

Exhibit 1 - Order Granting Preliminary Approval of Class Action Settlement

(TYPE OR PRINT NAME OF	☒	ATTORNEY	☐	PARTY WITHOUT ATTORNEY)
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(SIGNATURE)

EXHIBIT 1

FILED
SUPERIOR COURT
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

OCT 16 2024



BY: Kristen Collier Kosmatka, Deputy

Arby Aiwazian (SBN 269827)
Joanna Ghosh (SBN 272479)
Helene Mayer (SBN 332975)
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Glendale, California 91203
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Attorneys for Plaintiff Elias Rios

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

ELIAS RIOS, individually, and on behalf of
other members of the general public similarly
situated;

Plaintiff,

vs.

MOUNTAIN VIEW CHILD CARE, INC.
DBA TOTALLY KIDS SPECIALTY
HEALTHCARE; and DOES 1 through 100,
inclusive,

Defendants.

Case No.: CIVSB2121987

Honorable Christian Towns
Department S-26

CLASS ACTION

**~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: October 8, 2024
Time: 8:30 AM
Department: S-26

Complaint Filed: July 29, 2021
Trial Date: None Set

BY 

SCANNED

~~PROPOSED~~ ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

1 This matter has come before the Honorable Christian Towns in Department S-26 of the
2 Superior Court of the State of California, for the County of San Bernardino, on October 8, 2024 at
3 8:30 a.m. for Plaintiff's Motion for Preliminary Approval of Class Action Settlement. Lawyers for
4 Justice, PC appears as counsel for Plaintiff Elias Rios ("Plaintiff"), individually and on behalf of
5 all others similarly situated and aggrieved employees and Gordon Rees Scully Mansukhani
6 appears as counsel for Defendant Mountain View Child Care, Inc. ("Defendant").

7 The Court, having carefully considered the papers, argument of counsel, and all matters
8 presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for
9 Preliminary Approval of Class Action Settlement.

10 **IT IS HEREBY ORDERED THAT:**

11 1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA
12 Settlement ("Settlement," "Agreement," or "Settlement Agreement"), attached as "**EXHIBIT 1**"
13 to the Declaration of Helene Mayer in Support of Plaintiff's Motion for Preliminary Approval of
14 Class Action Settlement. This is based on the Court's determination that the Settlement falls
15 within the range of possible approval as fair, adequate, and reasonable.

16 2. This Order incorporates by reference the definitions in the Settlement Agreement,
17 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in
18 the Settlement Agreement.

19 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate,
20 and reasonable. It appears to the Court that extensive investigation and research have been
21 conducted such that counsel for the parties at this time are able to reasonably evaluate their
22 respective positions. It further appears to the Court that the Settlement, at this time, will avoid
23 substantial additional costs by all parties, as well as avoid the delay and risks that would be
24 presented by the further prosecution of the cases. It further appears that the Settlement has been
25 reached as the result of intensive, serious and non-collusive, arms-length negotiations, and was
26 entered into in good faith.

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1 4. The Court preliminarily finds that the Settlement, including the allocations for the
2 Attorney's Fees, Litigation Costs, Incentive Award, PAGA Penalties, Administration Costs, and
3 payments to the Settlement Class Members and Aggrieved Employees provided thereby, appear to
4 be within the range of reasonableness of a settlement that could ultimately be given final approval
5 by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part
6 of the Settlement and preliminarily finds that the monetary settlement awards made available to the
7 Class Members and Aggrieved Employees are fair, adequate, and reasonable when balanced
8 against the probable outcome of further litigation relating to certification, liability, and damages
9 issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiff's claims are typical of the claims of the members of the Class; (d) Plaintiff
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel is qualified to act as counsel for Plaintiff in his individual capacity and as the
19 representative of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined
21 as follows:

22 All current and former hourly-paid or non-exempt employees who worked for
23 Defendant within the State of California at any time during the period from July 29,
24 2017 through the date of this Order, or an earlier date determined by Defendant
pursuant to Section VIII.B of the Settlement Agreement.

