

1 **STIPULATION OF CLASS, COLLECTIVE, AND REPRESENTATIVE ACTION**

2 **SETTLEMENT**

3 This Stipulation of Class, Collective, and Representative (“PAGA”) Action Settlement
4 (“Agreement” or “Settlement”) is made and entered into by and between Plaintiff Hamzeh Ayyad
5 (“Plaintiff” or “Class Representative”), on behalf of all other similarly situated Class Members,
6 Collective Members, and PAGA Group Members (as defined herein), and Defendant PowerSchool
7 Group, LLC (“Defendant”) (collectively with Plaintiff, the “Parties”).

8 This Settlement shall be binding on Plaintiff and Settlement Class Members, Settlement
9 Collective Members, and PAGA Group Members, and on Defendant, subject to the terms and conditions
10 hereof and the approval of the Court.

11 **RECITALS**

12 1. On September 2, 2021, Plaintiff provided written notice by certified mail to the Labor and
13 Workforce Development Agency and Defendant of the specific provisions of the California Labor Code
14 that Defendant allegedly violated. Plaintiff intends to file a Complaint in the Superior Court of California
15 for the County of Sacramento (“Ayyad Action” or the “Action”), alleging causes of action for violation of
16 California Labor Code, California Business & Professions Code §§ 17200, *et seq.*, the applicable Wage
17 Order, and the Fair Labor Standards Act (“FLSA”) on behalf of all persons who have been employed by
18 Defendant as non-exempt classified Inside Sales Representatives, Account Representatives, Senior Inside
19 Sales Representatives/Account Representatives, Sales Development Representatives, Senior Sales
20 Development Representatives, and/or Account Executives in California at any time on or after May 1,
21 2017, and anywhere else in the United States at any time on or after May 1, 2018, for failure to pay all
22 wages (including overtime, straight-time, and minimum wages), failure to provide meal periods and
23 premium payments in lieu thereof, failure to provide rest periods and premium payments in lieu thereof,
24 failure to timely pay wages, failure to timely pay wages upon termination, failure to provide compliant
25 wage statements, failure to maintain accurate payroll records, failure to reimburse business expenses, and
26 violation of the California Private Attorneys General Act, pursuant to California state and federal law, as
27 applicable.

28 2. Defendant denies all material allegations set forth in *Ayyad Action*, defined below, and

has asserted numerous affirmative defenses. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Action and the Released Claims.

3. Class Counsel in the Action diligently investigated the proposed Class Members, Collective Members, and PAGA Group Members' claims against Defendant, including any and all applicable defenses and the applicable law. The investigation included, *inter alia*, the exchange of information, data, and documents, and review of numerous corporate policies and practices.

4. On August 16, 2021 and September 13, 2021, the Parties participated in mediation with John F. Hyland, Esq. (the "Mediator"), a respected mediator of complex wage and hour actions, and eventually, after continued settlement negotiations and with the assistance of the Mediator's evaluations, the Parties reached the settlement that is memorialized herein. At all times, the settlement discussions were conducted at arm's-length. Based on the documents produced, as well as Class Counsel's own independent investigation and evaluation, Class Counsel believe that the settlement with Defendant for the consideration and on the terms set forth in this Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation and various defenses asserted by Defendant.

5. The Parties expressly acknowledge that this Agreement is entered into solely for the purpose of compromising significantly disputed claims and that nothing herein is an admission of liability or wrongdoing by Defendant. If for any reason the Agreement is not approved, it will be of no force or effect, and the Parties shall be returned to their original respective positions.

DEFINITIONS

6. The following definitions are applicable to this Agreement. Definitions contained elsewhere in this Agreement will also be effective:

a. "Agreement" or "Settlement" means the settlement and resolution of the Released Claims.

b. "Attorneys' Fees and Costs" means attorneys' fees approved by the Court for Class Counsel's litigation and resolution of the Actions, and all actual costs incurred and to be incurred by Class Counsel in the Actions, as set forth in Paragraph 9 below.

1 c. “Class Counsel” or “Plaintiff’s Counsel” mean Gregg I. Shavitz and Paolo C.
2 Meireles of Shavitz Law Group, P.A., and Jennifer Liu of The Liu Law Firm, P.C.

3 d. “Class List” means a complete list of all Class Members, Collective Members,
4 and PAGA Group Members, that Defendant will diligently and in good faith compile from its records
5 and provide to the Settlement Administrator. The Class List will be formatted in a readable Microsoft
6 Office Excel spreadsheet and will include a confidential list containing names, employee identification
7 numbers, last known address, number of workweeks worked during the Class Period, PAGA Period, and
8 FLSA Period, and Social Security Numbers to facilitate the administration of the settlement.

9 e. “Class Member(s)” or “Class” mean all persons who have been employed by
10 Defendant as non-exempt classified Inside Sales Representatives, Account Representatives, Senior Inside
11 Sales Representatives/Account Representatives, Sales Development Representatives, Senior Sales
12 Development Representatives, and/or Account Executives in California at any time during the Class
13 Period.

14 f. “Class Period” means the time period from May 1, 2017 through November 5,
15 2021.

16 g. “Class Representative” or “Plaintiff” mean Hamzeh Ayyad.

17 h. “Court” means the Superior Court of the State of California for the County of
18 Sacramento.

19 i. “Collective Members” or “Collective” means all persons who have been employed
20 by Defendant as non-exempt classified Inside Sales Representatives, Account Representatives, Senior
21 Inside Sales Representatives/Account Representatives, Sales Development Representatives, Senior Sales
22 Development Representatives, and/or Account Executives anywhere in the United States during the FLSA
23 Period.

24 j. “Defendant” means PowerSchool Group, LLC.

25 k. “Defendant’s Counsel” means Coby Turner and Daniel Whang of Seyfarth Shaw
26 LLP.

27 l. “Effective Date” means the date the Court enters a Final Approval Order and
28 Judgment and the latest of: (i) if there is an appeal of the Court’s Judgment, the date the Judgment is

1 affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for
2 review with the California Supreme Court or other court in California assuming jurisdiction of this matter,
3 or, (ii) if a petition for review filed, the date of denial of the petition, or the date the Court's Judgment is
4 affirmed pursuant to such petition; or (iii) if no appeal is filed, the expiration date of the time for filing or
5 noticing any appeal of the Court's Judgment. If a timely and proper objection to the Settlement is filed
6 (including an objection from the LWDA), "Effective Date" shall be the later of: (a) the date on which the
7 time for all appeals relating to objections to the Settlement and the Final Approval Order and Judgment
8 has expired; or (b) if an appeal, review or writ is sought, the date on which the highest reviewing court
9 renders its decision denying any petition (where the immediately lower court affirmed the judgment) or
10 affirming the judgment. Provided, however, if the California Labor & Workforce Development Agency
11 ("LWDA") has commenced an investigation or issued a Citation prior to the Effective Date, as determined
12 under the foregoing definition, the Effective Date will be extended to the date that the LWDA concludes
13 its investigation or resolves the Citation (whichever is later), or if the LWDA objects to the Settlement,
14 the date when the LWDA's objection to the Settlement is resolved and no longer appealable.

15 m. "Enhancement Payment" means the amount to be paid to Plaintiff in recognition
16 of his effort and work in prosecuting the Actions on behalf of Class Members, Collective Members, and
17 PAGA Group Members, and in exchange for a general release, as set forth in Paragraph 10 below.

18 n. "Final Approval" means the determination by the Court that the settlement is fair,
19 reasonable, and adequate, and entry of the Final Approval Order and Judgment based thereon.

20 o. "Final Approval Hearing" means the hearing at which the Court will consider and
21 determine whether the settlement should be granted Final Approval.

22 p. "FLSA Period" means the time period from May 1, 2018 through November 5,
23 2021.

24 q. "FLSA Settlement Approval Notice" means the Notice of Final Approval of
25 FLSA Settlement, substantially in the form attached as "**Exhibit B.**"

26 r. "Individual PAGA Payment" means the amount payable to each PAGA Group
27 Member from the 25% portion of the PAGA Fund that is allocated to PAGA Group Members as provided
28 in Paragraph 13(b).

1 s. "Individual Settlement Payment" means the net payment of each Settlement Class
2 Member or Settlement Collective Member's Individual Settlement Share, after reduction for the
3 employee's share of taxes and withholdings with respect to the wages portion of the Individual
4 Settlement Share, as provided in Paragraph 26 below.

5 t. "Individual Settlement Share" means the *pro rata* share of the Net Settlement Fund
6 that a Class Member or Collective Member may be eligible to receive under the Agreement, to be
7 calculated in accordance with Paragraph 13(a).

8 u. "LWDA Payment" means the amount that the Parties have agreed to pay to the
9 California Labor and Workforce Development Agency ("LWDA") as set forth in Paragraph 12.

10 v. "Net Settlement Fund" means the portion of the Gross Fund Value that is available
11 for distribution to Class Members or Collective Members, which is the Gross Fund Value less the PAGA
12 Fund, court-approved attorneys' fees and costs, settlement administration costs, and the court-approved
13 Enhancement Payment.

14 w. "Notice of Objection" means a Settlement Class Member's valid and timely
15 written objection to the Settlement, which must be in writing and include: (a) the case name and number
16 of the *Ayyad* Action; (b) the objector's full name, signature, address, and telephone number, and the last
17 four digits of his or her Social Security number, (c) a written statement of all grounds for the objection
18 accompanied by any legal support for such objection, (d) copies of any papers, briefs, or other
19 documents upon which the objection is based; and (e) be returned by mail to the Settlement
20 Administrator at the specified address, postmarked on or before the Response Deadline. The date of the
21 postmark on the return mailing envelope on the submission will be the exclusive means to determine
22 whether a Request for Exclusion has been timely submitted. For the avoidance of doubt, only Settlement
23 Class Members have standing to file a Notice of Objection as to the Settlement.

24 x. "Operative Complaint" means the Complaint in this Action filed in the Superior
25 Court of California for the County of Sacramento.

