff and Defendant.

3 **1.18** “Released Claims” are those defined in Section 17, below.

4 **1.19** “Released Parties” means (1) Horizon Education HK Limited; (2) any predecessors and
5 successors in interest, any current or former parent corporations, subsidiary corporations, affiliates, and
6 assigns, including, without limitation, VIPKids International, Inc., VIPKid HK Limited, VIPKid Limited,
7 VIPKid Co., Ltd., Future VIPKid Limited, Horizon Education HK Limited, and Beijing Da Mi
8 Technology Co., Ltd.; (3) companies acquiring any or all of Defendant’s assets or capital stock; (4) any
9 of Defendant’s past or present, divisions, suppliers, distributors, dealers, or sales branches; (5) current or
10 former officers, directors, shareholders, agents, representatives, and employees of Defendant; and (6)
11 insurers of any of the foregoing persons or entities.

12 **1.20** “Request for Exclusion” refers to a request to be excluded from the Settlement, which must
13 be made in writing in conformity with the requirements set forth in the Class Notice, the Court’s order
14 granting preliminary approval, and herein, and mailed to the Administrator and postmarked on or before
15 the Response Deadline.

16 **1.21** “Response Deadline” refers to a date that is sixty (60) calendar days after the date that the
17 Class Notice is mailed to Class Members and is the deadline by which Class Members’ Requests for
18 Exclusion, disputes regarding Credits, and/or objections must be postmarked in order to be timely.

19 **1.22** “Enhancement Award” refers to a monetary award to the Plaintiff, in an amount not to exceed
20 Ten Thousand Dollars (\$10,000.00), or other lesser amount as approved by the Court, for her service as
21 Class Representative as described in Section 6, below, to be paid from the Gross Settlement Amount,
22 subject to approval by the Court, as described below.

23 **1.23** “Settlement Administrator” refers to the third-party administrator mutually selected by the
24 parties, ILYM Group, Inc., subject to approval by the Court, to perform the notice, claims administration,
25 and distribution functions further described in this Settlement Agreement.

26 **1.24** “Settlement Administration Costs” refers to the costs and expenses of the administrator, to
27 perform its tasks and duties as provided by this Settlement Agreement. These costs will be paid out of the
28 GSA.

1 **1.25** “Settlement Class Member” refers to a Class Member who does not request exclusion from
2 the Settlement pursuant to Section 13, below. Collectively, the Settlement Class Members are the
3 “Settlement Class.”

4 **1.26** “Settlement Payment” refers to the amount paid to a Settlement Class Member (apart from
5 any PAGA payment owed).

6 **2. Procedural History and Recitals.**

7 **2.1** On July 24, 2020, Plaintiff submitted her PAGA letter to the LWDA alleging Defendant
8 violated sections 201, 202, 203, 204, 210, 221, 222, 223, 226(a) and (e), 226.2, 226.3, 226.7, 226.8, 401-
9 410, 512, 1182.11, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1199.5, 2802, as well as IWC Wage Order 4-
10 2001.

11 **2.2** Shortly thereafter, the Parties entered a tolling agreement and agreed to an exchange of
12 informal discovery and to attend a private mediation in an effort to resolve the claims released by this
13 Agreement. On March 25, 2021, the Parties attended a full-day private mediation with an experienced
14 wage and hour mediator, Tripper Ortman, and were able to resolve the case on a class basis and entered
15 into a Memorandum of Understanding.

16 **2.3** Plaintiff now intends to file her class action and PAGA representative action complaint
17 alleging Defendant willfully misclassified teachers as independent contractors, failed to pay minimum
18 wages, failed to pay overtime, failed to provide compliant rest periods and pay missed rest break
19 premiums, failed to provide compliant meal periods and pay missed meal period premiums, failed to
20 provide complete wage statements, owed waiting time penalties, failed to pay timely wages, failed to
21 reimburse business expenses, violated the UCL, and owes penalties pursuant to PAGA.

22 **2.4** The Parties jointly represent that this is a fair, reasonable, and adequate settlement and have
23 arrived at this Settlement through arms-length negotiations, taking into account all relevant factors, present
24 and potential.

25 **2.5** This Agreement is entered into solely for the purpose of compromising highly disputed
26 claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of
27 liability or wrongdoing. Defendant makes no admission of liability or wrongdoing by virtue of entering
28 into this Agreement. Additionally, Defendant reserves the right to contest any issues relating to class

1 certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any
2 unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the
3 claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. This
4 Settlement, and Plaintiff's and Defendant's willingness to settle the Action will have no bearing on, and
5 will not be admissible in connection with, any litigation between the parties (other than in connection with
6 this Settlement).

7 **2.6** Class Counsel represent that they have thoroughly investigated the claims alleged against
8 Defendant in the Action. Class Counsel represent that they have conducted their own investigation into
9 the underlying facts, events, and issues related to the subject matter of this Action. Class Counsel represent
10 that they have further undertaken an extensive analysis of the legal principles applicable to the claims
11 asserted against Defendant, and the potential defenses thereto. Both Class Representative and Defendant
12 have had an opportunity to evaluate their respective positions on the merits of the claims asserted.

13 **2.7** Class Counsel has also engaged in intensive arm's-length negotiations with counsel for
14 Defendant with a view toward achieving substantial benefits for the Class while avoiding the cost, delay
15 and uncertainty of further litigation, trial, and appellate review.

16 **2.8** As a consequence of said negotiations, and of Class Counsel's investigation, analysis and
17 discovery, Plaintiff and Class Counsel determined to enter into this Settlement Agreement on the terms
18 and conditions hereinafter set forth, believing such Settlement to be fair, reasonable and adequate and in
19 the best interests of Plaintiff and the other members of the Class. Plaintiff and Class Counsel have
20 determined to execute this Settlement Agreement and urge approval by the Court of the Settlement after
21 considering (a) the substantial factual and legal defenses available to Defendant to the claims asserted in
22 the Action, which render the outcome of the Action substantially uncertain; (b) the potential difficulties
23 Plaintiff and Class Members would encounter in establishing the elements of their claims; (c) the
24 substantial benefits made available to Class Members pursuant to the Settlement; (d) the fact that the
25 Settlement ensures that Class Members will receive relief in the most expeditious and efficient manner
26 practicable, and thus much sooner than would be possible were the claims to be litigated successfully
27 through trial and appeal; and (e) the fact that the Settlement allows persons who would otherwise fall
28 within the definition of the Class, if they so desire, to opt out of the Action and individually pursue any

Released Claims that he or she may have.

2.9 As set forth above, without admitting any wrongdoing or liability, Defendant is willing to agree to the terms of the Settlement in order to settle, compromise, and fully resolve the Action and Released Claims (as defined below).

3. Limitation on Effect of Settlement.

The Settlement will not constitute, in this or any other proceeding, an admission of any kind by Defendant, including without limitation, that certification of a class is appropriate or proper or that Plaintiff could establish any of the requisite elements for class treatment of any of the claims in the Action. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated, any class and representative actions, which were certified for settlement purposes only, shall be vacated, and shall be of no force or effect whatsoever and shall not be admissible nor construed as an admission or concession of any kind by the Parties, in whole or part, and Defendant expressly reserves all rights to challenge certification of a class on all available grounds.