25 7. The Court provisionally appoints Arby Aiwarzian, Joanna Ghosh, and Helene
26 Mayer of Lawyers *for Justice*, PC as counsel for the Class ("Class Counsel").

27 8. The Court provisionally appoints Plaintiff Elias Rios as the representative of the
28 Class ("Class Representative").

1 9. The Court provisionally appoints Simpluris, Inc. ("Simpluris") to handle the
2 administration of the Settlement ("Settlement Administrator").

3 10. Within twenty-one (21) business days of the date of this Order, Defendant shall
4 provide the Settlement Administrator with the following information about each Class Member:
5 (1) full name; (2) last known address; (3) last known telephone number; (4) the number of
6 Workweeks worked during the Class Period; (5) number of Workweeks during the PAGA Period;
7 (6) Social Security number; and (7) last known email address (collectively, "Class List") in
8 conformity with the Settlement Agreement.

9 11. The Court approves, both as to form and content, the Notice of Class Action
10 Settlement ("Class Notice") attached hereto as "**EXHIBIT A.**" The Class Notice shall be
11 provided to Class Members and Aggrieved Employees in the manner set forth in the Settlement
12 Agreement. The Court finds that the Class Notice appears to fully and accurately inform the Class
13 Members and Aggrieved Employees of all material elements of the Settlement, of Class Members'
14 right to be excluded from the Class Settlement by submitting a Request for Exclusion, of Class
15 Members' and Aggrieved Employees' right to challenge the Workweeks and/or the PAGA
16 Workweeks credited to each of them, and of each Settlement Class Member's right and
17 opportunity to object to the Settlement by submitting an objection to the Settlement Administrator
18 or appearing at the Final Approval Hearing with or without submitting a written objection. The
19 Court further finds that distribution of the Class Notice substantially in the manner and form set
20 forth in the Settlement Agreement and this Order, and that all other dates set forth in the
21 Settlement Agreement and this Order, meet the requirements of due process and shall constitute
22 due and sufficient notice to all persons entitled thereto. The Court further orders the Settlement
23 Administrator to mail the Class Notice in English and Spanish by First-Class U.S. Mail to all Class
24 Members within ten (10) calendar days of receipt of the Class List, pursuant to the terms set forth
25 in the Settlement Agreement.

26 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
27 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
28 choose to be excluded from the Class Settlement by submitting a timely and valid Request for

1 Exclusion in conformity with the requirements set forth in the Class Notice, to the Settlement
2 Administrator, postmarked no later than the date which is forty-five (45) calendar days after the
3 Settlement Administrator mails the Class Notice to Class Members and Aggrieved Employees
4 ("Response Deadline"), or, in the case of a re-mailed Class Notice, the Response Deadline will be
5 extended by fifteen (15) calendar days from the date of the original forty-five (45) calendar day
6 deadline. Any such person who timely and validly chooses to opt out of, and be excluded from,
7 the Class Settlement will not be entitled to any recovery under the Class Settlement and will not be
8 bound by the Class Settlement or have any right to object, appeal, or comment thereon.
9 Nevertheless, all current and former hourly-paid or non-exempt employees who worked for
10 Defendant within the State of California at any time during the period from July 17, 2020 through
11 the date of preliminary approval of the Settlement by the Court or an earlier date determined by
12 Defendant pursuant to Section VIII.B of the Settlement Agreement ("Aggrieved Employees") will
13 be bound by the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective
14 of whether they submit a Request for Exclusion. Class Members who do not submit a valid and
15 timely Request for Exclusion (i.e., Settlement Class Member) shall be bound by the Settlement
16 Agreement and any final judgment based thereon.

17 13. A Final Approval Hearing shall be held before this Court on
18 4/2/2025 at 830 (a.m.) p.m. in
19 Department S-26 of the San Bernardino County Superior Court, located at 247 West Third Street,
20 San Bernardino, CA 92415, to determine all necessary matters concerning the Settlement,
21 including: whether the proposed settlement of the actions on the terms and conditions provided for
22 in the Settlement is fair, adequate, and reasonable and should be finally approved by the Court;
23 whether a judgment, as provided in the Settlement, should be entered herein; whether the plan of
24 allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the
25 Class Members and Aggrieved Employees; and determine whether to finally approve the requests
26 for the Attorney's Fees, Litigation Costs, Incentive Award, and Administration Costs.

