

JCL LAW FIRM, APC

Jean-Claude Lapuyade (State Bar #248676)

Eduardo Garcia (State Bar #290572)

5440 Morehouse Drive, Suite 3500

San Diego, CA 92121

Telephone: (619)599-8292

Facsimile: (619) 599-8291

jlapuyade@jcl-lawfirm.com

egarcia@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924)

Jackland K. Hom (State Bar #327243)

5440 Morehouse Drive, Suite 3500

San Diego, CA 92121

Telephone: (619)255-9047

Facsimile: (858) 404-9203

shani@zakaylaw.com

jackland@zakaylaw.com

Attorneys for Plaintiff SUKHRAJ KAUR

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF CONTRA COSTA

SUKHRAJ KAUR, an individual, on behalf of
herself and on behalf of all persons similarly
situated,

Plaintiff,

vs.

ACES 2020 I, LLC, a Delaware limited liability
company (fka Comprehensive Educational
Services, Inc.), ACES 2020, LLC, a California
limited liability company (fka Comprehensive
Educational Services, Inc.); and DOES 1
through 50, inclusive,

Defendants.

Case No. MSC20-02482

**DECLARATION OF JEAN-CLAUDE
LAPUYADE, ESQ. IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: July 14, 2022

Time: 9:00 a.m.

Judge: Hon. Judge Edward G. Weil

Dept.: 39

1 I, Jean-Claude Lapuyade, Esq., declare as follows:

2 1. I am over eighteen years of age and if called as a witness, I could and would competently
3 testify to the following facts from my own personal knowledge. I am an attorney-at-law and the owner
4 of the law firm of JCL LAW FIRM, APC (hereinafter "Class Counsel"). I am co-counsel of record for
5 Plaintiff SUKHRAJ KAUR (hereafter "Plaintiff") in this wage and hour class action filed against ACES
6 2020, LLC, a Delaware limited liability company (formerly known as Comprehensive Educational
7 Services, Inc., a California Corporation), known in California as ACES 2020 I, LLC, doing business as
8 ACES (hereinafter "Defendant").

9 2. This declaration is being submitted in support of Plaintiff's motion for Preliminary
10 Approval of Class Action Settlement.

11 **I. EXHIBITS**

12 3. Attached hereto as **Exhibit "1"** is a true and correct copy of the fully executed Stipulation
13 of Settlement of Class Action Claims and Release of Claims ("Agreement" or "Settlement Agreement").
14 Attached as **Exhibit "A"** to the Agreement is a true and correct copy of the proposed Class Notice.

15 4. Attached hereto as **Exhibit "2"** is a true and correct copy of the proof of filing with the
16 Labor and Workforce Development Agency notice of this settlement with the Settlement Agreement
17 and Motion for Preliminary Approval of Class Action and PAGA Action Settlement evidencing Class
18 Counsel's compliance with California Labor Code Section 2699(l)(2).

19 5. Attached hereto as **Exhibit "3"** is a true and correct copy of the bid for settlement
20 administration submitted by ILYM Group, Inc., in the amount of \$60,000.

21 **II. INTRODUCTION**

22 6. An objective evaluation of the Settlement confirms that the relief negotiated on behalf of
23 the Class is fair, reasonable, and adequate. The Settlement was negotiated by the Parties at arm's length.
24 The Settlement confers substantial benefits to the Settlement Class. The relief offered by the Settlement
25 is particularly impressive when viewed against the difficulties encountered by plaintiffs pursuing wage
26 and hour cases (*see infra*). Indeed, by settling now rather than proceeding to trial, Class Members will
27 not have to wait (possibly years) for relief, nor will they have to bear the risk of class certification being
28

1 denied or of Defendant prevailing at trial. Given that there are approximately 10,491 Settlement Class
2 Members, the average gross recovery is approximately \$92.78 (Net Settlement Amount divided by
3 Settlement Class Members).

4 7. As discussed below, the proposed Settlement satisfies all criteria for preliminary
5 settlement approval and falls within the range of reasonableness. The average Individual Settlement
6 Payment to the Settlement Class meets awards in similar wage and hour class actions. Moreover, the
7 proposed Settlement Class is appropriate for provisional certification. Accordingly, Plaintiff
8 respectfully requests the Court grant preliminary approval of the Settlement.

9 **III. FACTS AND PROCEDURE**

10 **A. Overview of the Litigation**

11 8. Defendant provides a comprehensive suite of services dedicated to enhancing the quality
12 of life for individuals and families impacted with Autism or other special needs. Defendant operates
13 across eight states, including California. In California, Defendant operates thirty-six locations spread
14 throughout the State. This action asserts claims on behalf of Defendant's non-exempt employees
15 working at those California locations. Plaintiff worked for Defendant as a non-exempt Behavioral
16 Interventionist employee in California between September of 2018 to January of 2020. At all times
17 during her employment, Plaintiff earned an hourly wage and was entitled to legally compliant meal and
18 rest periods, and minimum, regular and overtime wages for all hours worked. Throughout her
19 employment, Plaintiff was subject to Defendant's written policies and general employment practices.

20 9. Generally, Plaintiff claims that Defendant failed to pay for all time worked, failed to
21 provide compliant meal and rest periods, failed to reimburse mandatory business expenses, failed to
22 furnish accurate itemized wage statements, and failed to pay all wages upon separation. Defendant
23 denies liability for each of Plaintiff's claims. Further, Defendant asserts that it fully complied with all
24 applicable employment laws and raised several other significant defenses to Plaintiff's claims, including
25 but not limited to, facially compliant meal and rest period policies, written policies requiring all loss
26 prevention security checks to take place while on-the-clock, compliant wage statements, and timely
27 paid all wages due upon separation of employment.

10. On September 12, 2020, Plaintiff served Defendant and the Labor and Workforce Development Agency (“LWDA”) with a Notice of Violations (“PAGA Notice”). On November 18, 2020, Plaintiff filed an Amended Notice of Violations with the LWDA and served the same on Defendant. Plaintiff’s Amended PAGA Notice set forth the facts and theories supporting Defendant’s alleged violations of various provisions of the California Labor Code and applicable Industrial Welfare Commissions (“IWC”) Wage Order and of her intent to pursue claims under California Labor Code Private Attorneys General Act, Cal. Lab. Code Sections 2698 *et seq* (“PAGA”).

11. On November 19, 2020, Plaintiff filed a class action complaint in the Contra Costa County Superior Court, Case No. C20-02482 (“Action”). The Action alleged nine causes of action against Defendant for: (1) Unfair Competition in violation of *Bus. and Prof. Code* §§ 17200; (2) failure to pay minimum wages in violation of California *Labor Code* sections 1194, 1197 and 1197.1; (3) failure to pay overtime wages in violation of California *Labor Code* sections 510 *et seq.*; (4) failure to provide required meal periods in violation of California *Labor Code* sections 226.7 and 512; (5) failure to provide required rest periods in violation of California *Labor Code* sections 226.7 and 512; (6) failure to provide accurate itemized wage statements in violation of California *Labor Code* section 226; (7) failure to reimburse employees for required expenses in violation of California *Labor Code* section 2802; (8) failure to provide wages when due in violation of California *Labor Code* sections 201, 202, and 203; and (9) violations of the Private Attorneys General Act (“PAGA”).

12. After serving written discovery, the Parties agreed to mediate this action. To prepare for mediation, the Parties agreed to informally produce additional documents and data points subject to the mediation privilege, including but not limited to, the Class Members' time data and certain payroll data points. As discussed *infra*, Plaintiff's counsel retained the forensic consultants at Econ One Research, Inc. ("Econ One") to analyze Defendant's time and payroll data.

13. On September 14, 2021, the Parties participated in a full day mediation with highly regarded wage and hour mediator Jeff Krivis, Esq. The mediation concluded without a settlement. However, following the mediation the Parties continued settlement negotiations until they reached an agreement. The agreement was memorialized in the form of a Memorandum of Understanding.

1 Thereafter, the Parties drafted and negotiated a long-form settlement agreement, which is the subject of
2 the instant motion.

3 **B. Class Counsel Thoroughly Investigated the Factual and Legal Issues**

4 14. Months before filing the Action, Class Counsel began its pre-filing investigation into the
5 Plaintiff's complaints. Class Counsel's investigation started with several lengthy interviews with
6 Plaintiff. As part of the interview process, the Plaintiff produced documents related to her employment,
7 including portions of Defendant's handbooks, compensation policies and time and payroll records. At
8 the conclusion of the interviews, Class Counsel determined that Plaintiff's complaints justified further
9 inquiry.

10 15. Class Counsel subsequently requested Plaintiff's employee files from Defendant. In
11 response, Defendant produced hundreds of pages of documents, including but not limited, copies of
12 Plaintiff's hiring documents, payroll and time records, performance reviews and separation documents.
13 Class Counsel reviewed and analyzed the documents and determined the documents appeared to
14 substantiate Plaintiff's claim that Defendant's failed to, among other things, provide accurate wage
15 statements and to provide compliant meal and rest periods.

16 16. Prior to mediation, Defendant produced the time and payroll records for the Class
17 Members, aggregate workweek and pay period data for the Class Members, aggregate meal premiums
18 paid to the Class Members, average hourly rate for the Class Members, and copies of applicable
19 handbooks, policies, and agreements. In total, Class Counsel reviewed more than 2,000 pages of
20 documents and more than 10 million unique cells of time and payroll data.

21 17. Class Counsel then retained the statisticians and economists at Econ One to evaluate the
22 Class Members' payroll and time data. Econ One provides data analysis and damage modeling
23 consulting services specializing in wage and hour class actions. Econ One's team of financial and data
24 analysts are credentialed and experienced experts in their fields and have provided their expertise on
25 thousands of cases.

26 18. Econ One analyzed Defendant's time and payroll data to assist in the development of
27 various damage models. Among other things, Econ One determined the approximate number of work
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1 shifts, workweeks, pay periods, average length of shift and average number of hours worked per week
2 and pay periods during the Class Period. Econ One also estimated the number of missed, late or
3 truncated meal and rest periods, the amount of paid missed meal period premiums paid during the Class
4 Period, and the amount of off-the-clock work performed by the Class Members during the Class Period.

5 19. Prior to mediation, Class Counsel created several damage models predicated on Econ
6 One's analysis. Class Counsel's models calculated Defendant's potential liability exposure while
7 accounting for the uncertainties of continued litigation. These damage models informed and guided
8 Class Counsel during the mediated settlement discussions.

9 20. Overall, Class Counsel thoroughly investigated the claims at issue, including: (1)
10 determining Plaintiff's suitability as a putative class representative through interviews, background
11 investigations, and analysis of her employment files; (2) evaluating all of Plaintiff's potential claims;
12 (3) researching similar wage and hour class actions as to the claims brought, the nature of the positions,
13 and the type of employer; (4) analyzing the Class Members' time and payroll records; (5) analyzing
14 Defendant's labor policies and practices; (6) researching settlements in similar cases as well as
15 outstanding issues which could affect settlement approval; (7) evaluating Plaintiff's claims and
16 estimating Defendant's liability for purposes of settlement; (8) drafting the mediation brief; and (9)
17 participating in the mediation. This investigation allowed Class Counsel to fully assess the nature and
18 magnitude of the claims being settled, as well as the impediments to recovery, such as to make an
19 independent assessment of the reasonableness of the terms to which the Parties have agreed.

20 21. As set forth in greater detail above, Class Counsel conducted a very thorough
21 investigation into the factual and legal issues in dispute. In addition to formal and informal discovery,
22 document review, data analysis and legal research, Class Counsel also researched similar wage and
23 hour actions. Although no two cases are identical, this research provided Class Counsel with a marker
24 to inform settlement discussions and, ultimately, to measure this settlement against. The investigation
25 allowed Class Counsel to realistically assess the value of Plaintiff's claims and intelligently engage
26 defense counsel in settlement discussions that culminated in the proposed settlement now before the
27 Court.

22. Class Counsel only agreed to enter the Settlement following their thorough investigation and evaluation of Plaintiff's claims. Based on his investigation of the facts, applicable law, and marketplace for similar settlements, and considering the risk of significant delay, uncertainty associated with litigation, and the various defenses asserted by Defendant, Class Counsel firmly believes this Agreement to be in the best interests of the Class Members. Because the Settlement's terms are fair, reasonable, and adequate, the Court should preliminarily approve the Settlement.

C. The Parties Settled with the Assistance of the Mediator

23. On September 14, 2021, the Parties conducted a full day of mediation with Jeff Krivis, Esq., a highly regarded wage and hour mediator. After more than eight hours of arm's length and adversarial negotiations, the mediation concluded without a settlement. However, the Parties continued to negotiate and ultimately reached an agreement with this assistance of Mediator Krivis.

24. The agreement was memorialized in the form of a Memorandum of Understanding. The complete and final terms of the Parties' settlement are now set forth in the Agreement. Class Counsel submits that the Settlement constitutes a fair, adequate, and reasonable compromise of the claims at issue. At all times, the Parties' negotiations were at an arm's length, adversarial and non-collusive. In fact, despite a full day of mediated negotiations, the Parties reached an impasse and the mediation session concluded without a settlement. The matter resolved only when Mediator Krivis issued a mediator's proposal several months later that the Parties accepted. Mediator Krivis only arrived at his proposal after hearing arguments, reviewing evidence, and evaluating the Parties' respective claims and defenses.

25. Once the Parties agreed to the Mediator's proposal, the Parties engaged in protracted negotiations regarding the written terms of the class action settlement. The Parties maintained the arm's length, non-collusive and adversarial negotiations while arriving at the final terms of the Settlement. The Agreement is the final product of these mediated negotiations. Objectively, the Settlement terms are fair, adequate and represent a reasonable compromise of the claims at issue.