26 y. "PAGA Group Members" means all persons who have been employed by
27 Defendant as non-exempt classified Inside Sales Representatives, Account Representatives, Senior Inside
28 Sales Representatives/Account Representatives, Sales Development Representatives, Senior Sales

Development Representatives, and/or Account Executives in California at any time during the PAGA Period.

z. “PAGA Period” means the time period from May 1, 2020 through November 5, 2021.

aa. “PAGA Settlement” means the settlement and resolution of the Released PAGA Claims.

bb. “Parties” means Plaintiff and Defendant, collectively, and “Party” means either Plaintiff or Defendant.

cc. “Preliminary Approval” means entry of the Court’s order granting preliminary approval of the Agreement.

dd. “Preliminary Approval Notice” means the Notice of Preliminary Approval of Class Action Settlement, substantially in the form attached as “**Exhibit A.**”

ee. “Released Claims” means the Released Class Claims, the Released FLSA Claims, and the Released PAGA Claims.

ff. “Released Class Claims” means any and all wage and hour claims that were pled or could have been pled, based on, or which arise out of the facts alleged in the Operative Complaint in the Action, arising during the Class Period. This includes known and unknown claims arising under California Labor Code sections 201-203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2802, the applicable IWC Wage Order(s), the California Unfair Competition Law, California Business and Professions Code section 17200 *et seq.*, as well as all claims arising under the listed Labor Code statutes based on the primary rights of those statutes, irrespective of the theory of recovery alleged.

gg. “Released FLSA Claims” means all wage and hour claims under the Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.* that accrued during their employment as non-exempt Inside Sales Representatives, Account Representatives, Senior Inside Sales Representatives/Account Representatives, Sales Development Representatives, Senior Sales Development Representatives, and/or Account Executives during the FLSA Period, including, without limitation, all non-California based state and federal claims for unpaid overtime wages or minimum wages and any and all related claims for

penalties, interest, liquidated damages, attorneys' fees, costs, and expenses.

hh. "Released PAGA Claims" means all claims under the California Private Attorneys General Act of 2004 ("PAGA") alleged in the Operative Complaint or claims that could have been alleged based on the facts pertaining to Plaintiff and the PAGA Group Members, arising during the PAGA Period. This includes, but is not limited to PAGA claims based on California Labor Code sections 201-203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2802, and the applicable IWC Wage Order(s), as well as all claims arising under the listed Labor Code statutes based on the primary rights of those statutes, irrespective of the theory of recovery alleged. It is understood that PAGA Group Members will not have the opportunity to opt out of, or object, to the Released PAGA Claims. Further, the PAGA Group Members are bound by the Released PAGA Claims regardless of whether they cash and/or otherwise negotiate their Individual PAGA Payment.

ii. "Released Parties" means Defendant and all of its present and former parent companies, subsidiaries, affiliates and joint ventures, and all of their officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by through, under or in concert with any of them.

jj. "Request for Exclusion" means a timely letter submitted by a Class Member indicating a request to be excluded from the Settlement. The Request for Exclusion must: (a) contain the case name and number of the *Ayyad* Action, (b) be signed by the Class Member, (c) contain the full name, address, telephone number, and the last four digits of the Social Security Number of the Class Member requesting exclusion, (d) clearly state that the Class Member does not wish to be included in the Settlement, and (e) be returned by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline. The date of the postmark on the return mailing envelope on the submission will be the exclusive means to determine whether a Request for Exclusion has been timely submitted. A Class Member who does not request exclusion from the Settlement will be deemed a Settlement Class Member and will be bound by all terms of the Agreement if the Settlement is granted Final Approval by the Court.

kk. "Response Deadline" means the deadline by which Class Members must submit a Request for Exclusion, Notice of Objection, and/or dispute of the Workweeks credited to them, which

1 shall be the date that is forty-five (45) calendar days from the initial mailing of the Preliminary Approval
2 Notice by the Settlement Administrator, unless the 45th day falls on a Sunday or Federal holiday, in
3 which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is
4 open. The Response Deadline may also be extended by express agreement between Class Counsel and
5 Defendant's Counsel. Under no circumstances, however, will the Settlement Administrator have the
6 authority to extend the Response Deadline. In the event that a Preliminary Approval Notice is re-mailed
7 to a Class Member, the Response Deadline for that Class Member shall be the extended by fifteen (15)
8 calendar days.

9 ll. "Settlement Administrator" means the third-party class action settlement
10 administrator agreed to by the Parties and approved by the Court for purposes of administering this
11 settlement. The Parties each represent that they do not have any financial interest in the Settlement
12 Administrator or otherwise have a relationship with the Settlement Administrator that could create a
13 conflict of interest.

14 mm. "Settlement Administration Costs" means the costs payable from the Gross Fund
15 Value, subject to Court approval, to the Settlement Administrator for administering this settlement, as
16 set forth in Paragraph 11 below.

17 nn. "Settlement Class Members" means all Class Members who do not timely and
18 properly opt out of the settlement provided for in this settlement with respect to the California state law
19 claims. The Settlement Class consists of only the Settlement Class Members.

20 oo. "Settlement Collective Members" means all Collective Members who opt into the
21 collective action with respect to claims under the Fair Labor Standards Act ("FLSA").

22 pp. "Gross Fund Value" means the amount of one million three hundred and fifty
23 thousand dollars and zero cents (\$1,350,000.00) to be paid by Defendant in full resolution of all Released
24 Claims and the Action, which includes all Attorneys' Fees and Costs, Enhancement Payments, PAGA
25 Fund, Net Settlement Fund to be paid to the Settlement Class Members and Settlement Collective
26 Members, and Settlement Administration Costs. The employer's share of taxes on the wages portion of
27 Individual Settlement Shares will be paid separately and in addition to the Gross Fund Value.

28 qq. "Workweeks" means the number of weeks each Class Member and/or Collective

1 Member worked for Defendant as non-exempt classified Inside Sales Representatives, Account
2 Representatives, Senior Inside Sales Representatives/Account Representatives, Sales Development
3 Representatives, Senior Sales Development Representatives, and/or Account Executives. The workweeks
4 during the Class Period for Class Members and FLSA Period for Collective Members is estimated to be
5 a combined total of approximately 11,625.

6 **CLASS CERTIFICATION**

7 7. The Parties stipulate and agree to certification of the Class and Collective, for purposes of
8 this Settlement only. This Agreement is subject to approval by the Court and is made for the sole purpose
9 of consummating settlement of the Action. Should the Settlement not become final and effective as
10 provided herein, class certification shall immediately be set aside and the Class and Collective
11 immediately decertified, subject to further proceedings on the motion of any party to certify or deny
12 certification thereafter. The Parties' willingness to stipulate to class and collective certification as part of
13 the Settlement shall have no bearing on, and shall not be admissible in or considered in connection with,
14 the issue of whether a class should be certified in a non-settlement context in this Action and shall have
15 no bearing on, and shall not be admissible or considered in connection with, the issue of whether a class
16 or collective should be certified in any other lawsuit

17 **TERMS OF AGREEMENT**

18 NOW, THEREFORE, in consideration of the mutual covenants, promises, and agreements set
19 forth herein, the Parties agree, subject to the Court's approval, as follows:

20 8. Funding of the Gross Fund Value. The payments in this Settlement shall be distributed
21 within fourteen (14) calendar days after the Effective Date, or as otherwise directed by the Court. Within
22 seven (7) calendar days of the Effective Date, Defendant will make a one-time deposit of the Gross Fund
23 Value into a Qualified Settlement Fund established by the Settlement Administrator pursuant to Section
24 468B(g) of the Internal Revenue Code. The Settlement Administrator will issue payments due under the
25 Settlement and approved by the Court, as follows: (a) Individual Settlement Payments to Settlement
26 Class Members and Settlement Collective Members; (b) Individual PAGA Payments to PAGA Group
27 Members; (c) LWDA Payment to the Labor and Workforce Development Agency; (d) Enhancement
28 Payment to Plaintiff; and (e) Attorneys' Fees and Costs to Class Counsel.

1 The Settlement Administrator, who will be selected by Class Counsel, subject to Defendant's
2 approval, will administer this Settlement, and will issue to Settlement Class Members, Settlement
3 Collective Members, and PAGA Group Members forms W-2 (for wage payments) and/or forms 1099 (for
4 penalties and interest) for all amounts paid under this Settlement consistent with the terms specified herein,
5 making all deductions and withholdings required under law. The Settlement Administrator shall furnish
6 its own Employer ID Number and calculate all settlement checks and payroll deductions and withholdings
7 required under law based on information that will be confidentially furnished by Defendant. The
8 Settlement Administrator also will establish a Qualified Settlement Fund pursuant to Section 468B(g) of
9 the Internal Revenue Code for the purpose of administering the Settlement. The Settlement Administrator
10 will also issue a Court-approved payment to itself for services performed in connection with the
11 Settlement.

12 The Settlement Administrator shall not share the information with any third party or counsel for
13 any of the Parties. However, Class Counsel's contact information will be reflected on any communications
14 by the Settlement Administrator to Class Members, Collective Members and/or PAGA Group Members.
15 Likewise, to the extent any Class Members, Collective Members and/or PAGA Group Members contact
16 Defendant regarding Agreement, they will be referred to the Preliminary Approval Notice and/or FLSA
17 Settlement Approval Notice, as applicable, and provided contact information for the Settlement
18 Administrator to receive another copy of the Preliminary Approval Notice and/or FLSA Settlement
19 Approval Notice, as applicable, if they do not have a copy of it.

20 9. Attorneys' Fees and Costs. Class Counsel will request, and Defendant will not oppose,
21 that the Court approve an award of attorneys' fees in an amount not to exceed one-third of the Gross Fund
22 Value (e.g., \$450,000) plus costs in an amount not to exceed \$10,000 associated with Class Counsel's
23 litigation and settlement of the Action, both of which will be paid from the Gross Fund Value subject to
24 Court approval. These amounts will cover any and all work performed and any and all costs incurred by
25 Class Counsel in connection with the litigation of the Action, including without limitation all work
26 performed and costs incurred to date, and all work to be performed and all costs to be incurred in
27 connection with obtaining the Court's approval of this Agreement, including any objections raised and
28 any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for

1 correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts
2 received. Any portion of the Attorneys' Fees and Costs not awarded to Class Counsel shall be a part of
3 the Net Settlement Fund for the benefit of Settlement Class Members.

4 The Court's approval of fees and costs requested by Class Counsel is not a material term of the
5 Settlement. If the Court does not approve or approves only a lesser amount than that requested by Class
6 Counsel for attorneys' fees or costs, the other terms of the Settlement shall still apply. The Court's refusal
7 to approve the attorneys' fees or costs award requested by Class Counsel does not give Plaintiff or Class
8 Counsel any basis to abrogate the Settlement. Any amount of an attorneys' fees and costs award requested
9 by Class Counsel, but unapproved by the Court shall be allocated to the Net Settlement Fund.

10 10. Enhancement Payment. In recognition of his efforts and work in prosecuting the Action,
11 Defendant agrees not to oppose or impede any application or motion for Enhancement Payment in an
12 amount up to five thousand dollars (\$5,000.00) to Plaintiff. The Enhancement Payment, which will be
13 paid from the Gross Fund Value, subject to Court approval, will be in addition to Plaintiff's Individual
14 Settlement Payment and Individual PAGA Payment (if applicable) that are to be paid pursuant to the
15 settlement. The Parties agree that, for purposes of this settlement, 100% of the Enhancement Payment
16 will be allocated to 1099 income. The Settlement Administrator will issue an IRS Form 1099 to Plaintiff
17 for the Enhancement Payment, and Plaintiff shall be solely and legally responsible for correctly
18 characterizing this compensation for tax purposes and for paying any taxes on the amounts received.
19 Plaintiff agrees to indemnify and hold Defendant harmless from any claim or liability for taxes, penalties,
20 or interest arising as a result of the Enhancement Payment. Should the Court approve the Enhancement
21 Payment to Plaintiff in an amount that is less than that set forth above, the difference between the lesser
22 amounts approved by the Court and the amounts allocated toward the Enhancement Payment will be part
23 of the Net Settlement Fund for the benefit of Settlement Class Members.