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1 14. Class Counsel shall file a motion for final approval of the Settlement and for
2 Attorney's Fees and Litigation Costs, Incentive Award, and Administration Costs, along with the
3 appropriate declarations and supporting evidence, including the Settlement Administrator's
4 declaration, by 3/28/2025, to be heard
5 at the Final Approval Hearing.

6 15. To object to the Class Settlement, a Class Member may submit his or her objection
7 in writing to the Settlement Administrator on or before the Response Deadline. The written
8 objection must be signed and must contain the information that is required, as set forth in the Class
9 Notice, including and not limited to the grounds for the objection. Settlement Class Members may
10 also present their objection orally at the Final Approval Hearing, regardless of whether they have
11 submitted an objection.

12 16. The Settlement is not a concession or admission, and shall not be used against
13 Defendant as an admission or indication with respect to any claim of any fault or omission by
14 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
15 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
16 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
17 deemed to be in evidence for any purpose adverse to the Defendant, including, but not limited to,
18 evidence of a presumption, concession, indication or admission by Defendant of any liability,
19 fault, wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
20 implementation, interpretation, or enforcement of the Settlement.

21 17. In the event the Settlement does not become effective in accordance with the terms
22 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled,
23 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
24 vacated, and the Parties shall revert back to their respective positions as of before entering into the
25 Settlement Agreement.

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1 18. The Court reserves the right to adjourn or continue the date of the Final Approval
2 Hearing and any dates provided for in the Settlement Agreement without further notice to the
3 Class Members and Aggrieved Employees, and retains jurisdiction to consider all further
4 applications arising out of or connected with the Settlement.

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6 **IT IS SO ORDERED.**

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8 Dated: 10-16-2024

By:

C. Towns

The Honorable Christian Towns
Judge of the Superior Court

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4 Justice, PC appears as counsel for Plaintiff Elias Rios ("Plaintiff"), individually and on behalf of
5 all others similarly situated and aggrieved employees and Gordon Rees Scully Mansukhani
6 appears as counsel for Defendant Mountain View Child Care, Inc. ("Defendant").

7 The Court, having carefully considered the papers, argument of counsel, and all matters
8 presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for
9 Preliminary Approval of Class Action Settlement.

10 **IT IS HEREBY ORDERED THAT:**

11 1. The Court preliminarily approves the Joint Stipulation of Class Action and PAGA
12 Settlement ("Settlement," "Agreement," or "Settlement Agreement"), attached as "**EXHIBIT 1**"
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23 substantial additional costs by all parties, as well as avoid the delay and risks that would be
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5 by this Court. Indeed, the Court has reviewed the monetary recovery that is being granted as part
6 of the Settlement and preliminarily finds that the monetary settlement awards made available to the
7 Class Members and Aggrieved Employees are fair, adequate, and reasonable when balanced
8 against the probable outcome of further litigation relating to certification, liability, and damages
9 issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiff's claims are typical of the claims of the members of the Class; (d) Plaintiff
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel is qualified to act as counsel for Plaintiff in his individual capacity and as the
19 representative of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined
21 as follows:

22 All current and former hourly-paid or non-exempt employees who worked for
23 Defendant within the State of California at any time during the period from July 29,
24 2017 through the date of this Order, or an earlier date determined by Defendant
pursuant to Section VIII.B of the Settlement Agreement.

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26 Mayer of Lawyers *for Justice*, PC as counsel for the Class ("Class Counsel").

