

HAMMONDLAW, P.C.

Julian Hammond (SBN 268489)
jhammond@hammondlawpc.com
Polina Brandler (SBN 269086)
pbrandler@hammondlawpc.com
Ari Cherniak (SBN 290071)
acherniak@hammondlawpc.com
11780 W Sample Rd Suite 103
Coral Springs, FL 33065
Telephone: (310) 601-6766
Facsimile: (310) 295-2385 (Fax)

Attorneys for Plaintiffs and the Putative Class

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

**DELFIN MERLAN, JOCELYN TOMAKA,
DIONNE MAXWELL and JEROME
CRICHTON**, individually and on behalf of all
others similarly situated,

Plaintiffs,

vs.

**ALLIANT INTERNATIONAL
UNIVERSITY**, a California Corporation,

Defendant.

Case No.: 37-2019-00064053-CU-OE-CTL

**DECLARATION OF JULIAN HAMMOND
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: June 18, 2021

Time: 1:30

Judge: Timothy B. Taylor

Dept.: C-72

1 I, Julian Hammond, declare as follows:

2 I. INTRODUCTION

3 1. I am over the age of 18 and have personal knowledge of the facts set forth in this
4 declaration and could and would testify competently to them.

5 2. I am a member in good standing of the Bar of the State of California. I am licensed to
6 practice before all courts in the State of California.¹

7 3. I am the founding shareholder of the law firm HammondLaw, P.C. ("HammondLaw") and
8 co-counsel, along with Ackerman & Tilajef, P.C., and Melmed Law Group, P.C. ("Class Counsel") for
9 the named Plaintiff Delfin Merlan, Jocelyn Tomaka, Dionne Maxwell and Jerome Crichton ("Plaintiffs")
10 and adjunct instructors employed by Defendant in California from December 2, 2015 through December
11 31, 2019 ("Class Members" or "CMs").

12 4. I have no knowledge of the existence of any conflicting interests between my firm and any
13 of its attorneys and our co-counsel, on the one hand, and Plaintiffs or any Class Members, on the other.

14 5. I submit this declaration in support of Plaintiffs' Motion for preliminary Approval of Cass
15 Action Settlement. A copy of the Class Action Settlement Agreement in this matter is attached as **Exhibit**
16 **1.**

17 II. ATTORNEY EXPERIENCE

18 6. HammondLaw has been certified as Class Counsel or Co-Class Counsel in at least 55 wage
19 and hour class actions, representing thousands of class members, in the Superior Courts for the Counties
20 of Alameda, Los Angeles, Sacramento, San Diego, San Francisco, Solano, Santa Clara, Monterey, San
21 Joaquin, Placer, Orange, Contra Costa, San Bernardino, and in federal District Courts in California in
22 diversity jurisdiction cases based on state law, over the last ten years. In addition, HammondLaw is
23 putative Class Counsel in at least 20 pending actions in California Superior Courts, some of which have
24 been tentatively settled and/or preliminarily approved by the Courts, and several of which, like the present
25 case, are brought on behalf of part-time instructors or adjunct professors. My firm's resume is attached
26 as **Exhibit 2.**

27 7. I graduated from the University of South Wales with a Bachelor of Commerce in 1995,
28 from the University of Technology in Sydney with a Bachelor of Law *summa cum laude* in 1999, and
from New York University School of Law with a Masters of Law in 2001. I founded HammondLaw in
2010. Since the founding of HammondLaw, I have devoted a substantial percentage of my practice to

¹ I am also admitted to practice as a Barrister-at-Law in both the New South Wales and Victorian Supreme
Courts, located in Australia.

litigating cases involving wage and hour violations, the bulk of these being class actions. My firm has represented tens of thousands of employees in wage and hour class actions under California law and in California courts.

8. My two associates, Polina Brandler and Ari Cherniak, played an active role in this case. Ms. Brandler received her B.A. in history *cum laude* from the Macaulay Honors College at the City University of New York in 2005, and her J.D. from the Benjamin N. Cardozo School of law in 2009. While in law school, Ms. Brandler was an intern for the Honorable Sandra L. Townes of the Southern District of New York. After graduation, she clerked for the Honorable Anita H. Dymant of the Appellate Division of the Los Angeles Superior Court from 2009 to 2012. During her time at HammondLaw, which is the last decade, her practice has focused on wage and hour and consumer class actions. Ms. Brandler is admitted to practice law in California and New York.

9. Mr. Cherniak received his B.S. in Philosophy *cum laude* from Towson University in 2007, and his J.D. from Tulane Law School in 2011. While in law school, Mr. Cherniak earned a citation for his extensive pro bono work in the Felony Trial Unit of Baltimore City Office of the Public Defender. Since 2012, Mr. Cherniak's practice has focused on wage and hour and consumer class actions. Mr. Cherniak is admitted to practice law in California, Washington, and Maryland.

HammondLaw's Experience Representing Adjuncts

10. This is one of a series of cases brought by HammondLaw, which has been representing adjunct instructors in similar unpaid wage cases since 2016.

11. Since 2016, HammondLaw has represented adjunct instructors and secured court-approved settlements in wage and hour class actions against Santa Clara University in *Peng v. The President and Board of Trustees of Santa Clara College*, Case No. 19CV348190 (Santa Clara County Superior Court) (April 21, 2021), Fresno Pacific University in *Morse v. Fresno Pacific University*, Case No. 19-CV-04350 (Merced County Superior Court) (April 6, 2021); ITT in *Miner, et al. v. ITT Educational Services, Inc.*, Case No. 3:16-cv-04827-VC (N.D. Cal., March 19, 2021); Azusa Pacific University in *Granberry v. Azusa Pacific University*, Case No. 19STCV28949 (Cal. Sup. Ct. Los Angeles Cnty., March 5, 2021); Kaplan Higher Education in *Hillman v. Kaplan Higher Education LLC*, No. 34-2017-00208078 (Sacramento Cty. Super. Ct. December 7, 2017), Stanford University in *Pereltsvaig v. The Board of Trustees of the Leland Stanford Jr. University*, No. 17-CV-311521 (Santa Clara Cty. Super. Ct. January 4, 2019), CSU Fullerton in *Garcia v. CSU Fullerton*, No. 30-2017-00912195-CU-OE-CXC (Orange Cty. Super. Ct. February 15, 2019), Concorde Career Colleges in *McCoy v. Concorde Career Colleges, Inc.*, No. 30-2017-00936359-CU-OE-CXC (Orange Cty. Super. Ct. July 2, 2019); DeVry

University in *Stempien v. DeVry University, Inc.*, No. RG19002623 (Alameda Cty. Super. Ct. July 30, 2020), and *Ott v. California Baptist University*, No. RIC1904830 (Riverside Cty. Super. Ct. January 26, 2021). HammondLaw has also successfully negotiated class action settlements on behalf of adjunct instructors in approximately ten other cases in various stages of settlement approval, and recently litigated one such case—*Gola v. University of San Francisco*, No. CGC-18-565018 (San Francisco Super. Cty. Ct.)—all the way through trial. These cases challenged a long-standing, industry-wide practice of classifying adjunct instructors as non-exempt and not paying them for all hours worked. The cases have led to an overhaul of the classification and compensation practices in the industry.

12. My co-counsel in this case, Ackerman & Tilajef, P.C., and Melmed Law Group, P.C., are submitting declarations herewith describing their extensive experience in handling class actions, particularly representing adjunct instructors.

13. Class Counsel's broad collective experience in the prosecution and resolution of wage and hour class action litigation specifically on behalf of California adjunct instructors enabled Counsel to efficiently assess the value of the claims of Class Members and to obtain an efficient settlement.

III. OVERVIEW OF THE LITIGATION

14. On December 2, 2019, Ackermann & Tilajef and Melmed Law Group, Counsel for Plaintiff Merlan, filed his complaint on behalf of CMs alleging (1) failure to pay all minimum wages owed under Labor Code §§ 226.2, 1194, 1194.2, 1197, (2) failure to provide compliant rest periods or pay missed rest break premiums under Labor Code §§ 226.2, 226.7, and the Wage Order, (3) failure to provide compliant meal breaks or premiums for missed breaks under Labor Code §§ 226.7, 512 and the Wage Order, (4) failure to reimburse business expenses under Labor Code § 2802, (5) waiting time penalties under Labor Code § 201-3, and (6) violation of the Unfair Competition Law

15. On January 3, 2020, Defendant filed its Answer to the Complaint, generally denying all allegations in the FAC, and separately and additionally alleging as an affirmative defense, that CMs were exempt employees.

16. On October 16, 2020, Plaintiff Tomaka retained HammondLaw and filed her PAGA Notice alleging, *inter alia*, that Alliant failed to issue accurate itemized wage statements that include the correct address of the legal entity that is the employer in violation of Labor Code § 226(a)(8); and failed to issue accurate itemized wage statements in violation of Labor Code §§ 226(a) and/or 226.2(a)(2). HammondLaw then entered into a joint prosecution agreement with Plaintiff Merlan's counsel and the parties agree to attend mediation.

1 17. On November 18, 2020, Alliant gave notice that it re-issued wage statements with the
2 correct address and had “cured” the violation of Labor Code § 226(a)(8) for purposes of PAGA penalties.
3 On December 7, 2020, Plaintiff Tomaka disputed that Alliant had properly cured the alleged violation.
4 On January 7, 2021, the LWDA determined that Alliant had cured the alleged violation.

5 18. In February 2021, prior to the mediation, Plaintiffs Crichton and Maxwell – both putative
6 CMs - retained Plaintiffs’ Counsel as well.

7 19. On February 11, 2021, Plaintiff Tomaka filed an amended PAGA Notice that included an
8 additional claim for failure to provide accurate itemized wage statements arising from the fact that until
9 October 2020, Alliant reimbursed CMs for their home office expenses at the rate of \$1.00 per hour
10 worked, but Alliant included this dollar as part of CMs hourly rate on their wage statements, and thus
11 failed to provide wage statements with accurate hourly rates in violation of Labor Code §§ 226(a)(9).

12 20. On May 21, 2021 Plaintiffs filed a joint stipulation to file a First Amended Complaint
13 adding Plaintiffs Tomaka, Maxwell, and Crichton; adding a cause of action under Labor Code § 226(e)
14 for Defendant’s alleged violations of Labor Code § 226(a) and 226.2(a) during the Wage Statement Class
15 Period; and adding a PAGA cause of action for the underlying labor code violations during the PAGA
16 Period.

17 **Discovery and Investigation**

18 21. After the filing his lawsuit, Plaintiff Merlan served written discovery but the parties agreed
19 to stay formal discovery and participate in mediation. In advance of the mediation, Defendant produced
20 the following key data and documents, including, but not limited to: (a) a spreadsheet showing for each
21 CM the gross wages paid to them during each pay period from December 2, 2015 through to December
22 31, 2019; (b) a spreadsheet showing for each CM, each course taught, the course title, location, and time
23 and day of instruction, from December 2, 2015 through to December 19, 2019; (c) a spreadsheet showing
24 for each course contract, the contract start date and end date, the number of credits, and the course rate
25 form December 2, 2015 through to August 15, 2019; (d) Plaintiff Tomaka’s personnel file, (c) exemplar
26 course contracts, (d) Adjunct Faculty Handbooks; (e) academic calendars from Fall 2017 to Spring 2021;
27 ad (f) expense reimbursement policies applicable to CMs.

28 22. Through counsel’s own investigation, Plaintiffs’ counsel gathered additional documents
and data, and conducted interviews and surveys of CMs regarding unpaid wages, which confirmed CMs
spent many hours working prior to the start of the contractual period and routinely made themselves
available to students during class breaks.

1 **Relevant Facts**

2 23. Plaintiffs were able to determine the following facts based upon reliable information
3 obtained through their own counsels' investigation or from Defendant in advance of mediation.

4 **Defendant's Organization and Academic Calendar**

5 24. Alliant is a private, for-profit university headquartered in San Diego, California. Alliant
6 includes schools of psychology, education, management/leadership, and forensic studies, as well as a law
7 school. Alliant has campuses in San Diego, San Francisco, Sacramento, Los Angeles, Fresno, and Irvine,
8 as well as online. Alliant offers courses in both traditional "semesters" as well as shorter eight-week
9 sessions.

10 **Class Data, Contracts, and Payroll Policies**

11 25. Alliant employs CMs to teach individual courses pursuant to contracts issued each time
12 Alliant required CMs' services. Plaintiff analyzed the three spreadsheets produced by Aliant and was
13 able to calculate that Alliant employed 816 CMs who taught 2,483 courses between December 2, 2015
14 and December 31, 2019.

15 26. The contracts provided the contract start and course end date, which corresponded to the
16 beginning of the course and the last day of the exam period for the course and the compensation for the
17 course. Prior to January 2020, Alliant paid CMs a fixed amount per course, which was based on the
18 number of units taught, class size, and program. The contract provided the payment amount for the
19 delivery of the course, with that amount "subject to change based on enrollment." Plaintiffs therefore
20 contended that CMs were not salaried (which is defined as a predetermined amount of money that is not
21 subject to reductions based on quality or quantity of work) but were rather paid on a piece rate basis, with
22 the piece being the course.

23 27. While the contracts did not begin until the first day of the course, Alliant required CMs to
24 perform work prior to the start of the course (and the contract), including to prepare and submit course
25 outlines, syllabi, and reading lists. While the contract listed these tasks, Plaintiffs alleged that they were
26 necessarily unpaid because they were performed before the start of the contractual period.

27 28. Prior to January 2020, Alliant did not track CM's hours worked and did not list CMs'
28 hours or hourly rates in effect on their wage statements. The wage statements also did not include piece
29 rate information (nonproductive time and rest break time or pay for rest break time).

30 29. Plaintiff also ascertained that prior to January 2020, Alliant required CMs to have access
31 to internet and cell phones to conduct their work for Defendant, but Defendant did not reimburse such
32 costs. Starting in January 2020, Alliant began reimbursing CMs for home office expenses at the rate of

1 \$1 per hour which was deducted from their hourly rate. However, Alliant did not change the hourly rate
2 on CMs wage statements to reflect the \$1 reduction. As a result, until November 2020, CMs were
3 provided with wage statements that failed to include the accurate applicable hourly rate, in violation of
4 Labor Code § 226(a)(9).