24 The Court's approval of an Enhancement Payment is not a material term of the Settlement. If the
25 Court does not approve or approves only a lesser amount than that requested by Plaintiff for an
26 Enhancement Payment, the other terms of the Settlement shall still apply. The Court's refusal to approve
27 the Enhancement Payment requested by Plaintiff does not give any basis to abrogate the Settlement. Any
28 amount of the Enhancement Payment requested by Plaintiff, but unapproved by the Court shall be

1 allocated to the Net Settlement Fund.

2 11. Settlement Administration Costs. The Settlement Administrator will be paid for the
3 reasonable costs of administration of the Settlement and distribution of payments under the Settlement,
4 which is currently estimated not to exceed Ten Thousand Five Hundred Fifty Dollars and Zero Cents
5 (\$10,550.00). These costs, which will be paid from the Gross Fund Value, subject to Court approval,
6 will include, *inter alia*, printing, distributing, and tracking Preliminary Approval Notices and FLSA
7 Settlement Approval Notices and other documents for this Settlement, calculating and distributing
8 payments due under the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting,
9 filings, withholdings, and remittances, providing necessary reports and declarations, and other duties and
10 responsibilities set forth herein to process this Settlement, and as requested by the Parties. To the extent
11 actual Settlement Administration Costs are greater than the estimated amount stated herein, such excess
12 amount will be deducted from the Gross Fund Value, subject to approval by the Court. Any portion of
13 the estimated, designated, and/or awarded Settlement Administration Costs which are not in fact required
14 to fulfill payment to the Settlement Administrator to undertake the requirement settlement administration
15 duties will become part of the Net Settlement Fund.

16 12. Labor and Workforce Development Agency Payment. Subject to approval by the Court,
17 the Parties agree that the amount of seventy-five thousand dollars (\$75,000.00) from the Gross Fund
18 Value will be allocated toward penalties under the Private Attorneys General Act, California Labor Code
19 Section 2698, *et seq.* (“PAGA Fund”), of which seventy-five percent (75%), or \$56,250, will be paid to
20 the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$18,750 (“PAGA Settlement
21 Fund”), will be distributed to PAGA Group Members.

22 13. Individual Settlement Share and Individual PAGA Payment Calculations. Class Members
23 and PAGA Group Members shall not be required to submit a claim in order to receive a share of the Net
24 Settlement Fund and PAGA Settlement Fund, respectively. Individual Settlement Shares and Individual
25 PAGA Payment will be calculated and apportioned as follows:

26 a. The pro rata portion of the Net Settlement Fund shall be determined by assigning
27 a point value to each week worked in a qualifying position (reflected in paragraphs 6(e) and 6(i) above)
28 during the applicable FLSA Period and Class Period. Partial weeks will be counted as full weeks. Each

1 week worked during the Class Period shall be assigned two points. Each week worked during the FLSA
2 Period shall be assigned one point. The pro rata portion shall be determined by dividing the total number
3 of points into the Net Settlement Fund to arrive at a value per point (“point value”), and multiplying
4 each Settlement Class Member’s and Settlement Collective Member’s total points by the point value.
5 For the avoidance of doubt, an employee who qualifies as both a Settlement Collective Member and a
6 Settlement Class Member may receive three total points for the same workweek.

7 b. Individual PAGA Payment: The pro rata portion of the PAGA Settlement Fund
8 shall be determined by dividing the total number of workweeks worked in a qualifying position
9 (reflected in paragraph 6(y) above) during the PAGA Period into the PAGA Settlement Fund to arrive
10 at a value per workweek for each eligible PAGA Group Member. The value per workweek shall be
11 multiplied by the number of workweeks worked by each PAGA Group Member during the PAGA
12 Period. Partial weeks will be counted as full workweeks.

13 14. Settlement Awards Do Not Trigger Additional Benefits. The payments made pursuant to
14 this settlement shall not have any effect on the eligibility or calculation of any employee benefits provided
15 by Defendant or any benefits plan. The Parties agree these payments do not represent any modification
16 of any employee’s previously-credited hours of service or other eligibility criteria under any employee
17 pension benefit plan, employee welfare benefit plan, or other program or policy. These payments also
18 will not be considered wages, compensation, or annual earnings for benefits in any year for purposes of
19 determining eligibility for, or benefit accrual within, any employee pension benefit plan, employee welfare
20 benefit plan or other program or policy.

21 15. Delivery of the Class List. Within fourteen (14) calendar days of Preliminary Approval,
22 Defendant will provide the Class List to the Settlement Administrator.

23 16. Notice by First-Class U.S. Mail.

24 a. Within fourteen (14) calendar days after receiving the Class List from Defendant,
25 the Settlement Administrator will perform a search based on the National Change of Address Database
26 or any other similar services available, such as provided by Experian, for information to update and
27 correct for any known or identifiable address changes, and will mail a Preliminary Approval Notice in
28 English (in the form attached as **Exhibit A** to this Agreement) to all Class Members via First-Class U.S.

1 Mail, using the most current, known mailing addresses identified by the Settlement Administrator.

2 b. With respect to Preliminary Approval Notices that are returned as undeliverable
3 on or before the Response Deadline, the Settlement Administrator will search for an alternate address by
4 way of skip-trace and re-mail the Preliminary Approval Notice within five (5) calendar days.

5 17. Notice to PAGA Group Members. PAGA Group Members will not be able to opt out of
6 settlement of the PAGA claims and release of PAGA claims. The notice to PAGA Group Members, sent
7 within 14 days of the Effective Date, will inform them of the amount they will receive for their PAGA
8 claims and that they will not be able to opt out of the settlement and release of the PAGA claims. Along
9 with their notice, PAGA Group Members will be sent a settlement check associated with their eligibility
10 as PAGA Group Members. For PAGA Group Members who are also Settlement Class Members and who
11 did not opt out of the Settlement, their settlement payments shall be combined on a single check.

12 18. Notice and Opt-In Procedure for Collective Members. Within 14 days of the Effective
13 Date, the Settlement Administrator will mail each Collective Member an FLSA Settlement Approval
14 Notice (in the form attached as **Exhibit B** to this Agreement) that informs these Collective Members of
15 the settlement and their rights respect to the settlement, along with an enclosed, settlement check. Each
16 Collective Member's share from the Net Settlement Fund will be issued in a check separate from the
17 payments to Settlement Class Members and PAGA Group Members, as a result, some individuals may
18 ultimately receive more than one settlement check, while Settlement Class Members and PAGA Group
19 Members settlement awards may be issued jointly on one check. However, for the avoidance of doubt,
20 where the Settlement Administrator is to issue more than one check to an individual, they will be issued
21 in the same envelope. Opt-in and release language regarding the release of the FLSA claim will be printed
22 on the FLSA settlement checks, with instructions that cashing such check constitutes consent under the
23 FLSA to opt into the collective action. The language to be included will be substantially similar to the
24 following:

25
26 “My endorsing, cashing, or depositing of this check constitutes my consent to join the
27 lawsuit entitled *Ayyad v. PowerSchool Group, LLC*, pending in the Superior Court of the
28 State of California for the County of Sacramento, Case No. _____, pursuant to the
provisions of the Fair Labor Standards Act (“FLSA”), 29 U.S.C. Section 216(b).”

1 19. Dispute Regarding Workweeks. Class Members will have an opportunity to dispute the
2 number of Workweeks to which they have been credited, as reflected in their respective Preliminary
3 Approval Notices. In order to dispute Workweeks, Class Members must submit a written letter to the
4 Settlement Administrator that: (a) contains the case name and number of the *Ayyad* Action, (b) is signed
5 by the Class Member, (c) contains the full name, address, telephone number, and the last four digits of
6 the Social Security Number of the disputing Class Member, (d) clearly states that the Class Member
7 disputes the number of Workweeks credited to him or her and what he or she contends is the correct
8 number to be credited to him or her, (e) includes information and/or attaches documentation
9 demonstrating that the number of Workweeks that he or she contends should be credited to him or her
10 are correct, and (f) is returned by mail to the Settlement Administrator at the specified address,
11 postmarked on or before the Response Deadline. The date of the postmark on the return mailing
12 envelope on the submission will be the exclusive means to determine whether a dispute has been timely
13 submitted. Absent evidence rebutting the accuracy of Defendant's records and data as they pertain to
14 the number of Workweeks to be credited to a disputing Class Member, Defendant's records will be
15 presumed correct and determinative of the dispute. However, if a Class Member produces information
16 and/or documents to the contrary, the Settlement Administrator will evaluate the materials submitted by
17 the Class Member and the Settlement Administrator will resolve and determine the number of eligible
18 Workweeks that the disputing Class Member should be credited with under the Settlement. The
19 Settlement Administrator's decision on such disputes will be final and non-appealable.

20 20. Settlement Checks. The Settlement Administrator will be responsible for undertaking
21 appropriate deductions, required tax reporting, and issuing the Individual Settlement Payments and
22 Individual PAGA Payment in accordance with this Agreement. All settlement checks mailed out will
23 expire after one hundred eighty (180) days. However, ninety (90) days, and again one hundred thirty-five
24 (135) days, after first distributing settlement checks, the Settlement Administrator shall distribute
25 reminder postcards via U.S. Mail to all Collective Members, all Settlement Class Members who did not
26 timely opt-out of the settlement, and all PAGA Group Members, who have yet to deposit or otherwise
27 negotiate their settlement checks, reminding them of the deadline to do so.

28 The sum value of all expired checks will be tallied by the Settlement Administrator. All such

1 uncollected funds associated with Settlement Class Members and PAGA Group Members' checks will
2 escheat to the State of California's Controller, to be held in the name of each expired check payee, pursuant
3 to applicable unclaimed property laws. The Settlement Administrator shall undertake amended and/or
4 supplemental tax filings and reporting, required under applicable local, state, and federal tax laws, that are
5 necessitated due to the cancellation of any Individual Settlement Payment and Individual PAGA Payment
6 checks. Settlement Class Members whose checks are cancelled shall, nevertheless, be bound by this
7 Agreement. The Parties agree that this disposition results in no "unpaid residue" under California Civil
8 Procedure Code section 384. Portions of the Net Settlement Fund attributed to and not cashed by
9 Collective Members within this time frame shall revert to Defendant, as no FLSA release will be
10 effectuated as to those individuals.

11 21. Procedure for Requesting Exclusion from the Settlement. Any Class Member wishing to
12 be excluded from the Settlement must submit a written Request for Exclusion to the Settlement
13 Administrator, by mail, within the Response Deadline. The date of the postmark on the return mailing
14 envelope will be the exclusive means to determine whether a Request for Exclusion has been timely
15 submitted. The Settlement Administrator will certify jointly to Class Counsel and Defendant's Counsel
16 the Requests for Exclusion that were timely submitted, and also identify the individuals who have
17 submitted a timely and valid Request for Exclusion in a declaration that is to be filed with the Court in
18 advance of the Final Approval Hearing. Any Class Member who submits a Request for Exclusion is
19 prohibited from making any objection to the Settlement. Any Class Member who validly requests to be
20 excluded from the Settlement will not be a Settlement Class Member and will not have any right to
21 object, appeal, or comment on the Settlement; however, if the Class Member worked during the PAGA
22 Period, he or she will remain a PAGA Group Member, will receive an Individual PAGA Payment, and
23 will be bound by the PAGA Settlement and Released PAGA Claims.

