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12 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

13 **FOR THE COUNTY OF SAN BERNARDINO**

15 JASMIN GONZALEZ, an individual, on
16 behalf of herself, others similarly situated, and
17 as a private attorney general on behalf of the
state of California,

18 Plaintiff,

19 v.

20 AUTISM SPECTRUM THERAPIES, LLC., a
California Limited Liability Company,
21 LEARN-IT SYSTEMS, LLC, a Maryland
Limited Liability Company and DOES 1 thru
22 50, inclusive,

23 Defendants.

CASE NO. CIVSB2206648

[Assigned for all purposes to Hon. Jessica
Morgan, Dept. S-26]

**JOINT STIPULATION OF SETTLEMENT
AND RELEASE OF CLASS ACTION AND
PAGA CLAIMS**

1 **JOINT STIPULATION OF SETTLEMENT AND RELEASE OF CLASS ACTION AND PAGA**

2 **CLAIMS**

3 This Joint Stipulation of Settlement and Release of Class Action and PAGA Claims
4 (“Settlement Agreement” or “Agreement”) is made and entered into by and between Defendants
5 Autism Spectrum Therapies, LLC, Learn-It Systems, LLC (“Defendants”), on the one hand, and
6 Plaintiff Jasmin Gonzalez now known as Jasmin Anabel Rivas (“Plaintiff”), on the one hand, on her
7 own behalf and as a proposed representative on behalf of the Class to be certified pursuant to this
8 Settlement Agreement (as described below), each of the members of that Class (each, individually,
9 a “Class Member” and, collectively, “Class Members”) and on behalf of the State of California as
10 its representative under the California Labor Code Private Attorney General Act (“PAGA”), on the
11 other hand, in *Jasmin Gonzalez v. Autism Spectrum Therapies, LLC, et al.*, Case No.
12 CIVSB2206648 (Superior Court, San Bernardino County) (the “Litigation”). This Settlement
13 Agreement pertains to all claims that have been and/or are asserted in all pleadings that have been
14 filed in the Litigation, including the First Amended Complaint, and all violations asserted in any
15 notice sent to the California Labor and Workforce Development Agency (“LWDA”) referenced in
16 any such pleadings. This Settlement Agreement is subject to the terms and conditions hereof and
17 the approval of the Court. For purposes of this Settlement Agreement, Plaintiff and Defendants are
18 each referred to individually as a “Party” and collectively as the “Parties.”

19 **SETTLEMENT AMOUNT**

20 As described in detail hereafter, and pursuant to all of the terms and conditions set forth
21 hereafter, Defendants will pay Three Hundred Twenty-Five Thousand Dollars and Zero Cents
22 (\$325,000.00) (the “Gross Settlement Fund,” “GSF,” or “Settlement Fund”), to resolve all of the
23 Released Claims (as defined below) and Plaintiff’s separate individual settlement with Defendant
24 for Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), that resolves her individually
25 pled claims that predate the Class Period in this Action as well as all known or unknown claims
26 that Plaintiff may have against Defendants pursuant to California Civil Code Section 1542. None
27 of the funds associated with the Plaintiff’s individual settlement shall be paid from the Gross
28 Settlement Fund. No other payments will be made by Defendants in connection with this

1 settlement. This Settlement Agreement is not subject to any reversion of funds to Defendants,
2 such that the entire settlement amount will be payable if the settlement becomes final as defined
3 herein.

4 **BACKGROUND AND RECITALS**

5 1. On March 22, 2022, Plaintiff first provided notice to the California Labor and
6 Workforce Development Agency (“LWDA”) of her intent to pursue claims under the California
7 Labor Code Private Attorneys General Act, Cal. Lab. Code §§ 2699 *et seq.* on behalf of herself
8 and other hourly-paid aggrieved employees for various violations of the California Labor Code.

9 2. On March 24, 2022, Gonzalez filed a putative Class Action Complaint against
10 Defendants in the Superior Court of the State of California, County of San Bernardino, which was
11 assigned Case No. CIVSB2206648.