5 30. Finally, Plaintiffs contend that until November 2020, Alliant's issued wage statements that
6 failed to include the employer's legal address, in violation of Labor Code § 226(a)(8) because Defendant
7 issued wage statements with the address of its payroll department in San Francisco rather than the San
8 Diego address on file with the California Secretary of State website.

9 **Alliant Overhauled Its Compensation System and Changed its Practices**

10 31. Following the filing of this action, beginning in January 2020, Alliant conducted an
11 overhaul of its compensation system and practices designed to bring them into compliance with the
12 California laws. Alliant began paying CMs on an hourly basis instead of on a per course basis. Under its
13 new system, Alliant added a one-week buffer on the contract period in order to cover work performed
14 prior to the first day of the course and after the last day of the course; and added a host of compensable
15 duties including class preparation time and time spent in rest breaks. As stated above, Alliant also began
16 reimbursing CMs for their business expenses at the rate of \$1 for every hour worked.

17 32. Starting in November 2020, Alliant started issuing accurate wage statements that included
18 CMs correct hourly rates separately from the \$1 expense reimbursement; and that included Alliant's
19 correct address.

20 **Mediation**

21 33. On February 24, 2021 the Parties participated in a mediation session with Lisa Klerman,
22 a skilled and experienced mediator who has mediated numerous wage-hour class actions. Prior to the
23 Mediation, the parties submitted detailed mediation briefs, supported by excerpts of the evidence
24 Defendant provided as part of informal discovery, and the parties' respective independent research and
25 investigation.

26 34. At mediation, Plaintiffs were confronted with a number of significant hurdles. First,
27 Alliant contended that virtually all CMs' contracts included an arbitration agreement providing that "any
28 disputes arising hereunder will be settled by binding arbitration" and neither Plaintiffs nor CMs had could
not pursue class claims. Moreover, in 2020, Alliant expanded its arbitration agreement to include an
express class action waiver providing that "neither Employee nor the University shall be entitled to join
or consolidate in arbitration any claim ... nor bring in arbitration any claim as a representative or member
of a class". Thus, Defendant contended that Plaintiffs' class claims were worthless.

1 35. Plaintiffs contended that their PAGA claims are not subject to arbitration and they could
2 litigate these claims regardless of the Alliant's arbitration agreement. Plaintiffs also contended that the
3 court would not find that the pre-2020 arbitration agreement barred class claims because it provided for
4 the application of California law, which strongly supports the vindication of Labor Code rights through
5 a class action. Plaintiff further contended that it could file mass individual arbitrations against Alliant.
6 However, Alliant's contention that Plaintiffs would not be able to litigate class claims presented a serious
7 risk to continued litigation.

8 36. Second, the mediation also occurred against a backdrop of economic uncertainty resulting
9 from the Covid-19 pandemic. On March 4, 2020, Governor Newsom declared a state of emergency in
10 California, followed soon thereafter by a statewide order directing California residents to stay home and
11 refrain from any non-essential social activities. Shortly thereafter, Alliant closed its campuses
12 indefinitely. Defendant has already incurred substantial unanticipated costs resulting from its compliance
13 with the orders issued pursuant to the state of emergency, and is expected to suffer serious financial losses
14 if its campus closures extend well into 2021. The toll a prolonged shutdown of Alliant's campuses may
15 have on its finances, and its ability to pay anything to settle this case years from now, and the impact a
16 prolonged closure of the courts will have on Plaintiffs' ability of litigate this case over the next several
17 years, added risk to continuing the case, and made settling now the most prudent course of action.

18 37. Alliant also argues that Plaintiffs faced a significant risk of losing on class certification
19 and the merits with respect to each claim for reasons other than the arbitration agreement.

20 38. The parties engaged in arms'-length negotiations with the assistance of the mediator and
21 reached the basic terms of a settlement which are memorialized in this formal settlement agreement,
22 subject to approval by the Court.

23 IV. PLAINTIFF'S DAMAGES ANALYSIS

24 39. Plaintiff calculated Alliant's maximum liability (before applying any discounts based on
25 merits defenses and the risk of non-certification) and realistic liability (after applying discounts) as
26 follows:

27 **Inaccurate Wage Statements - Labor Code §§ 226(a), (e), 226.2**

28 40. Plaintiffs allege that starting in January 2020, Alliant began reimbursing CMs for home
office expenses at the rate of \$1 per hour which was deducted from their hourly rate. However, Alliant
did not change the hourly rate on CMs wage statements to reflect the \$1 reduction until November 2020.
As a result, until November 2020, CMs were provided with wage statements that failed to include the
accurate applicable hourly rate, in violation of Labor Code § 226(a)(9).

1 41. Plaintiffs further contend that Class Members are non-exempt piece-rate employees
2 because they did not earn the monthly salary equivalent of at least two times the state minimum wage for
3 full-time employment required to be exempt under California law (*see* Lab. Code § 515; Wage Order No.
4 4, § 1) and, as such, were entitled to receive itemized wage statements listing their actual hour worked
5 and applicable hourly rate (as well as piece rate information). Plaintiffs allege that, prior to January 2020,
6 Alliant not classify CMs as non-exempt, did not track their hours worked, and did not list on their wage
7 statements their total hours worked and the applicable hourly rates were not listed on their wage statement.
8 In addition, Plaintiffs allege that Class Members were paid on a piece rate basis prior to January 2020,
9 but that the wage statements did not list piece-rate information. Defendant's violation was knowing and
10 intentional because Defendant knew that its uniform wage statements lacked the hours and hourly rates
11 information, and knew that it did not classify CMs as non-exempt. *See Kao v. Holiday*, 12 Cal. App. 5th
12 947, 961-962 (2017) (finding employer's failure to include hours worked on wage statement as a result
13 of misclassifying employee as exempt, was knowing and intentional because the employer knew the fact
14 that the information was not provided). As a result, CMs suffered injury for purposes of Labor Code §
226(e) because they could not determine from the wage statements alone the number of actual hours
worked, or an applicable hourly rate. *See* Lab. Code § 226(e)(2)(C).

15 42. Finally, Plaintiffs contend that until November 2020, Alliant issued wage statements that
16 failed to include the employer's legal address, in violation of Labor Code § 226(a)(8) because Defendant
17 issued wage statements with the address of its payroll department in San Francisco rather than its San
Diego address on file with the California Secretary of State website.

18 43. Based on Plaintiffs' analysis of the data produced by Alliant, between October 16, 2019
19 and October 31, 2020 ("Wage Statement Class Period"), Alliant employed 225 Class Members and issued
20 3,001 inaccurate wage statements to them that failed to include, *inter alia*, total hours worked, applicable
21 hourly rate, the number of pieces earned and the piece-rate, as required by Labor Code § 226(a)(2), (a)(3),
22 and (a)(9); and that failed to include the employer's legal address, in violation of Labor Code § 226(a)(8).
23 Accordingly, there are 225 initial violations to which a \$50 penalty applies (Lab. Code § 226(e)(1)), and
24 there are 2,776 subsequent violations to which a \$100 penalty applied (*Id.*). Thus, Alliant's exposure to
statutory penalties pursuant to Labor Code § 226(e) is $(225 * \$50) + (2,776 * \$100) = \textbf{\$288,850}$.

25 44. **Class Certification Discounts:** Plaintiffs applied a minimal 10% discount for class
26 certification because wage statement claims are particularly well-suited to class certification. *See Lubin*
27 *v. The Wackenhut Corp.*, 5 Cal. App. 5th 926 (2016); *see also Torres v. Air to Ground Services, Inc.*, 300
28 F.R.D. 386, 403 (C.D. Cal. 2014). Here, Defendant issued uniform wage statements to CMs that all failed

1 to include the same information – hours, hourly rates, piece rate, and the employers’ address - which was
2 a result of Defendant’s common policies and practices. This reduces Defendant’s exposure to **\$259,965.**

3 45. **Merits Discounts:** Defendant contended that a court would find that only the initial \$50
4 penalty applies because Alliant did not receive notice from the labor commissioner or a court that its
5 wage statements were noncompliant. Defendant also asserted that it acted in good faith and thus did not
6 “knowingly and intentionally” fail to provide compliant wage statements. Although this argument has
7 been recognized by the federal district courts, it has been rejected by California state courts.

8 46. As to Plaintiffs’ Labor Code § 226(a) claims based on the theory that CMs were non-
9 exempt piece rate workers, Alliant contended that Class Members qualified as exempt employees. This
10 contention could be based on the premise that the minimum salary required to be exempt in California
11 can be prorated for part-time employment. Notably, the federal FLSA overtime exemption for
12 professional employees includes only a requirement of pay at twice the federal minimum wage for actual
13 hours worked, which recently became the law in California for adjuncts, but which only became effective
14 on September 9, 2020 as Labor Code § 515.7. However, Plaintiff believes there is little to no risk that a
15 court would find that CMs are exempt. Plaintiff’s Counsel recently litigated and prevailed on this very
16 issue at a bench trial in *Gola v. University of San Francisco*, No. CGC-18-565018 (San Francisco Super.
17 Cty. Ct.) (Final Statement of Decision filed on August 10, 2020), and clear guidance from the DLSE and
18 a December 23, 1999 memorandum from the Chief Legal Counsel for the Labor Commissioner expressly
19 provide that this premise is incorrect.

20 47. As to Plaintiffs’ Labor Code § 226(a)(8) claim, Defendant asserted that an employer’s
21 payroll department is the “address” under Labor Code § 226(a)(8).

22 48. Plaintiff applied a modest 10% discount for the risks on the merits, which reduced
23 Alliant’s realistic exposure for this claim as **\$233,969.**

24 **Unpaid Wages – Labor Code §§ 1194 and 226.2**

25 49. Plaintiffs alleged that CMs were not salaried, but were paid on a piece-rate basis, with the
26 piece being the course, and that as a result they were paid for the hours of course instruction only and were
27 not paid hourly and separately for non-teaching tasks, such as preparing for class prior to and during the
28 semester, grading, office hours, attending department meetings. During discovery and investigation,
however, Plaintiffs acknowledged that the course rate may have included nonproductive tasks performed
outside the classroom instruction because the contracts expressly provided that in addition to classroom
instruction, adjuncts were required to attend workshops and meetings, and meet deadlines for submitting
final grades. The Adjunct Handbook also expressly stated that it was the responsibility of CMs to prepare

and grade exams, provide student feedback, to advise and consult with students, and hold office hours. Accordingly, for purposes of mediation, Plaintiffs limited the unpaid wage claims to work performed prior to the start of the contract and prior to the first day of classes on the basis that Alliant did not compensate CMs for the period before the start date of the Contract.

50. Plaintiff calculated Alliant's maximum liability as follows: Based on survey results, conversations with Plaintiff, Plaintiff's Counsel's experience litigating similar cases, and Defendant's potential arguments, Plaintiff estimate that Class Members spent on average, 10 hours per course performing work prior to the first day of classes for each of the 2,483 courses taught by CMs between December 2, 2015 and December 31, 2019. To calculate total unpaid wages for this work, Plaintiff multiplied the weighted average minimum wage during the Class Period (\$10.37) by 10 hours and by 2,483 courses, which equals \$257,487. Interest at 10% per annum adds another \$64,372 for a total of **\$321,859**.

51. **Certification Discount:** Plaintiffs applied a nominal 10% discount for the risk for non-certification on the theory that the flat per course rate included all the activities performed prior to the Course, and that the amount of time each CM spent on pre-Contract work would lead to individualized issues. Plaintiffs believed that this claim would be certified because whether the course rate included activities that fell outside the dates of the contract is a common legal question. This reduced Defendant's liability to \$289,673.

52. **Merits Discount:** As to the merits, Plaintiffs recognized the risk that a court might find that CMs' per-course compensation has built into it the hours worked before the start of the contract time. However, such an argument would be contrary to California law, which does not allow borrowing compensation contractually due for some work hours to meet the minimum wage requirement for other uncompensated hours is not allowed under California law. There is also the risk that even if Plaintiffs were successful, that the average hours worked by all CMs would be lower than the estimated 10 hours, especially because 13% of courses taught by CMs were repeat courses which would require less than 10 hours of preparation. Plaintiffs applied a 25% discount for these arguments. After applying discounts, Plaintiff calculate Alliant's realistic exposure on the unpaid wage claim is **\$217,255**.

Rest Break Claims – Labor Code §§ 226.2, 226.7

53. Plaintiffs allege that Defendant paid Class Members on a piece rate basis prior to January 2020. As piece rate workers, CMs were entitled to separate and hourly pay for rest break time pursuant to Labor Code § 226.2, which Alliant did not pay.

54. Based on the course scheduled provided by Defendant, Plaintiffs have calculated that during the Class Period Class Members taught 7,769 class sessions that were 3.5 hours or longer. The average hourly rate Alliant paid CMs after it converted them to hourly is \$30. Thus, to calculate unpaid premium pay Plaintiffs multiplied 7,769 rest-break eligible class sessions by \$30, which equals \$233,070. Interest at 7% per annum adds another \$40,787 for a total of **\$273,857**.

55. **Certification Discount:** Defendant argued that an allegation of missed rest breaks would lead to individualized issues as to why a particular CM was not able to take a break. However, because CMs were compensated on a piece rate basis, Plaintiffs contended that under Labor Code § 226.2, Alliant was required to pay separately and hourly for rest break time, even if rest breaks were provided. Plaintiffs applied a nominal 10% discount which reduced Alliant's exposure on this claim to **\$246,472**.

56. **Merits Discounts:** As to the merits, Alliant contended that CMs qualified as exempt employees and thus were not entitled to rest breaks. Alliant also contended that CMs controlled their own class schedules and could take a rest break if they wanted to. Plaintiffs applied a 25% discount based on this argument, which reduced Alliant's exposure, for settlement purposes, to **\$184,854**.