24 22. Settlement Terms Bind All Class Members Who Do Not Request Exclusion. Any Class
25 Member who does not affirmatively request exclusion from the Settlement by submitting a timely and
26 valid Request for Exclusion will be bound by all of the terms of the Agreement, including and not
27 limited to those pertaining to the Released Class Claims, as well as any judgment that may be entered
28 by the Court if it grants Final Approval to the Settlement.

1 23. Procedures for Objecting to the Settlement. To object to the Settlement, Class Members
2 who have not opted out of the Settlement (i.e., Settlement Class Members) must submit a timely and
3 complete Notice of Objection to the Settlement Administrator, by mail, on or before the Response
4 Deadline. The Notice of Objection must be signed by the Settlement Class Member and contain all
5 information required by this Agreement. The postmark date will be deemed the exclusive means for
6 determining that the Notice of Objection is timely. At no time will any of the Parties or their counsel
7 seek to solicit or otherwise encourage Settlement Class Members to object to the Settlement or appeal
8 from the Final Approval Order and Judgment. Settlement Class Members may also present their
9 objection at the Final Approval Hearing.

10 24. Reports by the Settlement Administrator Regarding Settlement Administration. The
11 Settlement Administrator will provide Defendant's Counsel and Class Counsel a weekly report which
12 certifies: (a) the number of Class Members who have submitted a dispute of Workweeks (including
13 providing those disputes); (b) the number of Class Members who have submitted timely and valid
14 Requests for Exclusion or timely and complete Notices of Objection (including providing those
15 Requests for Exclusion and Notices of Objection; and (c) the number of undeliverable and re-mailed
16 Preliminary Approval Notices. Additionally, the Settlement Administrator will provide to counsel for
17 both Parties any updated reports regarding the administration of the Agreement as needed or requested,
18 and immediately notify the Parties when it receives a request from an individual or any other entity
19 regarding inclusion in the Class and/or Settlement.

20 25. Certification of Completion. Upon completion of administration of the Settlement, the
21 Settlement Administrator will provide a written declaration under oath to certify such completion to the
22 Court and counsel for all Parties.

23 26. Treatment of Individual Settlement Payments. Each Individual Settlement Share will be
24 allocated as follows: 25% to wages and 75% to penalties and interest. The portion allocated to wages
25 will be reported on an IRS Form W-2 and the portions allocated to interest and penalties will be reported
26 on an IRS Form-1099 by the Settlement Administrator. The Settlement Administrator will withhold the
27 employee's share of taxes and withholdings with respect to the wages portion of the Individual
28 Settlement Shares, and issue checks to Settlement Class Members and Collective Members for their

Individual Settlement Payments (i.e., payment of their Individual Settlement Share net of these taxes and withholdings). Any payment for an Individual PAGA Payment will be allocated as penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099, if necessary. The employer's share of taxes and contributions on the wages portion of any distribution from the Net Settlement Fund will be paid separately and in addition to the Gross Fund Value.

27. Administration of Taxes by the Settlement Administrator. The Settlement Administrator will be responsible for issuing to Plaintiff, Settlement Class Members, Settlement Collective Members, PAGA Group Members, and Class Counsel any W-2, 1099, or other tax forms as may be required by law for all amounts paid pursuant to this Agreement. The Settlement Administrator will also be responsible for forwarding all payroll taxes, contributions, and withholdings to the appropriate government authorities.

28. Tax Liability. Plaintiff, Class Counsel, Defendant, and Defendant's Counsel do not intend anything contained in this Agreement to constitute advice regarding taxes or taxability, nor shall anything in this Agreement be relied on as such. Plaintiff, Settlement Class Members, Settlement Collective Members, and PAGA Group Members understand and agree that they will be solely responsible for correctly characterizing any compensation received under the settlement on his/her personal income tax returns and paying any and all taxes due for any and all amounts paid to them under the settlement.

29. Circular 230 Disclaimer. EACH PARTY TO THIS AGREEMENT (FOR PURPOSES OF THIS SECTION, THE "ACKNOWLEDGING PARTY" AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING PARTY, AN "OTHER PARTY") ACKNOWLEDGES AND AGREES THAT (1) NO PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR WILL ANY SUCH COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS OWN, INDEPENDENT LEGAL AND TAX

COUNSEL FOR ADVICE (INCLUDING TAX ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY'S OR ADVISER'S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

30. No Prior Assignments. The Parties and their counsel represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right herein released and discharged.

31. Release of Claims by Settlement Class Members and Settlement Collective Members. Upon the Effective Date and distribution of Individual Settlement Payments, Plaintiff and all Class Members who do not submit a valid and timely Request for Exclusion (i.e., Settlement Class Members), will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released Class Claims during the Class Period, except as to the right to enforce the terms and conditions of this settlement. Additionally, upon the Effective Date and distribution of Individual Settlement Payments, Plaintiff and each Settlement Collective Member who timely participates in the settlement by timely cashing, depositing, or otherwise negotiating their Individual Settlement Payment will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released FLSA Claims during the FLSA Period, except as to the right to enforce the terms and conditions of this settlement. Finally, upon the Effective Date and distribution of Individual PAGA Payments, Plaintiff and all PAGA Group

Members will be deemed to have fully, finally and forever released, settled, compromised, relinquished, and discharged the Released Parties of all Released PAGA Claims during the PAGA Period, except as to the right to enforce the terms and conditions of this settlement.

32. General Release of Claims by Plaintiff. In addition, upon the Effective Date and in exchange for receiving and accepting an Enhancement Payment, Plaintiff will be deemed to have fully released and discharged the Released Parties of and from all claims arising from his employment with Defendant, separation of employment from Defendant, and any acts that have or could have been asserted in any legal action or proceeding against Defendant, whether known or unknown, arising under any federal, state, or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, the Age Discrimination in Employment Act (“ADEA”), the Older Workers Benefits Protection Act (“OWBPA”), Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for discrimination, harassment, retaliation, wrongful termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code Section 1542, which provides:

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

Plaintiff understands and agrees that claims or facts in addition to or different from those which are now known or believed by them to exist may hereafter be discovered. It is Plaintiff’s intention to settle fully and release all claims they now have against the Released Parties, whether known or unknown, suspected or unsuspected. The Enhancement Payment will be paid to Plaintiff specifically in exchange for the general release of the Released Parties from all claims, including those specified in this paragraph and a

1 covenant not to sue the Released Parties with respect to the claims released herein. Notwithstanding the
2 above, the general release by Plaintiff shall not extend to claims for workers' compensation benefits,
3 claims for unemployment benefits, or other claims that may not be released by law.

4 33. Duties of the Parties with Respect to Obtaining Preliminary Approval of the Settlement.

5 Upon execution of this Agreement, Plaintiff shall promptly obtain a hearing date for Plaintiff's Motion
6 for Preliminary Approval of the Settlement, which Plaintiff and Class Counsel will be responsible for
7 drafting and submit this Agreement to the Court in support of said motion. Class Counsel will provide
8 Defendant's Counsel a draft of the Preliminary Approval Motion at least five (5) calendar days before
9 the filing deadline. Defendant agrees not to oppose the Motion for Preliminary Approval of the
10 Settlement consistent with this Agreement. Said motion shall apply to the Court for the entry of an order
11 ("Preliminary Approval Order"), which shall be mutually agreed upon by the Parties, seeking the
12 following:

- 13 a. Conditionally certifying the Class for settlement purposes only;
- 14 b. Granting Preliminary Approval of the Settlement;
- 15 c. Preliminarily appointing Plaintiff as representative of the Class;
- 16 d. Preliminarily appointing Plaintiff's Counsel as counsel for the Class;
- 17 e. Approving, as to form and content, the mutually-agreed upon and proposed
18 Preliminary Approval Notices and FLSA Settlement Approval Notices and directing their mailing to the
19 Class and Collective by first class mail;
- 20 f. Approving the manner and method for Class Members to request exclusion from
21 the Settlement as contained herein and within the Preliminary Approval Notice; and
- 22 g. Scheduling a Final Approval Hearing at which the Court will determine whether
23 the Settlement should be finally approved as fair, reasonable and adequate as to the Settlement Class
24 Members, Collective Members, and PAGA Group Members.

25 34. Duties of the Parties with Respect to Obtaining Final Approval of the Settlement. After
26 the Response Deadline, and with the Court's permission, a Final Approval Hearing will be conducted to
27 determine whether Final Approval of the Settlement should be granted, along with the amounts properly
28 payable for (a) Individual Settlement Payments; (b) the LWDA Payment; (c) Individual PAGA

1 Payments; (d) Attorneys' Fees and Costs; (e) Enhancement Payment; and (f) Settlement Administration
2 Costs. The Final Approval Hearing will not be held earlier than thirty (30) calendar days after the
3 Response Deadline. Plaintiff and Class Counsel will be responsible for drafting the motion seeking Final
4 Approval of the Settlement. Class Counsel will provide Defendant's Counsel a draft of the Final
5 Approval Motion before the filing deadline. By way of said motion, Plaintiff will apply for the entry of
6 the mutually-agreed upon proposed order and judgment ("Final Approval Order and Judgment"), which
7 will provide for, in substantial part, the following:

8 a. Approval of the Settlement as fair, reasonable, and adequate, and directing
9 consummation of its terms and provisions;

10 b. Certification of the Settlement Class Members, Collective Members, and PAGA
11 Group Members;

12 c. Approval of the application for Attorneys' Fees and Costs to Class Counsel;

13 d. Approval of the application for Enhancement Payment to Plaintiff;

14 e. Directing Defendant to fund all amounts due under the Agreement and ordered by
15 the Court; and

16 f. Entering judgment in the *Ayyad* Action barring and enjoining all Settlement Class
17 Members and Settlement Collective Members from prosecuting the Released Class Claims and Released
18 FLSA Claims, respectively, and PAGA Group Members from prosecuting the Released PAGA Claims,
19 against any of the Released Parties, while maintaining continuing jurisdiction, in conformity with
20 California Rules of Court 3.769 and the Agreement, to ensure the continuing implementation of the
21 provisions of this Settlement.

22 35. Termination or Revocation of Settlement.

23 a. Notwithstanding any other provision of this Agreement, Defendant shall retain the
24 right, in the exercise of its sole discretion, to nullify the settlement within fifteen (15) calendar days after
25 expiration of the opt out period if ten percent (10%) or more of the Class Members opt out of this
26 settlement. Defendant must exercise this right of rescission in writing that is provided to Class Counsel
27 within fifteen (15) calendar days of the Response Deadline. If Defendant exercises this option, Defendant
28 shall pay any costs of settlement administration owed to the Settlement Administrator incurred up to that

1 date.

2 b. If the Court finds the Gross Fund Value to be insufficient to warrant Preliminary
3 Approval or Final Approval of the Settlement, Defendant may, at its election, rescind the Agreement and
4 all actions taken in furtherance of it will thereby be null and void.