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1 **IV. ARGUMENT**

2 **A. The Court Should Preliminarily Approve the Settlement**

3 26. The Gross Settlement Amount fair and reasonable considering the nature and magnitude
4 of the claims being settled and the various potential impediments to recovery. Prior to mediation, Class
5 Counsel retained Econ One to develop economic damage models measuring Defendant's liability
6 exposure while accounting for the uncertainties of continued litigation. The various models were
7 informed by Class Counsel's investigation, including the analysis of a significant sample of time and
8 payroll data. Class Counsel projected Defendant's liability exposure for *class claims* (excluding PAGA
9 Penalties) ranged between \$7,587,167.28 ("Realistic Damages") and \$24,046,493.30 ("Maximum
10 Damages") if successful at trial. This range reflects the uncertainty regarding several of the claims,
11 together with the uncertainty surrounding derivative liability for inaccurate wage statements and waiting
12 time penalties. Thus, the Gross Settlement Amount represents a recovery of between 7.1% and 22.6%
13 of Defendant's class-wide exposure – well within the recognized range of reasonableness. The
14 following summarizes Defendant's liability exposure.

15 27. Plaintiff's primary claim in the Action alleged that Defendant failed to furnish its
16 employees with accurate itemized wage statements. Specifically, Plaintiff alleges that Defendant issued
17 wage statements that failed to include Defendant's correct legal name in violation of Labor Code
18 Section 226(a)(8). *See e.g. Noori v. Countrywide Payroll & HR Solutions, Inc.* (2019) 43 Cal.App.5th
19 957, 964-966 (providing serious truncations of the employer's name on issued wage statements can
20 violate Labor Code Section 226(a)(8) where confusion *might* ensue.) Defendant denied liability for the
21 claim and argued that it substantially complied with its obligation to provide its correct legal name on
22 the wage statements issued to its employees. Further, Defendant argued that even it failed to furnish
23 accurate wage statements, Plaintiff could not establish the injury requirement on a class-wide basis. As
24 a result, Plaintiff discounted this claim 25% to account for this risk. Plaintiff estimated that Defendant's
25 exposure on this claim ranged between \$5,502,450 and \$7,336,600.

26 28. Plaintiff also alleges that Defendant failed to provide compliant meal periods.
27 Specifically, Plaintiff alleges that as a result of their rigorous work schedules, Plaintiff and the Class
28

1 Members were not able to take timely and duty-free meal periods. Consequently, Plaintiff alleges that
2 she is owed meal period premiums for meal period violations that occurred during the Class Period.

3 29. Conversely, Defendant denied these claims. Defendant maintains that it fully complied
4 with California meal period laws and maintained legally compliant policies and practices. Defendant
5 also argued that it paid meal period premiums to Class Members in those pay periods when meal period
6 violations occurred. Courts have found that where an employer's meal period policies are compliant,
7 individualized issues exist as to the reasons for missed, late or truncated meal periods. If successful,
8 Defendant availed itself to a complete defense of Plaintiff's meal period claim. Defendant also asserted
9 that it paid meal period premiums to its employees in those pay periods when meal period violations
10 occurred throughout the Class Period. Thus, Defendant argued that there was no potential liability for
11 Plaintiff's alleged meal period violations.

12 30. Plaintiff's meal period claim (together with the rest period claim) likely represented the
13 most factually contested claim in the Actions. Accounting for the strength of Defendant's defenses,
14 and the arguably individualized nature of the claim, Plaintiff's Realistic Damage model applied a 75%
15 discount to Defendant's potential liability for meal period violations. Plaintiff estimated the damages
16 for this claim ranged between **\$111,668.98** and **\$446,675.90**.

17 31. Plaintiff also alleged that Defendant failed to provide compliant rest periods. Specifically,
18 Plaintiff alleged that because of their rigorous work schedules, Plaintiff and Class Members were not
19 able to take timely and duty-free rest periods.

20 32. Again, Defendant denied liability and asserted that it maintained legally compliant rest
21 period policies and practices throughout the Class Period. Moreover, Plaintiff recognizes the
22 evidentiary burdens establishing this claim. Establishing Plaintiff's rest period claim would rely, almost
23 entirely, on Class Member testimony, making it a riskier claim at class certification and liability stages.
24 Defendant likely would have argued that only a small number of Class Members missed their rest
25 breaks. Certification likely would have required depositions of Class Members who provided
26 declarations, and Defendant surely would have obtained opposing declarations stating either rest breaks
27 were taken, or rest breaks were voluntarily waived. Accordingly, Plaintiff's Realistic Damage model

1 applied a 75% discount to the rest break claim. Plaintiff estimated the range of potential outcomes for
2 this claim was between \$113,702.90 and \$454,808.75.

3 33. Plaintiff also alleges that Defendant failed to pay its employees for all hours worked.
4 Specifically, Plaintiff asserts that she and other Class Members performed a substantial amount of work
5 off-the-clock, including, but not limited to: preparing lesson plans, creating materials for student
6 activities, purchasing learning materials, and researching new learning activities for students. As a
7 result, Plaintiff and Class Members forfeited compensation for all the time they spent working under
8 Defendant's control.

9 34. Defendant vigorously denied liability for claim. Further, Defendant asserted that it had
10 in place a written policy required its employees to accurately record all their time worked daily and
11 argued that such written policies and procedures directed its employees not to work while off the clock.
12 Further, Defendant argued that the off-the-clock claim was not suitable to class treatment because
13 individualized issues predominated. For example, even assuming Plaintiff performed work while off-
14 the-clock, which Defendant disputes, the tasks performed, and time spent would vary drastically from
15 class member to class member that it could not be established by common proof. Plaintiff recognized
16 the risks and uncertainties of certifying this claim. Consequently, Plaintiff's Realistic Damage model
17 applied a 75% discount to this claim. Plaintiff estimated Defendant's exposure for this claim ranged
18 between \$213,606.66 and \$854,426.65.

19 35. Plaintiff alleged that Defendant required the Class Members to use their personal cellular
20 phones as a result of and in furtherance of their job duties but were not reimbursed by Defendant.
21 Specifically, Plaintiff and other Class Members were required to use personal cell phones to (1) obtain
22 navigation information; (2) communicate with fellow employees; (3) receive work-related calls, emails,
23 and text messages; and (4) contact clients.

24 36. Again, Defendant vigorously denied any liability for this claim. Defendant argued that
25 its written policies provide for reimbursement to employees for necessary business expenses incurred
26 in the discharge of the employees' duties or at Defendant's direction. Defendant also argued that when
27 employees did incur business expenses, these expenses were fully reimbursed. This claim was also

1 heavily discounted – 85% in the Realistic Damage Model – based on Defendant’s defenses. Plaintiff
2 estimated Defendant’s exposure for this claim ranged between approximately **\$250,568.75** and
3 \$1,002,275.

4 37. Plaintiff also alleged that the Defendant’s labor code violations resulted in derivative
5 liability for waiting time penalties. Although these *penalties* represented Defendant’s largest dollar
6 amount of exposure, this is Plaintiff’s most uncertain claim. Specifically, Defendant argued that
7 Plaintiff could not prove the “willful” prong needed to obtain waiting time penalties under Labor Code
8 section 203. Notwithstanding the uncertain nature of the claims, Plaintiff estimated Defendant’s
9 exposure for waiting time penalties ranged between \$1,395,170 and \$13,951,707. However, Class
10 Counsel’s Conservative Model discounted the waiting time penalty claim by 90% to approximately
11 \$1,395,170.70 because of the aforementioned risk factors.

12 38. Class Counsel’s damage models also estimated Defendant’s exposure for PAGA
13 penalties. At the time of mediation, Plaintiff estimated Defendant’s PAGA exposure ranged between
14 \$408,360.00 and \$21,419,400.

15 39. In Here, the Parties negotiated a good faith PAGA Settlement in the amount of \$80,000
16 which is 4.6% of the Gross Settlement Amount. This amount falls well within the range of approved
17 PAGA Settlements. Seventy-Five percent (75%) of the PAGA Settlement (\$3,750.00) will be paid to
18 the LWDA (“LWDA Payment”) with the remaining twenty-five percent (25%) to be distributed to the
19 Aggrieved Employees, which is within the range of PAGA penalties approved by courts and should be
20 approved.

21 **B. Litigation Risks**

22 40. Although Plaintiff is confident about the strength of her claims, it would be foolish to
23 ignore the most immediate risk to continued litigation, i.e., class certification. Class certification is far
24 from certain in this, in part, meal and rest period case. Class certification is routinely denied for meal
25 and rest period claims based on an inability to establish predominance.

26 41. Plaintiff recognizes that Defendant has factual and legal defenses that, if successful,
27 would potentially defeat or substantially impair the value of Plaintiff’s lawsuit. Collectively, the
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1 examples cited above illustrate the uncertain nature of class litigation. Consequently, the uncertainty of
2 obtaining certification through a contested motion is a significant risk factor favoring settlement.

3 42. Finally, continuing to litigate this action would require continued and extensive resources
4 coupled with significant Court time to proceed through trial and post-trial motions; which can often
5 take years. Furthermore, wage and hour litigation is complex and expensive, as it often necessitates
6 extensive expert testimony, particularly with regards to damages. But even if Plaintiff is successful at
7 trial, Plaintiff is acutely aware that a judgment does not end the litigation. Plaintiff fully expects that
8 Defendant would appeal any favorable judgment. As demonstrated by *Magadia, supra*, 999 F.3d 668,
9 the risk of an appeal and subsequent reversal is real.

10 43. In this matter, Class Counsel negotiated a Gross Settlement Amount of \$1,715,000 that
11 is roughly between approximately 22.6% (“Conservative Class Model”) and 71.3% (“Aggressive Class
12 Model”) Defendant’s maximum class wide liability exposure for damages. Given the amount of the
13 settlement here, as compared to potential value of the claims, offset by the various inherent risks to
14 continued litigation, the settlement is fair and reasonable.

15 **B. Proposed Notice Informs the Class About the Case and Settlement**

16 44. The Parties jointly drafted the Notice Packet which fairly and neutrally informs the Class
17 Members of their rights and remedies. The Settlement Administrator will first verify addresses, then
18 mail the proposed Notice Packet to all Class Members. The Notice will include information regarding
19 the nature of the lawsuit, a summary of the substance of the Settlement’s terms, the class definition, the
20 procedure, and time period within which to requests for exclusions or objections to the Settlement, the
21 date for the final approval hearing, the formula used to calculate settlement payments, and the terms
22 and scope of the Released Claims. Agreement at §III(K). This method was negotiated by the Parties
23 to ensure delivering the most reasonable method of notice to the Class Members while ensuring cost
24 effective administration of the Settlement.

25 45. As detailed in the Agreement, the method of disseminating the proposed Class Notice and
26 contents of the Proposed Class Notice satisfy due process and the California Rule of Court 3.766.

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1 **C. The Court Should Preliminarily Approve the Enhancement Award**

2 46. The Settlement provides for a Class Representative Service Award of \$5,000¹ for
3 Plaintiff. The service award is fair and reasonable compensation for the Plaintiff's efforts bringing the
4 action, assisting Class Counsel with the litigation and settlement, regularly conferring with Class
5 Counsel on the status of her case and the strategies for prosecuting the claims, reviewing the proposed
6 Settlement to ensure that its terms are fair and provide adequate relief for the Settlement Class, and
7 agreeing to provide Defendant a general release of all claims arising out of her employment.

8 47. Class Counsel on behalf of Plaintiff will file a formal motion for the negotiated Class
9 Representative Service Award once preliminary approval of the Settlement is granted. Plaintiff
10 respectfully submits that the above showing is sufficient for preliminary approval of the negotiated
11 Class Representative Service Award.