12 3. On July 1, 2022, Gonzalez filed a First Amended Complaint (“FAC”).

13 4. Pursuant to an agreed-upon briefing schedule, on August 12, 2022, Defendants
14 timely moved to compel individual arbitration of Plaintiff’s claims, and thereafter the parties
15 engaged in motions practice and informal exchanges of documents and information, including,
16 inter alia, the exchange of documents pertaining to Plaintiff’s employment with Defendants and an
17 exchange of data regarding putative class members and aggrieved employees. Upon agreeing to
18 private mediation, Plaintiff and Defendants (collectively, the “Parties”) stipulated to stay litigation
19 and continue the hearing on Defendants’ motion to compel individual arbitration until after
20 mediation.

21 5. On May 11, 2023 and again on January 8, 2024, the Parties participated in a private
22 mediation with Mediator Michael Dickstein. As a result of the mediation, the Parties have
23 prepared and are entering into this Settlement Agreement to resolve all of the claims being
24 released herein.

25 6. For purposes of this Settlement Agreement only, the “Settlement Class” consists of
26 all non-exempt hourly-paid employees working in the State of California for Defendants from
27 September 2, 2021 through December 31, 2022 (the “Settlement Class Period”) who performed
28 any work for Defendants as a non-exempt employee. The Settlement Class shall expressly

1 exclude any putative class member who is a former employee who has previously released such
2 claims after his or her employment ended. The Settlement Class and or its members may
3 alternatively be referred to as “Class Member” or “Class Members” herein.

4 7. No Admission of Liability by Defendants. Defendants deny any liability or
5 wrongdoing of any kind associated with the Litigation and the claims being released herein.
6 Defendants contend, among other things, that they have complied at all times with all applicable
7 California laws and assert that the Class Members were properly compensated for all time worked,
8 and otherwise treated at all times in compliance with California law. Neither this Settlement
9 Agreement nor any exhibit hereto, nor any other document pertaining to the settlement
10 contemplated herein, may be offered in any other case or proceeding as evidence of any admission
11 by Defendants of any liability on any claims for damages or other relief. Any stipulation or
12 admission by Defendants contained herein is made for settlement purposes only.

13 8. Nevertheless, in the interest of avoiding the costs and disruption of ongoing
14 litigation and resolving the claims asserted in the Litigation, Defendants believe that the settlement
15 negotiated between the Parties and set forth in this Settlement Agreement is fair, reasonable, and
16 adequate.

17 9. It is the desire of Plaintiff, on her own behalf and on behalf of the Settlement Class,
18 as well as on behalf of the LWDA with respect to those claims asserted under the California Labor
19 Code Private Attorney General Act (“PAGA”) for the Aggrieved Employees, to fully, finally, and
20 forever settle, compromise, and discharge the claims set forth in Paragraphs 35 through 36 of this
21 Settlement Agreement.

22 **TERMS OF THE SETTLEMENT**

23 10. Stipulation for Conditional Class Certification: The Parties stipulate and agree to
24 the conditional certification of the Settlement Class in the Litigation for purposes of this
25 Settlement Agreement only. Should, for whatever reason, the settlement set forth in this
26 Settlement Agreement not become final, the Parties’ stipulation to such class certification as part
27 of this settlement shall become null and void *ab initio* and shall have no bearing on, and shall not
28 be admissible in connection with, the issue of whether or not certification would be appropriate in

1 a non-settlement context. Defendants expressly reserve their rights and declare that Plaintiff's
2 putative class action claims and individual PAGA claim are subject to mandatory arbitration and,
3 if this settlement is not approved, Defendants reserve the right to seek a ruling on a motion to
4 compel arbitration and to assert any and all defenses and to oppose class certification vigorously in
5 the Litigation or any other action or proceeding.