4. Establishment of the GSA.

This Settlement will be made on a non-claims-made basis and will be non-reversionary. Under no circumstances will any of the GSA revert to Defendant. Defendant shall pay a total of no more than the GSA (except for any additional amounts potentially triggered by the escalatory provision below and any employer-side payroll taxes, if any, found to be owed), which will cover payment by Defendant pursuant to this Settlement Agreement, to Settlement Class Members, Settlement Administration Costs, attorneys' fees and litigation costs to Class Counsel, the LWDA's share of PAGA penalties, PAGA Payments to qualifying Class Members, and Service Award to Plaintiff. Defendant will deposit money into an account, through the Settlement Administrator, in an amount equal to the GSA.

5. Attorneys' Fees and Costs.

Class Counsel shall request attorneys' fees up to 1/3 of the GSA, i.e., \$116,666.67 for attorneys' fees; and up to \$15,000.00 for reimbursement of litigation costs and expenses. Defendant agrees not to oppose Class Counsel's request for attorneys' fees and costs in these amounts. The terms of this Settlement Agreement will not be abrogated and will continue in full force even if the Court awards a lower amount of attorneys' fees or costs than requested by Class Counsel. Any unapproved amount of attorneys' fees

and litigation costs will be added to the NSA and be distributed to the Settlement Class Members.

6. Enhancement Award.

Class Counsel shall request an Enhancement Award of up to Ten Thousand Dollars (\$10,000.00) for Plaintiff. Any unapproved amounts will be added to the NSA and be distributed to the Settlement Class Members.

7. PAGA Award.

Subject to Court approval, \$20,000.00 shall be attributed to Plaintiff's claims under PAGA. The Settlement Administrator shall apportion and distribute the \$20,000.00 payment as follows: (a) \$15,000.00 shall be paid to the LWDA as its 75% share of the settlement of civil penalties for PAGA claims; and (b) \$5,000.00 shall be distributed as PAGA Payments to the Class Members who performed services in California during the PAGA Period (i.e., "qualifying Class Members") as their 25% share of the settlement of civil penalties for PAGA claims. PAGA Payments shall be made to all qualifying Class Members regardless of exclusion from the Settlement Class.

8. Costs of Settlement Administration.

The Parties have mutually agreed to the selection of the Settlement Administrator, to undertake the administration of the Settlement in this Action. The Parties estimate that the costs and expenses of administration of the settlement will not exceed \$6,200.00.

9. Calculation of the NSA and Distribution of Settlement Proceeds.

9.1 This settlement is a "non-claims-made" settlement. Each Settlement Class Member will be entitled to a share of the NSA, and each qualifying Class Member will be entitled to a PAGA Payment, in accordance with the formulae set forth below. Payments will be made from the NSA only to Settlement Class Members, as set forth herein.

9.2 The Net Settlement Amount will be allocated among the members of the Settlement Class on a pro rata basis based on the number of classes for which each Settlement Class Member was paid by Defendant during the Class Period. The 25% of the PAGA Award shall be separately paid to qualifying Class Members (i.e., those who performed services in California during the PAGA Period), with the amount of the PAGA Payment determined on a pro rata basis based on the number of classes for which each qualifying Class Member was paid by Defendant during the PAGA Period. For purposes of

1 settlement, payments to Settlement Class Members and PAGA Payments to qualifying Class Members
2 will be reported by 1099. In cases where a Class Member is qualified to receive a PAGA Payment and a
3 settlement payment as a Settlement Class Member, the payments may be made by a single check or
4 electronic equivalent, provided the amount of each payment is separately identified in documentation
5 accompanying the check or provided separately at roughly the same time as payment is made (email or
6 electronic notice being sufficient).

7 **9.3** The amount distributed to Settlement Class Members shall not exceed the NSA.

8 **9.4** If a Class Member timely and validly submits a Request for Exclusion, as set forth herein,
9 his or her share of the NSA will remain in the fund to be distributed to the Settlement Class Members in
10 accordance with the above formula. Exclusion from the Settlement Class shall not affect the Class
11 Member's right to a PAGA Payment, if qualified.

12 **9.5** Payments to Class Members pursuant to this Settlement Agreement will not be construed as
13 compensation for purposes of determining eligibility for or benefit calculations of any health and welfare
14 benefit plan, retirement benefit plan, vacation benefit plan, unemployment compensation, including,
15 without limitation, all plans, subject to Employee Retirement Income Security Act ("ERISA").
16 The Parties agree these payments do not represent any modification of any employee's previously-
17 credited hours of service or other eligibility criteria under any employee pension benefit plan, employee
18 welfare benefit plan, or other program or policy.

19 **9.6** Within twenty-one (21) calendar days of the Final Effective Date, Defendant will deposit the
20 Gross Settlement Sum of Three Hundred Thousand Fifty Dollars and no cents (\$350,000.00) needed to
21 pay the entire Gross settlement Sum into an account set up and controlled by the Settlement Administrator.

22 **9.7** Within ten (10) calendar days of the funding of the settlement, the Settlement Administrator
23 will calculate and pay all Class Members' settlement shares, PAGA Payments, attorney's fees, costs,
24 enhancement payment, the LWDA's share of the PAGA Award, and administration costs, as approved by
25 the Court.

26 **9.8** Class Member payment checks that are not cashed within one hundred and eighty (180)
27 calendar days from the date of issuance by the Settlement Administrator, will be canceled. Class Members
28 whose Class Member Payment checks are not timely cashed and which are canceled, will be deemed to

1 have irrevocably waived any right in or claim to any payment under the Settlement, but the settlement and
 2 their release of Released Claims will remain binding upon them. The value of the canceled Class Member
 3 Payment checks will be transmitted in conformity with California Civil Procedure Code section 384, to a
 4 *cy pres* agreed upon by the Parties and approved by the Court, First Book.

5 **9.9** Neither Plaintiff nor Defendant shall bear any liability for lost or stolen checks, forged
 6 signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of
 7 omission or commission, the same is true for the Settlement Administrator.

8 **10. Tax Treatment.**

9 **10.1 Tax Treatment of Class Member Payments:** Amounts paid to individual Settlement Class
 10 Members and PAGA Payments paid to Class Members shall be reported using IRS Form 1099.

11 **10.2 Tax Treatment of Service Award:** Plaintiff will receive an IRS Form 1099 for her
 12 individual Service Award and will be responsible for payment of any taxes owing on said amount.

13 **10.3 Tax Treatment of Attorneys' Fees and Cost Award:** Class Counsel will receive an IRS
 14 Form 1099 for any amount awarded to Class Counsel in the form of attorneys' fees or costs and will be
 15 responsible for payment of any taxes owing on said amount.

16 **10.4 No Tax Advice:** Neither Plaintiff nor Defendant, nor the parties' attorneys, shall give or are
 17 giving any tax advice in connection with the settlement or any payments to be made pursuant to this
 18 settlement. Each Settlement Class Member agrees to indemnify, and hold harmless Defendant from any
 19 liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her share
 20 of taxes, interest, fees, or penalties owed.