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14 ¹ The amount of the requested enhancement payment-\$5,000-is reasonable by reference to the amounts that California courts (both federal
15 and state) have repeatedly found to be reasonable for wage and hour class action settlements: *See Baker v. LA. Fitness Int'l, LLC*, No.
16 BC438654 (L.A. County Super. Ct. Dec. 12, 2012) (awarding \$10,000 enhancement payments to three of the named plaintiffs); *Blue v.*
17 *Codwell Banker Residential Brokerage Co.*, No. BC417335 (L.A. County Super. Ct. Mar. 21, 2011) (awarding \$10,000 enhancement
18 payment); *Buckmire v. Jo-Ann Stores, Inc.*, No. BC394795 (L.A. County Super. Ct. June 11, 2010) (awarding \$10,000 enhancement
19 payments to the named plaintiff); *Coleman v. Estes Express Lines, Inc.*, No. BC429042 (L.A. County Super. Ct. Oct. 3, 2013) (awarding
20 \$10,000 enhancement payment); *Ethridge v. Universal Health Services, Inc.*, No. BC391958 (L.A. County Super. Ct. May 27, 2011)
21 (awarding \$10,000 enhancement payment); *Hickson v. South Coast Auto Insurance Marketing, Inc.*, No. BC390395 (L.A. County Super.
22 Ct. Mar. 27, 2012) (awarding \$10,000 enhancement payment); *Hill v. Sunglass Hut Int'l, Inc.*, No. BC422934 (L.A. County Super. Ct. July
23 2, 2012) (awarding \$10,000 enhancement payments to the named plaintiffs); *Kabamba v. Victoria's Secret Stores, LLC*, No. BC368528
24 (L.A. County Super. Ct. Aug. 19, 2011) (awarding enhancement payments of \$ 10,000 to the named plaintiffs along with additional
25 compensation for their general release of claims); *Magee v. American Residential Services, LLC*, No. BC423798 (L.A. County Super. Ct.
26 Apr. 21, 2011) (awarding \$15,000 enhancement payment); *Mares v. BFS Retail & Commercial Operations, LLC*, No. BC375967 (L.A.
27 County Super. Ct. June 24, 2010) (awarding \$15,000 enhancement payments to the named plaintiffs); *Nevarez v. Trader Joe's Co.*, No.
28 BC373910 (L.A. County Super. Ct. Jan. 29, 2010) (awarding \$10,000 enhancement payment); *Ordaz v. Rose Hills Mortuary, LP.*, No.
BC386500 (L.A. County Super. Ct. Mar. 19, 2010) (awarding 10,000 enhancement payments to the named plaintiffs); *Sheldon v. AHMC*
Monterey Park Hospital LP, No. BC440282 (L.A. County Super. Ct. Feb. 22, 2013) (awarding \$10,000 enhancement payment); *Silva v.*
Catholic Moray Services, Inc., No. BC408054 (L.A. County Super. Ct. Feb. 8, 2011) (awarding \$10,000 enhancement payments to the
named plaintiffs); *Weisbarth v. Banc West Investment Services, Inc.*, No. BC422202 (L.A. County Super. Ct. May 24, 2013) (awarding
\$10,000 enhancement payment); *Zamora v. Balboa Life & Casualty LLC*, No. BC360026 (L.A. County Super. Ct. Mar. 7, 2013) (awarding
\$25,000 enhancement payments to the named plaintiffs); *Acheson v. Express, LLC*, No. 109CV135335 (Santa Clara County Super. Ct.
Sep. 13, 2011) (awarding \$10,000 enhancement payment); *Aguiar v. Cingular Wireless, LLC*, No. CV 06-8197 DDP (AJWx) (C.D. Cal.
Mar. 17, 2011) (awarding \$14,767 enhancement payment); *Bejarano v. Amerisave Mortgage Corp.*, No. EDCV 08-00599 SGL (Opx)
(C.D. Cal. June 22, 2010) (awarding \$10,000 enhancement payment); *Carbajal v. Sally Beauty Supply LLC*, No. CIVVS 1004307 (San
Bernardino Super. Ct. Aug. 6, 2012) (awarding \$10,000 enhancement payments to the named Plaintiffs); *Contreras v. Serco Inc.*, No. 10-
cv-04526-CAS-JEMx (CD. Cal. Sep. 10, 2012) (awarding \$10,000 enhancement payment); *Guerrero v. R.R. Donnelley & Sons Co.*, No.
RIC 10005196 (Riverside Super. Ct. July 16, 2013) (awarding \$10,000 enhancement payment); *Kisliuk v. ADT Security Services, Inc.*, No.
CV08-0324 DSF (RZx) (C.D. Cal. Jan. 10, 2011) (awarding \$10,000 enhancement payment); *Morales v. BCBG Maxaria Int'l Holdings,*
Inc., No. JCCP 4582 (Orange County Super. Ct. Jan. 24, 2013) (awarding \$10,000 enhancement payment); and *Barrett v. Doyon Security*
Services, LLC, Nos. BS900199, BS900517 (San Bernardino County Super. Ct. Apr. 23, 2010) (awarding \$10,000 enhancement payment).

D. The Court Should Preliminary Approve the Class Counsel Award

48. Class Counsel took this matter on a contingency fee basis and invested significant time and expense successfully prosecuting Plaintiff's claims. As discussed *supra*, the estimated average Individual Settlement Payment illustrates the demonstrably positive outcome for the Settlement Class Members. Considering the positive outcome for the Class Members, and in light of the supporting authority, the proposed Class Counsel award is fair and reasonable.

49. Plaintiff will file a formal motion for the negotiated Class Counsel Award once preliminary approval of the Settlement is granted. Plaintiff respectfully submits that the above showing is sufficient for preliminary approval of the negotiated attorneys' fees.

E. The Court Should Provisionally Certify the Settlement Class

50. For Settlement, Plaintiff contends, and Defendant does not dispute, that provisional certification of the Class is appropriate.

51. Because all Class Members are Defendant's current and former employees, the class is readily ascertainable from Defendant's regular business records, i.e., payroll records.

52. The statutes relating to each of Plaintiff's claims apply with equal force and effect to the entire Settlement Class. Factually, Defendant's policies and practices apply class-wide and Defendant's liability can be determined by facts common to all members of the class. The wage and hour issues are both numerous and substantial, and a class action is the most advantageous method of dealing with the claims of the Settlement Class.

53. Plaintiff's wage and hour claims are typical of the proposed Settlement Class because they arise from the same factual basis and are based on the same legal theories applicable to the other Class Members. Likewise, Plaintiff's interests are entirely coextensive with the interests of the Settlement Class. Plaintiff alleges that she was injured by the same company-wide practices to which the proposed Class Members were subject to and seek the same relief. Plaintiff has already demonstrated her ability to advocate for the interests of the Class Member by initiating this litigation, undertaking extensive class discovery, and evaluating the proposed settlement to assure that it is fair.

54. A class action is superior to a multitude of individual lawsuits. Given the size and amount of each individual claim, the Class Members likely have little incentive to litigate their claims on an individual basis because the out-of-pocket expense and personal commitment necessary to litigate each claim outweighs any potential recovery. In sum, class treatment is superior to individual, case-by-case adjudication.

F. Class Counsel's Experience

55. Plaintiff, the Settlement Class Members and the Aggrieved Employees are represented by competent and experienced counsel to pursue their claims. I established the JCL Law Firm, APC (“Firm”), in 2010. The Firm is a boutique plaintiff firm representing aggrieved employees and consumers throughout California in wage and hour class actions, PAGA Actions, and complex multi-party product liability matters. The Firm currently consists of myself, Jean-Claude Lapuyade, Esq. (Partner/Owner), Eduardo Garcia (Associate Attorney), Tesla Stone (Paralegal), Sydney Castillo-Johnson (Associate Attorney), Jennifer Hemming (Legal Secretary), and Sara Christensen (Legal Assistant).

56. I am qualified to represent the Plaintiff, the State of California and the Aggrieved Employees. I have extensive experience with wage and hour class and representative actions litigation like this matter, and employment matters in general. Additionally, I have extensive complex mass tort litigation experience and complex construction product liability experience. I can, will, and have adequately represented the interests of the Plaintiff, the State of California, and the Aggrieved Employees throughout this action.

57. I have represented consumers and employees in California class actions, and complex multi-party product liability actions exclusively for more than 13 years. I have been in practice as a plaintiffs' civil litigation attorney since April 2007.

58. I have significant class counsel and collective action counsel experience. I served as class and/or collective (PAGA) counsel in the following matters:

a. *Felix v. TVI, Inc., d.b.a. Savers*, Santa Clara Superior Court Case No. 21CV376407 (February 18, 2022) Hon. Sunil R. Kulkarni approved a \$1.8 million dollar

1 class action and PAGA action settlement for, *inter alia*, unpaid off-the-clock work. The
2 Court appointed JCL Law Firm, APC as Class Counsel and as representative PAGA
3 counsel for the State of California.

4 b. *Munoz v. AMTCR*, San Bernardino Superior Court Case No. CIV-DS2001914
5 (August 24, 2021) Hon. David Cohn approved a \$1.8 million dollar class and PAGA
6 settlement for, *inter alia*, inaccurate itemized wage statements. The JCL Law Firm, APC
7 acted as class counsel for the settlement class and as representative PAGA counsel the
8 State of California and the Aggrieved Employees.)

9 c. *Nunes v. Home Depot U.S.A., Inc.*, San Joaquin Superior Court Case No. STK-
10 CV-UOE-2020-0011011 (October 20, 2021 – Hon. Roger Ross approved a \$1.5 million
11 dollar class and PAGA settlement for, *inter alia*, miscalculated meal period premiums
12 and appointed Jean-Claude Lapuyade, Esq, as Class Counsel.)

13 d. *Pillsbury v. T&T Restaurants CA, Inc.*, Del Norte Superior Court Case No. CVUJ-
14 20-1214 (December 14, 2021 – Hon. Darren McElfresh approved \$550 billing rate and
15 appointed Jean-Claude Lapuyade, Esq, as Class Counsel in a wage and hour class action
16 settlement.)

17 e. *Rodriguez v. RSI Home Products, Inc.*, San Bernardino Superior Court Case No.
18 CIVDS2023354 (July 30, 2021 – Hon. David Cohn approved a \$1.45 million class and
19 PAGA settlement for, *inter alia*, failure to comply with piece-rate laws, and appointed
20 the JCL Law Firm, APC as Class Counsel)

21 f. *Elias Kaser v. Aviation Consultants, Inc.*, Orange County Superior Court Case
22 No. 30-2021-01191204-CU-OE-CXC (September 22, 2021 – Hon. Peter J. Wilson
23 approved \$550 billing rate in a representative California Labor Code Private Attorney
24 General Act settlement).

25 g. *Jer Vang v. Bridge Property Management*, Alameda County Superior Court, Case
26 No RG19047434 (January 8, 2021 – Hon. Winifred Smith approved a class and PAGA
27 settlement for, *inter alia*, unpaid off the clock work. The JCL Law Firm, APC acted as
28

1 class counsel for the settlement class and as representative PAGA counsel the State of
2 California and the Aggrieved Employees.)

3 h. *Johnson v. Volt Management Corp., Inc. et al.*, Los Angeles County Superior
4 Court, Case No. 19STCV16466 (December 11, 2020 – Hon. Amy Hogue approved a
5 PAGA Settlement negotiated on behalf of the State of California and the aggrieved
6 employees by the JCL Law Firm, APC.)

7 i. *Salazar v. Frontier Auto Sales Inc., dba Frontier Toyota*, Los Angeles Superior
8 Court, Case No. 19STCV20382 (November 24, 2020 – Hon. John P. Doyle appointed the
9 JCL Law Firm, APC as class counsel and approved a class and PAGA settlement for,
10 *inter alia*, missed meal and rest periods.)

11 j. *Villalobos v. Alterra Group, LLC et al.*, Los Angeles County Superior Court, Case
12 No. 19STCV19448 (November 11, 2020 – Hon. Richard Fruin approved a PAGA
13 Settlement for, *inter alia*, unreimbursed business expenses. The JCL Law Firm, APC
14 acted as counsel for the plaintiff, the State of California and the Aggrieved Employees.)

15 k. *Stevens et al., v. Bank of England*, San Diego County Superior Court Case No.
16 37-2019-00018662-CU-OE-CTL (October 16, 2020 – Hon. John Meyer appointed JCL
17 Law Firm as Class Counsel and granted final approval of wage and hour class action for,
18 *inter alia*, off-the-clock work.)

19 l. *Frazier v. ASA Carlton, Inc.*, San Diego Superior Court Case No. 37-2019-
20 00036147 (October 9, 2020 Hon. Kenneth Medel appointed the JCL Law Firm as Class
21 Counsel and granted final approval of wage and hour class action for off-the-clock work.)

22 m. *Krake et al., v. Central Valley Diner, Inc.*, Placer County Superior Court Case No.
23 SCV0041645 (September 4, 2020 – Hon. Michael Jones appointed JCL Law Firm as class
24 counsel and granted final approval of wage and hour class action for meal period
25 violations.)

26 n. *Conner v. Ascendant Marketing, LLC et al.*, San Diego Superior Court Case No.
27 37-2019-00026864-CU-OE-CTL (July 24, 2020 Hon. Joel Wohlfeil granted approval of
28

1 PAGA Settlement for, among other things, off-the-clock work. JCL Law Firm, APC
2 acted as lead counsel.)

3 o. *Guerrero v. Estancia Operations, LLC.*, San Diego Superior Court Case No. 37-
4 2019-00028963 (August 25, 2020 – Hon. Katherine Bacal approved PAGA Settlement
5 for, *inter alia*, missed meal and rest periods. JCL LAW Firm, APC, acted as lead
6 counsel.)

7 p. *Moreno v. Dash Lube, et al.*, United States District Court, Southern District of
8 California, Case No. 18cv1922 DMS (AHG) (December 13, 2019 – Granted class
9 certification of Labor Code Section 226 claim and appointed JCL Law Firm, APC, as
10 Class Counsel.)

11 q. *Perkins et al., v. Tahiti Enterprises, Inc., et al.*, Orange County Superior Court
12 Case No. 30-2016-00863095 (October 22, 2019 – Hon. Peter Wilson appointed JCL Law
13 Firm, APC, as Class Counsel and granted final approval for an unlawful housing class
14 action settlement arising out of Civil Code Section 1940.1.)

15 r. *Hill v. Stemak Holdings, Ltd.*, San Diego Superior Court Case No., 37-2018-
16 00000747 (January 28, 2020 – Hon. Kenneth Medel appointed JCL Law Firm, APC as
17 class counsel and granted final approval of wage and hour class action for unpaid
18 overtime.)

