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Attorneys for Plaintiffs,
Paula Catalina Correa Campos and
Agatha Maher

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN FRANCISCO**

PAULA CATALINA CORREA
CAMPOS and AGATHA MAHER,
individually and on behalf of all others
similarly situated,

Plaintiffs,

v.

INTERNATIONAL TRAINING
& EXCHANGE, INC. d/b/a
AUPAIRCARE, INC. a California
Company,

Defendant.

CASE NO.: CGC-21-590812

**DECLARATION OF PETER RUKIN IN
SUPPORT OF PLAINTIFFS' MOTION
FOR APPROVAL OF PRIVATE
ATTORNEY GENERAL ACT
SETTLEMENT**

*[Concurrently filed with Plaintiffs' Notice of
Motion and supporting papers]*

Date: June 9, 2023
Time: 2:30 p.m.
Dept.: 304

1 I, Peter Rukin, declare as follows:

2 1. I am a member of the Bar of the State of California and am admitted to practice
3 before this Court. I am a partner in the law firm of Rukin Hyland & Riggin LLP, co-counsel for
4 Plaintiffs in this action. I make this declaration in support of Plaintiffs' Motion for Approval of
5 Private Attorney General Act Settlement. I have personal knowledge of the facts set forth in this
6 declaration and, if called upon to do so, could and would testify competently thereto, except
7 where I make a statement on information and belief, in which case I am informed and believe the
8 statement to be true.

9 **Background**

10 2. The following is a brief description of my professional background. I am a 1991
11 graduate of New York University School of Law. Following graduation from law school, I
12 served as a law clerk to U.S. District Court Judge Harry D. Leinenweber in Chicago. Thereafter,
13 I practiced law at employment law firms in Chicago (Stowell & Friedman) and New York
14 (Vladeck Waldman Elias & Engelhard), representing employees in individual and class action
15 cases, and served as an Assistant Corporation Counsel for the City of Chicago Law Department.
16 I also served as Of Counsel in the Employment Law Department at Paul, Hastings, Janofsky &
17 Walker in San Francisco, where from January 2000 until March 2003 I represented employers in
18 a wide array of complex employment matters. Since forming my own firm in April 2003, I have
19 represented employees in individual, PAGA, class action, and collective action lawsuits.

20 3. Since 2003, the following are some of the cases in which my firm has been
21 appointed class or PAGA counsel: *Merante v. American Institute for Foreign Study* (N.D. Cal.
22 Case No. 3:21-cv-03234-EMC) (motion for approval of PAGA settlement involving au pairs);
23 *Fleming v. Matco* (N.D. Cal. Case No. 3:19-cv-00463-WHO) (Plaintiff's contested motion for
24 class certification in independent contractor misclassification case); *Alfred v. Pepperidge Farm*
25 (C.D. Cal. Case No. 2:14-cv-07086-JAK) (contested motion for class certification in independent
26 contractor misclassification case involving distributors); *Moore v. California Department of*
27 *State Hospitals* (Los Angeles Superior Case No. 19STCV16858) (certification of settlement class
28 in wage and hour case on behalf of civil detainees); *Hernandez v. Dutton Ranch*, (N.D. Cal. Case

No. 19-cv-00817-EMC February 10, 2021) (approval of PAGA and FLSA settlement on behalf of farmworkers); *Richard v. Wells Fargo* (Alameda County Superior Case No. JCCP004821) (certification of settlement class); *McNeal v. RCM Technologies* (C.D. Cal. Case No. 2:16-cv-05170-ODW-SS) (certification of settlement class in wage and hour action); *O'Donovan v. CashCall, Inc.* (San Mateo County Superior Court Case No. 19-CIV-01235) (contested class certification motion in consumer class action); *Trelles v. Academy of Art University* (San Francisco Superior Court Case Nos. CGC-10-497727; CGC-11-509952) (certification of settlement class in wage and hour action); *Alvarez v. Farmers Insurance Exchange* (N.D. Cal. Case No. 3:14-CV-00574-WHO) (certification of settlement class); *Jones v. Canon Business Solutions* (C.D. Cal. Case No. 2:12-cv-07195-JAK-JEM) (certification of settlement class in wage and hour action); *Kairy v. SuperShuttle* (N.D. Cal. Case No. 08-CV-02993 JSW) (certification of settlement class in wage and hour class action); *Pryor v. OAS*, JAMS Binding Arbitration No. 1100052926 (claimants' contested motion for class certification in wage and hour arbitration); *Fernandez v. KM Industries* (N.D. Cal. Case No. 4:06-cv-07339-CW) (plaintiffs' contested motion for class certification in ERISA action); *Flynn v. Angel Studios, Inc.* (San Diego Superior Court Case No. GIN 054909) (certification of settlement class in wage and hour action); *Broome v. Google, Inc.* (Santa Clara County Superior Court Case No. 1-08-CV-112386) (certification of settlement class in wage and hour action); *Martinez v. Bank of the West* (San Francisco Superior Court Case No. CGC-06-454959) (certification of settlement class in wage and hour action); *Krzesniak v. Cendant Corporation* (N.D. Cal. Case No. 3:05-cv-5156) (Plaintiff's contested motion for class certification in wage and hour action); *Torres v. ABC Security Service* (Alameda County Superior Court Case No. RG04158744) (Plaintiffs' contested motion for class certification in wage and hour action); *Wilson v. Sony Computer Entertainment America, Inc.* (San Mateo County Superior Court Case No. 444815) (certification of settlement class in wage and hour action); *Rodriguez v. PETCO Animal Supplies Stores, Inc.* (Santa Clara County Superior Court Case No. 1-06-CV-0060094) (certification of settlement class in wage and hour action); *Kohler v. Sierra Pacific Industries* (El Dorado County Superior Court Case No. PC20050094) (certification of settlement class in wage and hour action); *Qutami v. T-Mobile*