Meal Break Claim - Labor Code § 512

57. Plaintiffs alleged that CMs were non-exempt employees, and were therefore entitled to an off-duty, unpaid 30-minute meal break before the end of the fifth hour of each shift pursuant to Labor Code § 512. Plaintiffs alleged that Defendant imposed uniform policies and/or practices that impeded CMs' ability to take meal breaks, including the requirement and expectation that CMs be available to students immediately before and after class and during breaks in class to answer students' questions.

58. Based on Defendant's course schedules, Plaintiffs calculated that CMs taught 3,319 classes that were 5 hours or longer. Plaintiffs believe they could show that CMs generally were not provided with meal breaks during such classes, in violation of Labor Code § 512, entitling them to premium for each unpaid meal break. Assuming a 100% violation rate, Alliant is liable one hour of premium pay (\$30) for 3,319 five-hour class sessions, or \$99,570. Interest adds another \$17,425 for a total of **\$116,995**.

59. **Class Certification:** Defendant argued certification risk on this claim arising from the fact that CMs taught different courses on different days with different class lengths, and Defendant might successfully argue that individual inquiries would be necessary to determine whether CMs were able to take meal breaks. Plaintiffs would have to rely more heavily on CM testimony than an analysis of common factual documents to prove this claim, which added to the certification risk. Therefore, Plaintiffs applied a 25% discount, which reduced Alliant's likely exposure to \$87,746.

1 60. **Merits:** Defendant contended that CMs were exempt and therefore not entitled to meal
2 breaks. Even if CMs were not exempt, Defendant argued that longer classes had breaks, and CMs
3 controlled their own class schedules and if they failed to take a meal break it was as a matter of choice.
4 Defendant therefore argued that Plaintiffs' assumed violation rate of 100% was highly unrealistic.
5 Plaintiffs believed these arguments warranted a further 25% discount. After applying discounts, Alliant's
realistic exposure on the meal break claim was reduced to **\$65,810**.

6 **Waiting Time Penalties – Labor Code §§ 201-203**

7 61. Plaintiffs contend that, because CMs were owed unpaid wages for work prior to the
8 beginning of their contracts, and for missed premium pay, CMs were not paid all wages due upon
9 discharge from employment, entitling them to 30 days of wages as waiting time penalties.

10 62. Plaintiffs calculated Alliant's maximum liability as follows: Based on data provided by
11 Defendant, Plaintiffs calculated that 197 CMs were discharged from employment (i.e., taught a course in
12 one term and did not teach another course for at least another 6 months) during the relevant period (i.e.,
13 December 2, 2016 through to December 31, 2019). Plaintiffs calculated CMs daily rate of pay as \$232.57
14 by dividing average weekly pay (\$337.23) by the average number of days taught per week (1.45). As a
15 result, total waiting time penalty exposure is 197 multiplied by \$232.57 multiplied by 30 days, which
16 equals **\$1,374,489**.

17 63. **Class Certification Discount:** Plaintiffs believed they would certify this claim because
18 whether separate hourly pay was owed, and whether work prior to the contract's duration was unpaid, are
19 common questions, and whether Defendant's failure to pay was "willful" depends on common facts about
20 Defendant's policies. Plaintiffs applied a nominal 10% discount for the class certification risk, which
21 reduced Alliant's liability to **\$1,237,040**.

22 64. **Merits Discounts:** Alliant contended that it had a good faith dispute as to whether any
23 wages were actually due upon discharge because it believed that Class Members were exempt and thus
24 had no unpaid wage claims or rest break claims, which would negate the willfulness requirement of Labor
25 Code § 203. Plaintiffs applied a 50% discount for this argument. Thus, for settlement purposes,
26 Defendant's realistic exposure to this claim is **\$618,520**.

27 **Unreimbursed Expenses - Labor Code § 2802**

28 65. Plaintiffs allege that during the Class Period, Alliant expected and/or required Class
Members to use their personal cell phones and home offices to perform such tasks as (1) communicate
with student's outside of the classroom; (2) read and respond to emails from students, co-workers, and
supervisors, (3) research topics necessary to create and develop courses, and (4) participate in the

mandatory trainings required by the Defendant. However, until January 2020, Alliant did not have a policy of reimbursing CMs for these expenses. Plaintiffs estimated for purposes of mediation that the reasonable portion of expenses that Class Members incurred in carrying out their work duties for Alliant was \$1 for every \$30 paid – the average rate which Alliant reimbursed CMs starting in January 2020. Based on the data provided by Alliant, CMs were paid \$4,744,476 during the Class Period, and thus incurred **\$158,149** in unreimbursed expenses ($\$4,744,476 / 30$). Interest adds \$39,537 for a total of **\$197,687**.

66. **Certification and Merits Discounts:** Plaintiffs applied a 25% discount for the certification risk based on the fact that there was no written policy requiring Class Members to use their cellular phones. Additionally, the fact that there were varying practices with regard to incurring expenses by Class Members presents an obstacle to class certification as well. This reduced Alliant's liability to **\$148,265**.

67. Plaintiffs applied a further 25% discount for the risks on the merits based on anticipate arguments that even if expenses were incurred, they were voluntary and minimal. After applying these discounts, for settlement purposes, Plaintiffs calculated Alliant's realistic damages to **\$111,199**.

Summary of Maximum Damages and Realistic Exposure

68. Plaintiffs calculated maximum damages (excluding PAGA penalties) as **\$2,573,736** and estimated Defendant's realist exposure (without PAGA) as **\$1,431,605**, as follows:

Labor Code Section	Maximum Damages	Realistic Exposure
Wage Statements (§ 226(e))	\$288,850.00	\$233,969
Unpaid Wages (§§ 226.2 / 1194)	\$321,859	\$217,255
Rest Breaks (§ 226.2/ 226.7)	\$273,857	\$184,854
Meal Breaks (§ 512/ 226.7)	\$116,995	\$65,810
Waiting Time Penalties (§ 203)	\$1,374,489	\$618,520
Unreimbursed Expenses (§ 2802)	\$197,687	\$111,199
Total	\$2,573,736	\$1,431,605

69. Before discounts, the Settlement represents 28% of the maximum value of all claims (excluding PAGA penalties). After discounts, Settlement represents 50% of Defendant's *realistic* exposure. This is, in my experience, a very good percentage for a settlement that had major risks

1 associated with an arbitration agreement that, if enforced by the Court, would have rendered Plaintiff's
2 class claims worthless; Alliant's defense that it had a good faith reliance on the federal exemption and
3 thus its alleged violation of Labor Code § 226 was not knowing and intentional; and the unprecedented
4 social and economic upheaval resulting from the Covid-19 pandemic which raised the prospect of
5 litigation against a defendant facing declining enrollment and revenues, and in a Court that Plaintiffs
6 expected would be faced with a backlog of urgent matters as a result of the pandemic.

PAGA Allocation is Fair and Reasonable

7 70. Plaintiffs calculated there were 3,001 pay periods with a Labor Code violation during the
8 PAGA Period. Using a penalty of \$100 per pay period (because Defendant never received notice from
9 the Labor Commissioner or the Court so there are arguably no "subsequent" violations) Defendant's
10 maximum exposure in PAGA Penalties is **\$300,100** (assuming the Court would not allow "stacking" of
11 PAGA penalties for each separate Labor Code violations). Plaintiffs allocated \$20,000 to PAGA penalties
12 which approximately 7% of Defendant's maximum total exposure to PAGA penalties.

13 71. Plaintiffs believe this allocation is fair for several reasons. First, the overall settlement
14 resulted in robust relief of \$872 gross and \$498 net per CM which is what courts look at when assessing
15 amount attributed to PAGA penalties. In *Gola v. University of San Francisco*, a recent case brought by
16 Plaintiff's Counsel on behalf of adjunct instructors, the court found that substantial monetary relief in
17 form of statutory penalties under § 226(e) (and fees and costs plaintiff would seek) acted as a sufficient
18 punishment and deterrent, and awarded only 15% of the full PAGA penalties, in a case where defendant
19 did not have a good faith defense and did not change its practices to comply after the lawsuit was filed.

20 72. Second, Defendant contended that the Court could drastically reduce PAGA penalties in
21 the exercise of its discretion. Alliant contend that the Court would reduce any award of PAGA penalties
22 as "unjust, arbitrary and oppressive, or confiscatory" under Labor Code § 2699(i) because Alliant
23 operated in good faith and reasonably believed it was in compliance with the Labor Code, and conducted
24 an overhaul of its compensation policies and wage statement practices designed to bring them into
25 compliance with the Labor Code almost immediately following the filing of this Action.

26 73. Third, Alliant contended that the PAGA claims would be found unmanageable because
27 only CMs who actually incurred unpaid wages, unpaid premium pay, or unreimbursed expenses during a
28 particular pay period could recover PAGA penalties, and there is no manageable way to determine who
was entitled to penalties. Further, in order to recover any PAGA penalties, Plaintiffs would be required
at trial to prove that each Aggrieved Employee suffered a violation for each pay period the employee
worked, which would be difficult in light of Defendant's contentions on the merits discussed above.

74. The amount allocated to PAGA is 3% of the Gross Settlement, is the same as – or even more than - PAGA allocations approved in other adjunct Settlements including *Peng v. The President and Board of Trustees of Santa Clara College*, Case No. 19CV348190 (Santa Clara County Superior Court) (April 21, 2021) (finally approving a \$1,900,000 wage and hour class action settlement including a \$25,000 carve out for PAGA penalties, representing 1.3% of the Settlement); *Morse v Fresno Pacific University*, Case No. 19-CV-04350 (Merced County Superior Court, April 6, 2021)(finally approving an \$1,534,725 wage and hour class action settlement including a \$30,000 carve out for PAGA Penalties, representing 2% of the Settlement); *Harris-Foster v. University of Phoenix*, Case No. RG19019028 (Alameda County Superior Court, March 17, 2021) (finally approving an \$2,863,106 wage and hour class action settlement including a \$50,000 carve out for PAGA Penalties, representing 2% of the Settlement); *Granberry v. Azusa Pacific University*, Case No. 19STCV28949 (Los Angeles County Superior Court, March 5, 2021) (finally approving an \$1,112,100 wage and hour class action settlement including a \$35,000 carve out for PAGA Penalties, representing 3% of the Settlement); *Ott v. California Baptist University*, Case No. RIC1904830 (Riverside County Superior Court, January 26, 2021) (finally approving an \$700,000 wage and hour class action settlement including a \$20,000 carve out for PAGA Penalties, representing 3% of the Settlement); *Pereltsvaig v. The Board of Trustees of the Leland Stanford Jr. University*, No. 17-CV-311521 (Santa Clara County Superior Court, January 4, 2019) (finally approving an \$886,890 wage and hour class action settlement including a \$17,000 carve out for PAGA Penalties, representing 2% of the Settlement); and *McCoy v. Concorde Career Colleges, Inc.*, No. 30-2017-00936359-CU-OE-CXC (Orange County Superior Court, July 2, 2019) (finally approving a \$2,500,000 wage and hour class action settlement including a PAGA payment in the amount of \$50,000, representing 2% of the Gross Settlement).

V. FAIRNESS, ADEQUACY, AND REASONABLENESS OF SETTLEMENT

Fairness of Settlement of Class Members' Claims

75. Under the Settlement Agreement, if approved as submitted, at least \$406,833 will be available for distribution among all Class Members (after deductions of fees, costs, service award, administration fees, and PAGA payment to the LWDA). This Net Settlement amount will be allocated among the Class Members on a *pro rata* basis based on the number of pay periods in which the Class Member worked in proportion to the aggregate number of pay periods worked by all Class Members during the Class Period. This formula relies upon objective evidence of each Class Member's employment history, which Class Members can easily review and confirm for themselves. This information is readily available from Defendant's records, and the Settlement Administrator can apply

1 the formula in a fair and transparent manner. The average recovery per Class Member is \$498.56 net,²
2 and \$871.94 gross.³

3 76. These recoveries are significant in comparison to other similar cases where plaintiffs faced
4 significant risk based on an arbitration agreement with a class action waiver, *Harris-Foster v. University*
5 *of Phoenix*, No. RG19019028 (Alameda Cnty. Super. Ct. March 17, 2021) (average net payment of
\$515.85 and average gross of \$830.60).

6 **VI. THE SETTLEMENT AVOID RISKS AND EXPENSE OF FURTHER LITIGATION,**
7 **INCLUDING APPEALS**

8 77. If parties continued to litigate this case, the trial court would rule on the enforceability of
9 the arbitration agreement and whether the class claims could proceed in arbitration. The losing party
10 would appeal to the appellate court. Moreover, the process of litigating this issue, and other issues
11 associated with certifying Class claims, which would take years to resolve under normal circumstances,
12 would take even longer as a result of the backlog the courts face from the nationwide Covid-19 shutdown.
13 Moreover, Alliant's financial well-being and viability, just like that of other schools, is threatened by the
14 pandemic and even if Plaintiffs prevailed, there was a risk that Alliant would ultimately have no money
15 to satisfy a judgment.

16 78. Besides for the arbitration agreement, the parties strongly disagreed on the merits and
17 whether the claims would be certified. Alliant argued that Plaintiffs would not be able to certify some or
18 all of their claims, and Plaintiffs recognized some risk based on Alliant's position. In the absence of
19 settlement, the litigation process would take years to resolve under normal circumstances, and even longer
as a result of the Covid-19 shutdown. This process would not only be lengthy but expensive, complex
and a lot slower than usual.

20 79. The settlement avoids these risks associated with the typical litigation, as well as the
21 atypical risks associated with the availability of the courts during a global pandemic. Instead, this
22 settlement provides an early resolution of a dispute, and Class Members will obtain a recovery in the
relatively near future if the settlement is finally approved.

23 **VII. ATTORNEYS' FEES AND COSTS**

24 80. The Settlement Agreement provides that Defendant will not oppose a request for
25 attorney's fees of up to 1/3 of the Gross Settlement (or \$237,167). This is fair, reasonable and adequate
26 to compensate Class Counsel for the substantial work they have already done to prosecute this Action,

27 ² \$406,833 / 816 Class Members.

28 ³ \$711,500 gross settlement / 816 Class Members.