19 s. *Shachno et al., v. KT Hotels, LLC, et al.* San Diego Superior Court Case No Case
20 No. 37-2018-00043601 (May 31, 2019 – Hon, Gregory Pollack appointed JCL Law Firm,
21 APC, as Class Counsel and granted preliminary approval for the wage and hour class
22 action settlement involving nearly 900 current and former employees. Final approval
23 scheduled for October 4, 2019)

24 t. *Almanza v. The Express Group, Inc.*, San Bernardino Superior Court Case No.
25 CIVDS1722542 (April 19, 2019 – Hon. David Cohn appointed the JCL Law Firm, APC,
26 as Class Counsel and granted final approval for a wage and hour class action settlement
27 for *inter alia*, missed meal and rest periods and independent contractor misclassification.)
28

- 1 u. *Moschetto v. Pillow Global, Inc. San Diego Superior Court*, Case No. 37-2017-
2 00024031-CU-OE-CTL (April 5, 2019 – Hon. John S. Meyer appointed JCL LAW Firm,
3 APC, as Class Counsel and granted final approval for a wage and hour wage class action
4 settlement involving misclassified house cleaners.)
- 5 v. *Burke v. Friendship Hotel, LLC*, San Diego County Superior Court Case No. 37-
6 2017-00022517-CU-OE-CTL (March 10, 2019 – final approval granted on for an
7 unlawful housing class action arising under Civil Code Section 1940.2)
- 8 w. *Terrado et al., v. Accredited Debt Relief, LLC*, San Diego County Superior Court
9 Case No. 37-2018-00014181-CU-OE-CTL (February 8, 2019 – Hon. Gregory W. Pollock
10 appointed JCL Law Firm, APC as Class Counsel and granted final approval for a wage
11 and hour class action settlement for meal and rest period violations);
- 12 x. *Macaspac v. San Antonio Regional Hospital*, San Bernardino Superior Court Case
13 No. CIVDS1512625, (July 27, 2018 – Hon. Thomas S. Garza appointed JCL Law Firm,
14 APC, as Class Counsel and granted final approval for a wage and hour class action
15 settlement involving claims for on duty meal and rest periods.);
- 16 y. *Summerlin et al. v. Maplebear, Inc. dba Instacart*, Los Angeles Superior Court
17 Case No. BC603030 (2018 - certified and settled wage and hour class action.)
- 18 z. *Ortega v. Prime Healthcare*, San Diego Superior Court Case No. 37-2014-
19 00011240-CU-OE-CTL (2018 – Approved PAGA only settlement for on duty meal and
20 rest periods)
- 21 aa. *Engstrom v. Bender-Rosenthal, Inc.* San Diego Superior Court Case No. 37-2016-
22 00012373-CU-OE-CTL (2017 - Certified and settled class action for employee
23 misclassification);
- 24 bb. *Crawford v. Outlook Amusements, Inc.*, Los Angeles Superior Court Case No.
25 BC617160 (2017 - Certified and settled wage and hour class action.);
- 26 cc. *Hernandez v. Sunglass Hut Trading, LLC*, San Bernardino Superior Court Case
27 No. CIVDS1505181 (2016 - Certified and settled wage and hour class action);

1 dd. *Burns v. Shalom, LLC*, San Diego Superior Court, Case No., 37-2013-00058356-
2 CU-BT-CTL (2015 - certified and settled class action for unlawful housing practices
3 arising out of Civil Code Section 1940.1));

4 59. Since 2010, my firm has successfully resolved more than sixty (65) cases and recovered
5 in excess of \$75 million on behalf of the Firm's clients.

6 60. Since 2010, I have successfully tried two (2) cases to conclusion, each resulting in a
7 favorable verdict for the firm's clients.

8 61. Finally, I have published appellate experience in *William Blanchette et al., v. The*
9 *Superior Court of Imperial County, (GHA Enterprises)*, 8 Cal.App.5th 521.

10 62. Consequently, I was named to the prestigious Thomson Reuters, Super Lawyers, Rising
11 Star in 2015, 2016, 2017 and, again, in 2018. According to Thomson Reuters, the Super Lawyers, Rising
12 Star list recognizes the top 2.5% of eligible attorneys. (see
13 https://www.superlawyers.com/about/selection_process.html.)

14 I declare under the penalty of perjury under the laws of the State of California that the foregoing
15 is true and correct. Executed this 17th day of June 2022, at San Diego, California.

16 **JCL LAW FIRM, APC**

17 By: 
18 Jean-Claude Lapuyade
19 Attorneys for Plaintiff
20
21
22
23
24
25
26
27

EXHIBIT 1

1 JEAN-CLAUDE LAPUYADE, ESQ. (SBN 248676)
2 **JCL LAW FIRM, APC**
3 5440 MOREHOUSE DRIVE, SUITE 3600
4 SAN DIEGO, CA 92121
5 TEL: 619-599-8292
6 FAX: 619-599-8291

7 **ZAKAY LAW GROUP, APLC**
8 SHANI O. ZAKAY (SBN 277924)
9 5440 MOREHOUSE DRIVE, SUITE 3600
10 SAN DIEGO, CA 92121
11 TEL: (619) 255-9047

12 ATTORNEYS FOR PLAINTIFF AND THE PUTATIVE CLASS

13 **SUPERIOR COURT OF CALIFORNIA**
14 **COUNTY OF CONTRA COSTA**

15 SUKHRAJ KAUR, an individual, on behalf
16 of herself and on behalf of all persons
17 similarly situated,

18 Plaintiff,

19 vs.

20 ACES 2020 I, LLC, a Delaware limited
21 liability company (fka Comprehensive
22 Educational Services, Inc.); ACES 2020,
23 LLC, a California limited liability company
24 (fka Comprehensive Educational Services,
25 Inc.); and DOES 1 through 50, Inclusive;

26 **DEFENDANT.**

Case No. C20-02482

[Action Filed 05/20/2021]

27 **STIPULATION OF SETTLEMENT OF**
28 **CLASS ACTION CLAIMS AND**
RELEASE OF CLAIMS

Judge: Honorable Edward Weil
Dept.: 39

1 This Stipulation of Class Action Settlement and Release of Claims is entered into by and
2 between Plaintiff SUKHRAJ KAUR (hereinafter "Plaintiff"), individually and on behalf of the
3 Settlement Class, and in her representative capacity on behalf of the State of California and the
4 Aggrieved Employees, and Defendant ACES 2020, LLC, a Delaware limited liability company
5 (formerly known as Comprehensive Educational Services, Inc., a California Corporation), known in
6 California as ACES 2020 I, LLC, doing business as ACES ("Defendant"):

7 **I. DEFINITIONS**

- 8 A. "Action" shall mean the putative class action lawsuit designated *Kaur v. ACES 2020*
9 *I, LLC*, Contra Costa County Superior Court, Case No. C20-02482, filed November
10 19, 2020.
- 11 B. "Aggrieved Employees" shall mean all persons who were employed by Defendant in
12 California and who were classified as non-exempt employees at any time during the
13 PAGA Period.
- 14 C. "Agreement" or "Settlement Agreement" means this Stipulation of Settlement of
15 Class Action and Release of Claims.
- 16 D. "Class Counsel" shall mean Jean-Claude Lapuyade, Esq. of JCL Law Firm, APC, and
17 Shani Zakay of Zakay Law Group, APLC.
- 18 E. "Class Counsel Award" means the award of fees and expenses that the Court
19 authorizes to be paid to Class Counsel for the services they have rendered to Plaintiff
20 and the Settlement Class in the Action, consisting of attorneys' fees not to exceed
21 one-third of the Gross Settlement Amount currently estimated to be \$571,666.66 out
22 of \$1,715,000 plus costs of up to \$25,000.00. Class Counsel's award for attorneys'
23 fees will be equally divided between Class Counsel (50% to JCL Law Firm, APC
24 and 50% to Zakay Law Group, APLC).
- 25 F. "Class Data" means information regarding Class Members that Defendant will in
26 good faith compile from its records and provide to the Settlement Administrator. It
27 shall be formatted as a Microsoft Excel spreadsheet and shall include: each Class
28 Member's full name; last known mailing address; last known personal email address;

1 Social Security Number; start dates and end dates of employment as a non-exempt
2 employee in California.

3 G. "Class Members" or the "Class" means all persons who are or previously were
4 employed by Defendant in California and who were classified as non-exempt
5 employees during the Class Period.

6 H. "Class Period" means the period from April 6, 2016 to December 31, 2021.

7 I. "Class Representative Service Award" means the amount that the Court authorizes to
8 be paid to the Class Representative, in addition to her Individual Settlement Payment
9 and her pro-rata share of the PAGA Settlement, in recognition of her efforts and risks
10 in assisting with the prosecution of the Action and in exchange for executing a
11 General Release.

12 J. "Class Representative" shall mean plaintiff SUKHRAJ KAUR.

13 K. "Court" means the Superior Court for the State of California, County of Contra Costa
14 currently presiding over the Action.

15 L. "Defendant" shall mean Defendant ACES 2020, LLC, a Delaware limited liability
16 company (formerly known as Comprehensive Educational Services, Inc., a California
17 Corporation), known in California as ACES 2020 I, LLC, doing business as ACES.

18 M. "Effective Date" means the earliest date, following entry by the Court of an order
19 and judgment finally approving this Settlement, upon which one of the following have
20 occurred: (i) if no objection is filed to the settlement and no objector appears at the
21 hearing on final approval, the date of the Court's entry of the order granting final
22 approval, (ii) if an objection is filed to the settlement, or an objector appears at the
23 hearing on final approval, then the later of the following: (a) the expiration of all
24 potential appeal periods without a filing of a notice of appeal of the final approval
25 order or judgment; (b) final affirmance of the final approval order and judgment by
26 an appellate court as a result of any appeal(s), or (c) final dismissal or denial of all
27 such appeals (including any petition for review, rehearing, certiorari, etc.) such that
28 the final approval order and judgment is no longer subject to further judicial review.

- 1 N. "Funding Date" shall mean Sixty-Five (65) calendar days after the Effective Date,
2 and is the date Defendant transfers the Gross Settlement Amount into the QSF in
3 accord with the terms of this Agreement.
- 4 O. "Gross Settlement Amount" means One Million Seven Hundred Fifteen Thousand
5 Dollars (\$1,715,000.00) that Defendant must pay into the QSF in connection with this
6 Settlement, inclusive of the sum of the Individual Settlement Payments, the Class
7 Representative Service Awards, the Class Counsel Award, PAGA Settlement and the
8 Settlement Administration Costs and *exclusive* of the employer's share of payroll tax,
9 if any, triggered by any payment under this Settlement.
- 10 P. "Individual Settlement Payment" means the amount payable from the Net Settlement
11 Amount to each Settlement Class Member and excludes any amounts distributed to
12 Aggrieved Employees pursuant to PAGA.
- 13 Q. "Net Settlement Amount" or "NSA" means the Gross Settlement Amount, less Class
14 Counsel Award, Class Representative Service Award, PAGA Settlement, and
15 Settlement Administration Costs.
- 16 R. "Notice Packet" means the Class Notice to be provided to the Class Members by the
17 Settlement Administrator in the form set forth as Exhibit A to this Agreement (other
18 than formatting changes to facilitate printing by the Settlement Administrator).
- 19 S. "PAGA" means the California Labor Code Private Attorneys General Act of 2004,
20 Labor Code § 2698 *et seq.*
- 21 T. "PAGA Payment Ratio" means the respective Pay Periods during the PAGA Period
22 for each Aggrieved Employee divided by the sum total of the Pay Periods for all
23 Aggrieved Employees during the PAGA Period.
- 24 U. "PAGA Period" means the period of April 6, 2019 to December 31, 2021.
- 25 V. "PAGA Settlement" shall mean Eighty Thousand Dollars (\$80,000) to be allocated
26 from the Gross Settlement Amount.
- 27 W. "Parties" means Plaintiff and Defendant, collectively, and "Party" shall mean either
28 Plaintiff or Defendant, individually.

- 1 X. "Pay Period" means any bi-weekly period during the PAGA Period for which
2 Defendant issued an Aggrieved Employee a wage statement.
- 3 Y. "Payment Ratio" means the respective Workweeks for each Class Member divided by
4 the sum total Workweeks for all Class Members.
- 5 Z. "Plaintiff" shall mean SUKHRAJ KAUR.
- 6 AA. "QSF" means the Qualified Settlement Fund established, designated and maintained
7 by the Settlement Administrator to fund the Gross Settlement Amount.
- 8 BB. "Released Class Claims" means any and all class claims alleged in the operative
9 complaint or that could have been alleged based on the facts in the operative
10 complaint which occurred during the Class Period, and expressly excluding all other
11 claims, including claims for vested benefits, wrongful termination, unemployment
12 insurance, disability, social security, workers' compensation, and class claims outside
13 of the Class Period.
- 14 CC. "Released PAGA Claims" means all PAGA claims alleged in the operative complaint
15 and Plaintiff's PAGA notice to the LWDA or that could have been alleged based on
16 the facts in the operative complaint and/or PAGA notice which occurred during the
17 PAGA Period, and expressly excluding all other claims, including claims for vested
18 benefits, wrongful termination, unemployment insurance, disability, social security,
19 workers' compensation, and PAGA claims outside of the PAGA Period.
- 20 DD. "Released Parties" shall mean Defendant (ACES 2020, LLC, a Delaware limited
21 liability company (formerly known as Comprehensive Educational Services, Inc., a
22 California Corporation), known in California as ACES 2020 I, LLC, doing business
23 as ACES), ACES Conversion, LLC, ACES 2020 Holdings, Inc., and all of their
24 respective officers, directors, shareholders, employees, administrators, fiduciaries,
25 agents, and benefit plans.
- 26 EE. "Response Deadline" means the date forty-five (45) days after the Settlement
27 Administrator mails Notice Packets to Class Members and the last date on which
28 Class Members may submit requests for exclusion or objections to the Settlement.

1 FF. "Settlement" means the disposition of the Action pursuant to this Agreement.

2 GG. "Settlement Administrator" means ILYM Group Inc., 14771 Plaza Drive, Ste. L,
3 Tustin, CA 92780; Tel: 1-888-250-6810; Fax: 1-888-845-6185. The Settlement
4 Administrator establishes, designates and maintains, as a QSF under Internal Revenue
5 Code section 468B and Treasury Regulation section 1.468B-1, into which the amount
6 of the Gross Settlement Amount is deposited for the purpose of resolving the claims
7 of Settlement Class Members. The Settlement Administrator shall maintain the funds
8 until distribution in an account(s) segregated from the assets of Defendant and any
9 person related to Defendant. *All accrued interest shall be paid and distributed to the*
10 *Settlement Class Members as part of their respective Individual Settlement*
11 *Payment.*

12 HH. "Settlement Class Members" or "Settlement Class" means all Class Members who
13 have not submitted a timely and valid request for exclusion as provided in this
14 Agreement.