21 **11. Notice Administration.**

22 **11.1** Within twenty (20) calendar days of the later of the Preliminary Approval Order or court
 23 approval of the Class Notice, Defendant shall provide the following information to the Settlement
 24 Administrator ("Class Data List"):

25 (a) the names, last known addresses, last known telephone numbers (to the extent
 26 available), and Social Security numbers of each Class Member;

27 (b) the number of classes attributed to each Class Member (in accordance with the terms
 28 applicable to the allocation formulae addressed above).

1 **11.2** Upon its receipt of the Class Data List, the Settlement Administrator shall access the National
2 Change of Address (“NCOA”) Database, and update the addresses contained therein.

3 **11.3** Within thirty-five (35) days of the later of the Preliminary Approval Order or court approval
4 of Class Notice, the Settlement Administrator shall provide the Class Notice by bulk first class mail,
5 forwarding requested, to the Class Members at the addresses identified through the process described
6 above.

7 **11.4** As to any Class Notices that are returned as undeliverable, or where the NCOA Database
8 indicates that the last known address of any Class Member is invalid or otherwise undeliverable, the
9 Settlement Administrator will perform a skip trace procedure and re-mail all returned, undelivered mail
10 within five (5) calendar days of the date on which the Settlement Administrator is informed that a Class
11 Notice is undeliverable or otherwise invalid.

12 **11.5** Other than the obligations set forth in this Settlement Agreement, Parties will have no
13 additional obligation to identify or locate any Class Member.

14 **11.6** Parties will not be responsible for nor have any liability in connection with the provision of
15 Class Member data to the Settlement Administrator, outside of the obligations set forth in the Settlement
16 Agreement. The Settlement Administrator and all those working through, in concert with, or on behalf of
17 the Settlement Administrator, shall be obligated to take all reasonable steps to maintain the confidentiality
18 of Class Member information and to carry out the other duties enumerated in the Settlement Agreement,
19 including calculating each Class Member’s potential share of the Settlement.

20 **11.7** The Settlement Administrator shall provide Defendant’s counsel and Class Counsel with
21 weekly summary reports, including the total number of Class Notices that were returned as undeliverable,
22 the total number of objections, and disputes regarding classes, and/or Requests for Exclusion. The
23 Settlement Administrator shall maintain records of its work, which will be available for inspection upon
24 request by Defendant’s counsel.

25 **12. Class Notice and Notification of Credits.**

26 **12.1** The Class Notice will be a pre-printed notice, in substantially the form attached hereto as
27 **Exhibit A** and to be approved by the Court. In addition to other information contained on the Class
28 Notice, the Class Notice will state the number of classes for which each Class Member was paid by

Defendant during the Class Period and, if applicable, the PAGA Period, which figures shall be drawn from the Class Data List provided by Defendant.

13. Request for Exclusion.

13.1 Any Class Member may elect to opt out of the Settlement by submitting a written Request for Exclusion from the Settlement to the Settlement Administrator, postmarked no later than the Response Deadline. The Request for Exclusion must contain the following: the Class Member's full name, signature, address and last four digits of his or her social security number, and a clear statement that he or she seeks to be excluded from the Settlement. The Settlement Administrator shall immediately send all Requests for Exclusion to Defendant's counsel and Class Counsel. A Class Member who fails to comply with the opt out procedure set forth herein on or before the Response Deadline will not be excluded and will instead be bound by all provisions of the Settlement Agreement and all orders issued pursuant thereto.

13.2 Any Class Member who elects to opt out of the Class in the manner and within the time limits specified above and in the Class Notice: (1) will not have any rights under the Settlement Agreement; (2) will not be entitled to receive any compensation under the Settlement Agreement (except for any PAGA Payment owed to qualifying Class Members); (3) will not have standing to submit any objection to the Settlement Agreement or proposed settlement; and (4) will not be bound by the Settlement Agreement (except that any right to receive or pursue PAGA penalties whether on an individual or representative basis shall be extinguished upon final approval of this settlement).

13.3 Except for persons who elect to opt out of the Settlement in the manner and within the time limits specified above, in the Preliminary Approval Order, and in the Class Notice, all Class Members will be deemed to be within the Class for all purposes under this Settlement Agreement, and will be bound by the terms and conditions of this Settlement Agreement, including all orders issued pursuant thereto.

13.4 If the Settlement Agreement is given final approval, it will operate as a full, complete, and final release of all the Released Claims of the Class Representative and all Settlement Class Members, and as an effective covenant not to sue.

13.5 Class Members will be notified in writing of any deficiencies in Requests for Exclusion and will be permitted no more than fifteen (15) days to cure all deficiencies in writing. Failure to execute a timely Request for Exclusion form shall invalidate the Request for Exclusion.

1 **14. Objections.**

2 **14.1** Any Class Member who does not request exclusion from the Settlement may object to the
3 Settlement Agreement by sending the Settlement Administrator, not later than the Response Deadline, a
4 written statement objecting to the Settlement. The written objection must contain: the Class Member's
5 full name, address, last four digits of his or her social security number, the date range of the Class
6 Member's teaching services through Defendant's platform in California, the case name and number of the
7 Action (*Noelle M. Rawlins v. Horizon Education HK Limited dba SayABC*, San Diego County Superior
8 Court Case No. 37-2021-00022215-CU-OE-CTL), and a clear statement of the basis for his or her
9 objection. The Settlement Administrator shall immediately send all objections to counsel for Defendant
10 and Class Counsel.

11 **14.2** Counsel for the Parties shall file any responses to any objections at the time the Motion for
12 Final Approval is filed. Class Members may, prior to the Final Approval Hearing, withdraw their
13 objections or opt out requests in a writing to the Settlement Administrator, which may then be filed with
14 the Court.

15 **14.3** All Parties and their counsel will not seek to solicit or otherwise encourage any Class Member
16 to submit an opt out request or objection, nor encourage any Class Member to appeal from the final
17 judgment.

18 **14.4** If an objector also wishes to appear at the Final Approval Hearing, in person or through an
19 attorney, he or she need not file a notice of intention to appear at the same time as the objection is filed.
20 Filing the notice of intention to appear is not necessary to preserve the right to appear at the Final Approval
21 Hearing. If a Class Member submits both a Request for Exclusion and a written objection, the Request for
22 Exclusion shall be void and the Class Member shall be deemed part of the Class and bound by the
23 Judgment upon approval by the Court.

24 **15. Resolution of Disputes.**

25 **15.1** If a Class Member timely disputes the number of classes listed on his or her Class Notice, the
26 dispute will be submitted to the Settlement Administrator, who will examine the records and either verify
27 the calculation or provide a corrected calculation. Disputes must be in a writing that is submitted to the
28 Settlement Administrator, postmarked on or before the Response Deadline. The dispute must contain:

Class Member's full name, address, signature, and last four digits of his or her Social Security number; the case name and number of the Action (*Noelle M. Rawlins v. Horizon Education HK Limited dba SayABC*, San Diego County Superior Court Case No. 37-2021-00022215-CU-OE-CTL), and any facts supporting the Class Member's dispute, along with any supporting materials confirming that the classes attributed to him or her are incorrect. The Settlement Administrator's determination of disputes will be final and non-appealable.