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1 9. The Court provisionally appoints Simpluris, Inc. ("Simpluris") to handle the
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3 10. Within twenty-one (21) business days of the date of this Order, Defendant shall
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7 (6) Social Security number; and (7) last known email address (collectively, "Class List") in
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10 Settlement ("Class Notice") attached hereto as "**EXHIBIT A.**" The Class Notice shall be
11 provided to Class Members and Aggrieved Employees in the manner set forth in the Settlement
12 Agreement. The Court finds that the Class Notice appears to fully and accurately inform the Class
13 Members and Aggrieved Employees of all material elements of the Settlement, of Class Members'
14 right to be excluded from the Class Settlement by submitting a Request for Exclusion, of Class
15 Members' and Aggrieved Employees' right to challenge the Workweeks and/or the PAGA
16 Workweeks credited to each of them, and of each Settlement Class Member's right and
17 opportunity to object to the Settlement by submitting an objection to the Settlement Administrator
18 or appearing at the Final Approval Hearing with or without submitting a written objection. The
19 Court further finds that distribution of the Class Notice substantially in the manner and form set
20 forth in the Settlement Agreement and this Order, and that all other dates set forth in the
21 Settlement Agreement and this Order, meet the requirements of due process and shall constitute
22 due and sufficient notice to all persons entitled thereto. The Court further orders the Settlement
23 Administrator to mail the Class Notice in English and Spanish by First-Class U.S. Mail to all Class
24 Members within ten (10) calendar days of receipt of the Class List, pursuant to the terms set forth
25 in the Settlement Agreement.

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27 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
28 choose to be excluded from the Class Settlement by submitting a timely and valid Request for

1 Exclusion in conformity with the requirements set forth in the Class Notice, to the Settlement
2 Administrator, postmarked no later than the date which is forty-five (45) calendar days after the
3 Settlement Administrator mails the Class Notice to Class Members and Aggrieved Employees
4 ("Response Deadline"), or, in the case of a re-mailed Class Notice, the Response Deadline will be
5 extended by fifteen (15) calendar days from the date of the original forty-five (45) calendar day
6 deadline. Any such person who timely and validly chooses to opt out of, and be excluded from,
7 the Class Settlement will not be entitled to any recovery under the Class Settlement and will not be
8 bound by the Class Settlement or have any right to object, appeal, or comment thereon.
9 Nevertheless, all current and former hourly-paid or non-exempt employees who worked for
10 Defendant within the State of California at any time during the period from July 17, 2020 through
11 the date of preliminary approval of the Settlement by the Court or an earlier date determined by
12 Defendant pursuant to Section VIII.B of the Settlement Agreement ("Aggrieved Employees") will
13 be bound by the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective
14 of whether they submit a Request for Exclusion. Class Members who do not submit a valid and
15 timely Request for Exclusion (i.e., Settlement Class Member) shall be bound by the Settlement
16 Agreement and any final judgment based thereon.

17 13. A Final Approval Hearing shall be held before this Court on
18 4/2/2025 at 830 (a.m.)/p.m. in
19 Department S-26 of the San Bernardino County Superior Court, located at 247 West Third Street,
20 San Bernardino, CA 92415, to determine all necessary matters concerning the Settlement,
21 including: whether the proposed settlement of the actions on the terms and conditions provided for
22 in the Settlement is fair, adequate, and reasonable and should be finally approved by the Court;
23 whether a judgment, as provided in the Settlement, should be entered herein; whether the plan of
24 allocation contained in the Settlement should be approved as fair, adequate, and reasonable to the
25 Class Members and Aggrieved Employees; and determine whether to finally approve the requests
26 for the Attorney's Fees, Litigation Costs, Incentive Award, and Administration Costs.

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1 14. Class Counsel shall file a motion for final approval of the Settlement and for
2 Attorney's Fees and Litigation Costs, Incentive Award, and Administration Costs, along with the
3 appropriate declarations and supporting evidence, including the Settlement Administrator's
4 declaration, by 3/28/2025, to be heard
5 at the Final Approval Hearing.

6 15. To object to the Class Settlement, a Class Member may submit his or her objection
7 in writing to the Settlement Administrator on or before the Response Deadline. The written
8 objection must be signed and must contain the information that is required, as set forth in the Class
9 Notice, including and not limited to the grounds for the objection. Settlement Class Members may
10 also present their objection orally at the Final Approval Hearing, regardless of whether they have
11 submitted an objection.