(Alameda County Superior Court Case No. RG04186460) (certification of settlement class in wage and hour action); *Goddard v Longs Drug Stores, California, Inc.* (Alameda County Superior Court Case No. RG04141291) (certification of settlement class in wage and hour action); *Gray v. ABC Security Service, Inc.* (Alameda County Superior Court Case No. RG04141422) (certification of settlement class in wage and hour action); *Sheppard v. The Davey Tree Expert Company* (San Francisco Superior Court Case No. CGC-03-426108) (certification of settlement class in wage and hour action); *McKenzie v. American Commercial Claims Administrators, Inc.*, (San Francisco Superior Court Case No. CGC-04-428807) (certification of settlement class in wage and hour action); and *Newman v. Kimpton Hotel & Restaurant Group, Inc.*, (San Francisco Superior Court Case No. CGC04429762) (certification of settlement class in wage and hour action).

4. In the fall of 2013, I served as co-lead counsel in a seven-week class arbitration involving claims by approximately 7,000 truck drivers who drove missions during the Iraq war for KBR and Halliburton.

5. I have written and spoken on employment law and litigation and have closely followed legal developments in the area. I have testified on employment law issues before the California legislature and a special committee of the UK Parliament. I am co-author of two chapters in the CEB practice manual California Wage and Hour Law and Litigation and have served as Revisions Editor for the wage and hour chapters of the Matthew Bender treatise California Employment Law. I am a past member of the State Bar of California Labor and Employment Section Executive Committee (2008-2011), past Chair (and current executive committee member) of the Bar Association of San Francisco Labor and Employment Section, and a Fellow in the College of Labor and Employment Lawyers. I am a panel mediator with both the Northern District of California and Alameda County Superior Court mediation programs.

The Litigation

6. I have been the partner at my firm responsible for the *Campos* case since its inception.

7. Plaintiffs submitted a letter to the LWDA on January 22, 2021 identifying the

1 alleged Wage Order and Labor Code violations. After receiving no response, they filed this
2 PAGA action on April 14, 2021.

3 8. AuPairCare filed an answer on June 14, 2021. On September 24, 2021, the Court
4 granted complex designation, and the initial case management conference was held on
5 November 2, 2021.

6 9. Thereafter, the parties engaged in substantial discovery. Plaintiffs requested and
7 reviewed documents produced by Defendants, including policy documents and voluminous
8 custodial ESI. Plaintiffs took a full day deposition of Sarah McNamara, Defendants' Senior Vice
9 President, on a number of topics.

10 10. On March 8, 2022, the Court granted Defendants' motion to stay proceedings
11 pending the United States Supreme Court's decision in the *Viking River* case.

12 **Settlement**

13 11. On July 28, 2022, the parties participated in a mediation with respected and
14 experienced employment mediator Jeffrey Krivis. The parties reached a settlement in principle
15 after a full day of mediation in August 2022. The parties continued their settlement discussions
16 over the following months until they arrived at a memorandum of understanding in November
17 2022 and eventually signed the long form settlement agreement now submitted for court
18 approval. A copy of the Agreement is attached as Exhibit 1.

19 12. Data produced by Defendants reflects that there are approximately 3,370 au pairs
20 in the PAGA Settlement Group.

21 13. Both Plaintiffs in this case signed arbitration agreements with Defendants.

22 14. At the point the parties reached a settlement in principle, no California Court of
23 Appeal had addressed the standing issues left unresolved in the United States Supreme Court's
24 *Viking River* decision.

25 15. Defendants raised numerous defenses to Plaintiffs' PAGA claims. Defendants
26 argued that Plaintiffs' PAGA claims were subject to individual arbitration and that, by virtue of
27 the arbitration agreements they signed, Plaintiffs lacked standing to pursue PAGA representative
28 claims in court litigation. Defendants also argued that they were not the employer of au pairs

1 under California law. And Defendants argued that federal regulations promulgated by the United
2 States Department of State preempt California wage and hour laws as applied to sponsor
3 agencies.

4 16. As far as Plaintiffs' counsel is aware, no court has ever found an au pair sponsor
5 agency like AuPairCare liable as an employer under the federal Fair Labor Standards Act or any
6 state law wage and hour regime.

7 17. Based on Plaintiffs' counsel's investigation and valuation, the maximum potential
8 recovery in this PAGA case could range anywhere between \$6,289,450 (for one initial violation)
9 to over \$100 million (for eight violations at a subsequent violation rate). However, Plaintiffs'
10 counsel believes there is an infinitesimal chance of an outcome at the high end of that range, and
11 we never calculated likely exposure using that assumption. Instead, we believe realistic exposure
12 in in the neighborhood of \$6 million to \$12.5 million, which approximates the value of a single
13 PAGA penalty for the core alleged minimum wage violation at an initial violation rate (with the
14 lower \$6 million figure assuming a 50% reduction under Labor Code Section 2699(e)(2) given
15 the absence of any prior authority holding sponsor agencies like AuPairCare to be employers of
16 au pairs).