5 36. Effects of Termination of the Settlement. Termination of the Agreement shall have the
6 following effects:

7 a. The Agreement shall be void and shall have no force or effect, and no Party shall
8 be bound by any of its terms;

9 b. In the event the Agreement is terminated, Defendant shall have no obligation to
10 make any payments to any Party, Class Member, Collective Member, PAGA Group Member, or attorney,
11 except that the terminating Party shall pay the Settlement Administrator for services rendered up to the
12 date the Settlement Administrator is notified that the Settlement has been terminated;

13 c. The Preliminary Approval Order, Final Approval Order and Judgment, including
14 any order certifying the Class, shall be vacated;

15 d. The Agreement and all negotiations, statements and proceedings relating thereto
16 shall be without prejudice to the rights of any of the Parties, all of whom shall be restored to their respective
17 positions in the Actions prior to the execution of the Memorandum of Understanding;

18 e. Neither this Agreement, nor any ancillary documents, actions, statements or filings
19 in furtherance of the Settlement (including all matters associated with the mediation) shall be admissible
20 or offered into evidence in the Actions or any other action for any purpose whatsoever; and

21 f. Any documents generated to bring the Settlement into effect, will be null and
22 void, and any order or judgment entered by the Court in furtherance of this Agreement will likewise be
23 treated as void from the beginning.

24 37. Escalator Clause. Defendant represents that during the periods at issue in this Agreement,
25 Class Members, Collective Members, together, worked no more than approximately 11,625 workweeks.
26 If the number of workweeks at issue for Class Members and Collective Members is more than ten percent
27 (10%) of the represented number of workweeks, Defendant will pay a proportional amount in addition to
28 the Gross Fund Value into the Gross Fund Value for each additional such week that exceeds 10 percent

1 above 11,625 workweeks.

2 38. Continued Jurisdiction. After entry of judgment pursuant to the Settlement, the Court
3 will have continuing jurisdiction pursuant to Rule 3.769 of the California Rules of Court and Section
4 664.6 of the California Code of Civil Procedure, for purposes of addressing: (a) the interpretation and
5 enforcement of the terms of the Settlement, (b) settlement administration matters, and (c) such post-
6 judgment matters as may be appropriate under court rules or as set forth in this Agreement. The Parties
7 agree to adopt and apply Rule 3.769(h) of the California Rules of Court requiring entry of judgment.

8 39. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set
9 forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein.
10 Any exhibits to this Agreement are an integral part of the Settlement.

11 40. No Undue Publicity. Neither Party nor their counsel shall publicize, or cause to be
12 publicized, directly or indirectly, the discussions resulting in or the existence of this Settlement or its
13 terms, in any type of mass media, including, but not limited to, speeches, press conferences, press releases,
14 interviews, television or radio broadcasts, newspapers, messages on the Internet, Facebook, Twitter or any
15 other social media, the Parties' counsels' or any other website. Breach of this provision by Plaintiff or
16 Class Counsel shall entitle Defendant, in the exercise of its sole discretion, to nullify the Settlement at any
17 time before final approval by the Court. Should Plaintiff at any time breach this provision, Plaintiff shall
18 forfeit to Defendant the full amount of the Enhancement Payment. Without limitation by the foregoing,
19 Defendant also may enforce this provision through an action for injunctive relief. Plaintiff waives any
20 obligation by Defendant to file a bond in connection with any such action. Breach of this provision by
21 Defendant or its counsel shall sever this Paragraph rendering this Paragraph null and void, while the rest
22 of this Settlement shall survive and remain in full force and effect. Nothing in this Paragraph shall prohibit
23 Class Counsel from referring to this litigation and this settlement in court filings. Likewise, nothing in
24 this Paragraph shall prohibit Class Counsel from speaking with Plaintiff, Class Members, Collective
25 Members, and/or PAGA Group Members about this Settlement to the fullest extent necessary to meet their
26 ethical obligations as Class Counsel.

27 41. Disputes. Any disputes arising out of or relating to this Settlement will be submitted first
28 to John Hyland for mediation. The Parties will split the costs of the mediator and all Parties will bear their

own attorneys' fees and other costs incurred. However, to the extent the parties are unable to resolve their disputes via mediation, the aggrieved party may seek Court intervention. In such an event, the prevailing party shall be entitled to an award of their reasonable attorneys' fees and costs from the non-prevailing party.

42. Entire Agreement. This Agreement and any attached exhibits constitute the entirety of the Parties' settlement terms. No other prior or contemporaneous written or oral agreements may be deemed binding on the Parties. The Parties expressly recognize California Civil Code § 1625 and California Code of Civil Procedure § 1856(a), which provide that a written agreement is to be construed according to its terms and may not be varied or contradicted by extrinsic evidence, and the Parties agree that no such extrinsic oral or written representations or terms will modify, vary or contradict the terms of this Agreement.

43. Interim Stay of Proceedings. The Parties agree to hold in abeyance all proceedings in the Actions (including with respect to California Code of Civil Procedure section 583.310), except such proceedings necessary to implement and complete the Agreement, pending the Final Approval Hearing to be conducted by the Court.

44. Waiver and Amendment. The Parties may not waive, amend, or modify any provision of this Agreement except by written agreement signed by counsel for all Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Agreement will not constitute a waiver of any other provision.

45. Authorization to Enter into Agreement. Counsel for all Parties warrant and represent they are expressly authorized by the Parties whom they represent to negotiate this Agreement and to take all appropriate actions required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms and to execute any other documents required to effectuate the terms of this Agreement. The Parties warrant that they understand and have full authority to enter into this Agreement, and further intend that this Agreement 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 state or federal law.

1 46. Signatories. It is agreed that because the members of the Class are so numerous, it is
2 impossible or impractical to have each Settlement Class Member execute this Agreement. The
3 Preliminary Approval Notice will advise all Class Members of the binding nature of the release as to the
4 Settlement Class Members, and the release shall have the same force and effect as if this Agreement
5 were executed by each Settlement Class Member.

6 47. Binding on Successors and Assigns. This Agreement will be binding upon, and inure to
7 the benefit of, the successors or assigns of the Parties hereto, as previously defined.

8 48. California Law Governs. All terms of this Agreement and attached exhibits hereto will
9 be governed by and interpreted according to the laws of the State of California.

10 49. Execution and Counterparts. This Agreement is subject only to the execution of all
11 Parties. However, the Agreement may be executed in one or more counterparts, including via electronic
12 means. All executed counterparts and each of them, including facsimile, electronic, and scanned copies
13 of the signature page, will be deemed to be one and the same instrument.

14 50. Acknowledgment that the Settlement is Fair and Reasonable. The Parties believe this
15 Agreement is a fair, adequate, and reasonable settlement of the Action and have arrived at this settlement
16 after arm's-length negotiations and in the context of adversarial litigation, taking into account all
17 relevant factors, present and potential. The Parties further acknowledge that they are each represented
18 by competent counsel and that they have had an opportunity to consult with their counsel regarding the
19 fairness and reasonableness of this Agreement.

20 51. Invalidity of Any Provision. Before declaring any provision of this Agreement invalid,
21 the Court will first attempt to construe the provision as valid to the fullest extent possible consistent
22 with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

23 52. Plaintiff's Waiver of Right to Be Excluded. Plaintiff agrees to sign this Agreement and,
24 by signing this Agreement, is hereby bound by the terms herein.

25 53. Non-Admission of Liability. The Parties enter into this Agreement to resolve the dispute
26 that has arisen between them and to avoid the burden, expense and risk of continued litigation. In
27 entering into this Agreement, Defendant does not admit, and specifically denies, that it has violated any
28 state, federal, or local law; violated any regulations or guidelines promulgated pursuant to any statute

1 or any other applicable laws, regulations or legal requirements; breached any contract; violated or
2 breached any duty; engaged in any misrepresentation or deception; or engaged in any other unlawful
3 conduct with respect to its employees. Neither this Agreement, nor any of its terms or provisions, nor
4 any of the negotiations connected with it, shall be construed as an admission or concession by Defendant
5 of any such violations or failures to comply with any applicable law. Except as necessary in a
6 proceeding to enforce the terms of this Agreement, this Agreement and its terms and provisions shall
7 not be offered or received as evidence in any action or proceeding to establish any liability or admission
8 on the part of Defendant or to establish the existence of any condition constituting a violation of, or a
9 non-compliance with state, federal, local or other applicable law.

10 54. Captions. The captions and paragraph numbers in this Agreement are inserted for the
11 reader's convenience, and in no way define, limit, construe or describe the scope or intent of the
12 provisions of this Agreement.

13 55. Mutual Preparation. The Parties have had a full opportunity to negotiate the terms and
14 conditions of this Agreement. Accordingly, this Agreement will not be construed more strictly against
15 one party than another merely by virtue of the fact that it may have been prepared by counsel for one of
16 the Parties, it being recognized that, because of the arms-length negotiations between the Parties, all
17 Parties have contributed equally to the preparation of this Agreement.

18 56. Representation by Counsel. The Parties acknowledge that they have been represented by
19 counsel throughout all negotiations that preceded the execution of this Agreement, and that this
20 Agreement has been executed with the consent and advice of counsel, and reviewed in full.

21 57. All Terms Subject to Final Court Approval. All amounts and procedures described in
22 this Agreement herein will be subject to final Court approval.

23 58. Notices. All notices, demands, and other communications to be provided concerning this
24 Agreement shall be in writing and delivered by overnight mail at the addresses set for below, or such
25 other addresses as either Party may designate in writing from time to time:

26 To Plaintiff and Class Counsel:

27 Gregg I. Shavitz, Esq.
28 Paolo Meireles, Esq.
SHAVITZ LAW GROUP, P.A.

To Defendant:

Coby M. Turner
SEYFARTH SHAW LLP
400 Capitol Mall, Suite 2350

951 Yamato Road, Suite 285
Boca Raton, Florida 33431

Jennifer Liu
THE LIU LAW FIRM, P.C.
800 Menlo Avenue, Suite 102
Menlo Park, California 94025

Sacramento, California 95814

Daniel Whang
SEYFARTH SHAW LLP
2029 Century Park East, Suite 3500
Los Angeles, California 90067

59. Final Judgment. The Parties shall provide the Settlement Administrator with a copy of the Final Judgment once it is entered by the Court, and the Settlement Administrator shall post the Final Judgment on its website within three (3) business days of receipt. No individualized notice to the Class will be required.

60. Cooperation and Execution of Necessary Documents. All Parties and their counsel will cooperate with each other in good faith and use their best efforts to implement the settlement, including and not limited to, executing all documents to the extent reasonably necessary to effectuate the terms of this Agreement. If the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties may seek the assistance of the Mediator and then the Court to resolve such disagreement.

61. Integration Clause. This Agreement contains the entire agreement between the Parties relating to the settlement and transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a Party or such Party's legal counsel, are merged herein. Upon execution and entry of the Final Approval Order and Judgment, all prior writings are null and void. No rights hereunder may be waived except in writing.

IN WITNESS WHEREOF, the Parties hereto knowingly and voluntarily executed this Stipulation of Class Action and PAGA Settlement between Plaintiff and Defendant:

IT IS SO AGREED.