12 16. The Settlement is not a concession or admission, and shall not be used against
13 Defendant as an admission or indication with respect to any claim of any fault or omission by
14 Defendant. Whether or not the Settlement is finally approved, neither the Settlement, nor any
15 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
16 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
17 deemed to be in evidence for any purpose adverse to the Defendant, including, but not limited to,
18 evidence of a presumption, concession, indication or admission by Defendant of any liability,
19 fault, wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
20 implementation, interpretation, or enforcement of the Settlement.

21 17. In the event the Settlement does not become effective in accordance with the terms
22 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled,
23 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
24 vacated, and the Parties shall revert back to their respective positions as of before entering into the
25 Settlement Agreement.

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1 18. The Court reserves the right to adjourn or continue the date of the Final Approval
2 Hearing and any dates provided for in the Settlement Agreement without further notice to the
3 Class Members and Aggrieved Employees, and retains jurisdiction to consider all further
4 applications arising out of or connected with the Settlement.

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6 **IT IS SO ORDERED.**

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8 Dated: 10-16-2024 By: C. Towns
9 The Honorable Christian Towns
10 Judge of the Superior Court
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EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Elias Rios v. Mountain View Child Care, Inc.
Superior Court of California for the County of San Bernardino, Case No. CIVSB2121987

PLEASE READ THIS CLASS NOTICE CAREFULLY.

You have received this Class Notice because Defendant's records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment and, unless you request to be excluded from the settlement, your legal rights may be affected.

This Class Notice is designed to advise you of your rights and options, and how you can request to be excluded from the settlement, object to the settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class action settlement has been reached between Plaintiff Elias Rios ("Plaintiff") and Defendant Mountain View Child Care, Inc. ("Defendant") (Plaintiff and Defendant are collectively referred to as the "Parties") in the cases entitled *Elias Rios v. Mountain View Child Care, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2121987, which may affect your legal rights. A similar matter entitled *Elias Rios v. Mountain View Child Care, Inc., et al.*, Superior Court of California for the County of San Bernardino, Case No. CIVSB2127153, alleges claims that are also impacted by this settlement (collectively referred to as the "Litigation") On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the Class Period (collectively referred to as the "Class").

"Class Member" means a member of the Class.

"Class Period" means the time period from July 29, 2017 through [Date of Preliminary Approval or an earlier date determined by Defendant pursuant to Section VIII.B of the Settlement Agreement].

"Class Settlement" means the settlement and release of Released Class Claims (described in Section III.D below).

"Aggrieved Employees" means all current and former hourly-paid or non-exempt employees who worked for Defendant within the State of California at any time during the PAGA Period.

"PAGA Settlement" means the settlement and release of Released PAGA Claims (described in Section III.D below).

"PAGA Period" means the time period from July 17, 2020 through [Date of Preliminary Approval or an earlier date determined by Defendant pursuant to Section VIII.B of the Settlement Agreement].

II. BACKGROUND OF THE ACTION

On July 15, 2021, Plaintiff provided written notice to the Labor and Workforce Development Agency ("LWDA") and Defendant of the specific provisions of the California Labor Code that he contends were violated ("LWDA Letter"). On July 29, 2021, Plaintiff filed a Class Action Complaint for Damages in the San Bernardino County Superior Court, Case No. CIVSB2121987 against Defendant Mountain View Child Care, Inc. On September 20, 2021, Plaintiff also filed a Complaint Enforcement Under the Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* against Defendants Mountain View Child Care, Inc., *et al.* In both actions, Plaintiff alleges that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide complaint wage statements, keep requisite payroll records, reimburse business expenses, and thereby violated the California Business & Professions Code section 17200, *et seq.*, and conduct that gives rise to penalties under California Labor Code section 2698,

et seq. ("PAGA") Plaintiff seeks, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys' fees and costs.

Defendant denies all of the allegations and denies any and all wrongdoing in the Litigation.

After investigation and analysis of the claims, the Parties engaged in good faith, arms-length negotiations, and as a result, the Parties reached a settlement. The Parties have since entered into the Joint Stipulation of Class Action and PAGA Settlement ("Settlement" or "Settlement Agreement") that releases claims in the Litigation.