6 11. Establishment of the Settlement Fund: This settlement is being made on a non-
7 reversionary basis, such that Defendants will pay the entirety of the agreed upon total settlement
8 amount of Three Hundred Twenty-Five Thousand Dollars and Zero Cents (\$325,000.00) (i.e., the
9 "Gross Settlement Fund").

10 12. The payment by Defendants of the total Gross Settlement Fund of \$325,000.00,
11 pursuant to this Settlement Agreement, shall settle and forever resolve all of the Released Claims,
12 and will include all payments to Settlement Class Members and government taxing authorities for
13 employee-side wage withholdings, plus (a) the costs of administration of the settlement, (b) all
14 claimed and/or awarded attorneys' fees and costs, (c) the claimed and/or awarded enhancement
15 award to the Class Representative and (d) the payment to the LWDA and payments to Aggrieved
16 Employees pursuant to PAGA. The Settlement Fund shall not include any employer-side payroll
17 taxes, if any, which may be owed as a result of the payments to be made to the Settlement Class
18 Members as set forth in this Settlement Agreement, and such amounts will be separately paid by
19 Defendants in addition to the Gross Settlement Fund. The settlement payments are not being
20 made for any other purpose and will not be construed as "compensation" for purposes of
21 determining eligibility for any health and welfare benefits, unemployment compensation or other
22 compensation or benefits provided by Defendant. In addition, no individual receiving a payment
23 based on this settlement shall be entitled to any additional or increased health, welfare, retirement,
24 or other benefits as a result of their participation in the settlement and/or receipt of payment under
25 this settlement.

26 13. Calculation of Net Settlement Fund: The total sum from which Settlement Class
27 Members will be paid (the "Net Settlement Fund" or "NSF") shall be the Gross Settlement Fund
28 less the following: Settlement Administration Costs, Attorneys' Fees and Costs, Enhancement

1 Award, and the LWDA Payment. The remaining sum after all these deductions shall represent the
2 NSF, which will be used to calculate the settlement share that each Settlement Class Member will
3 receive if this settlement becomes Effective as defined in Paragraph 15, below.

4 14. The Parties have also resolved Plaintiff's individual claims in the Litigation from
5 January 29, 2013 through September 1, 2021, as well as all known or unknown claims that
6 Plaintiff may have against Defendants from September 2, 2021 through and including her last day
7 of employment by virtue of Plaintiff's provision of a waiver of rights under California Civil Code
8 Section 1542 (collectively, "Plaintiff's Individual Claims"). Unlike the other Class Members,
9 Plaintiff was not a member of the Class in *Gregory Durham vs. Autism Spectrum Therapies, LLC*,
10 Los Angeles County Case No. 19STCV25183. To resolve Plaintiff's Individual Claims,
11 Defendants shall pay an aggregate additional sum of Twenty-Five Thousand Dollars and Zero
12 Cents (\$25,000.00), separate and apart from the GSF, which shall be paid to Plaintiff at the same
13 time that Defendants submit the payment for the Gross Settlement Fund in accordance with
14 Paragraph 26 below. Plaintiff's receipt of this amount is conditioned on Court approval of the
15 settlement. Plaintiff's Counsel is not receiving any attorneys' fees and/or expense reimbursement
16 associated with Plaintiff's disclosed *Pre-Durham* individual Settlement. As consideration for this
17 separate payment, Plaintiff will generally release any and all claims against Defendants and
18 Releasees as defined in the final stipulation of settlement, and Plaintiff will provide a waiver of
19 rights under California Civil Code Section 1542

20 15. Effective Date: This Settlement Agreement shall become effective when the
21 settlement is considered to be Final. For purposes of this Settlement Agreement, "Final Approval"
22 means the Court's determination that the settlement is fair, reasonable, and adequate, granting of
23 final approval of the settlement, and entry of judgment or dismissal based thereon, and "Final
24 Approval Order" means the Court's order determining the settlement to be fair, reasonable, and
25 adequate and granting final approval of the settlement and judgment or dismissal based thereon.
26 For purposes of this Settlement Agreement, "Effective Date" and "Final" mean: (i) in the event
27 that the settlement has received Final Approval by the Court, and regardless of whether any timely
28 objections thereto have been filed or withdrawn, then sixty-five (65) calendar days after the