15 II. "Workweek", for purposes of calculating the distribution of the Net Settlement
16 Amount, means each 40-hours worked during the Class Period by a Class Member as
17 a non-exempt employee of Defendant in California. For purposes of this calculation,
18 a Class Member who worked between 1-hour and 39-hours shall be considered to
19 have worked 40-hours.

20 **II. RECITALS**

21 A. On September 12, 2020, Plaintiff filed a Notice of Violations with the Labor and
22 Workforce Development Agency (LWDA) and served the same on Defendant.

23 B. On November 18, 2020, Plaintiff filed an Amended Notice of Violations with the
24 LWDA and served the same on Defendant.

25 C. On November 16, 2020, Plaintiff filed the class action lawsuit for:

- 26 1. Unfair Competition in Violation of Bus. and Prof. Code sections 17200 *et seq*;
- 27 2. Failure to pay minimum wages in violation of California Labor Code sections
28 1194, 1197 & 1197.1;

3. Failure to pay overtime wages in violation of California Labor Code sections 510 *et seq*

4. Failure to provide required meal periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order;

5. Failure to provide required rest periods in violation of California Labor Code sections 226.7 and 512 and the applicable IWC wage order;

6. Failure to provide accurate itemized wage statements in violation of California Labor Code sections 226;

7. Failure to reimburse employees for required expenses in violation of Cal. Lab. Code section 2802;

8. Failure to provide wages when due in violation of Cal. Lab. Code sections 201, 202 and 203;

9. Violation of the Private Attorneys General Act [Labor Code section 2698, *et seq.*].

D. The Class Representative believes she has meritorious claims based on alleged violations of the California Labor Code, and the Industrial Wage Commission Orders, and that class certification is appropriate because the prerequisites for class certification can be satisfied in the Action, and this action is manageable as a PAGA representative action.

E. Defendant denies any liability or wrongdoing of any kind associated with the claims alleged in the Action, disputes any wages, damages and penalties claimed by the Class Representative are owed, and further contend that, for any purpose other than settlement, the Action is not appropriate for class or representative action treatment. Defendant contends, among other things, that at all times they complied with the California Labor Code and the Industrial Wage Commission Orders.

F. The Class Representative is represented by Class Counsel. Class Counsel conducted an investigation into the facts relevant to the Action, including conducting an independent investigation as to the allegations, reviewing documents and information

1 exchanged through informal discovery, and reviewing documents and information
2 provided by Defendant pursuant to informal requests for information to prepare for
3 mediation. Defendant produced for the purpose of settlement negotiations certain
4 employment data concerning the Settlement Class, which Class Counsel reviewed
5 and analyzed. Based on their own independent investigation and evaluation, Class
6 Counsel are of the opinion that the Settlement with Defendant is fair, reasonable and
7 adequate, and is in the best interest of the Settlement Class in light of all known facts
8 and circumstances, including the risks of significant delay, defenses asserted by
9 Defendant, uncertainties regarding class certification, and numerous potential
10 appellate issues. Although it denies any liability, Defendant is agreeing to this
11 Settlement solely to avoid the inconveniences and cost of further litigation. The
12 Parties and their counsel have agreed to settle the claims on the terms set forth in this
13 Agreement.

14 G. On September 14, 2021, the Parties participated in mediation presided over by Jeff
15 Krivis, Esq., a well-respected and experienced mediator of wage and hour class
16 actions. The mediation concluded without a settlement. However, following the
17 mediation, each side, represented by its respective counsel, continued settlement
18 negotiations for several months, with the assistance of Mediator Krivis, until they
19 agreed to settle the Action. The agreement was memorialized in the form of a
20 Memorandum of Understanding.

21 H. This Agreement replaces and supersedes the Memorandum of Understanding and any
22 other agreements, understandings, or representations between the Parties. This
23 Agreement represents a compromise and settlement of highly disputed claims.
24 Nothing in this Agreement is intended or will be construed as an admission by
25 Defendant that the claims in the Action of Plaintiff or the Class Members have merit
26 or that Defendant bears any liability to Plaintiff or the Class on those claims or any
27 other claims, or as an admission by Plaintiff that Defendant's defenses in the Action
28 have merit.

I. The Parties believe that the Settlement is fair, reasonable and adequate. The Settlement was arrived at through arm's-length negotiations, taking into account all relevant factors. The Parties recognize the uncertainty, risk, expense and delay attendant to continuing the Action through trial and any appeal. Accordingly, the Parties desire to fully, finally, and forever settle, compromise and discharge all disputes and claims arising from or relating to the Action.

J. The Parties agree to certification of the Class for purposes of this Settlement only. If for any reason the settlement does not become effective, Defendant reserves the right to contest certification of any class for any reason and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

III. TERMS OF AGREEMENT

A. Settlement Consideration and Settlement Payments by Defendant.

1. Settlement Consideration. In full and complete settlement of the Action, and in exchange for the releases set forth below, Defendant will pay the sum of the Individual Settlement Payments, the Class Representative Service Award, the Class Counsel Award, PAGA Settlement, and the Settlement Administration Costs, as specified in this Agreement, equal to the Gross Settlement Amount of One Million Seven Hundred Fifteen Thousand Dollars (\$1,715,000.00). The Parties agree that this is a non-reversionary Settlement and that no portion of the Gross Settlement Amount shall revert to Defendant. Other than the Defendant's share of employer payroll taxes, or as otherwise specified in the Agreement, Defendant shall not be required to pay more than the Gross Settlement Amount, except as provided for hereinbelow.
2. Class Size. At the time of mediation, Defendant estimated that the Settlement Class was comprised of 10,491 individuals who collectively worked approximately 160,902 workweeks ("Projected Workweeks") between April 6, 2016, through December 31, 2021. In regard hereto, Defendant will provide

1 a declaration under penalty of perjury confirming the number of applicable
2 Class Members and Projected Workweeks between April 6, 2016 and
3 December 31, 2021. If the number of workweeks increases by more than 10%
4 of the estimate stated herein, the Settlement Amount will increase
5 proportionally for the number of workweeks over 110%. For the purposes of
6 this Agreement, a workweek shall equal 40 hours worked by a Class Member
7 as a nonexempt employee of Defendant in California during the Class Period.
8 For purposes of this calculation, a Class Member who worked between 1-hour
9 and 39-hours shall be considered to have worked 40-hours.

10 3. Settlement Payment. Defendant shall pay, via wire transfer, the Gross
11 Settlement Amount to the Settlement Administrator on the Funding Date.

12 4. Defendant's Share of Payroll Taxes. Defendant's share of employer side
13 payroll taxes is in addition to the Gross Settlement Amount and shall be paid
14 together with the Gross Settlement Amount.

15 B. Release by Settlement Class Members. As of the Funding Date, in exchange for the
16 consideration set forth in this Agreement, Plaintiff and the Settlement Class Members
17 release the Released Parties from the Released Class Claims for the Class Period.

18 C. Release by the Aggrieved Employees. As of the Funding Date, in exchange for the
19 consideration set forth in this Agreement, the Plaintiff, the LWDA and the State of
20 California release the Released Parties from the PAGA Released Claims for the PAGA
21 Period. As a result of this release, the Aggrieved Employees shall be precluded from
22 bringing claims against Released Parties for the PAGA Release Claims.

23 D. Conditions Precedent: This Settlement will become final and effective only upon the
24 occurrence of all of the following events:

- 25 1. The Court enters an order granting preliminary approval of the Settlement;
- 26 2. The Court enters an order granting final approval of the Settlement and a Final
27 Judgment;

1 3. If an objector appears at the final approval hearing, the time for appeal of the
2 Final Judgment and Order Granting Final Approval of Class Action
3 Settlement expires; or, if an appeal is timely filed, there is a final resolution of
4 any appeal from the Judgment and Order Granting Final Approval of Class
5 Action Settlement; and

6 4. Defendant fully funds the Gross Settlement Amount.

7 E. Nullification of Settlement Agreement. If this Settlement Agreement is not
8 preliminarily or finally approved by the Court, fails to become effective, or is reversed,
9 withdrawn or modified by the Court, or in any way prevents or prohibits Defendant
10 from obtaining a complete resolution of the Released Claims, or if Defendant fails to
11 fully fund the Gross Settlement Amount:

12 1. This Settlement Agreement shall be void *ab initio* and of no force or effect,
13 and shall not be admissible in any judicial, administrative or arbitral
14 proceeding for any purpose or with respect to any issue, substantive or
15 procedural;

16 2. The conditional class certification (obtained for any purpose) shall be void *ab*
17 *initio* and of no force or effect, and shall not be admissible in any judicial,
18 administrative or arbitral proceeding for any purpose or with respect to any
19 issue, substantive or procedural; and

20 3. None of the Parties to this Settlement will be deemed to have waived any
21 claims, objections, defenses or arguments in the Action, including with respect
22 to the issue of class certification.

23 4. Defendant shall bear the sole responsibility for any cost to issue or reissue any
24 curative notice to the Settlement Class Members and all Settlement
25 Administration Costs incurred to the date of nullification.

26 F. Certification of the Settlement Class. The Parties stipulate to conditional class
27 certification of the Class for the Class Period for purposes of settlement only. In the
28 event that this Settlement is not approved by the Court, fails to become effective, or is

1 reversed, withdrawn or modified by the Court, or in any way prevents or prohibits
2 Defendant from obtaining a complete resolution of the Released Claims, the
3 conditional class certification (obtained for any purpose) shall be void *ab initio* and of
4 no force or effect, and shall not be admissible in any judicial, administrative or arbitral
5 proceeding for any purpose or with respect to any issue, substantive or procedural.

6 G. Tax Liability. The Parties make no representations as to the tax treatment or legal
7 effect of the payments called for, and Class Members and/or Aggrieved Employees
8 are not relying on any statement or representation by the Parties in this regard. Class
9 Members and/or Aggrieved Employees understand and agree that they will be
10 responsible for the payment of any taxes and penalties assessed on the Individual
11 Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA
12 Settlement described and will be solely responsible for any penalties or other
13 obligations resulting from their personal tax reporting of Individual Settlement
14 Payments and/or Aggrieved Employees' individual shares of the PAGA Settlement.

15 H. Circular 230 Disclaimer. Each Party to this Agreement (for purposes of this section,
16 the "acknowledging party" and each Party to this Agreement other than the
17 acknowledging party, an "other party") acknowledges and agrees that: (1) no provision
18 of this Agreement, and no written communication or disclosure between or among the
19 Parties or their attorneys and other advisers, is or was intended to be, nor shall any
20 such communication or disclosure constitute or be construed or be relied upon as, tax
21 advice within the meaning of United States Treasury Department circular 230 (31 CFR
22 part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his,
23 her or its own, independent legal and tax counsel for advice (including tax advice) in
24 connection with this Agreement, (b) has not entered into this Agreement based upon
25 the recommendation of any other Party or any attorney or advisor to any other Party,
26 and (c) is not entitled to rely upon any communication or disclosure by any attorney
27 or adviser to any other party to avoid any tax penalty that may be imposed on the
28 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.

I. Preliminary Approval Motion. At the earliest practicable time, Plaintiff shall file with the Court a Motion for Order Granting Preliminary Approval and supporting papers, which shall include this Settlement Agreement. Plaintiff will provide Defendant with a draft of the Motion at least 3 business days prior to the filing of the Motion to give Defendant an opportunity to propose changes or additions to the Motion.

J. Settlement Administrator. The Settlement Administrator shall be responsible for: establishing and administering the QSF; calculating, processing and mailing payments to the Class Representative, Class Counsel, LWDA and Class Members; printing and mailing the Notice Packets to the Class Members as directed by the Court; receiving and reporting the objections and requests for exclusion; calculating, deducting and remitting all legally required taxes from Individual Settlement Payments and distributing tax forms for the Wage Portion and Non-Wage Portion of the Individual Settlement Payments and/or Aggrieved Employees' individual shares of the PAGA Settlement; processing and mailing tax payments to the appropriate state and federal taxing authorities; providing declaration(s) as necessary in support of preliminary and/or final approval of this Settlement; and other tasks as the Parties mutually agree or the Court orders the Settlement Administrator to perform. The Settlement Administrator shall keep the Parties timely apprised of the performance of all Settlement Administrator responsibilities by among other things, sending a weekly status report to the Parties' counsel stating the date of the mailing, the of number of Elections Not to Participate in Settlement it receives (including the numbers of valid and deficient), and number of objections received.

1 K. Notice Procedure.

2 1. Class Data. No later than ten (10) business days after the Preliminary
3 Approval Date, Defendant shall provide the Settlement Administrator, with
4 the Class Data for purposes of preparing and mailing Notice Packets to the
5 Class Members.

6 2. Notice Packets.

7 a) The Notice Packet shall contain the Notice of Class Action Settlement
8 in a form substantially similar to the form attached as Exhibit A. The
9 Notice of Class Action Settlement shall inform Class Members and
10 Aggrieved Employees that they need not do anything in order to
11 receive an Individual Settlement Payment and/or Aggrieved
12 Employees' individual shares of the PAGA Settlement and to keep the
13 Settlement Administrator apprised of their current mailing address, to
14 which the Individual Settlement Payments and/or Aggrieved
15 Employees' individual shares of the PAGA Settlement will be mailed
16 following the Funding Date. The Notice of Class Action Settlement
17 shall set forth the release to be given by all members of the Class who
18 do not request to be excluded from the Settlement Class and/or
19 Aggrieved Employees in exchange for an Individual Settlement
20 Payment and/or Aggrieved Employees' individual shares of the PAGA
21 Settlement, the number of Workweeks worked by each Class Member
22 during the Class Period and PAGA Period, if any, and the estimated
23 amount of their Individual Settlement Payment if they do not request
24 to be excluded from the Settlement and each Aggrieved Employee's
25 share of the PAGA Settlement, if any. The Settlement Administrator
26 shall use the Class Data to determine Class Members' Workweeks and
27 PAGA Workweeks. The Notice will also advise the Aggrieved
28 Employees that they will release the Released PAGA Claims and will

1 receive their share of the PAGA Settlement regardless of whether they
2 request to be excluded from the Settlement.