Dated: March 16, 2022

PLAINTIFF HAMZEH AYYAD



Hamzeh Ayyad

DEFENDANT POWERSCHOOL GROUP, LLC

Dated: _____, 2022

Full Name: _____

Title: _____

On behalf of PowerSchool Group, LLC

APPROVED AS TO FORM

March 16

Dated: _____, 2022

SHAVITZ LAW GROUP, P.A.

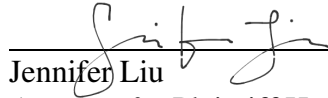


Paolo Meireles, Esq.

Attorney for Plaintiff Hamzeh Ayyad and Proposed Class
Counsel

THE LIU LAW FIRM, P.C.

Dated: March 16
_____, 2022



Jennifer Liu

Attorney for Plaintiff Hamzeh Ayyad and Proposed Class
Counsel

SEYFARTH SHAW LLP

Dated: _____, 2022

Coby M. Turner

Daniel Whang

Attorneys for Defendant PowerSchool Group, LLC

DEFENDANT POWERSCHOOL GROUP, LLC

Dated: 3/18/2022, 2022

DocuSigned by:
Hardeep Gulati
ACE2C1D7B73B447...

Full Name: Hardeep Gulati

Title: Ceo

On behalf of PowerSchool Group, LLC

APPROVED AS TO FORM

SHAVITZ LAW GROUP, P.A.

Dated: _____, 2022

Paolo Meireles, Esq.
Attorney for Plaintiff Hamzeh Ayyad and Proposed Class
Counsel

THE LIU LAW FIRM, P.C.

Dated: _____, 2022

Jennifer Liu
Attorney for Plaintiff Hamzeh Ayyad and Proposed Class
Counsel

SEYFARTH SHAW LLP

Dated: March 18, 2022

Coby M. Turner
Coby M. Turner
Daniel Whang
Attorneys for Defendant PowerSchool Group, LLC

Exhibit A

This notice is being sent pursuant to court order. This is not a solicitation from a lawyer.

CALIFORNIA NOTICE OF PENDING CLASS ACTION SETTLEMENT

Hamzeh Ayyad v. PowerSchool Group, LLC

[California court, Case No. _____]

If you were employed by PowerSchool Group, LLC as a non-exempt classified Inside Sales Representative, Account Representative, Senior Inside Sales Representative/Account Representative, Sales Development Representative, Senior Sales Development Representative, and/or Account Executive (“Covered Position”) in California at any time (i) from May 1, 2017, through November 5, 2021, you could be a Class Member and receive a payment from a proposed class action settlement.

You are not being sued. Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court of California for the County of Sacramento (the “Court”) has preliminarily approved a class action settlement that may affect your legal rights. The proposed settlement resolves a class action lawsuit filed by Hamzeh Ayyad (“Plaintiff”) against PowerSchool Group, LLC (“PowerSchool”) - *Hamzeh Ayyad v. PowerSchool Group, LLC*, Sup. Ct. Sacramento Co., Case No. [_____] (the “Lawsuit”).

- This Lawsuit is based on various allegations pursuant to California law, including but not limited to, Plaintiff’s claims that PowerSchool (i) failed to pay Class Members all overtime wages; (ii) failed to pay Class Members for all time worked; (iii) failed to provide Class Members required meal periods in California or premium payments in lieu thereof; (iv) failed to reimburse Class Members for necessary business expenses; (v) failed to provide Class Members accurate wage statements; and (vi) failed to timely pay Class members wages upon termination. The lawsuit also asserts violations of the California Private Attorneys General Act of 2004 (“PAGA”) and the federal Fair Labor Standards Act (“FLSA”). Depending on your dates of employment, you may qualify for recovery under those claims as part of this settlement to the extent the Court grants final approval of this settlement.
- The settlement provides cash payments to Class Members who worked for PowerSchool in California in a Covered Position at any time from May 1, 2017, through November 5, 2021 (the “Class Period”), based on the number of weeks each Class Member worked during the Class Period. As an individual eligible to participate in the settlement, to the extent the Court grants final approval of the settlement, you are estimated to receive a gross settlement payment related to the class claims (i.e., before tax withholdings) of approximately \$_____.
- To the extent the Court grants final approval of the settlement, the settlement also provides for additional cash payments to Class Members who worked for PowerSchool in California at any time from May 1, 2020, through November 5, 2021 (the “PAGA Period”), based on the number of weeks each eligible Class Member worked during the PAGA Period. Finally, to the extent the Court grants final approval of the settlement, the settlement also provides additional cash payments to all those who worked for PowerSchool in a Covered Position anywhere in the United States at any time from May 1, 2018, through November 5, 2021 (the “FLSA Period”), based on the number of weeks each eligible Class Member worked during the FLSA Period.
- PowerSchool denies Plaintiff’s contentions and maintains it has fully complied with the law. By entering into this settlement, PowerSchool in no way admits any violation of law or any liability whatsoever to Plaintiff or Class Members, individually or collectively, and expressly denies all such liability.
- Plaintiff and PowerSchool have reached this settlement in light of all known facts and circumstances—including the risks of significant delay and uncertainty associated with litigation, various defenses asserted by PowerSchool, and numerous potential appellate issues—with the assistance of an experienced mediator knowledgeable of both the wage and hour laws and class, collective, and representative claims at issue.

CALIFORNIA NOTICE OF PENDING CLASS ACTION SETTLEMENT

Questions? Please contact the Settlement Administrator at (XXX) XXX-XXXX

THIS NOTICE IS NOT TO BE UNDERSTOOD OR VIEWED AS AN EXPRESSION OF ANY OPINION FROM THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS ASSERTED BY PLAINTIFF OR DEFENSES ASSERTED BY POWERSCHOOL.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will remain eligible to automatically receive an Individual Settlement Payment if the Court grants final approval of the settlement and be bound by the release provisions in the Settlement Agreement.
OPT OUT	You may opt out of the settlement by submitting a request for exclusion in the manner discussed below. If you opt out, you may not object to the settlement, you shall not receive an Individual Settlement Payment, and you shall not be bound by the release provisions in the Settlement Agreement. However, regardless if you choose to opt out, to the extent the Court grants final approval of the settlement and you worked within the PAGA Period and/or FLSA Period identified above, you will still be sent a settlement check associated with those claims, as more fully described herein.
OBJECT	You may object to the settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you still will remain eligible to automatically receive an Individual Settlement Payment if the Court grants final approval of the settlement and be bound by the release provisions in the Settlement Agreement. However, you can only file an objection if you do not opt out of the settlement.

1. Why Did I Receive This Notice?

You are receiving this California Notice of Pending Class Action Settlement (“California Notice”) because PowerSchool’s records show that you are a person who is or was employed by PowerSchool in a Covered Position in California at any time since May 1, 2017 through November 5, 2021 (“Class Member”). As a Class Member, you may be entitled to share in the funds to be made available for settlement of the Lawsuit.

Because the settlement preliminarily approved by the Court would affect Class Members’ legal rights, the Court ordered that this California Notice be sent to you. This California Notice provides a brief description of the Lawsuit, informs you of the settlement terms preliminarily approved by the Court, and advises you of your legal rights with respect to the settlement. If finally approved by the Court, the settlement will fully resolve the Lawsuit and your legal rights may be affected by the settlement.

The terms of the settlement are set forth in detail in the Stipulation of Class, Collective, and Representative Action Settlement (“Settlement Agreement”). You may obtain a copy of the Settlement Agreement from the neutral third-party appointed by the Court to administer the settlement (the “Settlement Administrator”). Details about how to get additional information about the Settlement Agreement are provided at the end of this California Notice.

2. What Is the Lawsuit About?

On [date of lawsuit], 2021, Plaintiff, on behalf of himself and all others similarly situated, filed the initial complaint in this Lawsuit in the Superior Court of California for the County of Sacramento. The operative complaint alleges the following claims under California and federal law: (1) failure to pay all overtime wages; (2) failure to pay for all time worked; (3) failure to provide required meal periods in California or premium payments

in lieu thereof; (4) failure to reimburse for necessary business expenses; (5) failure to provide accurate wage statements; (6) failure to timely pay wages upon termination; and (7) violations under the PAGA.

PowerSchool denied and continues to deny (i) all of the allegations made by Plaintiff, (ii) that it violated any applicable laws, (iii) that it is liable or owes damages, penalties, or other compensation or remedies to anyone with respect to the alleged facts or claims asserted in the Lawsuit, and (iv) that class certification, collective action certification, or representative treatment of the Lawsuit or any of Plaintiff's alleged claims is proper. Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever and without admitting or conceding that class certification, collective action certification, or representative treatment is appropriate for any purpose other than settlement purposes alone, PowerSchool has agreed to settle the Lawsuit on the terms and conditions set forth in this Settlement Agreement, to avoid the burden, expense, and uncertainty of continuing the Lawsuit.

The Court has preliminary approved Plaintiff's counsel Gregg I. Shavitz and Paolo C. Meireles of Shavitz Law Group, P.A. and Jennifer Liu of Liu Peterson-Fisher LLP as Class Counsel. Based on their investigation and evaluation, Class Counsel is of the opinion that the terms set forth in the Settlement Agreement are fair, reasonable, adequate, and in the best interests of Class Members.

3. What Are the Payments Under the Settlement?

a. Overall Summary of Settlement Payments

PowerSchool agrees to pay a maximum potential settlement amount of **One Million Three Hundred Fifty Thousand Dollars** (\$1,350,000) (the "Gross Fund Value"). The \$1,350,000 Gross Fund Value is inclusive of (i) any award by the Court to Class Counsel for attorneys' fees and costs associated with the litigation ("Attorneys' Fees and Costs"), (ii) any award by the Court to Plaintiff in recognition of his efforts and work in prosecuting the Lawsuit and specifically in exchange for his general release of claims ("Enhancement Payment"), (iii) any costs of settlement administration approved by the Court for administering the settlement ("Settlement Administration Costs"), and (iv) the PAGA Fund in the amount of \$75,000, of which \$56,250 will be paid to the Labor & Workforce Development Agency (the "LWDA Payment") and of which \$18,750 will be distributed to PAGA Group Members (the "PAGA Settlement Fund").

The remaining portion of the Gross Settlement Amount available for distribution to Class Members is the "Net Settlement Fund," to be allocated based on the number of workweeks each individual worked in a Covered Position during the FLSA Period and/or Class Period, on a pro-rata basis. Likewise, all non-exempt employees who worked in a Covered Position in California during the PAGA Period ("PAGA Group Members") will receive a pro rata portion of the PAGA Settlement Fund based on the number of workweeks each individual worked during the PAGA Period. Partial weeks will be counted as full weeks.

b. Individual Settlement Payments

Each Class Member who does not timely and properly opt out of the Settlement ("Settlement Class Members") will be entitled to receive a portion of the Net Settlement Fund based on the Settlement Formula above ("Individual Settlement Payments"). The Settlement Administrator will calculate Individual Settlement Payments for all Settlement Class Members.