17 18. Were the Court to find in favor of Defendants on any one of Defendants' three
18 primary defenses, Plaintiffs would recover nothing for the State of California or PAGA
19 aggrieved employees.

20 19. My firm and I have represented thousands of employees in dozens of wage/hour
21 class and PAGA actions like this one, and I believe that, based upon our significant experience
22 litigating wage and hour cases, the Settlement is an outstanding result. Although I believe that
23 the documents and testimony adduced in discovery supports Plaintiff's claims, I recognize that
24 the Court could find in favor of Defendants on any number of dispositive threshold issues. I also
25 recognize that AuPairCare retains various defenses to liability on the underlying substantive
26 claims, and that penalties have yet to be determined.

27 **Attorney's Fees and Costs**

28 20. It is Rukin Hyland & Rigglin LLP's practice to maintain contemporaneous records

of the time spent on a litigation matter, setting forth the amount of time spent (rounded to the nearest one- tenth of an hour) on each task and each case, and with explanatory statements regarding the task involved. I have reviewed the time logs for this matter and my office has categorized the time entries that were spent on this matter. Time logs reflect that, as of April 20, 2023, Rukin Hyland & Riggin LLP has spent a total of 86.6 hours litigating this matter. Specifically, Rukin Hyland & Riggin LLP's contemporaneous timekeeping systems through April 20, 2023 reflect the following time, hourly rates, and lodestar for the timekeepers listed below. At this firm's regular hourly rates, our lodestar as of April 30, 2023 is \$75,540.

<u>Timekeeper</u>	<u>Hourly Rate</u>	<u>Time</u>	<u>Lodestar</u>
Peter Rukin	\$900	82.6	\$1,200
Brigitte Butler (<i>paralegal</i>)	\$300	4	\$74,340
Grand Total	n/a	86.6	\$75,540

21. My office has categorized the time spent by this firm since the inception of the case as follows:

<u>Category</u>	<u>Time</u>	<u>Billable</u>
Case Management	13.2	\$11,880
Discovery	38.6	\$34,740
Drafting and Amending Pleadings	3.6	\$2,880
Research	3.6	\$3,240
Settlement	27.6	\$22,800
Grand Total	86.6	\$75,540

22. The time contained in Rukin Hyland & Riggin's time records reflect the exercise of billing judgment. There were numerous conversations, email exchanges, administrative, and other tasks that are not included in the above time.

23. If the Court wishes to review detailed time records, we are willing to submit them for in-camera review.

1 24. Following April 20, 2023, Rukin Hyland & Riggin LLP has spent additional time
2 drafting this motion for approval of PAGA settlement and expects to spend additional time on
3 settlement administrative and the distribution of settlement proceeds. These additional hours are
4 not reflected in either the hours described above or the lodestar calculation.

5 25. My current hourly rate is \$900 per hour. I charge my hourly rate to clients paying
6 on an hourly basis.

7 26. Rukin Hyland & Riggin LLP has, on a number of occasions, filed fee petitions
8 with courts throughout California. Courts have repeatedly approved fee petitions submitted by
9 our firm where we have requested an award of fees based on rates consistent with the current
10 hourly rates we have identified in Paragraph 18 above for the attorneys and paralegals who
11 worked on this case. In addition, these rates are consistent with the rates our firm charges both
12 employee and employer clients who retain our firm on an hourly basis.

13 27. Cases in which courts have approved our Firm's rates include the following:
14 *Merante v. American Institute for Foreign Study, Inc.* (N.D. Cal. Case No. 3:21-cv-03234-EMC
15 Dec. 20, 2022) (expressly approving my 2022 rate of \$900 per hour); *Fleming v. Matco Tools,*
16 *Inc.* (N.D. Cal. Case No. 3:19-cv-00463-WHO Apr. 29, 2022) (expressly finding that Rukin
17 Hyland & Riggin LLP's 2022 "hourly rates are reasonable given their experience, expertise, and
18 the prevailing rates for attorneys performing similar work"); *Kumar v. Fremont Toyota*
19 (Alameda Superior Ct. Case No. RG09490213 March 16, 2022) (approving award of attorney's
20 fees on contested fee motion following grant of motion for sanctions under Code of Civil
21 Procedure sections 1281.98 and 1281.99); *Alfred v. Pepperidge Farm* (C.D. Cal. Case No. 2:14-
22 cv-07086-JAK Mar. 4, 2022) (Dkt. 288 at 19) (expressly approving RHR 2021 rates as
23 reasonable); *Guerrero v. D&G Enterprises Inc. et al* (Alameda County Superior Ct. Case No.
24 RG62570) (approving an attorneys' fees request in a PAGA case based on our Firm's 2021
25 hourly rates); *McNeal v. RCM Technologies (USA), Inc.* (C.D. Cal. Case No. 2:16-cv-05170-
26 ODW-SS) (approved 2018 hourly rates); *Trelles v. Academy of Art University* (San Francisco
27 Superior Court Case Nos. CGC-10-497727; CGC-11-509952) (approving fees request based on
28 2017 rates); *Alvarez v. Farmers Insurance Exchange* (N.D. Cal. Case No. 3:14-cv-574-WHO)

(approving 2016 hourly rates); *Shaw v. Interthinx* (D. Colo. Case No. 13-cv-1229) (approving 2015 hourly rates); *Murie v. Mini-Stor Ventures et al.* (Marin Superior Court, Case No. CIV1300245) (approving 2015 hourly rates).