1 Court's issuance of the Final Approval Order without a timely appeal being filed; or, (ii) in the
2 event that a timely appeal of the Court's Final Approval Order has been filed, then the Settlement
3 Agreement shall be final when the applicable appellate court has rendered a final decision or
4 opinion affirming the Court's Final Approval Order without material modification, and the
5 applicable date for seeking further appellate review has passed without further appellate review
6 being sought. In the event that the Court fails to approve the settlement, or if the appropriate
7 appellate court fails to approve the settlement: (1) this Settlement Agreement shall have no force
8 and effect and the Parties shall be restored to their respective positions prior to entering into it, and
9 no Party shall be bound by any of the terms of the Settlement Agreement; (2) Defendants shall
10 have no obligation to make any payments to the LWDA, Class Members, Plaintiff or Plaintiff's
11 Counsel; and (3) any preliminary approval order and/or Final Approval Order shall be vacated.

12 16. Mediation and Settlement Communications: The negotiations, statements,
13 proceedings, and data exchanged between the Parties for purposes of mediation and which led to
14 settlement shall be deemed confidential mediation settlement communications and not subject to
15 disclosure for any purpose in any proceeding, except only as required to obtain approval of and
16 implement the Settlement in this Litigation and/or to enforce the Settlement.

17 17. PAGA Settlement: The amount of Twenty Thousand Dollars and Zero Cents
18 (\$20,000.00) out of the GSF shall be allocated to penalties under PAGA ("PAGA Amount"),
19 subject to the Court's final approval, of which 75% of that amount will be paid to the LWDA
20 ("LWDA Payment"), and the remaining 25% ("PAGA Employee Payment") will be distributed to
21 the "Aggrieved Employees," as that term is defined herein and by the methodology set forth
22 herein. For purposes of this Settlement, "Aggrieved Employees" shall include all non-exempt
23 hourly-paid employees who performed work in the State of California for Defendants at any point
24 between September 2, 2021 through September 1, 2023 (the "PAGA Period"). The PAGA
25 Employee Payment to the Aggrieved Employees shall be divided among the Aggrieved
26 Employees on a pro-rata basis, and shall be calculated by multiplying the Employee Payment by a
27 fraction, the numerator of which is the Aggrieved Employee's total number of pay periods with
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1 hours worked, and the denominator of which is the total number of pay periods of all Aggrieved
2 Employees in the PAGA Period.

3 18. Attorneys' Fees and Costs: "Class Counsel" or "Plaintiff's Counsel" means David
4 Winston, Esq. of Winston Law Group, P.C. Subject to approval of the Court, Plaintiff's Counsel
5 shall be appointed as counsel for the Class, and may apply for an award of attorneys' fees and
6 costs and expenses incurred in connection with the prosecution of this matter, and all of the work
7 remaining to be performed by Class Counsel in documenting the Settlement, securing Court
8 approval of the Settlement (including all related appellate work), carrying out their duties to see
9 that the settlement is fairly administered and implemented, and obtaining dismissal of the action,
10 in an amount of up to one third (1/3) of the GSF, currently estimated to be One Hundred Eight
11 Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$108,333.33), for
12 attorneys' fees and in an amount of up to Thirty Thousand Dollars and Zero Cents (\$30,000.00)
13 for reimbursement of reasonable costs and expenses (together, "Attorneys' Fees and Costs").
14 Amounts awarded by the Court for Attorneys' Fees and Costs shall be paid from the GSF.

15 19. Enhancement Award: Subject to approval by the Court, Plaintiff shall be appointed
16 as the representative of the Class, and she may seek an enhancement award in the amount of up to
17 Five Thousand Dollars and Zero Cents (\$5,000.00) in consideration for serving as the
18 representative of the Class ("Enhancement Award"). The Enhancement Award is in addition to
19 the Individual Settlement Payment to which the Class Representative is otherwise entitled along
20 with all other Settlement Class Members.