On [Date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Simpluris, Inc. as the administrator of the Settlement ("Settlement Administrator"), Plaintiff Elias Rios as representative of the Class ("Class Representative"), and the following counsel as counsel for the Class ("Class Counsel"):

Arby Aiwarzian, Esq.
Joanna Ghosh, Esq.
Helene Mayer, Esq.
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you need not take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Sections III and IV below. If you are an Aggrieved Employees, you do not need to take any action to receive an Individual PAGA Payment.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendant that the claims in the Litigation have merit or that Defendant have any liability to Plaintiff, Class Members, or Aggrieved Employees. Plaintiff and Defendant, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of the Class Members and Aggrieved Employees. The Court has made no ruling on the merits of the claims asserted in the Litigation and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is One Million Four Hundred Fifty Thousand Dollars (\$1,450,000.00) (the "Gross Settlement Amount"). The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the "Net Settlement Amount." The Net Settlement Amount will be the Gross Settlement Amount, less the following payments which are subject to approval by the Court: (1) attorneys' fees in an amount not to exceed 35% of the Gross Settlement Amount (i.e., \$507,500) ("Attorneys' Fees") and reimbursement of litigation costs and expenses, in an amount not to exceed Thirty-Five Thousand Dollars (\$35,000.00) ("Litigation Costs") to Class Counsel; (2) Incentive Award in an amount not to exceed Ten Thousand Dollars (\$10,000.00) to Plaintiff for his services in the Litigation; (3) Administration Costs in an amount not to exceed Twenty-Seven Thousand Dollars (\$27,000.00) to the Settlement Administrator; and (4) the amount of Thirty-Seven Thousand Five Hundred Dollars (\$37,500.00) allocated toward civil penalties under the Private Attorneys General Act ("PAGA Penalties"). The PAGA Penalties will be distributed 75% to the LWDA ("LWDA Payment") and the remaining 25% will be distributed to Aggrieved Employees ("Employee PAGA Amount").

Class Members are entitled to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Payment") based upon the number of weeks that a Class Member worked for Defendant as an hourly-paid or non-exempt employee in California during the Class Period (based on the number of Workweeks in the Class List that Defendant provide to the Settlement Administrator) and includes any week in which a Class Member worked 5 shifts. ("Workweeks"). The Settlement Administrator has divided the Net Settlement Amount by the total number

of Workweeks of all Class Members ("Class Workweek Point Value") and multiplied each Class Member's individual Workweeks by the Class Workweek Point Value to arrive at his or her Individual Settlement Payment that he or she may be eligible to receive under the Class Settlement (which is listed in Section III.C below). Class Members who do not submit a timely and valid Request for Exclusion ("Settlement Class Members") will be issued their payment of their final Individual Settlement Payment.

Each Individual Settlement Payment will be allocated as twenty percent (20%) as wages, which will be reported on an IRS Form W-2; and the forty percent (40%) penalties and forty percent (40%) interest, which will be reported on an IRS Form 1099. Each Individual Settlement Payment shall be subject to reduction for the employee's share of payroll taxes due on the wages portion of Individual Settlement Payment. The employer's share of payroll taxes and contributions in connection with the wages portion of the Individual Settlement Payments ("Employer Taxes") will be paid by Defendant separately and in addition to the Gross Settlement Amount.

Aggrieved Employees are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the Employee PAGA Amount ("Individual PAGA Payment"), based on the number of Workweeks of each Aggrieved Employee during the PAGA Period ("PAGA Workweeks"). The Settlement Administrator has divided the Employee PAGA Amount by the total number of PAGA Workweeks of all Aggrieved Employees ("PAGA Workweek Point Value") and multiplied each Aggrieved Employee's individual PAGA Workweeks by the PAGA Workweek Point Value to arrive at his or her Individual PAGA Payment that he or she may be eligible to receive under the PAGA Settlement (which is listed in Section III.C below). Aggrieved Employees will not be excluded from the PAGA Settlement.

Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, which will be reported on an IRS Form 1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Settlement Class Members and Individual PAGA Payments will be mailed to Aggrieved Employees at the address that is on file with the Settlement Administrator. **If the address to which this Class Notice was mailed is not correct, or if you move after you receive this Class Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure your receipt of payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendant's Records

According to Defendant's records:

From July 29, 2017 through [Date of Preliminary Approval or an earlier date determined by Defendant pursuant to Section VIII.B of the Settlement Agreement] (i.e., Class Period), you are credited as having worked [] Workweeks.

From July 17, 2020 through [Date of Preliminary Approval or an earlier date determined by Defendant pursuant to Section VIII.B of the Settlement Agreement] (i.e., PAGA Period), you are credited as having worked [] PAGA Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit a written dispute ("Workweeks Dispute") that must: (a) contain the case name and number of the Litigation (*Elias Rios v. Mountain View Child Care, Inc.*, CIVSB2121987); (b) contain your full name, address, telephone number, signature, and last four digits of your Social Security number; (c) contain a statement setting forth the number of Workweeks during the Class Period and/or PAGA Period that you contend is correct and attaches any relevant documentation in support thereof; and (d) be submitted to the Settlement Administrator by mail at the specified address listed in Section IV.B below, postmarked **no later than [Response Deadline]**.

C. Your Estimated Individual Settlement Payment and Individual PAGA Payment

As explained above, your estimated Individual Settlement Payment and/or Individual PAGA Payment is based on the number of Workweeks and/or PAGA Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Payment is estimated to be \$ _____. The Individual Settlement Payment is subject to reduction for the employee's share of taxes and withholdings with respect to the wages portion of the Individual Settlement Payment.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ _____.

The settlement approval process may take multiple months. Your Individual Settlement Payment and/or Individual PAGA Payment (if applicable) reflected in this Class Notice is only an estimate. Your actual Individual Settlement Payment and/or Individual PAGA Payment (if applicable) may be higher or lower. Payments will be distributed only after the Court grants final approval of the Settlement, and after the Settlement goes into effect.

D. Released Claims

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all Settlement Class Members waive, release, and discharge Released Parties of any and all Released Class Claims.

Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of California, and Aggrieved Employees, waive, release and discharge Released Parties of any and all Released PAGA Claims.

"Released Class Claims" means any and all causes of action and factual or legal theories that were alleged in the Operative Complaint, or reasonably could have been alleged based on the facts and legal theories contained in the Operative Complaint, arising during the Class Period, including the but not limited to claims under California Labor Code §§ 201-204, 218.5, 226, 226.7, 510, 512, 551, 552, 558, 558.1, 1174(d), 1021.5, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2699, 2699.3, 2699.5, reporting time wages, violations of California's unfair competition law (California Business & Professions Code §§17200 et seq.), and IWC Wage Orders 4-2001 and 5-2001.

"Released PAGA Claims" with respect to the Aggrieved Employees and the State of California, means all claims for civil penalties under PAGA that were alleged in the Litigation, or reasonably could have been alleged based on the facts and legal theories of the Litigation and/or LWDA Notice, arising during the PAGA Period, for civil penalties pursuant to the PAGA for Defendant's alleged violations of California Labor Code §§ 201-204, 218.5, 226, 226.7, 510, 512, 551, 552, 558, 558.1, 1174(d), 1021.5, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2800, 2802, 2699, 2699.3, 2699.5, reporting time wages, violations of California's unfair competition law (California Business & Professions Code §§17200 et seq.), and IWC Wage Orders 4-2001 and 5-2001.

"Released Parties" means Defendant, and their present and former parent companies, subsidiaries, divisions, affiliates, predecessors, successors and assigns, owners, shareholders, officers, employees, agents, attorneys, insurers, directors, legal counsel, and any individual or entity that could be liable for any of the Released Class Claims and Released PAGA Claims.