28. Rukin Hyland & Riggin LLP sets its billing rates based on a review of the rates charged by other plaintiffs' attorneys involved in complex litigation in the San Francisco Bay Area. I have reviewed and been informed of billing rates at several other firms based in Oakland and the Bay Area. For example, in 2018, I surveyed the rates of Bay Area employment attorneys in connection with a motion for attorneys' fees. The information gathered in this survey confirms that our rates were well within the range of rates charged by comparable attorneys in the San Francisco Bay Area market.

29. Based on my years of experience and knowledge of what other complex litigation attorneys charge, my hourly rate of \$900 is comparable to rates charged by other PAGA and class action employment firms in this market for attorneys with similar levels of experience.

30. Throughout this litigation, Plaintiffs' Counsel have dedicated substantial time and out-of-pocket costs to the litigation of this case and will continue to do so until the Settlement is approved and fully implemented. Plaintiffs' Counsel will continue to represent the interests of Plaintiffs, aggrieved employees, and the State of California's vigorously through the settlement approval process and will collaborate with the Settlement Administrator to ensure that the settlement administration goes smoothly and distribution occurs. The administrator, Analytics Consulting, LLC, has agreed to administer the settlement for a not-to-exceed charge of \$50,000. My firm and our co-counsel have both used Analytics Consulting LLC in the past and has found them to be professional, competent, and reasonably priced, particularly in cases involving transient and/or internationally-located aggrieved employees.

31. The costs expended to date by Rukin Hyland & Riggin LLP in this litigation total \$8,530.03, including costs for court fees/filing/service fees; court reporter fees and transcripts; legal research and copying charges; and mediation costs. Below is a summary of the costs Rukin Hyland & Riggin LLP has incurred in this matter as of April 20, 2023.

<u>Expense Category</u>	<u>Expenses Incurred</u>
Court fees/Filing/Service fee	\$373.60
Court Reporter Fees and Transcripts	\$2,675.95
Legal Research and Copying Charges	\$980.48
Mediation Costs	\$4,500
Total Costs:	\$8,530.03

32. My firm has not received reimbursement for any of the costs expended in this matter.

33. My firm has represented Plaintiffs and the State of California in this matter on a contingency fee basis and as such has incurred the risk of non-recovery despite significant investment of time and money. My firm's commitment to this litigation has also forced us to forego other legal engagements, including hourly work.

34. The years that Rukin Hyland & Riggan LLP committed to this case investigation and litigation limited our ability to take on other, potentially-profitable work.

35. On May 10, 2023, my office served a copy of the Settlement Agreement and Plaintiff's motion papers on the LWDA. The electronic submission is attached as Exhibit 2.

I declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct, executed on May 10, 2023 in Oakland, California.

/s/
Peter Rukin

PROOF OF SERVICE
STATE OF CALIFORNIA

I am employed in the County of Alameda, State of California; I am over the age of 18 years and not a party to the within entitled action; my business address is 1939 Harrison Street, Suite 925, Oakland, California 94612.

On May 10, 2023, I served the foregoing documents, described as:

**• DECLARATION OF PETER RUKIN IN SUPPORT OF PLAINTIFFS' MOTION
FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT**

on the interested parties to said action by the following means:

☐	(By Mail) By placing the document(s) listed above in a sealed envelope with postage thereon fully prepaid, in the United States Mail at Oakland, California addressed as set forth below.
☐	(By Hand Delivery) By causing a true copy thereof, enclosed in a sealed envelope, to be delivered by hand to the addresses shown below.
☐	(By Overnight Delivery) By placing a true copy thereof, enclosed in a sealed envelope, with delivery charges prepaid, to be sent by Federal Express, addressed as shown below.
☐	(By E-Mail) By electronically transmitting the document(s) listed above addressed as set forth below.
☒	(By E-Service) By electronically transmitting the document(s) listed above, by File & ServeXpress to service parties listed.

Mollie M. Burks, Esq.
Sat Sang S. Khalsa, Esq.
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Attorneys for Defendant
International Training & Exchange, Inc.
D/B/A AuPair Care, Inc.

☒ (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on May 10, 2023, at Corona del Mar, California.

Brigitte A. Butler

EXHIBIT 1

SETTLEMENT AGREEMENT

This Settlement Agreement (“Settlement”) of claims brought under the Private Attorneys General Act, Labor Code § 2698 *et seq.*, is made and entered into between Plaintiffs Paula Catalina Correa Campos and Agatha Maher, acting in their capacity as private attorneys general, and Defendant, International Training & Exchange, Inc. d/b/a Aupair Care, Inc.

I. DEFINITIONS

The following terms, when used in this Settlement, will have the following meanings:

1. “Action” means the lawsuit entitled *Paula Catalina Correa Campos, et al. v. International Trainings & Exchange, Inc. d/b/a Aupair Care, Inc. Case No. CGC-21-590812, Superior Court of California County of San Francisco.*

2. “Aggrieved Employees” means all current or former au pairs who worked for Defendant in the State of California from January 22, 2020 to December 31, 2022 (the “PAGA Period”).