1 the risk they assumed to agree to take the case in the first place, the great expense spared to the Class by
2 Class Counsel having achieved a successful resolution, and the continued time and expense that Class
3 Counsel will incur by administering the fair distribution of the settlement fund should this Court grant
4 the settlement's approval.

5 81. Class Counsel agreed to represent Plaintiffs on behalf of the putative Class on a
6 contingency basis, and further agreed to advance all litigation costs. Our significant financial outlays
7 would have been entirely lost if the case were not won, and the amount of Class Counsel's time that
8 would have remained uncompensated in that event would have been substantial. Class Counsel also took
9 on this case despite the known risks associated with Plaintiff's class allegations as described above and
10 the unpredictable risks that are common to most complex employment class actions that develop only
11 over the course of the litigation; the arbitration agreement; and the unprecedented countrywide shutdown
12 that unfolded after the case was filed. Despite all this, Class Counsel was able to obtain a very favorable
13 settlement for the Class.

14 82. The Settlement Agreement's award of litigation costs of up to \$20,000 is intended for
15 commonly reimbursed out-of-pocket cost incurred by my firm, including filing and process-serving fees,
16 expenses related to court appearances, copying, legal and other research charges, and the professional
17 fees paid to Lisa Klerman for a full-day mediation session, which was instrumental to reaching the
18 Settlement.

19 83. If the Court grants Preliminary Approval and authorizes the dissemination of notice of the
20 settlement to the class, Class Counsel anticipates filing a Motion for Attorneys' Fees and Costs and
21 Enhancement Awards that will be scheduled to be heard concurrently with the Motion for Final Approval.
22 Class Counsel will submit their lodestar and costs breakdown with their motion for attorneys' fees and
23 costs, which will be noticed to be heard at the same time as the final approval motion.

24 **VIII. PLAINTIFFS' SERVICE AWARD**

25 84. The request for a Service Award of \$5,000 for Plaintiffs Delfin, Crichton, and Tomaka,
26 and \$2,500 for Plaintiff Maxwell are reasonable and fair. These Award are intended to compensate
27 Plaintiffs for their critical role in this case and the substantial time, effort, and risks he undertook in
28 helping secure the result obtained on behalf of the Settlement Class. In agreeing to serve as class
representative, Plaintiffs formally agreed to accept the responsibility of representing the interests of all
Class Members. They collected and provided documents and diligently assisted Class Counsel in the
investigation for the case and in seeking discovery. Plaintiffs' participation and assistance was critical to
the success of this litigation and the enforcement of Labor Code protections. Without Plaintiffs

1 commitment to come forward and serve as Class Representatives in prosecuting this lawsuit, this
2 litigation, which enforces the protections of the Labor Code, would not have been brought. Significantly,
3 the named Plaintiffs are granting Defendant a general release of all claims, which is far broader than the
4 release being given by the members of the Class. Finally, none of the Plaintiffs' claims are antagonistic
5 to the interests of the class. Defendant does not oppose this request.

6 **IX. CY PRES BENEFICIARY**

7 85. Subject to Court approval, California Court-Appointed Special Advocates for Children
8 ("CASA") has been designated as the *cy pres* beneficiary and recipient of funds associated with uncashed
9 checks. CASA serves youth in foster care throughout California, including San Diego County. CASA is
10 a "child advocacy program" under Code of Civil Procedure §384 that trains volunteers to advocate for
11 foster children in court and in the community through awareness, connection, support. CASA is a "child
12 advocacy program" under Code of Civil Procedure §384.

13 86. I certify that I do not and my associates do not have any connection to or relationship with
14 CASA that could reasonably create the appearance of impropriety as between the selection of the recipient
15 of the money or thing of value and the interests of the class, nor does my law firm.

16 I declare under penalty of perjury under the laws of the United States and the State of California
17 that the foregoing is true and correct. Executed on May 25, 2021.

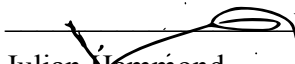
18 
19 Julian Hammond
20 HammondLaw, P.C.
21 Attorneys for Plaintiffs and the Putative Class
22
23
24
25
26
27
28

EXHIBIT 1

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Settlement Agreement”) is made and entered into between Plaintiffs Delfin Merlan, Jocelyn Tomaka, Dionne Maxwell and Jerome Crichton (“Plaintiffs” or “Class Representatives”), on behalf of the Settlement Class (as defined below); and Defendant Alliant International University, Inc. (“Defendant” or “Alliant”); subject to the approval of the Court, as provided below. Plaintiffs and Defendant intend for this Settlement Agreement 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 *Merlan, et al. v. Alliant International University, Inc.*, Case No. 37-2019-00064053-CU-OE-CTL, in the Superior Court of California, County of San Diego.

1.2 “Class” or “Class Members” refers to all individuals who worked for Defendant as adjunct professors or part-time lecturers in California between December 2, 2015 and December 31, 2019.

1.3 “Class Counsel” refers to the attorneys of record for the Class Representatives, specifically Ackermann & Tilajef, P.C., Melmed Law Group P.C., and HammondLaw, P.C.

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

1.5 “Class Period” means the period from December 2, 2015 through December 31, 2019.

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

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

1.8 “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.

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

1.10 “Effective Date” refers to the date the Final Approval Order and Judgment is signed if no objections to the Settlement are filed. If objections are filed and overruled, then the Effective Date is 65 days following date the Final Approval Order and Judgment is signed. If an appeal is taken from the Final Approval Order and Judgment, then the Effective Date will be ten business days after the appeal is withdrawn or after an appellate decision affirming the final approval decision becomes final.

1.11 “Gross Settlement Amount” (also referred to herein as “GSA”) refers to the maximum settlement payment of Seven Hundred Eleven Thousand Five Hundred Dollars (\$711,500) Defendant will be obligated to make, except that Defendant shall bear, in addition, all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of this Settlement.

1.12 “Net Settlement Amount” (also referred to herein as “NSA”) is the GSA minus Court-approved attorney’s fees and litigation costs, Settlement Administration Costs, Service Award, and the LWDA’s share of the amount of the GSA allocated to Labor Code Private Attorneys’ General Act of 2004 (PAGA) Penalties. The NSA is the maximum amount that will be available for distribution to Settlement Class Members.

1.13 “PAGA Penalties” refers to the Twenty Thousand Dollars (\$20,000.00) allocated to Plaintiffs’ PAGA claims which shall be paid as follows: 75% of the PAGA Penalties shall be paid to the LWDA as its share of the of civil penalties for PAGA claims; and 25% shall to be added to the NSA and distributed to the Settlement Class Members who worked during the PAGA Period as their share of the settlement of civil penalties for PAGA claims.

1.14 “PAGA Period” means the period from October 16, 2019 through October 31, 2020.

1.15 “Parties” are Plaintiffs and Defendant.

1.16 “Released Claims” are those claims defined in Section 16.

1.17 “Released Parties” include Defendant and all of its predecessors, successors, affiliates, subsidiaries, and related entities, and its and their respective regents, officers, directors, employees, administrators, fiduciaries, trustees, agents, and benefit plans.

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

1.19 “Response Deadline” is sixty (60) calendar days after the date the Class Notice is mailed to Class Members and is the deadline by which Class Members’ Requests for Exclusion, disputes regarding Settlement Payments, and/or objections must be postmarked in order to be timely.

1.20 “Service Award” refers to the monetary award to each Plaintiff, in an amount not to exceed Five Thousand Dollars (\$5,000) each to Plaintiffs Merlan, Tomaka, and Crichton, and up to Two Thousand five Hundred Dollars (\$2,500) to Plaintiff Maxwell, or other amounts as approved by the Court, to be paid out of the Gross Settlement Amount, subject to approval by the Court, as described below.

1.21 “Settlement Administrator” refers to Simpluris, Inc. the third-party administrator mutually agreed upon by the Parties, subject to approval by the Court, to perform the notice, claims administration, and distribution functions further described in this Settlement Agreement.

1.22 “Settlement Administration Costs” refers to the cost of paying the Settlement Administrator. This cost will be paid out of the GSA, in an amount not to exceed Thirteen Thousand Dollars (\$13,000).

1.23 “Settlement Class” or “Settlement Class Member” refers to Class Members who do not request exclusion from the Settlement.

1.24 “Settlement Payment” refers to the amount paid to each Settlement Class Member.

1.25 “Wage Statement Class Period” means the period from October 16, 2019 through October 31, 2020.

2. Procedural History and Recitals.

On December 2, 2019, Plaintiff Merlan initiated the Action by filing a civil complaint in San Diego County Superior Court asserting the following causes of action against Defendant: (1) Failure to Pay all Minimum Wages (Labor Code §§ 226.2, 1194, 1194.2, 1197); (2) Failure to Provide Compliant Rest Periods and/or Pay Missed Rest Period Premiums (Labor Code § 226.2, 226.7; IWC Wage Order No. 4-2001); (3) Failure to Provide Compliant Meal Periods and/or Pay Missed Meal Period Premiums (Labor Code § 226.7, 512; IWC Wage Order No. 4-2001); (4) Failure to Reimburse Business Expenses (Labor Code §2802); (5) Waiting Time Penalties (Labor Code § 201-203); and (6) Unfair Competition Law (UCL) Violations (Bus. & Prof. Code §§ 17200-17204).

On October 16, 2020, Plaintiff Tomaka sent a Notice of Intent to Seek PAGA Penalties to the LWDA and to Defendant, alleging that Defendant failed to issue accurate itemized wage statements in violation

of Labor Code § 226(a), and failed to reimburse necessary business expenses in violation of Labor Code § 2802.

Within ten (10) business days after the Parties and counsel have signed this Agreement, Plaintiff Merlan will take all steps necessary to file a First Amended Complaint, adding Tomaka, Crichton, and Maxwell to the Action as named Plaintiffs and proposed Class Representatives, adding a cause of action for failure to issue accurate itemized wage statements in violation of Labor Code § 226(a), and adding PAGA claims for civil penalties under Labor Code § 2699 based on all the Labor Code violations alleged in the Action. Defendant will stipulate to the filing of the First Amended Complaint.

2.1 On February 24, 2021, the Parties participated in a mediation session with Lisa Klerman, an experienced mediator. Following the mediation, the Parties reached the basic terms of a settlement which are memorialized in this Settlement Agreement, subject to approval by the Court. The Parties jointly represent that this is a fair, reasonable, and adequate settlement and have arrived at this Settlement through arms-length negotiations, considering all relevant factors, present and potential.

2.2 This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant of liability or wrongdoing. Additionally, Defendant reserves the right to contest any issues relating to class certification and liability if the Settlement is not approved. Defendant denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement, a Class should be certified in the Action. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle Released Claims.

NOW THEREFORE, in consideration of the covenants and agreements set forth herein, and of the release of all Released Claims, Plaintiffs, on behalf of themselves and the Class, and Defendant agree to the terms and provisions of this Settlement Agreement, subject to the approval of the Court.

3. Limitation on Effect of Settlement.

The Parties agree that certification of a class is appropriate for settlement purposes only. In the event that the Settlement is not finally approved, or the Settlement is otherwise terminated, and any class and representative action, which was 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.

Within 10 business days after the Effective Date, Defendant shall transmit the GSA to the Settlement Administrator, in addition to an amount equal to employer-side payroll taxes due on the wage component of the NSA. This Settlement is non-reversionary and under no circumstances will any part of the GSA revert to Defendant.

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

5.1.1 The NSA shall be paid pro rata to each Settlement Class Member based on the number of paychecks issued to him or her as a percentage of the paychecks issued to all Class Members during the Class Period. The paychecks will be weighted as follows: The paychecks issued to Class Members between January 1, 2020 and October 31, 2020 will be subject to a 0.5 multiplier (i.e. those paychecks will be divided by two). The paychecks issued during the Class Period will not be subject to any multiplier. The 25% of the PAGA Penalties allocated to the Class shall be paid pro rata to each Settlement Class Member based on the number of paychecks issued to them during the PAGA Period as a percentage of the paychecks issued to all Class Members during the same period. Class Members who were employed during the PAGA Period will not have the opportunity to opt out of the release of the PAGA claims and will be issued a check for their share of the PAGA penalties regardless of whether or not they opt out.

5.1.2 One-third of each Settlement Payment will be allocated as wages and reported on an IRS Form W-2; and the remaining two-thirds of each Settlement Payment will be allocated as penalties and interest and reported on an IRS Form 1099 where required by law.

5.1.3 If a Class Member timely and validly submits a Request for Exclusion, as set forth herein, her/his share will return to the NSA and will be distributed to the remaining Settlement Class Members.

5.2 Payments to Class Members pursuant to this Settlement Agreement will not be construed as compensation for purposes of determining eligibility for or benefit calculations of any health and welfare benefit plan, retirement benefit plan, vacation benefit plan, unemployment compensation, including, without limitation, all plans, subject to Employee Retirement Income Security Act ("ERISA"). The Parties agree these payments do not represent any modification of any employee's previously-credited

hours of service or other eligibility criteria under any employee pension benefit plan, employee welfare benefit plan, or other program or policy.

6. Attorneys' Fees and Costs.

Class Counsel shall request attorneys' fees up to one-third of the GSA (i.e., \$237,167) for attorneys' fees; and up to \$20,000 for reimbursement of litigation costs. Defendant agrees to not oppose Class Counsel's request for attorneys' fees and costs in these amounts. If the GSA increases pursuant to the escalator clause, Class Counsel shall request attorneys' fees in the amount of one-third of the increased GSA. 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. However, Class Counsel retains the right to appeal any such reductions, but such an appeal will delay Defendant's obligation to make all payments set forth in this Settlement Agreement. Any unapproved amounts of attorneys' fees and litigation costs will be added to the NSA and will be distributed to the Settlement Class Members.

7. Service Awards.

Class Counsel shall request a Service Award of up to \$5,000 each to Plaintiffs Merlan, Tomaka, and Crichton, and up to \$2,500 to Plaintiff Maxwell, for a total of \$17,500. Any unapproved amount will be added to the NSA and be distributed to the Settlement Class Members.