21 20. In the event lesser sums are awarded for Attorneys' Fees and Costs referenced
22 above in Paragraph 18, above, or for the Enhancement Award referenced in Paragraph 19, above,
23 the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiff and/or Class
24 Counsel to terminate the Settlement, but such an order shall be appealable by them. In the event
25 that such an appeal is filed, administration of the Settlement shall be stayed pending resolution of
26 the appeal. Thereafter, if after the exhaustion of such appellate review, any additional amounts
27 remain which are distributable to the Settlement Class Members, the cost of administration of such
28 additional payments will be paid out of such additional amounts and will not be chargeable to or

1 payable by Defendant. Any amount not awarded for Attorneys' Fees and Costs or as an
2 Enhancement Award, but which is not challenged via appeal by Plaintiff and/or Class Counsel,
3 shall be added to the NSF and distributed to the Settlement Class Members in accordance with the
4 terms of this Settlement Agreement.

5 21. Costs of Administration: Subject to Court approval, the Parties designate ILYM
6 Group, Inc. to administer the Settlement ("Settlement Administrator" or "ILYM"), with a budget
7 to administer the settlement for fees and costs of up to \$25,000.00 ("Settlement Administration
8 Costs"). The Settlement Administrator's duties of administration shall include, without limitation,
9 receiving the Class List to be produced by Defendants, and updating it prior to the Notice being
10 mailed, printing and mailing the Notice, performing necessary additional skip traces on Notices
11 and/or checks returned as undeliverable, calculating Class Members' estimated and final shares of
12 the NSF, preparing and mailing of settlement checks, establishing a settlement website as
13 described hereafter, responding to Class Member inquiries as appropriate, preparing any
14 appropriate tax forms in connection with the settlement payments and remitting those forms and
15 any required payments to the appropriate governmental agencies, and generally performing all
16 normal and customary duties associated with the administration of such settlements. The
17 Settlement Administrator and Defendants will be required to cooperate and coordinate with each
18 other with respect to the calculation, reporting and payment of all payroll taxes and withholdings
19 in accordance with this settlement, as well as all applicable laws and requirements of government
20 taxing authorities. All fees and costs for the Settlement Administrator's services will be paid out
21 of the GSF. The Settlement Administrator will coordinate the calculations of the payroll taxes and
22 deductions with Defendants to ensure that Defendants can remit to the Settlement Administrator
23 the employer share of payroll taxes and to further ensure that, to the extent such taxes and
24 deductions are or could be deemed to have been made by the Settlement Administrator on behalf
25 of Defendants by government taxing authorities, they are made in compliance with Defendants'
26 respective tax withholding and remittance obligations for such payments.

27 22. No Claim Form Required: Settlement Class Members shall share in the NSF
28 referred to in Paragraph 13, as set forth in more detail in Paragraph 24 hereafter. Settlement Class

Members shall not be required to complete a claim form. Class Members will be mailed a Notice of Class Action Settlement (“Notice”), in substantially the form attached hereto as “**Exhibit A**,” subject to approval by the Court, informing them of the terms of the settlement and providing them with an estimate of their share of the NSF. Class Members who do not timely and properly elect to opt out of the settlement (“Settlement Class Member(s)”) will be mailed a check representing their payment under the Settlement, in accordance with the terms of this Settlement Agreement.