- 3 b) The Notice Packet's mailing envelope shall include the following
4 language: "IMPORTANT LEGAL DOCUMENT- YOU MAY BE
5 ENTITLED TO PARTICIPATE IN A CLASS ACTION
6 SETTLEMENT; A PROMPT REPLY TO CORRECT YOUR
7 ADDRESS IS REQUIRED AS EXPLAINED IN THE ENCLOSED
8 NOTICE."

- 9 3. Notice by First Class U.S. Mail and Email. Upon receipt of the Class Data,
10 the Settlement Administrator will perform a search based on the National
11 Change of Address Database to update and correct any known or identifiable
12 address changes. No later than fourteen (14) calendar days after receiving the
13 Class Data from Defendant, the Settlement Administrator shall mail and email
14 copies of the Notice Packet to all Class Members via regular First-Class U.S.
15 Mail and electronic mail. The Settlement Administrator shall exercise its best
16 judgment to determine the current mailing address for each Class Member.
17 The address identified by the Settlement Administrator as the current mailing
18 address shall be presumed to be the best mailing address for each Class
19 Member.

- 20 4. Undeliverable Notices. Any Notice Packets returned to the Settlement
21 Administrator as non-delivered on or before the Response Deadline shall be
22 re-mailed to any forwarding address provided. If no forwarding address is
23 provided, the Settlement Administrator shall promptly attempt to determine a
24 correct address by lawful use of skip-tracing, or other search using the name,
25 address and/or Social Security number of the Class Member involved, and
26 shall then perform a re-mailing, if another mailing address is identified by the
27 Settlement Administrator. In addition, if any Notice Packets, which are
28 addressed to Class Members who are currently employed by Defendant, are

1 returned to the Settlement Administrator as non-delivered and no forwarding
2 address is provided, the Settlement Administrator shall notify Defendant.
3 Defendant will request that the currently employed Class Member provide a
4 corrected address, and transmit to the Administrator any corrected address
5 provided by the Class Member. Class Members who received a re-mailed
6 Notice Packet shall have their Response Deadline extended fifteen (15) days
7 from the original Response Deadline.

8 5. Disputes Regarding Individual Settlement Payments. Class Members will
9 have the opportunity, should they disagree with Defendant's records regarding
10 the start and end dates of employment to provide documentation and/or an
11 explanation to show contrary dates. If there is a dispute, the Settlement
12 Administrator will consult with the Parties to determine whether an
13 adjustment is warranted. The Settlement Administrator shall determine the
14 eligibility for, and the amounts of, any Individual Settlement Payments under
15 the terms of this Agreement. The Settlement Administrator's determination
16 of the eligibility for and amount of any Individual Settlement Payment shall
17 be binding upon the Class Member and the Parties, except as provided
18 hereinbelow in Paragraph 6.

19 6. Disputes Regarding Administration of Settlement. Any disputes not resolved
20 by the Settlement Administrator concerning the administration of the
21 Settlement will be resolved by the Court under the laws of the State of
22 California. Before any such involvement of the Court, counsel for the Parties
23 will confer in good faith to resolve the disputes without the necessity of
24 involving the Court.

25 7. Exclusions. The Notice of Class Action Settlement contained in the Notice
26 Packet shall state that Class Members who wish to exclude themselves from
27 the Settlement must submit a written request for exclusion by the Response
28 Deadline. The written request for exclusion must state that the Class Member

1 wishes to exclude himself or herself from the Settlement and (1) must contain
2 the name, address, and the last four digits of the Social Security number of the
3 person requesting exclusion; (2) must be signed by the Class Member; (3)
4 must be postmarked or fax stamped by the Response Deadline and returned to
5 the Settlement Administrator at the specified address or fax telephone number;
6 and (4) contain a typewritten or handwritten notice stating in substance: "I
7 wish to opt out of the settlement of the class action lawsuit entitled *Kaur v.*
8 *Aces 2020 LLC, Contra Costa County Superior Court, Case No. C20-02482.*
9 I understand that by requesting to be excluded from the settlement, I will
10 receive no money from the Settlement described in this Notice." The request
11 for exclusion will not be valid if it is not timely submitted, if it is not signed
12 by the Class Member, or if it does not contain the name and address and last
13 four digits of the Social Security number of the Class Member. The date of
14 the postmark on the mailing envelope or fax stamp on the request for exclusion
15 shall be the exclusive means used to determine whether the request for
16 exclusion was timely submitted. Any Class Member who requests to be
17 excluded from the Settlement Class will not be entitled to an Individual
18 Settlement Payment and will not be otherwise bound by the terms of the
19 Settlement or have any right to object, appeal or comment thereon. However,
20 any Class Member that submits a timely request for exclusion that is also an
21 Aggrieved Employee will still receive his/her pro rata share of the PAGA
22 Settlement, as specified below, and in consideration, will be bound by the
23 Release by the Aggrieved Employees as set forth herein. Settlement Class
24 Members who fail to submit a valid and timely written request for exclusion
25 on or before the Response Deadline shall be bound by all terms of the
26 Settlement and any final judgment entered in this Action if the Settlement is
27 approved by the Court. No later than fourteen (14) calendar days after the
28 Response Deadline, the Settlement Administrator shall provide counsel for

1 the Parties with a final list of the Class Members who have timely submitted
2 written requests for exclusion. At no time shall any of the Parties or their
3 counsel seek to solicit or otherwise encourage members of the Class to submit
4 requests for exclusion from the Settlement.

- 5 8. Objections. The Notice of Class Action Settlement contained in the Notice
6 Packet shall state that Class Members who wish to object to the Settlement
7 may submit to the Settlement Administrator a written statement of objection
8 (“Notice of Objection”) by the Response Deadline. The postmark date of
9 mailing shall be deemed the exclusive means for determining that a Notice of
10 Objection was served timely. The Notice of Objection, if in writing, must be
11 signed by the Settlement Class Member and state: (1) the case name and
12 number; (2) the name of the Settlement Class Member; (3) the address of the
13 Settlement Class Member; (4) the last four digits of the Settlement Class
14 Member’s Social Security number; (5) the basis for the objection; and (6) if
15 the Settlement Class Member intends to appear at the Final
16 Approval/Settlement Fairness Hearing. Class Members who fail to make
17 objections in writing in the manner specified above may still make their
18 objections orally at the Final Approval/Settlement Fairness Hearing with the
19 Court’s permission. Settlement Class Members will have a right to appear at
20 the Final Approval/Settlement Fairness Hearing to have their objections heard
21 by the Court regardless of whether they submitted a written objection. At no
22 time shall any of the Parties or their counsel seek to solicit or otherwise
23 encourage Class Members to file or serve written objections to the Settlement
24 or appeal from the Order and Final Judgment. Class Members who submit a
25 written request for exclusion may not object to the Settlement. Class Members
26 may not object to the PAGA Settlement.

1 L. Funding and Allocation of the Gross Settlement Amount. Defendant is required to pay
2 the Gross Settlement Amount on or before the Funding Date, plus any employer's
3 share of payroll taxes as mandated by law within the time specified herein.

4 1. Calculation of Individual Settlement Payments. Individual Settlement
5 Payments shall be paid from the Net Settlement Amount and shall be paid
6 pursuant to the formula set forth herein. Using the Class Data, the Settlement
7 Administrator shall add up the total number of Workweeks for all Class
8 Members. The respective Workweeks for each Class Member will be divided
9 by the total Workweeks for all Class Members, resulting in the Payment Ratio
10 for each Class Member. Each Class Member's Payment Ratio will then be
11 multiplied by the Net Settlement Amount to calculate each Class Member's
12 estimated Individual Settlement Payments. Each Individual Settlement
13 Payment will be reduced by any legally mandated employee tax withholdings
14 (e.g., employee payroll taxes, etc.). Individual Settlement Payments for Class
15 Members who submit valid and timely requests for exclusion will be
16 redistributed to Settlement Class Members who do not submit valid and timely
17 requests for exclusion on a pro rata basis based on their respective Payment
18 Ratios.

19 2. Calculation of Individual Payments to the Aggrieved Employees. Using the
20 Class Data, the Settlement Administrator shall add up the total number of Pay
21 Periods for all Aggrieved Employees during the PAGA Period. The
22 respective Pay Periods for each Aggrieved Employee will be divided by the
23 total Pay Periods for all Aggrieved Employees, resulting in the "PAGA
24 Payment Ratio" for each Aggrieved Employee. Each Aggrieved Employee's
25 PAGA Payment Ratio will then be multiplied by the Aggrieved Employee
26 Payment to calculate each Aggrieved Employee's estimated share of the
27 PAGA Settlement.
28

- 1 3. Allocation of Individual Settlement Payments. For tax purposes, Individual
2 Settlement Payments shall be allocated as follows: 40% wages (“Wage
3 Portion”); 20% as penalties and 40% as interest (“Non-Wage Portion”).
- 4 4. Allocation of Aggrieved Employee Payments. For tax purposes, Aggrieved
5 Employee Settlement Payments shall be allocated and treated as 100%
6 penalties and shall be reported on IRS Form 1099.
- 7 5. No Credit Toward Benefit Plans. The Individual Settlement Payments and
8 individual shares of the PAGA Settlement made to Settlement Class Members
9 and/or Aggrieved Employees under this Settlement Agreement, as well as any
10 other payments made pursuant to this Settlement Agreement, will not be
11 utilized to calculate any additional benefits under any benefit plans to which
12 any Class Members may be eligible, including, but not limited to profit-
13 sharing plans, bonus plans, 401(k) plans, stock purchase plans, vacation plans,
14 sick leave plans, PTO plans, and any other benefit plan. Rather, it is the
15 Parties’ intention that this Settlement Agreement will not affect any rights,
16 contributions, or amounts to which any Class Members may be entitled under
17 any benefit plans.
- 18 6. All monies received by Settlement Class Members under the Settlement which
19 are attributable to wages shall constitute income to such Settlement Class
20 Members solely in the year in which such monies actually are received by the
21 Settlement Class Members. It is the intent of the Parties that Individual
22 Settlement Payments and individual shares of the PAGA Settlement provided
23 for in this Settlement agreement are the sole payments to be made by Defendant
24 to Settlement Class Members and/or Aggrieved Employees in connection with
25 this Settlement Agreement, with the exception of Plaintiff, and that the
26 Settlement Class Members and/or Aggrieved Employees are not entitled to any
27 new or additional compensation or benefits as a result of having received the
28 Individual Settlement Payments and/or their shares of the PAGA Settlement.

- 1 7. Mailing. Individual Settlement Payments and Aggrieved Employee Payments
2 shall be mailed by regular First-Class U.S. Mail to Settlement Class Members'
3 and/or Aggrieved Employees last known mailing address no later than fifteen
4 (15) calendar days after the Funding Date.
- 5 8. Expiration. Any checks issued to Settlement Class Members and Aggrieved
6 Employees shall remain valid and negotiable for one hundred and eighty (180)
7 days from the date of their issuance. If a Settlement Class Member and/or
8 Aggrieved Employee does not cash his or her settlement check within 90 days,
9 the Settlement Administrator will send a letter to such persons, advising that
10 the check will expire after the 180th day, and invite that Settlement Class
11 Member and/or Aggrieved Employee to request reissuance in the event the
12 check was destroyed, lost or misplaced. In the event an Individual Settlement
13 Payment and/or Aggrieved Employee's individual share of the PAGA
14 Settlement check has not been cashed within one hundred and eighty (180)
15 days, all funds represented by such uncashed checks, plus any interest accrued
16 thereon, shall be distributed consistent with California Code of Civil
17 Procedure Section 384 as follows: to the UC San Diego Autism Center of
18 Excellence ([https://neurosciences.ucsd.edu/centers-programs/autism/about-
19 ace/index.html](https://neurosciences.ucsd.edu/centers-programs/autism/about-ace/index.html)). Class Counsel, Defendant's counsel, Plaintiff and Defendant
20 do not have any interest, pecuniary or otherwise, in the UC San Diego Autism
21 Center of Excellence.
- 22 9. Class Representative Service Award. In addition to the Individual Settlement
23 Payment and her individual share of the PAGA Settlement to be paid to
24 Plaintiff, Plaintiff will apply to the Court for an award of not more than
25 \$5,000, as the Class Representative Service Award. Defendant does not
26 presently intend to oppose a Class Representative Service Award of not more
27 than \$5,000 for Plaintiff. The Settlement Administrator shall pay the Class
28 Representative Service Award, either in the amount stated herein if approved

1 by the Court or some other amount as approved by the Court, to Plaintiff from
2 the Gross Settlement Amount no later than ten (10) calendar days after the
3 Funding Date. Any portion of the requested Class Representative Service
4 Awards that are not awarded to the Class Representative shall be part of the
5 Net Settlement Amount and shall be distributed to Settlement Class Members
6 as provided in this Agreement. The Settlement Administrator shall issue an
7 IRS Form 1099 — MISC to Plaintiff for her Class Representative Service
8 Award. Plaintiff shall be solely and legally responsible to pay any and all
9 applicable taxes on her Class Representative Service Award and shall hold
10 harmless the Released Parties from any claim or liability for taxes, penalties,
11 or interest arising as a result of the Class Representative Service Awards. The
12 Class Representative Service Award shall be in addition to Plaintiff's
13 Individual Settlement Payment as a Settlement Class Member. Approval of
14 this Settlement shall not be conditioned on Court approval of the requested
15 amount of the Class Representative Service Award. If the Court reduces or
16 does not approve the requested Class Representative Service Award, Plaintiff
17 shall not have the right to revoke the Settlement, and it will remain binding.