8. PAGA Penalties

Subject to Court approval, \$20,000 shall be attributed to Plaintiffs' claims under PAGA. The Settlement Administrator shall apportion and distribute the \$20,000 payment as follows: (a) \$15,000 shall be paid to the LWDA as its 75% share of the settlement of civil penalties for PAGA claims; and (b) \$5,000 shall be added to the NSA and distributed to the Settlement Class Members who worked during the PAGA Period as their 25% share of the settlement of civil penalties for PAGA claims.

9. Costs of Settlement Administration.

The Parties have mutually agreed to the selection of Simpluris, Inc. the third-party administrators ("Settlement Administrator"), to undertake the administration of the Settlement in this Action. The administration duties include, without limitation, the following: establishing and maintaining a qualified settlement account for the NSA, obtaining tax identification number(s) for Defendant applicable to the Settlement, calculating the Class Member Payments, performing an initial National Change of Address

(NCOA) search upon receipt of the Class Member mailing addresses, mailing the Class Notices, performing one skip trace on Class Notices which are returned as undeliverable, reviewing and processing Requests for Exclusion, disputes, and objections, setting up a toll-free number, mailing the Class Members Payments and tax forms to the Settlement Class Members, and setting up a static website regarding the Settlement. The Settlement Administrator will report payment of the individual Class Member Payments to all required taxing and other authorities, take appropriate withholdings, forward payments for withholdings and issue Internal Revenue Service Forms W-2 and 1099. The Parties estimate that the costs and expenses of administration of the settlement will not exceed \$13,000. Any amounts allocated but not paid to the Settlement Administrator will be added to the NSA and distributed to the class *pro rata*.

10. Notice Administration.

10.1.1 Within fifteen business days of the order granting preliminary approval of the Settlement (“Preliminary Approval Order”) Defendant shall provide the Settlement Administrator with the following information (“Class Data List”):

(a) the names, employment identification numbers, last known addresses, last known telephone numbers, and Social Security numbers of each Class Member; and

(b) for each Class Member, the number of paychecks issued during the Class Period and the number of paychecks issued during the PAGA Period (if any).

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

10.1.3 Within twenty-five business days of the Preliminary Approval Order, the Settlement Administrator shall provide the Class Notice by bulk first class mail, forwarding requested, to the Class Members at the addresses identified through the process described above.

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

10.1.5 The Settlement Administrator and all those working through, in concert with, or on behalf of the Settlement Administrator, shall be obligated to take all reasonable steps to maintain the confidentiality of Class Member information and to carry out the other duties enumerated in the Settlement Agreement, including calculating each Class Member's potential share of the Settlement.

10.1.6 The Settlement Administrator shall provide Defendant's counsel and Class Counsel with weekly summary reports, including the total number of Class Notices that were returned as undeliverable, the total number of objections, disputes, and/or Requests for Exclusion. The Settlement Administrator shall maintain records of its work, which will be available for inspection upon request by Defendant's counsel or Class Counsel.

10.1.7 The Class Notice will be a pre-printed, in substantially the form attached hereto as **Exhibit A** and to be approved by the Court. In addition to other information contained on the Class Notice, the Class Notice will include an explanation of the *pro rata* distribution formula used to determine the share of the Net Settlement Amount that he or she may be entitled to receive under the Settlement

11. Requests for Exclusion.

11.1 Any Class Member may elect to opt out of the Settlement by submitting a written Request for Exclusion to the Settlement Administrator, postmarked no later than the Response Deadline. The Request for Exclusion must contain the following: full name, signature, address and last four digits of his or her social security number; name and case 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.

11.2 Any Class Member who elects to opt out of the Class in the manner and within the time limits specified above (1) will not have any rights under the Settlement Agreement; (2) will not be entitled to receive any compensation under the Settlement Agreement; (3) will not have standing to submit any objection to the Settlement Agreement; and (4) will not be bound by the Settlement Agreement. Class Members will not have the opportunity to opt out of the release of the PAGA claims and will be issued a check for their share of the PAGA penalties regardless of whether or not they opt out.

11.3 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, will be bound by the terms and conditions of this Settlement Agreement (including the release provisions in Section 16 and its subparts), including all orders issued pursuant thereto, and will be deemed to have waived all unstated objections and opposition to the fairness, reasonableness, and adequacy of this Settlement Agreement, and any of its terms.

12. Objections.

Any Class Member who does not request exclusion from the Settlement may object to the Settlement by sending the Settlement Administrator, not later than the Response Deadline, a written statement objecting to the Settlement. The written objection must contain: full name, address, last four digits of his or her social security number, the case name and number, and a clear statement of the basis for his or her objection. The Settlement Administrator shall immediately send all objections to counsel for Defendant and Class Counsel.

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

13. Resolution of Disputes.

If any Class Member timely disputes the number of paychecks listed on his or her Class Notice or the date(s) of issue, the dispute will be submitted to the Settlement Administrator, who will examine the records and either verify the calculation or provide a corrected calculation. Disputes must be in a writing that is submitted to the 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; and any facts supporting the Class Member's dispute, along with any supporting materials confirming that the paychecks attributed to him or her are incorrect. The Settlement Administrator's determination of disputes will be final and non-appealable.

14. Payment Procedure.

14.1 Payments to Settlement Class Members, Class Counsel, Class Representative, Taxing Authorities and LWDA: Within 10 business days of receipt of the GSA, the Settlement Administrator will

distribute, subject to approval by the Court: (a) Settlement Payments to Class Members; (b) attorneys' fees and costs to Class Counsel; (c) Settlement Administration Costs to the Settlement Administrator; (d) Service Award to the Class Representative; (e) applicable tax withholdings and employer's portion of payroll tax to the appropriate taxing authorities and (f) the LWDA's share of the PAGA Penalties.

14.2 Uncashed Checks: Settlement Checks that are not cashed within ninety days from the date of issuance by the Settlement Administrator will be voided and the funds will be tendered to California Court-Appointed Special Advocates for Children as the *cy pres* in accordance with California Code of Civil Procedure § 384. The settlement and their release of Released Claims will remain binding upon all Class Members whether or not they cashed their settlement checks.

15. Taxes.

15.1 Employer's Portion of Payroll Taxes: Defendant shall pay the employer's portion of payroll taxes with respect to the wage portion of Class Member Payments separately and in addition to the GSA.

15.2 Tax Treatment of Service Award: Plaintiffs will receive an IRS Form 1099 for his or her individual Service Award and will be responsible for payment of any taxes owing on said amount.

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

15.4 No Tax Advice: The Parties are not giving any tax advice in connection with the settlement or any payments to be made pursuant to this settlement including, but not limited to, within the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended). The Parties do not assume any liability for taxes, fees, costs, or assessments resulting from any Settlement Class Members' failure to timely pay his or her share of taxes, interest, fees, or penalties owed

16. Release.

16.1 Settlement Class Released Claims: Upon payment of the Settlement funds to the Class, each Settlement Class Member shall be deemed to have released the Released Parties from any and all claims which are alleged, or could reasonably have been alleged based on the facts and claims asserted in the operative Complaint, and arising during the Class Period, including without limitation claims under Labor Code §§ 201, 202, 203, 204, 210, 226.2(a), 226.3, 226.7, 512, 1194, 1194.2, 1197, 2802, IWC Wage Order No. 4-2001 sections 4, 11, and 12; claims which are alleged, or could reasonably have been alleged based

on the facts and claims asserted in the operative Complaint under Labor Code §§ 226(a) and 226(e) and arising between October 16, 2019 and December 31, 2019; as well as any civil penalty claims under the Labor Code Private Attorneys General Act of 2004 (Labor Code §§ 2698 *et seq.*) (“PAGA”) predicated on these claims and arising between October 16, 2019 and December 31, 2019. Settlement Class Members who received a paycheck after January 1, 2020 shall be deemed to have released all claims that were alleged, or could have been alleged in the operative Complaint under Labor Code § 226(a)(9) and arising between January 1, 2020 and October 31, 2020; as well as any civil penalty claims predicated on violations of Labor Code § 226(a)(9) alleged in the Complaint under PAGA and arising between January 1, 2020 and October 31, 2020.

16.2 Plaintiffs’ General Releases: Upon payment of the Enhancement Awards to the Plaintiffs, Each Plaintiff releases, acquits, discharges, and covenants not to sue any of the Released Parties for any claim, whether known or unknown, which s/he has ever had, or hereafter may claim to have, arising on or before the date s/he signs this Agreement, including without limitation to, any claims relating to or arising out of any aspect of her/his relationship with Defendant, or the termination of that relationship, any claims for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time penalties under the California Labor Code, the California Business and Professions Code, the federal Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.*, or any state, county or city law or ordinance regarding wages or compensation; any claims for employee benefits, including without limitation, any claims under the Employee Retirement Income Security Act of 1974; any claims of employment discrimination on any basis, including without limitation, any claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1866, 42 U.S.C. section 1981, the Civil Rights Act of 1991, the Americans with Disabilities Act of 1991, the Family and Medical Leave Act of 1993, the California Government Code, or any other state, county or city law or ordinance regarding employment discrimination. Each Plaintiff acknowledges and agrees that the foregoing general release is given in exchange for the consideration Defendant shall provide to her/him under this Agreement. However, this release shall not apply to claims for workers’ compensation benefits, unemployment insurance benefits, pension or retirement benefits, or any other claim or right that as a matter of law cannot be waived or released. Each Plaintiff expressly waives any rights or benefits available to her/him under the provisions of Section 1542 of the California Civil Code, which provides as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASING PARTY.

17. Application for Preliminary Approval Order.

17.1 After the Parties' execution of this Settlement Agreement, Plaintiffs shall file a motion for preliminary approval of the Settlement, requesting a Preliminary Approval Order that contains the following provisions:

- 17.1.1 preliminarily approving the Settlement Agreement;
- 17.1.2 preliminarily approving and certifying the Class for settlement purposes only;
- 17.1.3 approving the form of the Class Notice, and finding that the proposed method of disseminating the Class Notice meet the requirements of due process and is the best notice practicable under the circumstances;
- 17.1.4 establishing the procedures and the deadline by which Class Members may assert objections to the Settlement, seek exclusion from the Settlement, and/or dispute their Settlement Shares;
- 17.1.5 establishing a deadline for the Parties to submit papers/briefing in response to any objections and in support of final approval of the Settlement Agreement; and
- 17.1.6 setting a date for the Final Approval Hearing.

18. Final Approval Order and Judgment.

18.1 If the Settlement is preliminarily approved by the Court, the Parties shall thereafter request that the Court enter an order granting final approval of the Settlement and judgment based thereon ("Final Approval Order and Judgment"), which includes the following provisions:

- 18.1.1 confirming certification of the Class for settlement purposes only;
- 18.1.2 finding that the dissemination of the Class Notice in the form and manner ordered by the Court was accomplished as directed and met the requirements of due process; and
- 18.1.3 finally approving the Settlement Agreement as fair, reasonable and adequate and directing consummation of the Settlement in accordance with its terms and provisions;
- 18.1.4 directing the Parties to implement the terms of the Settlement Agreement;

18.1.5 releasing and discharging the Released Parties from any and all liability with respect to the Released Claims;

18.1.6 awarding reasonable attorneys' fees and litigation costs to Class Counsel as determined by the Court;

18.1.7 awarding Service Awards to Class Representatives as determined by the Court;

18.1.8 awarding Settlement Administration Costs to the Settlement Administrator as determined by the Court;

18.1.9 approving the allocation of PAGA Penalties to the LWDA;

18.1.10 entering final judgment on the operative Complaint; and

18.1.11 preserving continuing and exclusive jurisdiction over all matters related to the administration and consummation of the terms of this Settlement and enforcement of the Judgment.

19. Escalator Clause.

The class consist of 816 individuals. If the total number of Class Members exceeds 816 by 5% or more (i.e. more than 857), then the Gross Settlement Amount shall be increase by the same percentage by which the number of Class Members exceeds 816.

20. No Admissions.

The Parties understand and agree that this Settlement Agreement is the result of a good faith compromise and settlement of disputed claims, and no part of this Settlement Agreement, or the negotiations leading thereto, or any document filed in support thereof, whether or not the Settlement is finally approved and/or consummated, may be offered or should be construed as an admission of any wrongdoing by Defendant or the Released Parties.

21. Avoidance of Undue Publicity.

The Parties and their counsel agree that they will not issue any press releases, communicate to the press, media or to the public, through social media or otherwise, the settlement terms or amount unless and until Plaintiffs have filed their motion for preliminary approval of the Settlement. Nothing herein will restrict Class Counsel from including publicly available information regarding this settlement in future judicial submissions regarding Class Counsel's qualifications and experience.

22. Non-Disparagement

Released Parties agree that all inquiries about Plaintiffs shall be referred to Human Resources, who will confirm the Plaintiffs' dates of employment and position held. No other information concerning Plaintiffs' work histories will be provided by Human Resources without authorization from Plaintiffs.

23. Construction.

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

24. Due Authority of Attorneys.

Each of the attorneys executing this Settlement Agreement on behalf of one or more Parties hereto warrants and represents that he or she has been duly authorized and empowered to execute this Settlement Agreement on behalf of each such respective Party and to bind them to the terms hereof. The parties also warrant that this Agreement is entered into knowingly and willingly and there is no fraud, duress, or undue influence.

25. Entire Agreement.

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

26. Modification or Amendment.

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

27. Successors.

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

28. Counterparts.

This Agreement may be executed in one or more counterparts by facsimile or electronic signature which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument. Any executed counterpart shall be admissible in evidence to prove the existence and contents of this Agreement.

29. Waivers.

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

30. 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. The parties intend for this Agreement to be admissible and binding under Code of Civil Procedure section 664.6.