3. “Defendants” means International Training & Exchange, Inc. d/b/a Aupair Care, Inc.

4. “Court” means the Superior Court of California for the County of San Francisco.

5. “Effective Date” means the later date of: (i) the date the Court has entered a Final Judgment approving this Settlement and Plaintiffs’ counsels have executed and returned a Waiver of Appeal rights; or (ii) the date the time to appeal or seek permission to appeal or seek other judicial review of the Final Judgment approving the Settlement has expired with no appeal or other judicial review having been taken or sought.

6. “Individual Settlement Payment” means the amount to be paid to each Aggrieved Employee based on the formula described herein. The Settlement Administrator shall use PayPal to deliver the settlement payments to the email address provided by Defendants for each Aggrieved Employee.

7. “LWDA” means the California Labor and Workforce Development Agency.

8. “Maximum Settlement Amount” is the non-reversionary sum of \$1,150,000.00, which includes payments to all Aggrieved Employees, payment to the LWDA, payment of Plaintiffs’ attorney’s fees and costs, payment of Plaintiffs’ enhancement awards, and payment to the Settlement Administrator for administration costs.

9. “Net Settlement Amount” is the amount remaining to distribute to the LWDA and Aggrieved Employees after the following amounts (subject to Court approval) are deducted from the Maximum Settlement Amount: (a) Plaintiffs’ attorneys’ fees of up to one-third of the Maximum Settlement Amount, or \$383,333.33; (b) Plaintiffs’ reasonable verified litigation costs in an amount not to exceed \$20,000; (c) Plaintiffs’ representative enhancement awards of \$5,000 each; and (d) reasonable third-party administration costs up to \$50,000.

10. “PAGA” means the California Labor Code Private Attorneys General Act, California Labor Code § 2698, et seq.

11. “PAGA Period” means the time period from January 22, 2020 to December 31, 2022.

12. “PAGA Released Claims” means all claims arising on or before December 31, 2022 for civil penalties pursuant to PAGA, that were pled or could have been pled based on the factual allegations in the operative Complaint filed in the Action, including specifically, claims for PAGA penalties arising out of or based on alleged: failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods, failure to provide compliant rest periods, failure to provide timely wages, failure to provide timely wages upon separation, failure to provide accurate itemized wage statements, failure to maintain accurate payroll records, failure to maintain records of room and board provided, and alleged illegal credits against the minimum wage, including for housing and meals.

13. “Parties” means Plaintiffs and Defendants.

14. “Plaintiffs” means Paul Correa Campos and Agatha Maher.

15. “Plaintiffs’ Counsel” means Matthew Helland, Nichols Kaster, LLP and Peter Rukin, Rukin Hyland & Riffin LLP.

16. “Settlement Administrator” means Analytics Consulting LLC.

II. OPERATIVE TERMS OF SETTLEMENT

The Parties agree as follows:

1. **Non-Admission of Liability.** Nothing in this Settlement will be construed to be an admission by Defendants of any liability or wrongdoing as to Plaintiffs, Aggrieved Employees, or any other person, and Defendants specifically disclaim any such liability or wrongdoing. The Parties have entered into this Settlement with the intention to avoid further disputes and litigation with the attendant inconvenience, expenses and risks. This Settlement and any related court documents or orders are not, and may not be, cited or admitted as evidence of liability.

2. **Maximum Settlement Amount.** Defendants will pay \$1,150,000.00 as the non-reversionary Maximum Settlement Amount. The Maximum Settlement Amount will be deposited with the Settlement Administrator no later than January 31, 2024.

3. **Net Settlement Amount.** The Parties agree that the following amounts should be deducted from the Maximum Settlement Amount, subject to Court approval, resulting in a Net Settlement Amount to distribute to the LWDA and Aggrieved Employees:

- a. **Plaintiff’s Attorney’s Fees and Costs.** Plaintiffs intend to seek an award of attorneys’ fees up to one-third of the Maximum Settlement Amount (\$383,333.33) and actual costs incurred in prosecuting this Action, up to \$20,000 as supported by declaration. In the event the Court approves a payment of less than these amounts, the difference will be added to the Net Settlement Amount. The Settlement

Administrator will report these payments on an IRS Form 1099-MISC issued to Plaintiffs' Counsel.

- b. Plaintiffs' Enhancement Awards. Defendants will not oppose Plaintiffs' request for enhancement awards in the amount of \$5,000.00 each for their service to the State of California and the Aggrieved Employees. In the event the Court approves payments of less than the requested amounts, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report these payments on IRS Forms 1099-MISC issued to Plaintiffs.
- c. Administration Costs. Defendants will not oppose the Settlement Administrator's costs in the amount up to \$50,000 for administering the Settlement. In the event the Court approves a payment of less than this amount, the difference will be added to the Net Settlement Amount. The Settlement Administrator will report this payment on an IRS Form 1099-MISC issued to the Settlement Administrator.