- 18 10. Class Counsel Award. Defendant understands a motion by Class Counsel for
19 attorneys' fees not to exceed one-third of the Gross Settlement Amount
20 currently estimated to be \$571,666.66 plus costs and expenses supported by
21 declaration not to exceed Twenty-Five Thousand Dollars (\$25,000.00), from
22 the Gross Settlement Amount will be filed. Any portion of the requested Class
23 Counsel Award that is not awarded to Class Counsel shall be part of the Net
24 Settlement Amount and shall be distributed to Settlement Class Members as
25 provided in this Agreement. The Settlement Administrator shall allocate and
26 pay the Class Counsel Award to Class Counsel from the Gross Settlement
27 Amount no later than five (5) calendar days after the Funding Date. Class
28 Counsel shall be solely and legally responsible to pay all applicable taxes on

1 the payment made pursuant to this paragraph. The Settlement Administrator
2 shall issue an IRS Form 1099 — MISC to Class Counsel for the payments
3 made pursuant to this paragraph. In the event that the Court reduces or does
4 not approve the requested Class Counsel Award, Plaintiff and Class Counsel
5 shall not have the right to revoke the Settlement, or to appeal such order, and
6 the Settlement will remain binding.

7 11. PAGA Settlement. Eighty Thousand Dollars (\$80,000) shall be allocated
8 from the Gross Settlement Amount for settlement of claims for civil penalties
9 under the Private Attorneys General Act of 2004 (“PAGA Settlement”). The
10 Settlement Administrator shall pay seventy-five percent (75%) of the PAGA
11 Settlement (\$60,000) to the California Labor and Workforce Development
12 Agency no later than twenty-five (25) calendar days after the Funding Date
13 (hereinafter “LWDA Payment”). Twenty-five percent (25%) of the PAGA
14 Settlement (\$20,000) will be distributed to the Aggrieved Employees as
15 described in this Agreement (hereinafter “Aggrieved Employee Payment”).
16 For purposes of distributing the PAGA Settlement to the Aggrieved
17 Employees, each Aggrieved Employee shall receive their pro-rata share of the
18 Aggrieved Employee Payment using the PAGA Payment Ratio as defined
19 above.

20 12. Settlement Administration Costs. The Settlement Administrator shall be paid
21 for the costs of administration of the Settlement from the Gross Settlement
22 Amount. The estimate of the Settlement Administration Costs is \$60,000.00.
23 The Settlement Administrator shall be paid the Settlement Administration
24 Costs no later than twenty-five (25) calendar days after the Funding Date.

25 M. Final Approval Motion. Class Counsel and Plaintiff shall use best efforts to file with
26 the Court a Motion for Order Granting Final Approval and Entering Judgment, within
27 twenty-eight (28) days following the expiration of the Response Deadline, which
28 motion shall request final approval of the Settlement and a determination of the

1 amounts payable for the Class Representative Service Award, the Class Counsel
2 Award, the PAGA Settlement, and the Settlement Administration Costs.

3 1. Declaration by Settlement Administrator. No later than seven (7) days after
4 the Response Deadline, the Settlement Administrator shall submit a
5 declaration in support of Plaintiff's motion for final approval of this
6 Settlement detailing the number of Notice Packets mailed and re-mailed to
7 Class Members, the number of undeliverable Notice Packets, the number of
8 timely requests for exclusion, the number of objections received, the amount
9 of the average Individual Settlement Payment and highest Individual
10 Settlement Payment, the Settlement Administration Costs, and any other
11 information as the Parties mutually agree or the Court orders the Settlement
12 Administrator to provide.

13 2. Final Approval Order and Judgment. Class Counsel shall present an Order
14 Granting Final Approval of Class Action Settlement to the Court for its
15 approval, and Judgment thereon, at the time Class Counsel files the Motion
16 for Final Approval. Following the Court's entry of an Order Granting Final
17 Approval of Class Action Settlement, and Judgment thereon, Plaintiff shall
18 provide notice to the California Labor & Workforce Development Agency in
19 accordance with Cal. Lab. Code section 2699(1)(3).

20 N. Review of Motions for Preliminary and Final Approval. Class Counsel will provide
21 an opportunity for Counsel for Defendant to review the Motions for Preliminary and
22 Final Approval, including the Order Granting Final Approval of Class Action
23 Settlement, and Judgment before filing with the Court. The Parties and their counsel
24 will cooperate with each other and use their best efforts to affect the Court's approval
25 of the Motions for Preliminary and Final Approval of the Settlement, and entry of
26 Judgment.

27 O. Cooperation. The Parties and their counsel will cooperate with each other and use
28 their best efforts to implement the Settlement.

- 1 P. Interim Stay of Proceedings. The Parties agree to stay all proceedings in the Action,
2 except such proceedings necessary to implement and complete the Settlement, pending
3 the Final Approval/Settlement Fairness Hearing to be conducted by the Court
- 4 Q. Amendment or Modification. This Agreement may be amended or modified only by
5 a written instrument signed by counsel for all Parties or their successors-in-interest.
- 6 R. Entire Agreement. This Agreement and any attached Exhibit constitute the entire
7 Agreement among these Parties, and no oral or written representations, warranties or
8 inducements have been made to any Party concerning this Agreement or its Exhibit
9 other than the representations, warranties and covenants contained and memorialized
10 in this Agreement and its Exhibit, and except as provided in the separate independent
11 individual settlement agreement between Plaintiff and Defendant.
- 12 S. Authorization to Enter into Settlement Agreement. Counsel for all Parties warrant and
13 represent they are expressly authorized by the Parties whom they represent to negotiate
14 this Agreement and to take all appropriate Action required or permitted to be taken by
15 such Parties pursuant to this Agreement to effectuate its terms, and to execute any
16 other documents required to effectuate the terms of this Agreement. The persons
17 signing this Agreement on behalf of Defendant represents and warrants that he/she is
18 authorized to sign this Agreement on behalf of Defendant. Plaintiff represents and
19 warrants that he is authorized to sign this Agreement and that he has not assigned any
20 claim, or part of a claim, covered by this Settlement to a third-party.
- 21 T. No Public Comment: The Parties and their counsel agree that they will not issue any
22 press releases, initiate any contact with the press, respond to any press inquiry, or have
23 any communication with the press about the fact, amount or terms of the Settlement
24 Agreement. Class Counsel further agrees not to use the Settlement Agreement or any
25 of its terms for any marketing or promotional purposes. Nothing herein will restrict
26 Class Counsel from including publicly available information regarding this settlement
27 in future judicial submissions regarding Class Counsel's qualifications and experience.
28 Further, Class Counsel will not include, reference or use the Settlement Agreement for

any marketing or promotional purposes, either before or after the Motion for Preliminary Approval is filed.

U. Binding on Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the successors or assigns of the Parties, as previously defined.

V. California Law Governs. All terms of this Agreement and the Exhibit and any disputes shall be governed by and interpreted according to the laws of the State of California.

W. Counterparts. This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument provided that counsel for the Parties to this Agreement shall exchange among themselves copies or originals of the signed counterparts.

X. This Settlement Is Fair, Adequate and Reasonable. The Parties believe this Settlement is a fair, adequate and reasonable settlement of this Action and have arrived at this Settlement after extensive arms-length negotiations, taking into account all relevant factors, present and potential.

Y. Jurisdiction of the Court. The Parties agree that the Court shall retain jurisdiction with respect to the interpretation, implementation and enforcement of the terms of this Agreement and all orders and judgments entered in connection therewith, and the Parties and their counsel submit to the jurisdiction of the Court for purposes of interpreting, implementing and enforcing the settlement and all orders and judgments entered in connection with this Agreement.

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

AA. No Unalleged Claims. Plaintiff and Class Counsel represent that they do not currently intend to pursue any claims against the Released Parties, including, but not limited to, any and all claims relating to or arising from Plaintiff's employment with Defendant, regardless of whether Class Counsel is currently aware of any facts or legal theories

1 upon which any claims or causes of action could be brought against Released Parties,
2 including those facts or legal theories alleged in the operative complaint in this Action.
3 The Parties further acknowledge, understand and agree that this representation is
4 essential to the Agreement and that this Agreement would not have been entered into
5 were it not for this representation.

6 BB. Waiver of Certain Appeals. The Parties agree to waive appeals and to stipulate to class
7 certification for purposes of this settlement only.

8 CC. No Admissions by the Parties. Plaintiff has claimed and continues to claim that the
9 Released Claims have merit and give rise to liability on the part of Defendant.
10 Defendant claims that the Released Claims have no merit and do not give rise to
11 liability. This Agreement is a compromise of disputed claims. Nothing contained in
12 this Agreement and no documents referred to and no action taken to carry out this
13 Agreement may be construed or used as an admission by or against the Defendant or
14 Plaintiff or Class Counsel as to the merits or lack thereof of the claims asserted. Other
15 than as may be specifically set forth herein, each Party shall be responsible for and
16 shall bear its/his own attorney's fees and costs.

17 DD. Plaintiff's Individual Settlement. Plaintiff is entering into an individual settlement
18 agreement, which shall provide for an Individual Settlement Payment, and which shall
19 provide for a broad release, including a waiver of Civil Code Section 1542. This
20 release, waiver and discharge of all claims shall include, but will not be limited to, any
21 and all claims arising out of the Action, as well as additional claims described in the
22 Individual Settlement Agreement and claims alleged in DFEH Complaint No. 202012-
23 12073614 dated December 14, 2020. The Individual Settlement Agreement shall be
24 confidential, but may be submitted to the Court for in-camera review for purposes of
25 approval of this Settlement upon the Court's request.
26
27
28

IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

DATED: 4/1/2022

DocuSigned by:
Sukhraj Kaur
F8BCA172D91943D...

SUKHRAJ KAUR

IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

DATED: _____

ACES 2020, LLC, a Delaware limited liability company (formerly known as Comprehensive Educational Services, Inc., a California Corporation), known in California as ACES 2020 I, LLC, doing business as ACES

By: _____
General Counsel

IT IS SO AGREED AS TO FORM BY COUNSEL:

DATED: 4/1/2022

JCL LAW FIRM, A.P.C.

DocuSigned by:
Jean-Claude Lapuyade
By: _____
Attorneys for Plaintiff and the Settlement Class Members

DATED: 4/1/2022

ZAKAY LAW GROUP, APLC

DocuSigned by:
By: _____
Attorneys for Plaintiff and the Settlement Class Members

DATED: _____

PAUL, PLEVIN, SULLIVAN &
CONNAUGHTON LLP

By: _____
Aaron A. Buckley
Attorneys for Defendant

4828-2706-0977, v. 1

1 IT IS SO AGREED, FORM AND CONTENT, BY PLAINTIFF:

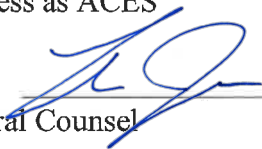
2
3 DATED: _____

SUKHRAJ KAUR

4
5 IT IS SO AGREED, FORM AND CONTENT, BY DEFENDANT:

6
7 DATED: 3/24/2022

8 ACES 2020, LLC, a Delaware limited liability
9 company (formerly known as Comprehensive
10 Educational Services, Inc., a California Corporation),
known in California as ACES 2020 I, LLC, doing
business as ACES

11 By: 

12 General Counsel

13
14 IT IS SO AGREED AS TO FORM BY COUNSEL:

15 DATED: _____

JCL LAW FIRM, A.P.C.

16 By: _____

17 Attorneys for Plaintiff and the Settlement Class
18 Members

19 DATED: _____

ZAKAY LAW GROUP, APLC

20 By: _____

21 Attorneys for Plaintiff and the Settlement Class
22 Members

23
24 DATED: MARCH 24, 2022

PAUL, PLEVIN, SULLIVAN &
CONNAUGHTON LLP

25 By: 

26 Aaron A. Buckley
27 Attorneys for Defendant

28 4828-2706-0977, v. 1

Exhibit A

NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT AND FINAL HEARING DATE

(Kaur v. Aces 2020 I, LLC., Contra Costa County Superior Court Case No. C20-02482)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR DO NOT ACT. PLEASE
READ THIS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<< [REDACTED] >>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
Exclude Yourself	If you wish to exclude yourself from the Settlement, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement. Instructions are set forth below.
Object	You may write to the Court about why you believe the settlement should not be approved. Directions are provided below.

1. Why did I get this Notice?

A proposed class action settlement (the “Settlement”) of this lawsuit pending in the Superior Court for the State of California, County of Contra Costa (the “Court”) has been reached between Plaintiff Sukhraj Kaur (“Plaintiff”) and Defendant ACES 2020, LLC, a Delaware limited liability company (formerly known as Comprehensive Educational Services, Inc., a California Corporation), known in California as ACES 2020 I, LLC, doing business as ACES (“Defendant”). The Court has granted preliminary approval of the Settlement. **You may be entitled to receive money from this Settlement.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All persons who are or previously were employed by Defendant in California and who were classified as non-exempt employees during the Class Period.

The “Class Period” is the period of time running from April 6, 2016 to December 31, 2021.