31. Headings.

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

32. 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 as follows:

32.1 To Class Representatives, the Class and Class Counsel to the attention of:

Craig J. Ackermann
Ackermann & Tilajef, P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 277-0614

Jonathan Melmed
Melmed Law Group P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 824-3828

Julian Hammond
HammondLaw, P.C.
11780 W Sample Rd, Suite 103
Coral Springs, Florida 33065-3141
Telephone: (310) 601-6766

32.2 To Defendant, to the attention of:

Aaron A. Buckley
Paul, Plevin, Sullivan, & Connaughton LLP
101 West Broadway, Ninth Floor
San Diego, California 92101
Telephone: (619) 237-5200

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

Plaintiffs and Class Representatives

Dated: _____, 2021 By: _____
Delfin Merlan

Dated: 5/21/2021, 2021 By: Jocelyn Tomaka
Jocelyn Tomaka

Dated: 5/21/2021, 2021 By: Dionne Maxwell
Dionne Maxwell

Dated: _____, 2021 By: _____
Jerome Crichton

Alliant International University, Inc.

Dated: _____, 2021 By: _____
Afshin Afrookhteh
General Counsel and Chief Compliance Officer

32.1 To Class Representatives, the Class and Class Counsel to the attention of:

Craig J. Ackermann
Ackermann & Tilajef, P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 277-0614

Jonathan Melmed
Melmed Law Group P.C.
1801 Century Park East, Suite 850
Los Angeles, California 90067
Telephone: (310) 824-3828

Julian Hammond
HammondLaw, P.C.
11780 W Sample Rd, Suite 103
Coral Springs, Florida 33065-3141
Telephone: (310) 601-6766

32.2 To Defendant, to the attention of:

Aaron A. Buckley
Paul, Plevin, Sullivan, & Connaughton LLP
101 West Broadway, Ninth Floor
San Diego, California 92101
Telephone: (619) 237-5200

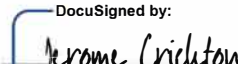
IN WITNESS WHEREOF, this Settlement Agreement has been duly executed by and on behalf of the Parties, as follows:

Plaintiffs and Class Representatives

Dated: May 21, 2021 By: 
Delfin Merlan

Dated: _____, 2021 By: _____
Jocelyn Tomaka

Dated: _____, 2021 By: _____
Dionne Maxwell

Dated: May 21, 2021 By: 
Jerome Crichton

Alliant International University, Inc.

Dated: _____, 2021 By: _____
Afshin Afrookhteh
General Counsel and Chief Compliance Officer

32.1 To Class Representatives, the Class and Class Counsel to the attention of:

Craig J. Ackermann
Ackermann & Tilajef, P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 277-0614

Jonathan Melmed
Melmed Law Group P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 824-3828

Julian Hammond
HammondLaw, P.C.
11780 W Sample Rd, Suite 103
Coral Springs, Florida 33065-3141
Telephone: (310) 601-6766

32.2 To Defendant, to the attention of:

Aaron A. Buckley
Paul, Plevin, Sullivan, & Connaughton LLP
101 West Broadway, Ninth Floor
San Diego, California 92101
Telephone: (619) 237-5200

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

Plaintiffs and Class Representatives

Dated: _____, 2021 By: _____
Delfin Merlan

Dated: 5/21/2021, 2021 By: Jocelyn Tomaka
Jocelyn Tomaka

Dated: 5/21/2021, 2021 By: Dionne Maxwell
Dionne Maxwell

Dated: _____, 2021 By: _____
Jerome Crichton

Alliant International University, Inc.

Dated: _____, 2021 By: _____
Afshin Afrookhteh
General Counsel and Chief Compliance Officer

32.1 To Class Representatives, the Class and Class Counsel to the attention of:

Craig J. Ackermann
Ackermann & Tilajef, P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 277-0614

Jonathan Melmed
Melmed Law Group P.C.
1180 S Beverly Dr, Suite 610
Los Angeles, California 90035
Telephone: (310) 824-3828

Julian Hammond
HammondLaw, P.C.
11780 W Sample Rd, Suite 103
Coral Springs, Florida 33065-3141
Telephone: (310) 601-6766

32.2 To Defendant, to the attention of:

Aaron A. Buckley
Paul, Plevin, Sullivan, & Connaughton LLP
101 West Broadway, Ninth Floor
San Diego, California 92101
Telephone: (619) 237-5200

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

Plaintiffs and Class Representatives

Dated: _____, 2021 By: _____
Delfin Merlan

Dated: _____, 2021 By: _____
Jocelyn Tomaka

Dated: _____, 2021 By: _____
Dionne Maxwell

Dated: _____, 2021 By: _____
Jerome Crichton

Alliant International University, Inc.

Dated: May 21, 2021 By: 
Afshin Afrookhteh
General Counsel and Chief Compliance Officer

APPROVED AS TO FORM:

Counsel for Plaintiffs and Class Counsel

Dated: May 21, 2021

By:



Craig J. Ackermann
Ackermann & Tilajef, P.C.

Dated: May 24, 2021

By:



Jonathan Melmed
Melmed Law Group P.C.

Dated: May 24, 2021

By:



Julian Hammond
HammondLaw, P.C.

Counsel for Defendant

Dated: _____, 2021

By:

E. Joseph Connaughton
Aaron A. Buckley
Jennifer M. Fontaine
Paul, Plevin, Sullivan, & Connaughton LLP

APPROVED AS TO FORM:

Counsel for Plaintiffs and Class Counsel

Dated: _____, 2021 By: _____
Craig J. Ackermann
Ackermann & Tilajef, P.C.

Dated: _____, 2021 By: _____
Jonathan Melmed
Melmed Law Group P.C.

Dated: _____, 2021 By: _____
Julian Hammond
HammondLaw, P.C.

Counsel for Defendant

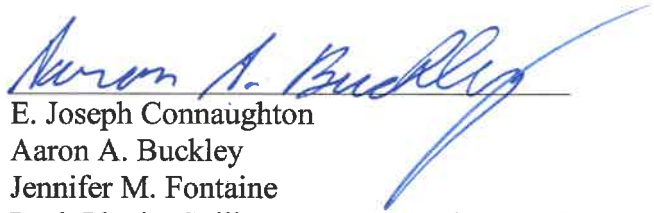
Dated: MAY 21, 2021 By: 
E. Joseph Connaughton
Aaron A. Buckley
Jennifer M. Fontaine
Paul, Plevin, Sullivan, & Connaughton LLP

EXHIBIT A

Merlan, et al. v. Alliant International University, Inc.
Case No. 37-2019-00064053-CU-OE-CTL
Superior Court of California, County of San Diego

If you worked for Alliant International University, Inc. as an adjunct instructor or part-time lecturer in California at any time between December 2, 2015 and December 31, 2019, you are entitled to receive money from a class action settlement.

*The Superior Court of California, County of San Diego, authorized this Class Notice.
This is not a solicitation from a lawyer.*

PLEASE READ THIS CLASS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED BY IT.

- The settlement resolves a class-action lawsuit, *Merlan, et al. v. Alliant International University, Inc.* (the “Lawsuit”), which alleges Alliant International University, Inc. (“Defendant”): (1) failed to pay Class Members minimum wages for all hours worked, (2) failed to provide Class Members legally-compliant rest periods and/or pay missed rest period premiums, (3) failed to provide Class Members legally-compliant meal periods and/or pay missed meal period premiums, (4) failed to reimburse Class Members for necessary business expenses, (5) failed to pay Class Members waiting time penalties, (6) engaged in unfair competition, and (7) failed to issue Class Members legally-compliant itemized wage statements.
- The court has not made any determination of the validity of the claims in the Lawsuit. Defendant vigorously denies the claims in the Lawsuit and contends that it fully complied with all applicable laws.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING AND RECEIVE PAYMENT	Get a payment, and give up your legal rights to pursue claims released by the settlement of the Lawsuit.
OPT OUT OF THE SETTLEMENT	Exclude yourself from the settlement, retain your legal rights to pursue claims that would otherwise be released by the settlement of the Lawsuit, except that you will receive payment for the release of your PAGA Penalties whether or not you exclude yourself
OBJECT TO THE SETTLEMENT	If you do not opt out, you may write to the Settlement Administrator, Simpluris, Inc. about why you object to the settlement and they will forward your concerns to counsel which will then be provided to the court. If the court approves the settlement despite your objection, you will still be bound by the settlement. If you timely object, you or your attorney may also address the court during the Final Approval hearing scheduled for DATE AND TIME in Department C-72 of the San Diego County Superior Court.

- The Settlement Fund will be used to settle claims of all Class Members. The amount of Class Members' individual settlements will be determined by the number of paychecks issued between December 2, 2015 and October 31, 2020. Class Members who receive individual settlement payments will release certain claims arising during the Class Period (defined as December 2, 2015 to December 31, 2019); the Wage Statement Class Period (defined as October 16, 2019 to October 31, 2020) and the PAGA Period (which is coextensive with the Wage Statement Class Period).
- The court has preliminarily approved this settlement. A Final Approval Hearing addressing the fairness, adequacy, and reasonableness of the settlement will be held on [FINAL APPROVAL HEARING DATE] to determine whether the settlement should receive the court's final approval.
- Lawyers for the Class Members will be asking the court to approve a settlement in the total amount of \$711,500. They will also ask the court to award one-third of that amount (\$237,167) to be paid out of the settlement as attorneys' fees for investigating the facts, litigating the case, and negotiating the settlement, as well as reasonable costs not to exceed \$20,000 incurred during the case. They will also ask the court to approve incentive payments of up to \$5,000 for three named Plaintiffs and up to \$2,500 for the fourth named Plaintiff (a total of \$17,500 for all four Plaintiffs) who assisted in litigating this case for the benefit of all Class Members and for also providing a general release of claims.
- Any questions? Read on or visit www. .com.

BASIC INFORMATION

1. Why did I get this Class Notice package?

Defendant's records show that you worked for Defendant in as an adjunct professor or part-time lecturer in California at some point between December 2, 2015 and December 31, 2019. You were sent this Class Notice because you have a right to know about a proposed settlement of a class action lawsuit, and about all of your options before the court decides whether to finally approve the settlement. If the court approves the settlement and then any objections and appeals are resolved, a "Settlement Administrator" appointed by the court will make the payments described in this Notice. This Notice explains the Lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

2. What is this Lawsuit about?

Plaintiffs in this Lawsuit, Delfin Merlan, Jocelyn Tomaka, Dionne Maxwell and Jerome Crichton, alleged that during the Class Period, Defendant violated California law by failing to pay Class Members for all hours worked, failed to provide Class Members legally-compliant rest periods and/or pay missed rest period premiums, failed to provide Class Members legally-compliant meal periods and/or pay missed meal period premiums, failed to reimburse Class Members for necessary business expenses, failed to pay Class Members waiting time penalties, engaged in unfair competition, and failed to issue Class Members legally-compliant itemized wage statements. Plaintiffs also allege that during the Wage Statement Class Period, Defendant failed to issue Class Members accurate wage statements. Defendant denies all these allegations and contends that Plaintiffs' claims have no merit whatsoever. A copy of the most recent version of the Complaint may be found at www. .com.

3. Why is this a class action?

In a class action, one or more people called Class Representatives make allegations on behalf of other people whom they allege have similar claims. All these people comprise a Class and are referred to as Class Members, except those who decide to exclude themselves from the Class. One court resolves the issues for all Class Members.

4. Why is there a settlement?

The Parties disagree on the probable outcome of the case with respect to liability and damages. Plaintiffs believe the claims asserted against Defendant are valid and could be proven if the case went to trial. Defendant believes Plaintiffs' claims have no merit and that they would not prevail if the case went to trial. Defendant further contends that, other than in the context of this settlement, the case is not suitable for class treatment. The court has not decided in favor of Plaintiffs or Defendant. There has been no trial in this case. Instead, both sides recognize the risks, expenses, and disruption that are associated with continued litigation, and they have therefore chosen to resolve their differences by entering into a settlement. The parties entered into this settlement after arms-length negotiations while using the services of an experienced and neutral mediator. Plaintiffs and the lawyers who represent them ("Class Counsel") believe that this settlement is fair and reasonable and is in the best interests of all Class Members.

5. What is a class action settlement?

The court must approve the terms of the settlement described below as fair and reasonable to the class. Once approved, the settlement will affect all Class Members except those who choose to opt out. This Class Notice explains your legal rights, the terms of the settlement, what you must do to participate, and the amount of money you may get. Please read this entire Class Notice carefully.

6. How do I know if I am a Class Member?

If you fit the following description then you are a Class Member: Individuals who worked for Alliant International University, Inc. as adjunct professors or part-time lecturers in California at any time between December 2, 2015 and December 31, 2019.

7. Are there exceptions to being included?

You are not a Class Member if you were not employed by Defendant as an adjunct professor or part-time lecturer in California during the Class Period. Even if you fit that description, you can choose to be excluded from the settlement by opting out of the settlement, in which case you will not be a Class Member.

8. I'm still not sure if I am a Class Member. What should I do?

You may contact the Settlement Administrator for further information, or you may also contact Class Counsel at the phone numbers provided in Section 22 of this Notice. Or, you can do nothing, and if you are entitled to a payment you will be paid. Be mindful, however, that if this Class Notice reaches you and the address where you now live is different, you should contact the Settlement Administrator and provide updated information so that any future correspondence or the settlement check itself reaches you and is not returned as an address unknown.

9. What does the settlement provide?

The Parties have agreed to settle the Lawsuit for a "Gross Settlement Amount" of Seven Hundred Eleven Thousand Five Hundred Dollars (\$711,500) on a non-reversionary basis. This means that the entire Gross Settlement Amount will be paid out, subject to various court-approved deductions listed below in this Section. In addition to the Gross Settlement Amount, Defendant will bear all employer-side payroll tax payments due and payable to federal and state tax authorities as a result of the settlement. The Gross Settlement Amount shall be deemed in satisfaction of claims for: (1) unpaid wages, rest period premiums, meal period premiums, unreimbursed business expenses, penalties, interest,

CLASS NOTICE

PAGE 3 OF 7

QUESTIONS? VISIT WWW.CLASSNOTICE.COM OR CALL <<SETTLEMENT ADMINISTRATOR>> AT

and/or other amounts to be paid to Class Members; (2) attorneys' fees not to exceed one-third of the Gross Settlement Amount (\$237,167) and costs of Class Counsel not to exceed \$20,000; (3) service payments to Plaintiffs not to exceed \$5,000 total to Plaintiffs Merlan, Tomaka, and Crichton, and \$2,500 to Plaintiff Maxwell; (4) all costs of third-party settlement administration not expected to exceed \$13,000; and (5) payment to the California Labor and Workforce Development Agency (LWDA) of \$15,000 as its share of the PAGA Penalties.