16. Non-Materiality of Attorneys' Fees, Costs and Enhancement Award.

Any denial or reduction in amount by the Court of the application for attorneys' fees and litigation costs, Enhancement Award, and/or Settlement Administration Costs will in no way affect the validity the remainder of this Settlement Agreement, or give rise to a right to abrogate this Settlement Agreement.

17. Released Claims.

17.1 Upon Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, Plaintiff and all other Settlement Class Members, on behalf of themselves, as well as on behalf of all of their heirs, successors in interest, assigns, transferees, and grantees, fully and forever release, acquit, and discharge the Released Parties from any and all claims of any nature and description whatsoever, that arise from or relate to, or could have been asserted by the Settlement Class Members during the Class Period based on the allegations in the Plaintiff's PAGA letter and forthcoming Complaint, specifically including claims under Cal. Lab. Code §§ 201-204, 210, 221-224, 226, 226.2, 226.3, 226.8, 226.7, 432, 432.5, 512, 510, 558, 1174, 1174.5, 1182.11, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1199.5, 2802, 2750.3, IWC Wage Orders 4-2001, the Private Attorney General Act, Cal. Lab. Code § 2698, *et seq.*, unlawful and/or unfair business practices (Cal. Bus. & Prof Code § 17200 *et seq.*) (in connection with claims related to independent contractor misclassification, including wage and hour violations relating therefrom), and any claim for attorneys' fees, interest, and costs.

17.2 Plaintiff's General Release:

In addition to the Released Claims, Plaintiff shall be bound by a complete and general release of all claims under any and all applicable federal and state laws and/or regulations as to Released Parties, and shall also be bound by a California Civil Code section 1542 release and waiver of all claims known and unknown, without exception, except as may be prohibited by law, such as claims for workers'

1 compensation benefits. California Civil Code section 1542 reads as follows:

2 **“A general release does not extend to claims that the creditor or releasing party**
 3 **does not know or suspect to exist in his or her favor at the time of executing the**
 4 **release and that, if known by him or her, would have materially affected his or**
 5 **her settlement with the debtor or released party.”**

6 **17.3 Release of PAGA Claims:**

7 Upon the Court’s entry of a Final Approval Order and Judgment, as detailed further below,
 8 any right the Plaintiff and all other Class Members have to seek or receive civil penalties pursuant
 9 to the PAGA shall be released, waived and fully extinguished, and therefore barred by res judicata.

10 **18. Application for Preliminary Approval.**

11 **18.1** Within 30 business days after the Parties’ execution of this Settlement Agreement, or as soon
 12 thereafter as reasonably or actually possible, Plaintiff shall file a motion for preliminary approval of the
 13 Settlement, requesting a Preliminary Approval Order that contains the following provisions:

14 **18.1.1** preliminarily approving the Settlement Agreement and its terms;

15 **18.1.2** preliminarily approving and certifying the Class for settlement purposes only;

16 **18.1.3** approving the form of the Class Notice, and finding that the proposed method
 17 of disseminating the Class Notice meets the requirements of due process and is the best notice
 18 practicable under the circumstances;

19 **18.1.4** establishing the procedures and the deadline by which Settlement Class
 20 Members may assert objections to the Settlement, seek exclusion from the Settlement, and/or
 21 dispute their Settlement Shares; and

22 **18.1.5** setting a date for the Final Approval Hearing.

23 **18.2** Counsel for Defendant will be given an opportunity to review and comment on the motion
 24 for preliminary approval of the Settlement and all supporting papers prior to being filed with the Court,
 25 and such comments will be implemented to the extent reasonable.

26 **19. Final Approval Order and Final Judgment.**

27 **19.1** If the Settlement is preliminarily approved by the Court, the Parties shall thereafter request
 28 that the Court enter an order granting final approval of the Settlement and judgment based thereon

1 (“Final Approval Order and Judgment”), which includes the following provisions:

2 **19.1.1** confirming certification of the Class for settlement purposes only;

3 **19.1.2** finding that the dissemination of the Class Notice in the form and manner
4 ordered by the Court was accomplished as directed, met the requirements of due process; and

5 **19.1.3** finally approving the Settlement Agreement and the Settlement as fair,
6 reasonable and adequate and directing consummation of the Settlement in accordance with its
7 terms and provisions;

8 **19.1.4** directing the Parties to implement the terms of the Settlement Agreement;

9 **19.1.5** releasing and discharging the Released Parties from any and all liability with
10 respect to the Released Claims as hereinabove provided;

11 **19.1.6** resolving and settling all the Released Claims by the Class Representative
12 and all Settlement Class Members, as herein above provided, with the release precluding them
13 from instituting, commencing, or continuing to prosecute, directly or indirectly, as an individual
14 or collectively, representatively, derivatively, or on behalf of himself or herself, or in any other
15 capacity of any kind whatsoever, any action in this Court, any other state court, or any arbitration
16 or mediation proceeding or any other similar proceeding, against any of the Released Parties, that
17 asserts any Released Claims.

18 **19.1.7** Releasing and fully extinguishing any right Plaintiff and all Class Members
19 (regardless of exclusion from the Settlement Class) have to pursue or obtain civil penalties
20 pursuant to the PAGA, whether individually or in a representative capacity, based on the violations
21 alleged in the Complaint and the letter to the LWDA.

22 **19.1.8** awarding reasonable attorneys’ fees and litigation costs to Class Counsel as
23 determined by the Court;

24 **19.1.9** awarding an Enhancement Award to Class Representative as determined by
25 the Court;

26 **19.1.10** awarding Settlement Administration Costs to the Settlement Administrator as
27 determined by the Court and other administration costs as provided herein;

28 **19.1.11** approving the allocation of PAGA Penalties to the LWDA and PAGA

1 Payments to qualifying Class Members;

2 **19.1.12** entering final judgment on the Complaint; and

3 **19.1.13** preserving continuing and exclusive jurisdiction over all matters related to the
4 administration and consummation of the terms of this Settlement and enforcement of the
5 Judgment.

6 **19.2** Counsel for Defendant will be given an opportunity to comment on the motion for final
7 approval of the Settlement and supporting papers prior to being filed with the Court, and such comments
8 will be implemented to the extent reasonable.

9 **20. Effect of Settlement Not Being Final.**

10 In the event that the Settlement does not become final, then the Settlement Agreement will become
11 null and void, and all negotiations, proceedings, and statements relating thereto will be without prejudice
12 as to the rights of any and all Parties hereto, and all Parties and their respective predecessors and successors
13 will be deemed to have reverted to their respective positions in the Action as of the date and time
14 immediately prior to the execution of this Settlement Agreement. If the Court does not approve either
15 preliminarily or finally any material term or condition of the Settlement Agreement, or if the Court effects
16 a material change to the Parties' settlement (including but not limited to the scope of release to be granted
17 by Class Members or the binding effect of the Settlement on Class Members), the Parties shall work
18 together in good faith to address any concerns raised by the Court and propose a revised Settlement for
19 the Court's approval.