4. Allocation of Net Settlement Amount. The Net Settlement Amount will be distributed 75% to the LWDA and 25% to the Aggrieved Employees, pursuant to Labor Code § 2699(i). The 25% portion to be paid to Aggrieved Employees will be allocated to the Aggrieved Employees as follows: Individual Settlement Payments will be calculated based on the proportionate number of pay periods worked by each Aggrieved Employee during the PAGA Period, by multiplying the 25% portion of the Net Settlement Amount by a fraction, the numerator of which is each Aggrieved Employee's total pay periods worked during the PAGA Period, and the denominator of which is the total aggregate number of pay periods worked by all Aggrieved Employees during the PAGA Period.

5. PAGA Released Claims. In consideration for the payments awarded pursuant to the terms of this Settlement, Plaintiffs, in their capacity as private attorneys general, acting on behalf of themselves, the State of California, and the Aggrieved Employees, agree that upon the Effective Date, Plaintiffs, the State of California, the LWDA, and the Aggrieved Employees will fully and finally release Defendants and all of their parent, subsidiary, affiliated and related companies and entities, as well as its/their officers, directors, investors, owners, shareholders, employees, partners, members, agents, and attorneys, and any entities or partnerships with which they are affiliated, past or present from any and all liability for the PAGA Released Claims.

6. Judgment. As part of the Motion to approve the Settlement, Plaintiffs will submit a proposed order and judgment which enters judgment in the Action in accordance with the terms of the Settlement and which retains jurisdiction of the Court over the Action for the purpose of enforcing the terms of the Settlement following approval of the Settlement pursuant to Cal. Code Civ. Proc. § 664.6. This Settlement is expressly conditioned upon the Court entering an order as set forth herein.

III. ADMINISTRATION OF SETTLEMENT

1. Settlement Administrator. The Parties agree to use Analytics Consulting LLC to handle the administration of this Settlement.

2. Provision of Information for Aggrieved Employees. Within thirty (30) calendar days after the Effective Date, Defendants will provide the Settlement Administrator with

information for the Aggrieved Employees. Defendants will, in good faith, compile from their records a list of Aggrieved Employees that will be in a computer-readable format, such as a Microsoft Excel spreadsheet, and will include each Aggrieved Employee's full name, last known mailing address, last known email address, last known telephone number, number of applicable pay periods during the PAGA Period, and Social Security numbers or tax identification numbers. Because Social Security or tax identification numbers are included in the list, the Settlement Administrator will maintain the list securely and in confidence, and access will be limited to those with a need to use the list as part of the administration of the Settlement.

Within ten (10) business days of receiving the Aggrieved Employees' information from Defendants, the Settlement Administrator will circulate to counsel for both Parties an anonymized spreadsheet containing the Individual Settlement Payments to each Aggrieved Employee and the data used to calculate said payments. Within fourteen (14) business days of receiving the anonymized spreadsheet the Parties will either approve of or explain the basis for any objections to the calculations. The Settlement Administrator must have approval from all counsel for the Parties before emailing the Individual Settlement Payments.

3. Explanatory Letter and Individual Settlement Payments.

Within fourteen (14) calendar days of Defendants' deposit of the Maximum Settlement Amount and after receiving approval from all counsel for the Parties pursuant to Paragraph III.2, the Settlement Administrator will email the explanatory letter, which has been mutually approved by the Parties and is attached hereto as **Exhibit A**, in English. The Settlement Administrator will also at the same time communicate with Aggrieved Employees by email regarding the process for securing their Individual Settlement Payments via PayPal, ACH, or other approved electronic funds transfer platform. The Settlement Administrator shall make its best efforts to secure within 30 days confirmation from the Aggrieved Employees as to their preferred method of electronic fund delivery, and shall thereafter effectuate delivery of the Individual Settlement Payments according to such elections. Any Aggrieved Employees who have not made an affirmative election within 30 days shall receive their Individual Settlement Payments via PayPal.

Each Individual Settlement Payment will be deemed 100% penalties and reported using an IRS Form 1099-MISC as required by law. If the amount of undistributed funds remaining with the Settlement Administrator after 180 days would allow for a second distribution of at least \$50 per Aggrieved Employee to the Aggrieved Employees who elected to receive and did negotiate the first payment, a second distribution to those Aggrieved Employees shall be made. Any funds that are not paid to the Aggrieved Employees within two hundred forty (240) days of the first distribution shall be transferred to Legal Aid at Work, a 501(c)(3) non-profit organization (EIN: 94-2783401) dedicated to providing legal services to the indigent, pursuant to California Code of Civil Procedure § 384.

4. Undeliverable Emails. The Settlement Administrator will exercise its best judgment to determine the current email address for each Aggrieved Employee. For any emails returned as non-deliverable the Settlement Administrator will promptly attempt to determine the correct email address using a Skip-Trace or other search using the name, address or Social Security number of the Aggrieved Employee involved, and will perform a re-emailing to any updated email address.

Defendants fully discharge their obligations to those Aggrieved Employees to whom they will pay an Individual Settlement Payment through the Settlement Administrator's electronic payment, regardless of whether such electronic payments are actually received and/or accessed by Aggrieved Employees. Aggrieved Employees will not have any right to opt-out or object to this Settlement.

5. **Payment of Remainder.** Within twenty-one (21) calendar days of Defendants' deposit of the Maximum Settlement Amount, and after receiving approval from all counsel for the Parties pursuant to Paragraph III.2, the Settlement Administrator will issue the following payments: (1) the 75% share of the Net Settlement Fund to the LWDA; (2) the 25% share of the Net Settlement Fund to Aggrieved Employees; (3) Court-approved attorneys' fees and costs to Plaintiffs' Counsel; (4) Court-approved enhancement awards to Plaintiffs; and (5) Court-approved administration costs to the Settlement Administrator.