1. Applicable Tax Withholding and Responsibility for Taxes

Each Class Member's Individual Settlement Payment from the California Fund will be characterized as 75% 1099 income and 25% W-2 income. In accordance with applicable tax laws, required tax withholdings will be taken from each Individual Settlement Payment for the portion allocated to W-2 income and remitted to the appropriate taxing authorities. The Settlement Administrator shall issue any necessary IRS Form 1099 and W-2s to Class Members for their respective Individual Settlement Payments. Class Members shall be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold harmless PowerSchool from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

2. Undeliverable or Uncashed Checks

Any settlement check returned to the Settlement Administrator as undeliverable shall be remailed. Settlement checks left uncashed 180 calendar after the initial distribution will escheat to the State of California's Controller, to be held in the name of each expired check payee.

c. Attorneys' Fees and Costs Award

You do not need to pay individually any portion of Class Counsel's attorneys' fees and costs. Any payments for those attorneys' fees and costs will be deducted from the Gross Fund Value. Class Counsel intends to request that the Court approve an Attorneys' Fees and Costs Award in the amount of up to one-third of the Gross Fund Value (or \$450,000.00) and costs in the amount of up to \$10,000.00.

The Court's approval of an Attorneys' Fees and Costs Award is not a material term of the settlement.

d. Class Representative Enhancement Payments

Class Counsel intends to request that the Court approve an Enhancement Award for Plaintiff in the total amount of up to \$5,000. Plaintiff's Enhancement Payment is in addition to Plaintiff's Individual Settlement Payment.

The Court's approval of Plaintiff's Enhancement Payment is not a material term of the settlement.

e. Settlement Administration Costs

Class Counsel intends to request that the Court approve Settlement Administration Costs of up to \$10,550, payable to the Settlement Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Class Notices, providing any required tax forms, processing any required tax payments or reporting, and calculating and distributing Individual Settlement Payments. Any amount of Settlement Administration Costs requested by Class Counsel but unapproved by the Court shall be allocated to the Net Settlement Fund.

f. LWDA Payment

Class Counsel intends to request that the Court allocate \$75,000 to PAGA penalties and approve an LWDA Payment of \$56,250 (or 75% of the PAGA penalties) to the State of California Labor and Workforce Development Agency. Any amount of the LWDA Payment requested by Plaintiffs but not approved by the Court shall be allocated to the Net Settlement Fund. Any amount of the LWDA Payment requested by Plaintiffs but not approved by the Court shall be allocated to the Net Settlement Fund.

g. All Payments Subject to Court Approval

All of the payments listed above will be made if and only if the Court grants final approval of the settlement and concludes it is reasonable, fair, and adequate for the Class. The Court may adjust the amounts of certain payments.

4. What Do I Release Under the Settlement?

In exchange for your Individual Settlement Payments, you and each of your respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, or guardians, will release certain claims against PowerSchool and its current or former parent companies, subsidiaries, affiliates and joint ventures, and all of their officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by through, under or in concert with any of them ("Released Parties").

Your release will include any and all wage and hour claims that were pled or could have been pled, based on, or which arise out of the facts alleged in the complaint in the Action, arising during the Class Period. This includes known and unknown claims arising under California Labor Code sections 201-203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2802, the applicable IWC Wage Order(s), the California Unfair Competition Law, Business and Professions Code section 17200 *et seq.*, as well as

all claims arising under the listed Labor Code statutes based on the primary rights of those statutes, irrespective of the theory of recovery alleged (“Released Class Claims”).

Should the Court grant final approval of the settlement and you worked in a Covered Position in California during the PAGA Period, you will receive a check associated with the PAGA claims being resolved and you will release all claims under PAGA alleged in the operative complaint or claims that could have been alleged based on the facts therein, arising during the PAGA Period. This includes, but is not limited to PAGA claims based on California Labor Code sections 201-203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1198, 2802, and the applicable IWC Wage Order(s), as well as all claims arising under the listed Labor Code statutes based on the primary rights of those statutes, irrespective of the theory of recovery alleged (“Released PAGA Claims”).

Likewise, should the Court grant final approval of the settlement and you worked in a Covered Position during the FLSA Period, to the extent you cash the settlement check that will be issued to you for your FLSA claims pursuant to this Settlement, you will release all wage and hour claims under the Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.* (“FLSA”) that accrued during your employment in a Covered Position during the FLSA Period, including, without limitation, all federal and non-California based state claims for unpaid overtime wages or minimum wages and any and all related claims for penalties, interest, liquidated damages, attorneys’ fees, costs, and expenses (“Released FLSA Claims”).

5. How Do I Object to the Settlement?

If you want to participate in the settlement as a Class Member, you do not have to do anything and do not have to appear at the final approval hearing before the Court. You will receive your Individual Settlement Payment automatically if the Court grants final approval of the settlement.

However, if you want to object to the settlement, you must take the steps below. Failure to do so will be deemed a waiver of any objections, and you will not be permitted to appear at the final approval hearing before the Court:

- (1) You must mail a written statement to the Settlement Administrator listed below.
- (2) The written statement **MUST** include: your name, address, telephone number, last four digits of your Social Security number, the basis for your objection, and the case name and number.
- (3) If you object, you may but are not required to appear at the final approval hearing either in person or through counsel, paid for at your own expense.
- (4) The written statement must be postmarked by **[45 calendar days after the initial mailing of Class Notice]**.

If you fail to make an objection in the manner specified above, you shall be deemed to have waived any objections and shall be foreclosed from making any objection, whether by appeal or otherwise, to this settlement. The Settlement Administrator will send a copy of your objection to all Parties involved in the Lawsuit who will file all objections with the Court within 10 calendar days after the above postmark deadline to submit objections.

If you submit an objection, you will remain bound by the settlement if finally approved. If you do not want to be bound by the settlement if finally approved, you must opt out of the settlement. However, you may not assert an objection if you opt out of the settlement.

6. How Do I Opt Out of the Settlement?

If you do not want to participate in the settlement, you may opt out of the settlement. If you opt out of the settlement, you may not object to the settlement, shall not receive any Individual Settlement Payments, and shall not be bound by the release provisions in the Settlement Agreement. However, notwithstanding your decision to opt out, if the Court grants final approval of the settlement and you otherwise qualify to participate in the settlement as it pertains to the PAGA and/or FLSA claims, you will still receive a settlement check in the mail associated with those claims, and you may not opt out of an approved PAGA settlement.

In order to opt out, you must take the steps below. Failure to do so will be deemed a waiver of your request to opt out of the settlement, and you will be bound by the Released Class Claims:

- (1) You must mail a written statement to the Settlement Administrator listed below.
- (2) The written statement **MUST** include: your name, address, telephone number, the last four digits of your Social Security number, and the case name and number.
- (3) The written statement must state in substance, “I wish to opt out of the settlement in the lawsuit *Hamzeh Ayyad v. PowerSchool Group, LLC*, Case No. [REDACTED].”
- (4) The written statement must be postmarked by **45 calendar days after the initial mailing of Class Notice**.

Any request for exclusion that does not include all required information or that is not submitted on a timely basis will be deemed null, void, and ineffective. A request for exclusion shall be deemed to be submitted as of the postmarked date. If you submit both a request for exclusion and an objection, your objection will be deemed invalid and your request for exclusion will be granted.

If you validly request to be excluded from the Settlement, you will not be able to participate in the settlement and you will not receive an Individual Settlement Payment for the release of the Released Class Claims. Notwithstanding, should the Court grant final approval of the settlement and you worked in a Covered Position in California during the PAGA Period, you will still receive a settlement payment associated with the resolution of the PAGA claims in this lawsuit and you will be bound by the Released PAGA Claims. Likewise, if the Court grants final approval and you worked in a Covered Position during the FLSA Period, you will still receive a settlement payment based on the resolution of the FLSA claims in the settlement. If you do not want to be bound by the Released FLSA Claims, then you should not cash or tender the settlement check for the Released FLSA Claims at that time.

7. Where Can I Get Additional Information?

This notice summarizes the Lawsuit, settlement, and related matters. For more information, you may contact the Settlement Administrator or Class Counsel:

Settlement Administrator:

[REDACTED]

Class Counsel:

SHAVITZ LAW GROUP, P.A.

Gregg I. Shavitz
Paolo C. Meireles
951 Yamato Road, Suite 285
Boca Raton, Florida 3341
Telephone: (561) 447-8888
info@shavitzlaw.com

LIU PETERSON-FISHER LLP

Jennifer Liu
800 Menlo Avenue, Suite 102
Menlo Park, California 94025
(650) 461-9000
XXXX

You also may view the Settlement Agreement, complaint, and other documents from the Lawsuit by using [“PACER” at the Court’s website (<http://www.cacd.uscourts.gov/home>)] or in the Court Clerk’s office during normal working hours.

PLEASE DO NOT CALL THE COURT FOR INFORMATION REGARDING THE SETTLEMENT

Exhibit B

This notice is being sent pursuant to court order. This is not a solicitation from a lawyer.

NOTICE OF FINAL APPROVAL OF COLLECTIVE ACTION SETTLEMENT

Hamzeh Ayyad v. PowerSchool Group, LLC

[California court, Case No. _____]

If you were employed by PowerSchool Group, LLC as a non-exempt classified Inside Sales Representative, Account Representative, Senior Inside Sales Representative/Account Representative, Sales Development Representative, Senior Sales Development Representative, and/or Account Executive (“Covered Position”) anywhere in the United States at any time from May 1, 2018, through November 5, 2021, you could be a Collective Member and receive a payment from a collective action settlement.

You are not being sued. Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court of California for the County of Sacramento (the “Court”) has approved a collective action settlement that may affect your legal rights. The settlement resolves a collective action lawsuit filed by Hamzeh Ayyad (“Plaintiff”) against PowerSchool Group, LLC (“PowerSchool”) - *Hamzeh Ayyad v. PowerSchool Group, LLC*, Sup. Ct. Sacramento Co., Case No. [_____] (the “Lawsuit”).

- This Lawsuit was filed pursuant to the federal Fair Labor Standards Act (“FLSA”), and claims that PowerSchool failed to pay Class Members all overtime wages. The lawsuit also alleges similar and related violations under California law and separately resolves the claims of California based employees on a class action basis.
- The settlement provides cash payments to Collective Members who worked for PowerSchool anywhere in the United States in a Covered Position at any time from May 1, 2018, through November 5, 2021 (the “FLSA Period”), based on the number of weeks each Collective Member worked during the FLSA Period. As an individual eligible to participate in the settlement, a settlement check is enclosed with this Notice reflecting a gross settlement payment related to the collective claims (i.e., before tax withholdings) of \$_____. To participate in the settlement, you need only endorse, cash, and/or otherwise deposit the enclosed check, which reflects a “consent to join” on the back of the check and an associated release of claims, as further described herein.
- The settlement also provides for additional cash payments to individuals who worked for PowerSchool in a Covered Position in California at any time from May 1, 2020, through November 5, 2021 (the “PAGA Period”), based on the number of weeks each eligible individual worked during the PAGA Period. Finally, the settlement also provides additional cash payments to all those who worked for PowerSchool in a Covered Position in California at any time from May 1, 2017, through November 5, 2021 (the “Class Period”), based on the number of weeks each eligible such individual worked during the Class Period.
- PowerSchool denies Plaintiff’s contentions and maintains it has fully complied with the law. By entering into this settlement, PowerSchool in no way admits any violation of law or any liability whatsoever to Plaintiff or Collective Members, individually or collectively, and expressly denies all such liability.
- Plaintiff and PowerSchool have reached this settlement in light of all known facts and circumstances—including the risks of significant delay and uncertainty associated with litigation, various defenses asserted by PowerSchool, and numerous potential appellate issues—with the assistance of an experienced mediator knowledgeable of both the wage and hour laws and class, collective, and representative claims at issue.