20 **21. Withdrawal From Settlement Based on Requests for Exclusion and Escalator Clause.**

21 Defendant shall retain the right, in the exercise of its sole discretion, to nullify the settlement if
22 Class Members representing more than an aggregate total of 5% of the Class Members opt out of the
23 settlement. Defendant must provide written notice to Class Counsel of its withdrawal within thirty (30)
24 calendar days of the Response Deadline. All signatories and their counsel agree not to encourage opt-
25 outs. Class Counsel and Defendant specifically agree not to solicit opt-outs, directly or indirectly, through
26 any means. If Defendant exercises this right, it shall be solely responsible for the costs incurred for
27 settlement administration up to the date of nullification. If Defendant exercises its right to terminate,
28 the Settlement will be void *ab initio* and of no force or effect, and will not be admissible in any

1 judicial, administrative, or arbitral proceeding for any purpose or with respect to any issue,
2 substantive or procedural. In addition, none of the Parties to this Settlement will be deemed to have
3 waived or assigned any claims, objections, defenses, or arguments in this action, including with
4 respect to the issue of class certification. If the Class Members on the final class list amount to more
5 than 152 (i.e., 10% more than the identified 139 as of March 25, 2021), then Defendant shall increase
6 the Total Settlement Amount pro rata based on the number of classes for which the teacher was paid
7 to account for the extra individuals over 152.

8 **22. No Admissions.**

9 The Parties understand and agree that this Settlement Agreement is the result of a good faith
10 compromise settlement of disputed claims, and no part of this Settlement Agreement, or any conduct or
11 written or oral statements made in connection with this Settlement and this Settlement Agreement,
12 including the Memorandum of Understanding, whether or not the Settlement is finally approved and/or
13 consummated, or the negotiations leading to the Settlement Agreement, or any document filed in support
14 thereof, should be construed as an admission or concession of any kind by Defendant or any of the
15 Released Parties.

16 **23. Avoidance of Undue Publicity.**

17 Except as required to obtain preliminary or final approval in this case, Plaintiff and Class Counsel
18 agree not to publicize the amount or other terms of this settlement to any person. Nothing herein will
19 restrict Class Counsel from including publicly available information regarding this settlement in future
20 judicial submissions regarding Class Counsel's qualifications and experience.

21 **24. Construction.**

22 This Settlement Agreement was entered into after substantial good faith, arm's-length negotiations
23 between the Parties. This Settlement Agreement has been entered into without any coercion and under no
24 duress. The Parties acknowledge and agree that all Parties had an equal hand in drafting this Settlement
25 Agreement so that it will not be deemed to have been prepared or drafted by one party or another.

26 **25. Advice of Counsel**

27 The Parties to this Settlement Agreement are represented by competent counsel, and they have had
28 an opportunity to consult with counsel. The Parties to this Settlement Agreement agree that it reflects

1 their good faith compromise of the claims raised in this action, based upon their assessment of the mutual
2 risks and costs of further litigation and the assessments of their respective counsel.

3 **26. Entire Agreement.**

4 This Settlement Agreement (including Exhibits hereto) sets forth the entire agreement of the
5 Parties with respect to its subject matter and supersedes any and all other prior agreements and all
6 negotiations leading up to the execution of this Settlement Agreement, whether oral or written, regarding
7 the subjects covered herein. The Parties acknowledge that no representations, inducements, warranties,
8 promises, or statements relating to the subjects covered herein, oral or otherwise, have been made by any
9 of the Parties that are not embodied or incorporated by reference herein. Except as otherwise set forth in
10 this Agreement, any notice, order, judgment, or other exhibit that requires approval of the Court must be
11 approved without material alteration that substantially changes or increases the cost of compliance with
12 this Settlement Agreement in order for this Settlement Agreement to become effective. Before invoking
13 this provision to challenge the effectiveness of this Settlement Agreement, the invoking party shall consult
14 with, and if necessary mediate in good faith with, the other party in an effort to resolve any such challenge.

15 **27. Modification or Amendment.**

16 This Settlement Agreement may not be modified or amended except in a writing signed by all
17 signatories hereto or their attorneys or their successors in interest.

18 **28. Successors.**

19 This Settlement Agreement will be binding upon and inure to the benefit of the Parties hereto and
20 their respective heirs, executors, administrators, successors and assigns, and upon any corporation,
21 partnership or other entity into or with which any Party hereto may merge, combine, or consolidate.

22 **29. Counterparts & Electronic Signature.**

23 This Settlement Agreement may be executed in counterparts, each of which will be deemed an
24 original, and all of which together will constitute one and the same instrument. Further, the Parties agree
25 that this Agreement may be executed electronically pursuant to C.C.P. § 1633.1.

26 **30. Waivers.**

27 The waiver by any Party of any breach of this Settlement Agreement will not be deemed or
28 construed as a waiver of any other breach, whether prior, subsequent, or contemporaneous, of this

Settlement Agreement.

31. Governing Law.

This Settlement Agreement will be governed by and construed, enforced, and administered in accordance with the internal laws of the State of California.

32. Headings.

The headings contained in this Settlement Agreement are for convenience and reference purposes only, and will not be given weight in its construction.

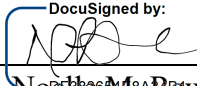
33. Notices.

Any notices, requests, demands, or other communications required or permitted to be given pursuant to this Settlement Agreement, other than the contemplated Class Notice to the Class Members, must be in writing and mailed or emailed as follows:

33.1 To Class Counsel: to the attention of Craig Ackerman, Esq., Ackermann & Tilajef, P.C., 1180 South Beverly Drive Suite 610, Los Angeles, CA 90035 and/or emailed to cja@ackermanntilajef.com, to Amir Seyedfarshi, Esq., 1180 South Beverly Drive Suite 610, Los Angeles, CA 90035 and/or emailed to amir@employmentrightslawgroup.com, and to India Lin Bodien, India Lin Bodien Attorney at Law, 2522 North Proctor Street #387, Tacoma, WA 998406 and/or emailed to india@indialinbodienlaw.com. To Defendant and counsel for Defendant: to the attention of Damon M. Ott, Esq. and Philip B. Baldwin, Esq., Littler Mendelson PC, 333 Bush Street, 34th Floor, San Francisco, CA 94104 and/or emailed to dott@littler.com and pbaldwin@littler.com.

IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Plaintiff and Proposed Class Representative

Dated: July 12, 2021 By:  _____

DocuSigned by:

Nicole M. Rawlins

Horizon Education HK Limited dba SayABC

Dated: _____, 2021 By: _____

On behalf of Defendant

///

1 Settlement Agreement.

2 **31. Governing Law.**

3 This Settlement Agreement will be governed by and construed, enforced, and administered in
4 accordance with the internal laws of the State of California.

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6 The headings contained in this Settlement Agreement are for convenience and reference purposes
7 only, and will not be given weight in its construction.