6. **Accounting.** The Settlement Administrator will provide an accounting declaration under oath to the Parties of the amounts paid from the Settlement as soon as practicable after the check cashing deadline described in Paragraph III.3.

7. **Tax Consequences.** Individual Settlement Payments made under this Settlement will be attributed 100% as penalties and reported via IRS Form 1099-MISC issued to each Aggrieved Employee. Neither Plaintiffs nor Defendants, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement.

IV. **MISCELLANEOUS PROVISIONS**

1. **Non-Publicity.** The Parties agree that no Party will issue any press release nor other public representation regarding the settlement other than as necessary to obtain Court approval and effectuate the terms of the Settlement. The Parties and their counsel agree that they will not initiate or have any contact with the press, respond to any press inquiry, or have any communication with the press about this case.

2. **Successors.** This Settlement will be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators and successors.

3. **Governing Law.** This Settlement will be construed under and governed by the laws of the State of California, without regard to choice of law principles. All questions of validity, interpretation or performance of any of its terms or of any rights or obligations of the Parties to this Settlement will be governed by California law. If any legal or equitable action is necessary to enforce the terms of this Settlement, it will be brought in the State of California, County of San Francisco.

4. **Complete Agreement.** The Parties each acknowledge and represent that no promise or representation not contained in this Settlement has been made to them and acknowledge and represent that this Settlement contains the entire understanding between them and contains all terms and conditions pertaining to the compromise and settlement of the Action.

5. **Nullification of Settlement.** In the event that: (i) the Court does not approve the Settlement as provided herein; or (ii) the Settlement does not become final for any other reason,

then this Settlement and any documents generated to bring it into effect, will be null and void, and the Parties will be returned to their original respective positions.

6. **Judgment and Continued Jurisdiction.** After approval of this Settlement, the Court will have continuing jurisdiction per California Code of Civil Procedure § 664.6 solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement; (ii) settlement administration matters; and (iii) such post-judgment matters as may be appropriate under court rules or as set forth in this Settlement.

7. **Amendment or Modification.** This Settlement may be amended or modified only by a written instrument, signed by the Parties or their successors-in-interest or counsel for the Parties.

8. **Authorization to Enter into Settlement.** Counsel for the Parties warrant and represent that they are expressly authorized by the Parties whom they represent to negotiate this Settlement and to take all appropriate action required or permitted to be taken by such Parties pursuant to this Settlement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Settlement. The Parties and their counsel will cooperate with each other and use their best efforts to effect the implementation of the Settlement. If they are unable to reach agreement on the form or content of any document needed to implement the Settlement, or on any supplemental provisions that may become necessary to effectuate the terms of this Settlement, the Parties may seek the assistance of the Court to resolve such disagreement.

9. **Execution and Counterparts.** This Settlement is subject only to the execution of the Parties. However, the Settlement may be executed in one or more counterparts. All executed counterparts, and each of them, including facsimile and scanned copies of the signature page, will be deemed to be one and the same instrument provided that counsel for the Parties will exchange among themselves original signed counterparts.

10. **Severability.** If any term or provision of this Settlement is held to be invalid or unenforceable, the remaining portions of this Settlement will continue to be valid and will be performed, construed and enforced to the fullest extent permitted by law, and the invalid or unenforceable term will be deemed amended and limited in accordance with the intent of the Parties, as determined from the face of the Agreement, to the extent necessary to permit the maximum enforceability or validation of the term or provision.

11. **Waiver.** No waiver of any condition or covenant contained in this Settlement or failure to exercise a right or remedy by any of the Parties hereto will be considered to imply or constitute a further waiver by such Party of the same or any other condition, covenant, right or remedy.

12. **Mutual Preparation.** The Parties have had a full opportunity to negotiate the terms and conditions of this Settlement. Accordingly, this Settlement will not be construed more strictly against one Party merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being recognized that, because of the arm's-length negotiations between the Parties, all Parties have contributed to the preparation of this Settlement.

13. **Representation by Counsel.** The Parties acknowledge that they have been represented by counsel throughout all negotiations that preceded the execution of this Settlement, and this Settlement has been executed with the consent and advice of counsel and reviewed in full.

14. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed.

15. **Binding Agreement.** The Parties warrant that they understand and have full authority to enter into this Settlement, and further intend that this Settlement will be fully enforceable and binding on all Parties and agree that it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any mediation confidentiality provisions that otherwise might apply under federal or state law.

IN WITNESS THEREOF, the Parties to this Settlement each acknowledge that they have read the foregoing Settlement, accept and agree to the provisions contained in this Settlement and hereby execute it voluntarily and with full understanding of its consequences.

03/14/2023
Dated: _____

PAULA CATALINA CORREA CAMPOS



Paula Catalina Correa Campos, Plaintiff

03/10/2023
Dated: _____

AGATHA KATHERINE RAMOS MAHER



Agatha Katherine Ramos Maher, Plaintiff

Dated: _____

**INTERNATIONAL TRAINING &
EXCHANGE, INC. D/B/A AUPAIR CARE,
INC.**

By:
Its:

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14. **Cooperation and Execution of Necessary Documents.** The Parties will cooperate in good faith and execute all documents to the extent reasonably necessary to effectuate the terms of this Settlement. The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to seek the Court's approval of this Agreement are timely filed.