This Class Notice explains the lawsuit, the Settlement, and your legal rights. It is important that you read this Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

On November 16, 2020, Plaintiff filed a Complaint against Defendant in the Superior Court of the State of California, County of Contra Costa. Plaintiff asserted claims that Defendant: (a) Violated California Business and Professions Code § 17200 *et seq.*; (b) Failed to pay minimum wages in violation of California Labor Code §§ 1194, 1197, and 1197.1; (c) Failed to pay overtime wages in violation of California Labor Code §§ 510, *et seq.*; (d) Failed to provide required meal periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512, and the applicable IWC Wage Order; (f) Failed to provide accurate and complete itemized wage statements in violation of California Labor Code § 226; (g) Failed to reimburse Plaintiff for required expenses in violation of California Labor code 2802; (h) Failed to provide wages when due in violation of California Labor Code §§ 201, 202, and 203; and (h) Violations of the Private Attorney General Act at Labor Code Section 2698, *et seq.*

Defendant denies and disputes all claims asserted in the Actions. Specifically, Defendant contended (and continues to contend) that the Action could not properly be maintained as a class action; that Defendant properly paid members of the class all wages and overtime that was due; that Defendant provided members of the class with all legally required meal breaks and rest breaks; that Defendant paid any members of the class all wages due them at the time of their terminations; that Defendant provided accurate, itemized wage statements to members of the class; that Defendant did not violate California Business and Professions Code section 17200 *et seq.*; that Defendant fully reimbursed members of the class for required business expenses; and that Defendant is not liable for any of the penalties claimed or that could be claimed in the Action.

On September 14, 2021, the Parties participated in an all-day mediation with Jeff Krivis, Esq., an experienced mediator of wage and hour class actions. The mediation concluded without a settlement. However, following the mediation, each side, represented by its respective counsel, continued settlement negotiations for several months, with the assistance of Mediator Krivis, until they agreed to settle the Action. The Court granted preliminary approval of the Settlement on <<INSERT PRELIMINARY APPROVAL DATE>>. At that time, the Court also preliminarily approved the Plaintiff to serve as the Class Representative, and the law firms of JCL Law Firm, APC and Zakay Law Group, APC to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendant has agreed to pay an “all in” amount of One Million Seven Hundred Fifteen Thousand Dollars (\$1,715,000) (the “Gross Settlement Amount”) to fund the settlement. The Gross Settlement Amount includes the payment of all Settlement Shares to Participating Class Members, Class Counsel’s attorneys’ fees and costs, Settlement Administration Expenses, the LWDA Payment, PAGA Shares, and the Class Representative Service Payment to the Plaintiff.

After the Judgment becomes Final, Defendant will pay the Gross Settlement Amount by depositing the money with the Settlement Administrator. “Final” means the date the Judgment is no longer subject to appeal, or if an appeal is filed, the date the appeal process is completed and the Judgment is affirmed.

Amounts to be Paid from the Gross Settlement Amount. The Settlement provides for certain payments to be made from the Gross Settlement Amount, which will be subject to final Court approval, and which will be deducted from the Gross Settlement Amount before settlement payments are made to Class Members, as follows:

- Settlement Administration Expenses. Payment to the Settlement Administrator, estimated not to exceed \$60,000.00 for expenses, including expenses of sending this Notice, processing opt outs, and distributing settlement payments.
- Attorneys' Fees and Costs. Payment to Class Counsel of an award of a Class Counsel Fees Payment of no more than 1/3 of the Gross Settlement Amount (currently \$571,666.66) and a Class Counsel Litigation Expenses Payment of not more than \$25,000 for all expenses incurred as documented in Class Counsel's billing records, both subject to Court approval. Class Counsel have been prosecuting the Actions on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses.
- Class Representative Service Payment. Class Representative Service Payment of up to Five Thousand Dollars (\$5,000) to Plaintiff, or such lesser amount as may be approved by the Court, to compensate her for services on behalf of the Class in initiating and prosecuting the Action, and for the risks she undertook.
- PAGA Payment. A payment of \$80,000 relating to Plaintiff's claim under the Private Attorneys General Act ("PAGA"), \$60,000 of which will be paid to the State of California's Labor and Workforce Development Agency ("LWDA") and the remaining \$20,000 will be distributed to PAGA Employees as part of the Net PAGA Amount.
- Calculation of Payments to Participating Class Members. After all the above payments of the court-approved Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payments the LWDA Payment, and the Settlement Administration Expenses are deducted from the Gross Settlement Amount, the remaining portion, called the "Net Settlement Amount," shall be distributed to class members who do **not** request exclusion ("Settlement Class Members"). The Settlement Share for each Settlement Class Member will be calculated by dividing the Net Settlement Amount by the total number of workweeks for all Participating Class Members that occurred during the Class Period and multiplying the result by each individual Participating Class Member's workweeks that occurred during the Class Period. A "workweek" is defined as each 40-hours worked during the Class Period by a Class Member as a non-exempt employee of Defendant in California. For purposes of this calculation, a Class Member who worked between 1-hour and 39-hours shall be considered to have worked 40-hours.
- Calculation of PAGA Penalties Payments to PAGA Employees. The Net PAGA Amount shall be distributed to PAGA Employees irrespective of whether they exclude themselves or opt-out. The Net PAGA Amount will be divided by the total number of pay periods worked by all Aggrieved Employees during the PAGA Period, and then taking that number and multiplying it by the number of pay periods worked by each respective Aggrieved Employee during the PAGA Period. "Aggrieved Employees" means all non-exempt employees who are or previously were employed by Defendant in California and who were classified as non-exempt employees at any time during the PAGA Period. The PAGA Period means the period between April 6, 2019 to December 31, 2021.

If the Settlement is approved by the Court, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to insure you receive your payment.

Tax Matters. 40% of each Settlement Share is allocated to wages. Taxes are withheld from this amount, and each Participating Class Member will be issued an Internal Revenue Service Form W-2 for such payment. 60% of each Settlement Share is allocated to interest, penalties and other non-wage payments, and no taxes will be withheld, and each Participating Class Member will be issued an Internal Revenue Service Form 1099 for such payment. In addition, no taxes will be withheld from the PAGA Penalties paid to Aggrieved Employees, and each

Aggrieved Employee will be issued an Internal Revenue Service Form 1099 for such payment. Neither Class Counsel nor Defendant's counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement and entering judgment.

4. What Do I Release Under the Settlement?

Released Claims. Upon entry of final judgment and funding in full of the Gross Settlement Amount by Defendant, Plaintiff and the Settlement Class Members shall release all Released Class Claims that occurred during the Class Period as to the Released Parties. Released Class Claims means all class claims alleged in the operative complaint or that could have been alleged based on the facts in the operative complaint which occurred during the Class Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period. The Released PAGA Claims shall be released as follows. Upon entry of final judgment and upon funding in full of the Gross Settlement Amount by Defendant, all Aggrieved Employees shall release all Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LWDA or that could have been alleged based on the facts in the operative complaint and/or PAGA notice which occurred during the PAGA Period, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and PAGA claims outside of the PAGA Period.

This means that, if you do not timely and formally exclude yourself from the settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant about the legal issues resolved by this Settlement. It also means that all of the Court's orders in this Action will apply to you and legally bind you.

5. How much will my payment be?

Defendant's records reflect that you have <<____>> Workweeks worked during the Class Period (April 6, 2016 to December 31, 2021).

Based on this information, your estimated Individual Settlement Payment is <<____>>.

Defendant's records reflect that you have <<____>> pay periods worked during the PAGA Period (April 6, 2019 to December 31, 2021).

Based on this information, your estimated PAGA Payment Share is <<____>>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than _____ [forty-five (45) days after the Notice or re-mailed Notice].

6. How can I get a payment?

To get money from the settlement, you do not have to do anything. A check for your settlement payment will be mailed automatically to the same address as this Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: _____ (800) _____.

The Court will hold a hearing on _____ to decide whether to finally approve the Settlement. If the Court approves the Settlement and there are no objections or appeals, payments will be mailed within a few months after this hearing. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient. After entry of the Judgment, the Settlement Administrator will provide notice of the final judgment to the Class Members by posting a copy of the Judgment on the administrator's website at www._____.com.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows.** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request for exclusion postmarked no later than _____. The address for the Settlement Administrator is _____. The request for exclusion must state in substance: "I wish to opt out of the settlement of the class action lawsuit **entitled *Kaur v. Aces 2020 LLC, Contra Costa County Superior Court, Case No. C20-02482***. I understand that by requesting to be excluded from the settlement, I will receive no money from the Settlement described in this Notice." The request for exclusion must contain your name, address, signature and the last four digits of your Social Security Number for verification purposes. The request for exclusion must be signed by you. No other person may opt out for a member of the Class.

Written requests for exclusion that are postmarked after _____, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I would like to challenge the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections may be in writing and state the Class Member's name, current address, telephone number, and describe why you believe the Settlement is unfair and whether you intend to appear at the final approval hearing. All written objections or other correspondence must also state the name and number of the case, which is ***Kaur v. Aces 2020 I, LLC, Case No. C20-02482***. You may also object without submitting a written objection by appearing at the final approval hearing scheduled as described in Section 9 below.

To object to the Settlement, you cannot opt out. If the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Class Members who do not object. Any Class Member who does not object in the manner provided in this Class Notice shall have waived any objection to the Settlement, whether by appeal or otherwise.

Written objections must be delivered or mailed to the Settlement Administrator no later than _____. The address for the Settlement Administrator is ILYM Group Inc., 14771 Plaza Drive, Ste. L, Tustin, CA 92780.

The addresses for the Parties' counsel are as follows:

Class Counsel:

Jean-Claude Lapuyade, Esq.
JCL Law Firm, APC
5440 Morehouse Drive, Suite 3600

Class Counsel:

Shani O. Zakay, Esq.
Zakay Law Group, APLC
5440 Morehouse Drive, Suite

Counsel for Defendant:

Aaron Buckley, Esq.
Paul, Plevin, Sullivan & Connaughton
LLP

San Diego, CA 92121

Tel.: (619) 599-8292

Fax: (619) 599-2891

E-Mail: jlapuyade@jcl-lawfirm.com

3600 San Diego, CA 92121 Tel: (619)

599-8292

Fax: (619) 599-8291

Email: shani@zakaylaw.comWebsite: www.zakaylaw.com

101 West Broadway, Ninth Floor

San Diego, CA 92101-8285

Tel.: (619) 237-5200

Fax: (619) 615-0700

E-Mail: abuckley@paulplevin.com

9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 00:00 AM/PM on _____, at the Contra Costa County Superior Court, Department 39, located at 725 Court Street, Martinez, CA 94553 before Judge Edward Weil. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval to the Settlement. If there are objections, the Court will consider them. The Court will listen to people who have made a timely written request to speak at the hearing or who appear at the hearing to object. This hearing may be rescheduled by the Court without further notice to you. **You are not required to attend** the Final Approval Hearing, although any Class Member is welcome to attend the hearing.

10. How do I get more information about the Settlement?

You may call the Settlement Administrator at 1-888-250-6810 or write to *Kaur v. Aces 2020 I, LLC., Case No. C20-02482*, Settlement Administrator, c/o _____.

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by writing to JCL Law firm, APC, 5440 Morehouse Drive, Suite 3600, San Diego, CA 92121.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall pay all funds from such uncashed checks to UC San Diego Autism Center of Excellence. If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.

EXHIBIT 2

EXHIBIT 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: Kauer v. Aces

Requesting Attorneys Name:	Claude Lapuyade
E-Mail:	ilapuyade@jcl-lawfirm.com
ILYM Contact:	Sean Hartranft
E-Mail:	Sean@ilymgroup.com
Contact Number:	949.690.2564

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	10,491
Estimated Mail Returned as Undeliverable	20%
NCOA	Yes
Certified Spanish Translation	No
Case Duration (Year(s))	1

Activity	Rate Type	Unit Cost	Volume	Amount
CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	10	\$1,500.00
Programming of Class Database	Hourly	\$175.00	10	\$1,750.00
*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.				
Subtotal				\$3,250.00

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	16	\$1,920.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	5	\$350.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	10	\$700.00
Report Processing	Hourly	\$70.00	14	\$980.00
NCOA	Flat Rate	\$1,100.00	1	\$1,100.00
Toll Free Customer Service Representative	Flat Rate	\$1,703.41	1	\$1,703.41
ILYM Group Static Website, Includes Hosting	Flat Rate	\$750.00	1	\$750.00
Weekly Reports	Flat Rate	\$750.00	1	Waived
Subtotal				\$7,503.41

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
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NOTIFICATION/MAILING

Fulfillment of Notice	Per Piece	\$0.85	10,491	\$8,917.35
USPS First Class 1oz Postage	Per Piece	\$0.55	10,491	\$5,770.05
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$1.80	2,098	\$3,776.76
Storage, Photocopies, Deliveries	Flat Fee	\$500.00	1	\$500.00

Subtotal \$18,964.16

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)

Distribution Setup & Management	Hourly	\$150.00	12	\$1,800.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	12	\$1,500.00
Check, Stub & Release - Print & Mail (W-2/1099)	Per Check	\$0.95	10,491	\$9,966.45
USPS First Class Postage	Per Piece	\$0.55	10,491	\$5,770.05
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$1.75	1,049	\$1,835.93
Preparation of Taxes	Hourly	\$120.00	35	\$4,200.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$26,572.43

CASE CONCLUSION

Data Manager Final Reporting	Hourly	\$100.00	10	\$1,000.00
Project Manager Final Reporting	Hourly	\$120.00	10	\$1,200.00
Processing Unclaimed Funds to State Controller's Office	Flat Fee	\$750.00	1	\$750.00
Declaration	Hourly	\$125.00	6	\$750.00

Subtotal \$3,700.00

WILL NOT EXCEED: \$59,990.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.