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10 pursuant to this Settlement Agreement, other than the contemplated Class Notice to the Class Members,
11 must be in writing and mailed or emailed as follows:

12 **33.1** To Class Counsel: to the attention of Craig Ackerman, Esq., Ackermann & Tilajef, P.C.,
13 1180 South Beverly Drive Suite 610, Los Angeles, CA 90035 and/or emailed to
14 cja@ackermanntilajef.com, to Amir Seyedfarshi, Esq., 1180 South Beverly Drive Suite 610, Los Angeles,
15 CA 90035 and/or emailed to amir@employmentrightslawgroup.com, and to India Lin Bodien, India Lin
16 Bodien Attorney at Law, 2522 North Proctor Street #387, Tacoma, WA 998406 and/or emailed to
17 india@indialinbodienlaw.com. To Defendant and counsel for Defendant: to the attention of Damon M.
18 Ott, Esq. and Philip B. Baldwin, Esq., Littler Mendelson PC, 333 Bush Street, 34th Floor, San Francisco,
19 CA 94104 and/or emailed to dott@littler.com and pbaldwin@littler.com.

20 **IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on**
21 **behalf of the Parties, as follows:**

22 **Plaintiff and Proposed Class Representative**

23
24 Dated: _____, 2021 By: _____
Noelle M. Rawlins

25 **Horizon Education HK Limited dba SayABC**

26 Dated: July 9, 2021 By: M2 Wenjuan
27 On behalf of Defendant

28 ///

APPROVED AS TO FORM:

Counsel for Plaintiff and Proposed Class Counsel

Dated: July 12, 2021

By:

DocuSigned by:



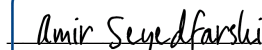
Craig Ackermann

Ackermann & Tilajef PC

Dated: 7/12/2021, 2021

By:

DocuSigned by:



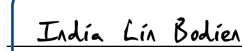
Amir Seyoum Farshi

Employment Rights Law Group, APC

Dated: July 16, 2021

By:

DocuSigned by:



India Lin Bodien

India Lin Bodien, Attorney at Law

Counsel for Defendant

Dated: _____, 2021

By:

Damon M. Ott

Philip B. Baldwin

Little Mendelson, PC

APPROVED AS TO FORM:

Counsel for Plaintiff and Proposed Class Counsel

Dated: _____, 2021 By: _____
Craig Ackerman
Ackermann & Tilajef PC

Dated: _____, 2021 By: _____
Amir Seyedfarshi
Employment Rights Law Group, APC

Dated: _____, 2021 By: _____
India Lin Bodien
India Lin Bodien, Attorney at Law

Counsel for Defendant

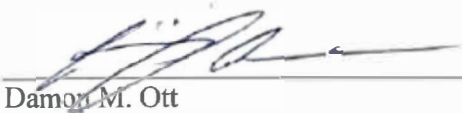
Dated: July 12, 2021 _____, 2021 By: _____

Damon M. Ott
Philip B. Baldwin
Littler Mendelson, PC

EXHIBIT A

EXHIBIT A**NOTICE OF SETTLEMENT OF CLASS ACTION AND SETTLEMENT HEARING**

Noelle M. Rawlins v. Horizon Education HK Limited dba SayABC
Superior Court of the State California, County of San Diego
Case No. 37-2021-00022215-CU-OE-CTL

To: All individuals who performed services as teachers in California through Defendant's platform from July 24, 2019 [INSERT DATE OF PRELIMINARY APPROVAL or June 30, 2021 whichever comes first] (the "Class"):

THIS NOTICE is of a proposed settlement of a class action lawsuit, and an announcement of a court hearing that you may choose to attend either in person or remotely. Your rights may be affected by the legal proceedings in this action. The Court will conduct a hearing on [INSERT DATE] to address whether the proposed settlement should be approved ("Final Approval Hearing"). You may be entitled to receive a payment under the terms of this class action settlement contained in the Settlement Agreement.

[Name of Class Member],

You have been identified as a Class Member in the above lawsuit. Under the terms of the proposed settlement you are estimated to receive approximately \$[INSERT AMOUNT] as your share of the Net Settlement Amount should the Court grant the settlement in full. Please note that this is only an estimate. Your actual share of the Net Settlement Amount may be more or less than this estimate. Your estimate is based on Defendant's records that you were paid for [INSERT CLASS AMOUNT] classes on Defendant's platform between July 24, 2016 and [INSERT DATE OF PRELIMINARY APPROVAL or June 30, 2021 whichever comes first]. If you dispute the total number of classes set forth above, you must set forth the information that you believe is correct, and submit written documentation to ILYM Group, Inc, not later than [INSERT DEADLINE]. Your eligibility requirements for receiving payments are described below.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT (SEE SECTION VIII FOR MORE DETAILS)	
DO NOTHING	Receive a settlement payment and give up your right to sue on the Released Claims described in Section IV. This settlement does not require a claims process to receive a payment. Therefore, there is <u>no</u> claim form for you to complete should you wish to receive payment.
EXCLUDE YOURSELF	You may "opt-out" of any connection with this case (with the exception of the release of claims under the Private Attorney's General Act ("PAGA")) including any right to a settlement payment for the release of non-PAGA claims. You must submit your opt-out notice, as described below, on or before [INSERT DEADLINE]. All persons who validly and timely opt-out of the Settlement will not receive any settlement payment, except for his or her share of the PAGA Award if applicable, and will preserve Released Claims described in Section IV subject to applicable statute of limitations.
OBJECT	Write to the Court and Settlement Administrator about why you do not like the Settlement by submitting an objection to the settlement on or before [INSERT DEADLINE].
GO TO A HEARING	Ask to speak in Court about the fairness of the Settlement.

I. Why should I read this Notice?

The Parties have proposed to settle this class action lawsuit. You are a member of the Class. If the Court approves the proposed Settlement, your legal rights may be affected. This Notice, which has been approved by the Court, is only a summary. A more detailed Settlement Agreement contains the complete terms of the Settlement, and is on file with the Court, where it is available for your review. See Section X for further information.

II. What is this lawsuit about?

A lawsuit entitled *Noelle M. Rawlins v. Horizon Education HK Limited dba SayABC* is now pending in the Superior Court of the State California, County of San Diego, Case No. 37-2021-00022215-CU-OE-CTL. Plaintiff Noelle M. Rawlins ("Plaintiff" or "Class Representative") has alleged claims against Horizon Education HK Limited dba SayABC ("Defendant") primarily under the California Labor Code. Plaintiff brought this lawsuit as a class action and PAGA enforcement action on behalf of herself and other similarly situated persons, and is claiming that Defendant willfully misclassified teachers as independent contractors, failed to pay all minimum wages owed, failed to pay all overtime wages owed, failed to provide compliant meal periods and/or pay meal period premiums, failed to provide compliant rest periods and/or pay rest period premiums, failed to provide accurate itemized wage statements, owed waiting time penalties, failed to pay timely wages, and failed to reimburse business expenses and violated Business and Professions Code section 17200. Plaintiff's Operative Complaint alleges the following causes of action: (1) PAGA Penalties for Defendant's Willful Misclassification; (2) Failure to Pay Minimum Wages; (3) Failure to Pay Overtime Wages; (4) Failure to Provide Compliant Meal Periods and/or Meal Period Premiums; (5) Failure to Provide Compliant Rest Periods and/or Rest Period Premiums; (6) Failure to Provide Complete Wage Statements; (7) Waiting Time Penalties; (8) Failure to Pay Timely Wages; (9) Failure to Reimburse for Business Expenses; (10) Violations of the UCL; and (11) Violations of California Labor Code § 2699

et seq. (the California Private Attorneys General Act of 2004 (“PAGA”)). Plaintiff seeks a monetary recovery on behalf of the Class for the alleged violations, along with interest, costs, and fees.