10. How was payment calculated?

The funds payable to Class Members will be divided up pro rata using the following formula:

From the Gross Settlement Amount, payments will be made to the Class Counsel, the Class Representatives, the Settlement Administrator, and the LWDA. What remains after these payments are made is called the "Net Settlement Amount," depending on the final court-approved deductions as discussed above. The Net Settlement Amount shall be paid pro rata to each Class Member based on the number of paychecks issued to them during the period from December 2, 2015 through December 31, 2019. The paychecks issued to Class Members between January 1, 2020 and October 31, 2020 will be given half of the value of paychecks issued prior to January 1, 2020. The reason for this is that as of January 1, 2020, Defendant changed its classification policies and practices that Plaintiffs challenged in this case including reclassifying part-time adjunct instructors as non-exempt and paying them hourly. Therefore, the only claims that you are releasing between January 1, 2020 and October 31, 2020 are claims for inaccurate wage statements, and claims for PAGA civil penalties based on that alleged violation.

In addition, the \$5,000 of the PAGA Penalties allocated to the Class shall be paid pro rata to each Settlement Class Member based on the number of paychecks issued to them during the period from October 16, 2019 through October 31, 2020, as a percentage of the paychecks issued to all Class Members during the same period. You will receive this payment whether or not you exclude yourself from the Settlement.

11. How Much will I get from the settlement?

Defendant's records indicate that you had << >> paychecks issued to you as an adjunct professor or part-time lecturer during the period from December 2, 2015 through December 31, 2019, and << >> paychecks were issued during the period from January 1, 2020 through October 31, 2020. Based on these records, your estimated payment as a Class Member is \$<<EstimatedAward>>. Defendant's records also indicate that during the period from October 16, 2019 through October 31, 2020 << >> paychecks were issued to you. Based on these records, your estimated share of the PAGA Penalties is \$<<Estimated PAGA Award>>.

Class Members who do not opt-out will be paid out of the Net Settlement Amount except for your share of PAGA Penalties which you will receive whether or not you exclude yourself from the Settlement. One-third of each Settlement Payment will be designated for alleged unpaid wages, for which an IRS Form W-2 shall be issued. Two-thirds of each Individual Settlement Payment will be designated for interest and penalties for which portions an IRS Form 1099 shall be issued where required by law.

If you believe you had a different number of paychecks issued to you than the number referenced above, you may dispute your calculation by providing written documentation to the Settlement Administrator supporting your position on or before [RESPONSE DEADLINE]. Your dispute must contain: your full name, address, signature, and last four digits of your Social Security number; and any facts supporting your dispute, along with any supporting materials confirming that the paychecks attributed to you are incorrect. If you do not dispute your paychecks calculation and do not opt out of the settlement, you will be bound by the settlement and will receive a settlement payment. The Settlement Administrator's determination of disputes will be final and non-appealable. **In other words, if you are a Class Member, you do not need to take any action to receive the settlement payment set forth above.**

12. When will I get my payment?

As set forth in Section 18, below, the court will hold a hearing on [DATE OF FINAL APPROVAL] to decide whether to approve the settlement. If the court approves the settlement, after that there may be appeals if anyone has filed a timely objection. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the settlement, you may call the Settlement Administrator at XXX-XXX-XXXX, or contact Class Counsel (see Question 22 for contact info.). *Please be patient.*

13. What claims am I releasing?

Class Members who participate in the Settlement will release Defendant, and all of its predecessors, successors, affiliates, subsidiaries, and related entities, and its and their respective regents, officers, directors, employees, administrators, fiduciaries, trustees, agents, and benefit plans ("Released Parties") from any and all claims which are alleged, or could reasonably have been alleged based on the facts and claims asserted in the operative Complaint, and arising during the Class Period (defined as December 2, 2015 through December 31, 2019) including without limitation claims under Labor Code §§ 201, 202, 203, 204, 210, 226(a), 226(e), 226.2(a), 226.3, 226.7, 512, 1194, 1194.2, 1197, 2802, IWC Wage Order No. 4-2001 sections 4, 11, and 12, as well as any PAGA civil penalty claims predicated on the claims alleged in the Complaint under the Labor Code Private Attorneys General Act of 2004 (Labor Code Section 2698 *et seq.*) arising during the period from October 16, 2019 through December 31, 2019. If you worked between January 1, 2020 and October 31, 2020, then you are also releasing all claims under Labor Code §§ 226(a)(9) that were alleged, or could have been alleged based on the facts included in the operative Complaint and arising between January 1, 2020 and October 31, 2020; and claims for PAGA Penalties based on these claims and arising between and January 1, 2020 and October 31, 2020.

14. Do I have a lawyer in this case?

The court has appointed Class Counsel to represent you and all the other Class Members in this action. Class Counsel will be compensated from the Gross Settlement Amount as discussed in this Class Notice. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel will ask the court to approve payment of \$237,167 (i.e., one-third of the Gross Settlement Amount) to them for attorneys' fees, as well as costs in an amount not to exceed \$20,000. The fees will pay Class Counsel for investigating the facts, litigating the case, and negotiating and finalizing the settlement. Defendant has agreed not to oppose Class Counsel's application for these fees and expenses. The court may choose to award less than the amount requested by Class Counsel. All other payments to the Plaintiffs, to the Settlement Administrator, and to the LWDA also come from the balance of the Gross Settlement.

16. How can I opt out of this settlement?

You can opt out of this settlement and retain your rights. To do so, you must prepare and submit in writing your signed and dated statement that you want to be excluded from the settlement. You must include your full name, signature, address and last four digits of your social security number; the name of the case and the case number, and a clear statement that you seek to be excluded from the Settlement. Your written statement must be mailed to the Settlement Administrator, Simpluris, Inc. and be postmarked no later than [RESPONSE DEADLINE], or it will not be considered and you will still remain a Settlement Class Member, and be bound by the settlement. Simpluris, Inc.'s address is listed in section 23, below.

The release of PAGA claims is binding on you whether or not you opt-out and you will receive your share of the PAGA penalties regardless of whether or not you opt out.

17. How do I tell the court that I do not agree with the settlement?

If you do not opt out, you can object to the settlement if you do not agree with it. You should give reasons why you think the court should not approve the settlement and the court will consider your views. To object, and to have the court hear your views, you should send a letter saying that you object to the settlement and give your reasons. Be sure to include your name, address and last four digits of your social security number, case name and number, and provide both the legal and the factual reasons you object to the settlement, and indicate whether you intend to appear at the Final Approval Hearing. Your objection is to be mailed to the Settlement Administrator, Simpluris, Inc. and must be postmarked no later than **[RESPONSE DEADLINE]**. Simpluris, Inc.'s address is listed in section 23, below.

The court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you are not required to attend the hearing.

18. When and where will the court decide whether to approve the settlement?

The court will hold a Final Approval Hearing on **[DATE OF FINAL APPROVAL HEARING]** in Department C-72 of the San Diego County Superior Court. At this hearing the court will consider whether the settlement is fair, reasonable, and adequate. If there are objections and they have been properly lodged, the court will consider them. The judge will listen to people who attend the hearing and who do not opt out. The court may also decide how much to pay to Class Counsel. At or after the hearing, the court will decide whether to approve the settlement. We do not know how long this decision will take.

19. Do I have to come to the hearing?

No. Class Counsel will answer any questions that the judge may have. But, you are welcome to come at your own expense. If you sent an objection, you do not have to come to the hearing to talk about it. As long as you mailed your written objection on time, the court will consider it. You may also pay your own lawyer to attend, but that is not required.

20. May I speak at the hearing?

If you wish to speak at the Final Approval Hearing you may attend. You cannot speak at the hearing if you have excluded yourself from the settlement.

Due to the COVID-19 pandemic, hearings are currently being conducted remotely with the assistance of a third-party service provider, CourtCall. Class members who wish to appear at the final fairness hearing should arrange a telephonic appearance through CourtCall, at least three days before the hearing if possible.

21. What happens if I do nothing at all?

You will be a member of the settlement class. You will be bound by the release as set forth under question 13. Once the Settlement is finally approved by the court, and the necessary deadlines have passed, you will be mailed your settlement check.

GETTING MORE INFORMATION

22. Are there more details about the settlement?

This Class Notice summarizes the proposed settlement. You may call or contact the Settlement Administrator or Class Counsel if you would like more information about the case. The pleadings and other records in this litigation, including the Settlement Agreement, may be also obtained on the settlement website here: [url.com](#). The pleadings and other records in this litigation may be examined online on the San Diego County Superior Court's website, at <https://roa.sdcourt.ca.gov/roa/>. After arriving at the website, enter the case year (2019) and the case number (64053) as the case number and click 'SEARCH.' Images of every document filed in the case may be purchased at a minimal charge. Class Counsel may be reached at:

ACKERMANN & TILAJEF, P.C. Craig J. Ackermann 1180 S Beverly Drive, Suite 610 Los Angeles, California 90035 Tel: (310) 277-0614 Fax: (310) 277-0635	MELMED LAW GROUP P.C. Jonathan Melmed 1180 S Beverly Drive, Suite 610 Los Angeles, California 90035 Tel: (310) 824-3828 Fax: (310) 862-6851	HAMMONDLAW, P.C. Julian Hammond 11780 W Sample Rd, Suite 103 Coral Springs, FL 33065-3141 Tel: (310) 601-6766 Fax: (310) 295-2385
---	--	--

23. How do I get more information?

You may visit [www. .com/Case-information](#), call the Settlement Administrator at , call Class Counsel above, or write to the Settlement Administrator at .

PLEASE DO NOT CONTACT THE COURT OR ALLIANT INTERNATIONAL UNIVERSITY WITH INQUIRIES.

EXHIBIT 2

Approved California Wage and Hour Cases

- ***Peng v The President and Board of Trustees of Santa Clara College***, Case No. 19CV348190 (Santa Clara County Superior Court) (April 21, 2021) (certifying HammondLaw as class counsel for \$1,900,000 settlement of Labor Code §§ 1194, 226(a), 226.2, 226.7, and 203 claims on behalf of approximately 1,017 adjunct instructors and Labor Code Code § 226(a) claim on behalf of 5,102 other employees);
- ***Morse v Fresno Pacific University***, Case No. 19-CV-04350 (Merced County Superior Court) (April 6, 2021) (certifying HammondLaw as class counsel for \$1,534,725 settlement of Labor Code §§ 1194, 226(a), 226.2, 226.7, 512 and 203 claims on behalf of approximately 861 adjunct instructors);
- ***Miner, et al. v. ITT Educational Services, Inc.***, Case No. 3:16-cv-04827-VC (N.D. Cal.) (March 19, 2021) (certifying HammondLaw as class counsel for \$5.2 million settlement of Labor Code §§ 1194, 226(a), 226.2, 226.7, 512 and 2802 claims on behalf of approximately 1,154 adjunct instructors);
- ***Harris-Foster v. University of Phoenix***, Case No. RG19019028 (Alameda County Superior Court, March 17, 2021) (certifying HammondLaw as class counsel for \$2,863,106 settlement of Labor Code §§ 1194, 226(a), 226.2, 226.7 and 2802 putative class action on behalf of approximately 3,447 adjunct instructors);
- ***Granberry v. Azusa Pacific University***, Case No. 19STCV28949 (Los Angeles County Superior Court, March 5, 2021) (certifying HammondLaw as class counsel for \$1,112,100 settlement of Labor Code §§ 1194, 226(a), 226.2, 226.7 and 2802 claims on behalf of approximately 1,962 adjunct instructors);
- ***Ott v. California Baptist University***, Case No. RIC1904830 (Riverside County Superior Court, January 26, 2021) (certifying HammondLaw as co-class counsel for \$700,000 settlement of Labor Code §§ 1194, 226(a), 226.2, 226.7 and 512 claims on behalf of approximately 958 adjunct instructors);
- ***Pereltsvaig v. Cartus Corporation***, Case No. 19CV348335 (Santa Clara County Superior Court, January 13, 2021) (certifying HammondLaw as class counsel in \$300,000 settlement of Labor Code §§ 226.8(a), 1194, 226(a), 226.7, 510, 512, and 2802 claims on behalf of 126 instructors);
- ***Morrison v. American National Red Cross***, Case No. 19-cv-02855-HSG (N.D. Cal., January 8, 2021) (certifying HammondLaw as class counsel in a \$377,000 Settlement of Labor Code §§ 1194, 226(a), 226.7, 510, 512 and 2802 claims on behalf of 377 instructors who taught training courses);
- ***Brown v. Cernx and Amazon***, Case No. JCCP004971 (Cal. Sup. Ct. Alameda Cty. July 14, 2020) (certifying HammondLaw as co-class counsel in \$350,000 settlement of Labor Code §§ 1194, 226, 226.7, 510, 512, and 2802 claims on behalf of approximately 309 couriers);
- ***Stempien v. DeVry University***, Case No. RG19002623 (Cal. Sup. Ct. Alameda Cty. June 30, 2020) (certifying HammondLaw as class counsel for

**JULIAN A. HAMMOND
HAMMONDLAW. P.C.**

11780 W Sample Rd. Suite 103, Coral Springs, FL 33065
jhammond@hammondlawpc.com 310-610-6766

\$1,364,880 settlement Labor Code §§ 1194, 226, 226.2, 226.7, and 2802 claims on behalf of approximately 498 adjunct instructors);