THIS NOTICE IS NOT TO BE UNDERSTOOD OR VIEWED AS AN EXPRESSION OF ANY OPINION FROM THE COURT AS TO THE MERITS OF ANY OF THE CLAIMS ASSERTED BY PLAINTIFF OR DEFENSES ASSERTED BY POWERSCHOOL.

FLSA NOTICE OF COLLECTIVE ACTION SETTLEMENT

Questions? Please contact the Settlement Administrator at (XXX) XXX-XXXX

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
PARTICIPATE IN THE SETTLEMENT	By signing the Consent to Join on the back of the enclosed Settlement Check and/or depositing/cashing the Settlement Check, you agree to (i) join this lawsuit as an “Opt-in Plaintiff,” (ii) participate in the settlement, (iii) collect your monetary settlement payment, and (iv) release your non-California based state and federal claims for unpaid overtime wages or minimum wages and any and all related claims for penalties, interest, liquidated damages, attorneys’ fees, costs, and expenses (as detailed in Section 4 below).
DO NOTHING	By doing nothing, you will NOT be included in this lawsuit. This means that you will not be bound by any judgment and will not be eligible to participate in any monetary settlement or recovery of Plaintiff’s FLSA claims. However, you keep any rights to sue PowerSchool separately about the same legal claims in this lawsuit. You should be aware that your time to bring FLSA claims is limited by either a two- or three-year statute of limitations.

1. Why Did I Receive This Notice?

You are receiving this California Notice of Final Approval of Collective Action Settlement (“FLSA Notice”) because PowerSchool’s records show that you are a person who is or was employed by PowerSchool in a Covered Position in the United States at any time since May 1, 2018 through November 5, 2021 (“Collective Member”). As a Collective Member, you may be entitled to share in the funds to be made available for settlement of the Lawsuit.

Because the settlement approved by the Court would affect your rights should you decide to participate in the settlement, the Court ordered that this FLSA Notice be sent to you. This FLSA Notice provides a brief description of the Lawsuit, informs you of the settlement terms approved by the Court, and advises you of your legal rights with respect to the settlement. The Court’s approval of the settlement fully resolved the Lawsuit and your legal rights may be affected by the settlement.

The terms of the settlement are set forth in detail in the Stipulation of Class, Collective, and Representative Action Settlement (“Settlement Agreement”). You may obtain a copy of the Settlement Agreement from the neutral third-party appointed by the Court to administer the settlement (the “Settlement Administrator”). Details about how to get additional information about the Settlement Agreement are provided at the end of this FLSA Notice.

2. What Is the Lawsuit About?

On [date of lawsuit], 2021, Plaintiff, on behalf of himself and all others similarly situated, filed the initial complaint in this Lawsuit in the Superior Court of California for the County of Sacramento. The operative complaint alleges the following claims under California and federal law: (1) failure to pay all overtime wages; (2) failure to pay for all time worked; (3) failure to provide required meal periods in California or premium payments in lieu thereof; (4) failure to reimburse for necessary business expenses; (5) failure to provide accurate wage statements; (6) failure to timely pay wages upon termination; and (7) violations under the PAGA.

PowerSchool denied and continues to deny (i) all of the allegations made by Plaintiff, (ii) that it violated any applicable laws, (iii) that it is liable or owes damages, penalties, or other compensation or remedies to anyone with respect to the alleged facts or claims asserted in the Lawsuit, and (iv) that class certification, collective action certification, or representative treatment of the Lawsuit or any of Plaintiff’s alleged claims is proper. Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever and without admitting or conceding that class certification, collective action certification, or representative treatment is appropriate for any purpose other

FLSA NOTICE OF COLLECTIVE ACTION SETTLEMENT

Questions? Please contact the Settlement Administrator at (XXX) XXX-XXXX

than settlement purposes alone, PowerSchool has agreed to settle the Lawsuit on the terms and conditions set forth in this Settlement Agreement, to avoid the burden, expense, and uncertainty of continuing the Lawsuit.

The Court has approved Plaintiff's counsel Gregg I. Shavitz and Paolo C. Meireles of Shavitz Law Group, P.A. and Jennifer Liu of Liu Peterson-Fisher LLP as Class Counsel. Based on their investigation and evaluation, Class Counsel is of the opinion that the terms set forth in the Settlement Agreement are fair, reasonable, adequate, and in the best interests of Collective Members.

3. What Are the Payments Under the Settlement?

a. Overall Summary of Settlement Payments

PowerSchool agrees to pay a maximum potential settlement amount of **One Million Three Hundred Fifty Thousand Dollars** (\$1,350,000) (the "Gross Fund Value"). The \$1,350,000 Gross Fund Value is inclusive of (i) any award by the Court to Class Counsel for attorneys' fees and costs associated with the litigation ("Attorneys' Fees and Costs"), (ii) any award by the Court to Plaintiff in recognition of his efforts and work in prosecuting the Lawsuit and specifically in exchange for his general release of claims ("Enhancement Payment"), (iii) any costs of settlement administration approved by the Court for administering the settlement ("Settlement Administration Costs"), and (iv) the PAGA Fund in the amount of \$75,000, of which \$56,250 will be paid to the Labor & Workforce Development Agency (the "LWDA Payment") and of which \$18,750 will be distributed to PAGA Group Members (the "PAGA Settlement Fund").

The remaining portion of the Gross Settlement Amount available for distribution to Collective Members and California Class Members is the "Net Settlement Fund," to be allocated based on the number of workweeks each individual worked in a Covered Position during the FLSA Period and/or Class Period, on a pro-rata basis. Likewise, all non-exempt employees who worked in a Covered Position in California during the PAGA Period ("PAGA Group Members") will receive a pro rata portion of the PAGA Settlement Fund based on the number of workweeks each individual worked during the PAGA Period. Partial weeks will be counted as full weeks.

b. Individual Settlement Payments

Each Collective Member who files a Consent to Join to participate in the settlement by endorsing, cashing, or otherwise depositing their enclosed Settlement Check ("Settlement Collective Members") will be part of the settlement entitled to their portion of the Net Settlement Fund based on the Settlement Formula above ("Individual Settlement Payments") as reflected on the enclosed Settlement Check. The Settlement Administrator calculated the Individual Settlement Payments for all Settlement Collective Members.

1. Applicable Tax Withholding and Responsibility for Taxes

Each Collective Member's Individual Settlement Payment from the Net Settlement Fund will be characterized as 75% 1099 income and 25% W-2 income. In accordance with applicable tax laws, required tax withholdings have been taken from each Individual Settlement Payment for the portion allocated to W-2 income and remitted to the appropriate taxing authorities. The Settlement Administrator shall issue any necessary IRS Form 1099 and W-2s to Collective Members for their respective Individual Settlement Payments. Collective Members shall be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold harmless PowerSchool from any claim or liability for taxes, penalties, or interest arising as a result of the payments.

2. Undeliverable or Uncashed Checks

Any settlement check returned to the Settlement Administrator as undeliverable shall be remailed. Collective Members' settlement checks left uncashed 180 calendar after the initial distribution will revert and/or be retained by PowerSchool, as no FLSA release will be effectuated as to those individuals.

c. Attorneys' Fees and Costs Award

You do not need to pay individually any portion of Class Counsel's attorneys' fees and costs. Any payments for those attorneys' fees and costs will be deducted from the Gross Fund Value. The Court approved an Attorneys'

FLSA NOTICE OF COLLECTIVE ACTION SETTLEMENT

Questions? Please contact the Settlement Administrator at (XXX) XXX-XXXX

Fees and Costs Award in the amount of up to one-third of the Gross Fund Value (or \$450,000.00) and costs in the amount of up to \$10,000.00.

The Court's approval of an Attorneys' Fees and Costs Award was not a material term of the settlement.

d. Class Representative Enhancement Payments

The Court approved an Enhancement Award for Plaintiff in the total amount of up to \$5,000. Plaintiff's Enhancement Payment is in addition to Plaintiff's Individual Settlement Payment.

The Court's approval of Plaintiff's Enhancement Payment was not a material term of the settlement.

e. Settlement Administration Costs

The Court approved Settlement Administration Costs of up to \$10,550, payable to the Settlement Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Notices, providing any required tax forms, processing any required tax payments or reporting, and calculating and distributing Individual Settlement Payments. Any amount of Settlement Administration Costs requested by Class Counsel but unapproved by the Court were allocated to the Net Settlement Fund.

f. LWDA Payment

The Court allocated \$75,000 to PAGA penalties and approve an LWDA Payment of \$56,250 (or 75% of the PAGA penalties) to the State of California Labor and Workforce Development Agency. Any amount of the LWDA Payment requested by Plaintiffs but not approved by the Court was allocated to the Net Settlement Fund. Any amount of the LWDA Payment requested by Plaintiffs but not approved by the Court was allocated to the Net Settlement Fund.

g. All Payments Subject to Court Approval

All of the payments listed above are made subject to the Court's granting of final approval of the settlement and conclusion that the settlement is reasonable, fair, and adequate for the Collective.

4. What Do I Release Under the Settlement?

In exchange for your joining the settlement by endorsing, cashing, or otherwise depositing your enclosed settlement check, you and each of your respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, or guardians, will release certain claims against PowerSchool and its current or former parent companies, subsidiaries, affiliates and joint ventures, and all of their officers, directors, employees, agents, servants, registered representatives, attorneys, insurers, successors and assigns, and any other persons acting by through, under or in concert with any of them ("Released Parties").

Your release will include any and all wage and hour claims under the Fair Labor Standards Act, 29 U.S.C. section 201, *et seq.* that accrued during your employment as a non-exempt Inside Sales Representative, Account Representative, Senior Inside Sales Representative/Account Representative, Sales Development Representative, Senior Sales Development Representative, and/or Account Executive during the FLSA Period, including, without limitation, all non-California based state and federal claims for unpaid overtime wages or minimum wages and any and all related claims for penalties, interest, liquidated damages, attorneys' fees, costs, and expenses ("Released FLSA Claims").

5. Where Can I Get Additional Information?

This notice summarizes the Lawsuit, settlement, and related matters. For more information, you may contact the Settlement Administrator or Class Counsel:

Settlement Administrator:

[XXXXXXX]

Class Counsel:

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XXXX

You also may view the Settlement Agreement, complaint, and other documents from the Lawsuit by using ["PACER" at the Court's website (<http://www.cacd.uscourts.gov/home>)] or in the Court Clerk's office during normal working hours.

PLEASE DO NOT CALL THE COURT FOR INFORMATION REGARDING THE SETTLEMENT