Defendant contends that it has complied with all laws and denies the allegations Plaintiff is asserting in this Lawsuit. The Court has not formed any opinions concerning the merits of the Lawsuit, and the Court has not ruled for or against Plaintiff as to the merits of any of her individual or class or PAGA enforcement claims. The Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable and that any final determination of those issues will be made at the final fairness hearing. You will not be retaliated against by Defendant for electing to participate or not participate in the settlement.

III. Who is covered by the class action lawsuit and the proposed Settlement?

A. The Class. On [INSERT PRELIMINARY APPROVAL DATE], the Court granted preliminary approval of the Settlement and authorized this notice. The Court defined the “Class” as All individuals who performed services as teachers in California on Defendant’s platform from July 24, 2019 through [INSERT PRELIMINARY APPROVAL DATE or June 30, 2021, whichever comes first].

B. The Effect of Membership in the Class. If you come within the definition of the Class, you are a Settlement Class Member unless you exclude yourself from (“opt out of”) the Class by following the procedures for exclusion that are set forth in this Notice. Settlement Class Members are eligible to receive the benefits created by the proposed Settlement including a settlement payment based on their pro-rata share of the Net Settlement Amount and will be bound by the Settlement if it is approved by the Court. Persons who exclude themselves from the Class will not be bound by the Settlement and will not share in the Settlement proceeds, except for their share of the PAGA Award if applicable, but may pursue their own timely individual claims against Defendant subject to applicable statute of limitations.

IV. What are the terms of the Settlement?

The proposed Settlement was negotiated with Defendant by the attorneys for the Class (“Class Counsel”). Class Counsel believes that this Settlement is in the best interest of the members of the Settlement Class. As part of the proposed Settlement, Defendant and Class Counsel have agreed to the following:

Monetary Amounts Under the Settlement

- Defendant shall provide the members of the Settlement Class, on a non-claims-made basis, monetary compensation in the maximum total amount of \$350,000.00 (the “Gross Settlement Amount” or “GSA”), less amounts awarded by the Court for attorneys’ fees and costs, settlement administration costs, enhancement award to the Class Representative, and PAGA Settlement Payments for penalties under the PAGA (the “Net Settlement Amount” or “NSA”).
- The Settlement Administrator will calculate individual Class Members’ pro-rata share of the NSA for their individual settlement payment. The Net Settlement Amount will be allocated among the members of the settlement Class on a pro rata basis based on the number of classes for which each Class Member was paid by Defendant from July 24, 2019 through [INSERT PRELIMINARY APPROVAL DATE or June 30, 2021, whichever comes first] (the “Class Period”). The number of classes that Defendant shows you were paid is listed on the first page of this notice along with your estimated settlement share of the NSA. Portions of the NSA not claimed by Class Members who opt-out will revert back into the NSA. It is estimated that individual Class Member payments will range from \$[INSERT AMOUNT] to \$[INSERT AMOUNT], with the average being approximately \$[INSERT AMOUNT].
- Defendant, through the Settlement Administrator, shall fund the amounts awarded by the Court for attorneys’ fees and costs, settlement administration expenses, enhancement award to the Class Representative, payment to the California Labor and Workforce Development Agency (“LWDA”) for PAGA penalties, and the amounts owed to the Settlement Class Members within twenty-one calendar days of the Final Effective Date. Within ten calendar days of the Funding of the settlement, the settlement administrator will calculate and pay individual Class Member’s pro-rata share of the NSA for their individual settlement payment.

Contemporaneous with requesting the Court approve in final the proposed Settlement, Class Counsel will apply to the Court for approval of all amounts sought in the Settlement as follows: (i) all payments to Settlement Class Members; (ii) settlement administration costs which are estimated to not exceed \$6,200 for services associated with administering the settlement; (iii) a payment of \$15,000 to the LWDA for settlement of the PAGA claims brought in this case; (iv) a \$10,000 enhancement award to the Class Representative for her service to the Class and her general release of claims; (v) an award of attorneys’ fees up to the amount of \$116,666.67 (equivalent to one-third of total Gross Settlement Amount), and (vi) an award of costs up to \$15,000 for out of pocket litigation costs.

Release

- Upon the Court’s final approval of the Settlement, a judgment will be entered fully and finally settling the action as to Plaintiff and all Settlement Class Members.

- As a result of the Settlement and Judgment to be entered, all Class Members who do not opt out of this Action by filing a timely, valid Request for Exclusion will release (1) Horizon Education HK Limited; (2) any predecessors and successors in interest, any current or former parent corporations, subsidiary corporations, affiliates, and assigns, including, without limitation, VIPKids International, Inc., VIPKid HK Limited, VIPKid Limited, VIPKid Co., Ltd., Future VIPKid Limited, Horizon Education HK Limited, and Beijing Da Mi Technology Co., Ltd.; (3) companies acquiring any or all of Defendant's assets or capital stock; (4) any of Defendant's past or present, divisions, suppliers, distributors, dealers, or sales branches; (5) current or former officers, directors, shareholders, agents, representatives, and employees of Defendant; and (6) insurers of any of the foregoing persons or entities (the "Released Parties") from any and all claims of any nature and description whatsoever, that arise from or relate to, or could have been asserted by the Settlement Class Members during the Class Period based on the allegations in the Plaintiff's PAGA letter and forthcoming Complaint, specifically including claims under Cal. Lab. Code §§ 201-204, 210, 221-223, 226, 226.2, 226.3, 226.8, 226.7, 432, 432.5, 512, 510, 558, 1174, 1174.5, 1182.11, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 1199.5, 2802, 2750.3, IWC Wage Orders 4-2001, the Private Attorney General Act, Cal. Lab. Code § 2698, *et seq.*, unlawful and/or unfair business practices (Cal. Bus. & Prof Code § 17200 *et seq.*) (in connection with claims related to independent contractor misclassification, including wage and hour violations resulting therefrom); and any claim for attorneys' fees and costs. (Collectively, the "Released Claims").
- If you do NOT exclude yourself from the Class by following the procedures set forth in this Notice and the Court approves the proposed Settlement, you will be deemed to have entered into the release of Released Claims in the Settlement Agreement.**

V. How do I receive a payment?

Any Class Member who wishes to be considered for any payment under this Settlement does not need to do anything. If you do not elect to exclude yourself from the Settlement and are deemed an eligible Class member, you will receive a payment should the Settlement become Final. If you are a member of the Class and you move or change your address, and you want to receive your settlement benefits at your new address, you must send a notice of your change of address to ILYM Group, Inc., **[INSERT ADDRESS]**.