E. Attorneys' Fees and Litigation Costs to Class Counsel

Class Counsel will seek attorneys' fees in an amount of up to thirty five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$507,500.00) ("Attorneys' Fees") and reimbursement of litigation costs and expenses in an amount of up to Thirty-Five Thousand Dollars (\$35,000.00) ("Litigation Costs"), subject to approval by the Court. The Attorneys' Fees and Litigation Costs granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Action on behalf of Plaintiff and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Incentive Award to Plaintiff

Plaintiff will seek the amount of Ten Thousand Dollars (\$10,000.00) ("Incentive Award"), in recognition of his services in connection with the Litigation. The Incentive Award will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiff in addition to his Individual Settlement Payment and Individual PAGA Payment (if applicable) that he is entitled to under the Settlement.

G. Administration Costs to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twenty-Seven Thousand Dollars (\$27,000.00) ("Administration Costs") for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, objections, and Workweeks Disputes, calculating Individual Settlement Payments and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will be deemed to have released the Released Class Claims described in Section III.D above.

If you are an Aggrieved Employee, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

Class Members and Aggrieved Employees will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless they retain their own counsel, in which event they will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by submitting a written request ("Request for Exclusion"), which must: (1) contain the case name and number of the Litigation (*Elias Rios v. Mountain View Child Care, Inc.*, CIVSB2121987); (2) contain the your full name, address, telephone number, and last four digits of your Social Security number; (3) be signed by you or your authorized representative; (4) contain a clear statement that the you request to be excluded from the Class Settlement; and (5) be sent to the Settlement Administrator, postmarked by **no later than [Response Deadline]** at the following address:

[Settlement Administrator]
[Address]

If the Court grants final approval of the Settlement, any Class Member who does submit a timely and validly Request for Exclusion will not be entitled to receive an Individual Settlement Payment, will not be bound by the Class Settlement (and the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a Request for Exclusion will be deemed Settlement Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. All Aggrieved Employees will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection to the Settlement Administrator or presenting your objection at the Final Approval Hearing.

An objection must: (1) contain the case name and number of the Litigation (*Elias Rios v. Mountain View Child Care, Inc.*, CIVSB2121987); (2) contain your full name, address, telephone number, signature, and last four digits of your Social Security number; (3) clearly state the grounds for the objection; (4) state whether you intend to appear at the Final Approval Hearing; and (5) be mailed to the Settlement Administrator, at the address listed in Section IV.B above, postmarked **no**

later than [Response Deadline].

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department S26 of the San Bernardino County Superior Court, located at San Bernardino Justice Center, 247 West Third Street, San Bernardino, California 92415, on [date], at [time], to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and award Attorneys' Fees and Litigation Costs to Class Counsel, Incentive Award to Plaintiff, and Administration Costs to the Settlement Administrator.

The hearing may be continued without further notice to the Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear if you wish to.

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and documents filed in the Action for a fee by visiting the civil clerk's office, located at 247 West Third Street, San Bernardino, California 92415, during business hours, or by online by visiting the following website: <https://www-sb-court.org/divisions/civil-general-information/court-case-information-and-document-sales>, clicking "Accept (Civil/Appeals)", clicking "Click here to access the Portal," clicking "Smart Search," and typing in the Court Case Number "CIVSB2121987."

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 410 West Arden Avenue, Suite 203, Glendale, California 91203.

On November 7, 2024, I served the foregoing document(s) described as **NOTICE OF ENTRY OF JUDGMENT OR ORDER** on interested parties in this action by Electronic Service as follows:

Linh T. Hua
Simran Virdi
GORDON REES SCULLY MANSUKHANI
633 West Fifth Street, 52nd Floor
Los Angeles, California 90071
Emails: lhua@grsm.com; svirdi@grsm.com

Attorneys for Defendants

[X] BY E-MAIL

The above-referenced document(s) was transmitted to the person(s) at the e-mail address(es) listed herein at their most recent known e-mail address or e-mail of record in this action. I did not receive, within reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

State of California, Labor & Workforce Development Agency Web URL:
<http://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>

[X] BY ONLINE SUBMISSION

The foregoing documents were transmitted to the California Labor and Workforce Development Agency through the online system established for the submission of notices and documents, in conformity with California Labor Code section 2699(l). I did not receive, within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful.

[X] STATE

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

Executed on November 7, 2024, at Glendale, California.



Brenda Castillo