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PAULA CATALINA CORREA CAMPOS

03/14/2023
Dated: _____



Paula Catalina Correa Campos, Plaintiff

AGATHA KATHERINE RAMOS MAHER

03/10/2023
Dated: _____



Agatha Katherine Ramos Maher, Plaintiff

**INTERNATIONAL TRAINING &
EXCHANGE, INC. D/B/A AUPAIR CARE,
INC.**

Dated: 3/23/2023



By: _____
Its: Sarah McNamee
Sr. Vice President

APPROVED AS TO FORM ONLY:

NICHOLS KASTER, LLP

03/15/2023
Date: _____

By: Matthew Helland
Matthew Helland
Attorneys for Plaintiffs

RUKIN HYLAND & RIGGIN, LLP

03/15/2021
Date: _____

By: Peter Rukin
Peter S. Rukin
Attorneys for Plaintiffs

Date: _____

GORDON REES SCULLY MANSUKHANI, LLP

By: _____
Mollie M. Burks
Linsdey M. Romano
Sat Sang S. Khalsa
Attorneys for International Training &
Exchange, Inc. d/b/a Aupair Care, Inc.

Superior Court of California County of San Francisco

Paula Catalina Correa Campos, et al. v. International Trainings & Exchange, Inc. d/b/a AuPairCare, Inc.,

Case No. CGC-21-590812

NOTICE OF PAGA SETTLEMENT

On (DATE), the San Francisco County Superior Court (the “Court”) approved the Settlement Agreement (“Settlement”) in the above-captioned lawsuit entitled *Campos et. al. v. International Trainings & Exchange, Inc. d/b/a AuPairCare, Inc.*, Case No. CGC-21-590812 (the “Lawsuit”) filed by two former participants in Defendant’s au pair program (Plaintiffs”), acting as private attorney generals on behalf of the State of California Labor and Workforce Development Agency. Plaintiffs brought a claim for civil penalties under the California Labor Code Private Attorneys General Act of 2004 (“PAGA”) alleging that they and other au pairs were not paid as required by California law.

You are receiving this Notice because you are one of the au pairs who participated in AuPair Care, Inc.’s program and resided with a Host Family in California during the PAGA Period, defined as January 22, 2020 to December 31, 2022.

AuPairCare Inc. denies all of Plaintiffs’ allegations, and the Court did not make any decision on the merits of Plaintiffs’ claims. However, in order to avoid the time, expense and uncertainty of additional litigation, the parties have agreed to a settlement of the lawsuit. The Court has not made a determination about Plaintiffs’ claims. This Notice is not to be understood as an expression of any opinion by the Court as to the merits of Plaintiffs’ claims. Defendants maintain that Plaintiffs’ allegations are without merit and enter into this Settlement with no admission of liability, and solely for the purposes of compromising and settling the lawsuit to avoid the cost and operational burden of continued litigation.

By operation of the Settlement’s terms, you fully and finally release Defendants and all of its parent, subsidiary, affiliated and related companies and entities, as well as its/their officers, directors, investors, owners, shareholders, employees, partners, members, agents, and attorneys, and any entities or partnerships with which they are affiliated, past or present, from any and all liability for claims for civil penalties pursuant to PAGA, that were pled or could have been pled based on the factual allegations in the Complaint filed in the Action. Upon entry of the Order approving the Settlement, you will be forever barred from pursuing claims for penalties under PAGA that are the subject of this settlement and that arose between January 22, 2020 to December 31, 2022. No other claims are released.

How was my settlement amount determined?

This Notice was sent to inform you that you are entitled to a settlement payment in the amount of [\$XXXX]. Your settlement payment was calculated based on the number of pay periods you worked from January 22, 2020 to December 31, 2022.

Each Aggrieved Employee is receiving a share of the Net Settlement Amount based on the proportionate number of pay periods worked during the PAGA Period, by multiplying the Aggrieved Employees' 25% share of the Net Settlement Amount by a fraction, the numerator of which is each Aggrieved Employee's total pay periods worked during the PAGA Period, and the denominator of which is the total aggregate number of pay periods worked by all Aggrieved Employees during the PAGA Period.

According to AuPairCare's records, you were an au pair placed with a California host family [THIS EMPLOYEE'S PAY PERIODS] during the PAGA Period. The total number of pay periods worked by all Aggrieved Employees during the PAGA Period is [TOTAL PAY PERIODS]. Therefore, your Individual Settlement Payment has been calculated at \$[AMOUNT PAID TO THIS EMPLOYEE].

How do I receive my payment?

The Settlement Administrator will make the payment electronically via a PayPal transfer to this email address. **If you would like to receive your payment to a different email address, or via ACH transfer to a United States financial institution, please: [settlement administrator to complete instructions].**

If you have not provided alternate payment instructions within 30 days of receipt of this letter you shall receive your settlement payment via PayPal at this email address. You will have 180 days from receipt of the PayPal email to claim your funds.

Want More Information?

For more information, please contact the Settlement Administrator at:

Analytics Consulting LLC
P.O. Box 2004
Chanhassen, MN 55317-2004
Email: [XXX]
Telephone Number: [XXX]
Toll-Free Telephone Number: [XXX]