VI. Who represents the Class?

The Court has designated Plaintiff Noelle M. Rawlins to serve as Class Representative in this lawsuit. The attorneys and law firms that serve as Class Counsel are Craig J. Ackermann of Ackermann & Tilajef, P.C., Amir Seyedfarshi of Employment Rights Law Group, APC, and India Lin Bodien of India Lin Bodien, Attorney at Law. Class Counsel can be reached as follows:

Craig J. Ackermann, Ackermann & Tilajef, P.C., 1180 South Beverly Drive, Suite 610, Los Angeles, California 90035, (310) 277-0614
 Amir Seyedfarshi, Employment Rights Law Group, APC, 1180 South Beverly Drive, Suite 610, Los Angeles, California 90035, (424) 777-0964
 India Lin Bodien, India Lin Bodien, Attorney at Law, 2522 North Proctor Street #387, Tacoma, Washington 98406, (253) 212-7913

VII. What are the reasons for the Settlement?

Class Counsel agreed to enter into this proposed Settlement after weighing the risks and benefits to the Class of this Settlement compared with those of continuing the litigation. The factors that Class Counsel considered included the uncertainty and delay associated with continued litigation, a trial and appeals, and the uncertainty of particular legal issues that have yet to be determined. Class Counsel balanced these and other substantial risks in determining that the proposed Settlement is fair, reasonable, and adequate in light of all circumstances and in the best interests of Class Members.

Defendant agreed to this proposed Settlement in order to avoid the expense and distraction associated with lengthy litigation and to fully resolve the claims alleged by the Plaintiff.

VIII. What are my rights and options?

A. First, you may remain a member of the Class, represented by Class Counsel, and take no further action. If you take no further action as a Class Member, you will be represented by Class Counsel but will have the right to receive your share of the Settlement proceeds. If the Settlement is approved by the Court, you will be bound by the terms of the Settlement which will result in a release of the Released Claims. As a member of the Class, you will not be charged for the services of Class Counsel.

B. Second, you may remain a member of the Class but elect to hire your own attorney to represent you. If you do not wish to be represented by Class Counsel, you may hire your own attorney. Your attorney must send a Notice of Appearance to the Settlement Administrator at the address listed in Section V, so that it is **postmarked** on or before **[INSERT DATE]**. Even though your own attorney represents you, you will continue to be a Class Member. You will be responsible for any attorneys' fees and costs charged by your attorney.

C. Third, you may exclude yourself from the Class. If you are a member of the Class but do not want to remain in the Class, you may exclude yourself ("opt out"). If you exclude yourself from the Class, you will lose any right to participate in the Settlement including any right to receive a settlement payment, except for a share of the PAGA Award. You will also lose the right to have objections you might have to the Settlement considered by the Court before it rules on the Settlement. You will be free to pursue any claims you may have against Defendant on your own behalf subject to applicable statute of limitations, but Class Counsel will not represent you. If you **do not** wish to take part in the Settlement, you may exclude yourself (i.e., opt-out) by sending to the Settlement Administrator a "Request for Exclusion from the Class Action Settlement" letter/card postmarked no later than **[insert date]**, with your name, address, telephone number, and signature. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE NOELLE M. RAWLINS V. HORIZON EDUCATION HK LIMITED DBA SAYABC LAWSUIT, SAN DIEGO SUPERIOR COURT CASE NO. 37-2021-00022215-CU-OE-CTL. I UNDERSTAND THAT IF I ASK TO BE

EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS I MIGHT HAVE.”

Send the Request for Exclusion directly to the Settlement Administrator at the following address **by no later than** [Insert opt-out date]:

ILYM Group, Inc.
[INSERT ADDRESS]

Any person who submits a timely Request for Exclusion from the Class Action Settlement shall, upon receipt, no longer be a Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement except for a share of the PAGA Award. If you want confirmation of receipt of your Opt-Out, please send it by U.S. certified mail, return receipt requested and/or contact the Settlement Administrator.

If you do not comply with these procedures and the deadline for exclusions, you will lose any opportunity to exclude yourself from the Class, and your rights will be determined in this lawsuit by the Settlement Agreement if it is approved by the Court and you may not recover under any other individual settlement agreement regarding the claims released through the Released Claims.

D. Fourth, you may remain a member of the Class, and on your own behalf, or through your own attorney, object to the certification of the Class, to the Settlement, to the Application for Attorneys’ Fees and Costs, and/or to the Application for Enhancement Award. If you do not exclude yourself from the Class, you may object to the certification of the Class, to the terms of the proposed Settlement, and/or to the applications for attorneys’ fees, costs, and enhancement award. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the proposed Settlement, or any portion of it, you must file with the Settlement Administrator a written objection stating your name, address, telephone number, the case name and number of the Action (*Noelle M. Rawlins v. Horizon Education HK Limited dba SayABC*, San Diego County Superior Court Case No. 37-2021-00022215-CU-OE-CTL), each specific reason in support of your objection, and any legal support for each objection. Objections must be in writing and must be mailed to the Settlement Administrator, ILYM Group, Inc., [INSERT ADDRESS], **by no later than** [Insert deadline] for your objection to be considered. If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Class Members who do not object. If an objector also wishes to appear at the Final Approval Hearing, in person or through an attorney, he or she need not file a notice of intention to appear at the same time as the objection is filed. Filing the notice of intention to appear is not necessary to preserve the right to appear at the Final Approval Hearing. **You are still eligible to receive a settlement payment should the settlement become Final even if you object to the settlement.**

IX. When is the court hearing and what is it for?

On [INSERT FINAL APPROVAL HEARING DATE], the Court will hold a public hearing in Department C-70 of the Superior Court for the State of California, County of San Diego, 330 West Broadway, San Diego, California 92101, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve Class Counsel’s applications for attorneys’ fees and costs, whether to approve the payments to the LWDA, and whether to approve Plaintiff’s request for an enhancement award. This hearing may be continued or rescheduled by the Court without further notice. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to attend the Final Approval Hearing. Face masks and/or facial coverings are required and mandatory at all times to enter any courthouse or courtroom and must be worn covering the nose and mouth. Social distancing will be observed in the courthouse and courtroom in the event you elect to appear at the hearing. If a Class Member would like to arrange to appear by telephone or video conference, please contact Class Counsel and they will make efforts to facilitate that.

X. Where can I get more information?

If you have questions about this Notice or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Class, you should contact the Settlement Administrator (contact information listed in Section V), for more information or to request that a copy of this Notice be sent to you in the mail. If you wish to communicate directly with Class Counsel, you may contact them – contact information noted above in Section VI. You may also seek advice and guidance from your own private attorney at your own expense, if you so desire.

This Notice is a summary of the basic terms of the proposed Settlement. For the precise terms and conditions of the proposed Settlement, you may review the detailed “Class Action Settlement Agreement” on file with the Clerk of the Court as well as the pleadings and other records in this litigation at the Office of the Clerk of the San Diego County Superior Court, 330 West Broadway, San Diego, California 92101. You must make an appointment to view documents at the Office of the Clerk. Additional information is also available through the Court’s online system at <http://courtindex.sdcourt.ca.gov/CISPublic/enter> by searching using the case number.

PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR DEFENDANT FOR INFORMATION ABOUT THE PROPOSED SETTLEMENT OR THIS LAWSUIT.