- **McCoy v. Concorde.**, Case No. 30-2017-00936359-CU-OE-CXC (Cal. Sup. Ct. Orange Cty. July 2, 2019) (certifying HammondLaw as class counsel for \$2,500,000 settlement of Labor Code §§ 1194, 226, 226.7, and 512 putative claims on behalf of approximately 636 adjunct instructors);
- **Hogue v. YRC**, Case No. 5:16-cv-01338 (C.D. Cal. June 24, 2019) (certifying HammondLaw and A&T as co-class counsel for \$700,000 settlement of Labor Code §§ 1194, 226.2, 226.7, and 2802 claims on behalf of approximately 225 truck drivers);
- **Sands v. Gold's Gym**, Case No. BC660124 (Cal. Sup. Ct. Los Angeles Cty. March 20, 2019) (Labor Code § 2698 *et seq.* representative action settlement for \$125,000 for violation of Labor Code § 1194, 2802 and 246 *et seq.* claims on behalf of 106 fitness instructors);
- **Garcia v. CSU Fullerton.**, Case No. 30-2017-00912195-CU-OE-CXC (Cal. Sup. Ct. Orange Cty. February 15, 2019) (certifying HammondLaw as class counsel for \$330,000 settlement of Labor Code §§ 1194, 226, 226.7, and 512 claims on behalf of approximately 127 adjunct instructors);
- **Pereltsvaig v. Stanford**, Case No. 17-CV-311521 (Cal. Sup. Ct. Santa Clara Cty. January 4, 2019) (certifying HammondLaw as class counsel for \$886,890 settlement of Labor Code §§ 1194, 226, 226.7, 512, 2802 and 2699 claims on behalf of approximately 398 adjunct instructors);
- **Moss et al. v. USF Reddaway, Inc.**, Case No. 5:15-cv-01541 (C.D. Cal. July 25, 2018) (certifying HammondLaw and A&T as co-class counsel for \$2,950,000 settlement of Labor Code §§ 1194, 226, 226.7, and 201-203 claims on behalf of approximately 538 truck drivers);
- **Beckman v. YMCA of Greater Long**, Case No. BC655840 (Cal. Sup. Ct. Los Angeles Cty. June 26, 2018) (Labor Code § 2698 *et seq.* representative action settlement for \$92,500 for violation of Labor Code § 1194 and 226(a) claims on behalf of approximately 101 fitness instructors);
- **Maldonado v. Heavy Weight Transport, Inc.**, Case No. 2:16-cv-08838 (C.D. Cal. December 11, 2017) (certifying HammondLaw and A&T as co-class counsel for \$340,000 settlement of Labor Code §§ 1194, 226, 226.2, 226.7, 226, 201-203, and 2699 claims on behalf of approximately 160 truck drivers);
- **Hillman v. Kaplan**, Case No. 34-2017-00208078 (Cal. Sup. Ct. Sacramento Cty. December 7, 2017) (certifying HammondLaw as class counsel for \$1,500,000 settlement of Labor Code §§ 1194, 226, 226.7, 201-203 and 2802 claims on behalf of approximately 500 instructors);
- **Bender et al. v. Mr. Copy, Inc.**, Case No. 30-2015-00824068-CU-OE-CXC (Cal. Sup. Ct. Orange Cty. October 13, 2017) (certifying HammondLaw and A&T as co-class counsel for \$695,000 settlement of Labor Code §2802 claims on behalf of approximately 250 outside sales representatives);

**JULIAN A. HAMMOND
HAMMONDLAW. P.C.**

11780 W Sample Rd. Suite 103, Coral Springs, FL 33065
jhammond@hammondlawpc.com 310-610-6766

- ***Rios v. SoCal Office Technologies***, Case No. CIVDS1703071 (Cal. Sup. Ct. San Bernardino Cty. September 6, 2017) (certifying HammondLaw and A&T as co-class counsel for \$495,000 settlement of Labor Code §2802 claims on behalf of approximately 180 outside sales representatives);
- ***Russell v. Young's Commercial Transfer, Inc.***, Case No. PCU265656 (Cal. Sup. Ct. Tulare Cty. June 19, 2017) (certifying HammondLaw and A&T as co-class counsel for \$561,304 settlement of Labor Code §§ 1194, 226, 226.2, and 201-203 claims on behalf of approximately 962 truck drivers);
- ***Keyes v. Valley Farm Transport, Inc.***, Case No. FCS046361 (Cal. Sup. Ct. Solano Cty. May 23, 2017) (certifying HammondLaw and A&T as co-class counsel for \$497,000 settlement of Labor Code § 226, 1194, 512 and 2698 *et seq.* claims on behalf of approximately 316 truck drivers);
- ***Numi v. Interstate Distributor Co.***, Case No. RG15778541 (Cal. Sup. Ct. Alameda Cty. March 6, 2017) (certifying HammondLaw and A&T as co-class counsel for \$1,300,000 settlement of Labor Code §§ 1194, 226.2 and 2802 claims on behalf of approximately 1,000 truck drivers);
- ***Keyes v. Vitek, Inc.***, Case No. 2016-00189609 (Cal. Sup. Ct. Sacramento Cty. February 17, 2017) (\$102,000 settlement of PAGA representative action for violation of Labor Code § 226.8 on behalf of 90 truck drivers);
- ***Martinez v. Estes West dba G.I. Trucking, Inc.***, Case. BC587052 (Cal. Sup. Ct. L.A. Cty., April 4, 2017) (certifying HammondLaw and A&T as co-class counsel for \$425,000 settlement of Labor Code §§ 1194, 226, and 201-203 claims on behalf of approximately 156 truck drivers);
- ***Sansinena v. Gazelle Transport Inc.***, Case No. S1500-CV- No 283400 (Cal. Sup. Ct. Kern Cty. December 8, 2016) (certifying HammondLaw and A&T as co-class counsel for \$264,966 settlement of Labor Code §§ 1194, 226, and 201-203 claims on behalf of approximately 314 truck drivers);
- ***Cruz v. Blackbelt Enterprises, Inc.***, Case No. 39-2015-00327914-CU-OE-STK (Cal. Sup. Ct. San Joaquin Cty. September 22, 2016) (certifying HammondLaw and A&T as co-class counsel for \$250,000 settlement of Labor Code §§ 1194, 226, and 201-203 claims on behalf of approximately 79 truck drivers);
- ***Araiza et al. v. The Scotts Company, L.L.C.***, Case No. BC570350 (Cal. Sup. Ct. L.A. Cty. September 19, 2016) (certifying HammondLaw and A&T as co-class counsel for \$925,000 settlement of Labor Code §226, 510, 512 and 2802 claims on behalf of approximately 570 merchandisers; and Labor Code 226(a) claims on behalf of approximately 120 other employees);
- ***Dixon v. Hearst Television, Inc.***, Case No. 15CV000127 (Cal. Sup. Ct. Monterey Cty. September 15, 2016) (certifying HammondLaw as class counsel for a \$432,000 settlement of Labor Code § 2802 claims on behalf of approximately 55 outside sales representatives);
- ***Garcia et al. v. Zoom Imaging Solutions, Inc.*** SCV0035770 (Cal. Sup. Ct. Placer Cty. September 8, 2016) (certifying HammondLaw and A&T as co-class counsel for \$750,000 settlement of Labor Code § 510, 512, 1194 and 2802

**JULIAN A. HAMMOND
HAMMONDLAW. P.C.**

11780 W Sample Rd. Suite 103, Coral Springs, FL 33065
jhammond@hammondlawpc.com 310-610-6766

claims on behalf of approximately 160 sales representatives and service technicians);

- ***O’Beirne et al. v. Copier Source, Inc. dba Image Source***, Case No. 30-2015-00801066-CU-OE-CXC (Cal. Sup. Ct. Orange Cty. September 8, 2016) (certifying HammondLaw and A&T as co-class counsel for \$393,300 settlement of Labor Code §2802 claims on behalf of approximately 132 outside sales representatives);
- ***Mead v. Pan-Pacific Petroleum Company, Inc.***, Case No. BC555887 (Cal. Sup. Ct. L.A. Cty. August 30, 2016) (certifying HammondLaw and A&T as co-class counsel for \$450,000 settlement of Labor Code §§ 1194, 226, and 201-203 claims on behalf of approximately 172 truck drivers);
- ***Lange v. Ricoh Americas Corporation***, Case No. RG136812710 (Cal. Sup. Ct. Alameda Cty. August 5, 2016) (certifying HammondLaw as co-class counsel for \$1,887,060 settlement of Labor Code § 2802 claims on behalf of approximately 550 sales representatives);
- ***Alcazar v. US Foods, Inc. dba US Foodservice***, Case No. BC567664 (Cal. Sup. Ct. L.A. Cty. March 18, 2016) (certifying HammondLaw and A&T as co-class counsel for a \$475,000 settlement on behalf of approximately 634 truck drivers);
- ***Harris v. Toyota Logistics***, Case No. C 15-00217 (Cal. Sup. Ct. Contra Costa Cty. February 9, 2016) (certifying HammondLaw and A&T as co-class counsel for \$550,000 settlement reached on behalf of approximately truck 125 drivers);
- ***Albanes v. Premium Retail Services Inc.***, Case No. RG1577982 (Cal. Sup. Ct. Alameda Cty. January 29, 2016) (Private Attorney General Act Settlement for \$275,000 on behalf of approximately 38 employees);
- ***Garcia et al v. Sysco Los Angeles, et al.***, Case No. BC560274 (Cal. Sup. Ct. L.A. Cty. November 12, 2015) (certifying HammondLaw and A&T as co-class counsel for a \$325,000 settlement on behalf of approximately 500 truck drivers);
- ***Cooper et al. v. Savage Services Corporation, Inc.***, Case No. BC578990 (Cal. Sup. Ct. L.A. Cty. October 19, 2015) (certifying HammondLaw and A&T as co-class counsel for \$295,000 settlement on behalf of approximately 115 truck drivers);
- ***Gallardo et al. v. Canon Solutions America, Inc.***, Case No. CIVDSS1500375 (Cal. Sup. Ct. San Bernardino Cty. August 5, 2015) (certifying HammondLaw and A&T as co-class counsel for \$750,000 settlement on behalf for approximately 320 outside sales representatives);
- ***Glover v. 20/20 Companies, Inc.***, Case No. RG14748879 (Cal. Sup. Ct. Alameda Cty. August 3, 2015) (Private Attorney General Act Settlement for \$475,000 on behalf of approximately 273 independent contractors);
- ***Mayton et al v. Konica Minolta Business Solutions USA, Inc.***, Case No. RG12657116 (Cal. Sup. Ct. Alameda Cty. June 19, 2015) (certifying

**JULIAN A. HAMMOND
HAMMONDLAW. P.C.**

11780 W Sample Rd. Suite 103, Coral Springs, FL 33065
jhammond@hammondlawpc.com 310-610-6766

HammondLaw as co-class counsel for \$1,225,000 settlement on behalf for approximately 620 outside sales representatives);

- ***Garza, et al. v. Regal Wine Company, Inc. & Regal III, LLC***, Case No. RG12657199 (Cal. Sup. Ct. Alameda Cty. February 21, 2014) (certifying HammondLaw as class counsel for \$1.7 million settlement on behalf of approximately 317 employees);
- ***Moy, et al. v. Young's Market Co., Inc.***, Case No. 30-2011-00467109-CU-OE-CXC (Cal. Sup. Ct. Orange Cty. November 8, 2013) (certifying HammondLaw as co-class counsel for \$2.3 million settlement on behalf of approximately 575 sales representatives);
- ***Gagner v. Southern Wine & Spirits of America, Inc.***, Case No. 3:10-cv-10-04405 JSW (N.D. Cal. December 11, 2012) (certifying HammondLaw as co-class counsel for \$3.5 million settlement reached on behalf of approximately 870 sales representatives);
- ***Downs, et al. v. US Foods, Inc. dba US Foodservice***, Case No. 3:10-cv-02163 EMC (N.D. Cal. September 12, 2012) (certifying HammondLaw as co-class counsel for \$3 million settlement reached on behalf of approximately 950 truck drivers);

Settled California Consumer Cases

- ***Siciliano et al. v. Apple***, Case No. 1-13-cv-257676 (Cal. Sup. Ct. Santa Clara Cty. November 2, 2018) (approving \$16,500,000 settlement of Cal. Bus. Prof. Code §§ 17603, 17200, and 17535 claims on behalf of 3.9 million California subscribers to Apple InApp subscriptions);
- ***In re Ashley Madison Customer Data Security Breach Litigation***, Case No. 4:15-cv-02669 JAR (E.D. Mis. November 20, 2017) (HammondLaw appointed to the executive committee in \$11.2 million settlement on behalf of 39 million subscribers to ashleymadison.com whose information was compromised in the Ashley Madison data breach);
- ***Gargir v. SeaWorld Inc.***, Case No. 37-2015-00008175-CU-MC-CTL (Cal. Sup. Ct. San Diego Cty. October 21, 2016) (certifying HammondLaw and Berman DeValerio as co-class counsel in \$500,000 settlement of Cal. Bus. Prof. Code §§ 17603, 17200, and 17535 claims class action on behalf of 88,000 subscribers to SeaWorld's annual park passes);
- ***Davis v. Birchbox, Inc.***, Case No. 3:15-cv-00498-BEN-BGS (S.D. Cal. October 14, 2016) (certifying HammondLaw and Berman DeValerio as co-class counsel in \$1,572,000 settlement of Cal. Bus. Prof. Code §§ 17603, 17200, and 17535 claims on behalf of 149,000 subscribers to Birchbox's memberships);
- ***Goldman v. LifeLock, Inc.*** Case No. 1-15-cv-276235 (Cal. Sup. Ct. Santa Clara Cty. February 5, 2016) (certifying HammondLaw and Berman DeValerio as co-class counsel in \$2,500,000 settlement of Cal. Bus. Prof. Code

**JULIAN A. HAMMOND
HAMMONDLAW. P.C.**

11780 W Sample Rd. Suite 103, Coral Springs, FL 33065
jhammond@hammondlawpc.com 310-610-6766

§§ 17603, 17200, and 17535 claims on behalf of 300,000 California subscribers to Lifelock's identity protection programs); and

- ***Kruger v. Kiwi Crate, Inc.*** Case No. 1-13-cv-254550 (Cal. Sup. Ct. Santa Clara Cty. July 2, 2015) (certifying HammondLaw as class counsel in \$108,000 settlement of Cal. Bus. Prof. Code §§ 17603, 17200, and 17535 claims on behalf of 5,400 California subscribers to Kiwi Crate's subscriptions).