23. Class Size: The size and membership of the Class shall be determined as of the December 31, 2022. As of December 31, 2022, it is estimated that the Class is comprised of 2,457 individuals (the “Projected Class Size”) who will have worked 74,338 Workweeks (the “Projected Workweeks”). If, as of December 31, 2022, both the Class Size and the actual number of Workweeks of the Class are 10% higher than the Projected Class Size and Projected Workweeks, respectively, (i.e., greater than 2,702 individuals and 81,772 workweeks [the “Buffer”]), then within ten (10) court days after learning that both have been so exceeded, Defendants may elect from any of the following options:

- a. Defendants may exclude the additional Settlement Class Members;
- b. Defendants may elect to end the settlement class period earlier than December 31, 2022, so as not to trigger the Buffer; or
- c. Defendants may increase the NSF on a pro-rata basis to account for the Buffer.

If Defendants elect option (c), and there is any related increase in settlement administration costs which exceed the original settlement administration estimate, Defendants shall pay the actual settlement administration costs in excess of the original settlement administration estimate.

The Parties agree that finalizing this Agreement and Plaintiff promptly filing for preliminary approval were material terms under which Defendants agreed to the provisions in this Paragraph.

24. Calculation of Class Members’ Shares of the Net Settlement Fund: Defendants shall calculate and provide to the Settlement Administrator the number of workweeks worked by

1 a Class Member for Defendant, as a non-exempt employee in California during the Settlement
2 Class Period (hereafter, the “Workweeks”). Workweeks will be calculated in accordance with
3 Defendants’ regular practice for tracking workweeks, and shall be defined to include any week in
4 which a Settlement Class Member worked any hours for Defendants in the Settlement Class
5 Period. Each Class Member’s share of the NSF (“Individual Settlement Share(s)”) will be
6 calculated initially for purposes of mailing the Notice by multiplying the NSF by a fraction, the
7 numerator of which is the Class Member’s total number of Workweeks, and the denominator of
8 which is the total number of Workweeks of all Class Members. Each Settlement Class Member’s
9 final Individual Settlement Share for purposes of payment will be calculated by multiplying the
10 NSF by a fraction, the numerator of which is the Settlement Class Member’s total number of
11 Workweeks, and the denominator of which is the total number of Workweeks of all Settlement
12 Class Members, individually and collectively.

13 25. Right to Opt Out, Object, and/or Dispute Workweeks: The Notice will be mailed
14 to all Class Members and will advise each Class Member of their right to opt out of the Settlement
15 Agreement, object to all or any part of the Settlement Agreement, and/or dispute the number of
16 Workweeks credited to them. Any Class Member who wishes to opt out from the class action
17 portion of the Settlement Agreement, object to the class action portion of the Settlement
18 Agreement, and/or dispute the number of Workweeks credited to him or her, must do so in writing
19 to the Settlement Administrator postmarked no later than forty-five (45) calendar days from the
20 date of mailing of the Notice to the Class Members (“Response Deadline”).

21 a. Opting Out of the Settlement Agreement: A request to opt out of and be
22 excluded from the class action portion of the Settlement Agreement (“Request for Exclusion”) must include: (i) the full name, current mailing address, signature, and last four digits of the Social
23 Security number of the Class Member seeking exclusion; and (ii) an unequivocal statement that
24 the individual does not want to be included in the settlement, (such as “I elect to opt-out of the
25 *Gonzalez v. Autism Spectrum Therapies, LLC et al.* class action settlement. I understand that by
26 doing so, I will not receive a share of the class settlement.”) If a Request for Exclusion is deficient
27 in one or more respects, the Settlement Administrator shall, within five (5) calendar days of the
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1 Settlement Administrator's receipt of the deficient Request for Exclusion, return the document to
2 the Class Member with a letter explaining the deficiencies and informing the Class Member that
3 he or she shall have fourteen (14) calendar days from the date of the deficiency letter to correct the
4 deficiencies and resubmit the Request for Exclusion. Any resubmitted Request for Exclusion
5 must be postmarked within fourteen (14) calendar days of the date of the Settlement
6 Administrator's deficiency letter. The Settlement Administrator has no obligation to provide a
7 Class Member with a second deficiency. Any Class Member that submits a valid Request for
8 Exclusion from the Settlement that is also an Aggrieved Employee will still receive their pro rata
9 share of the PAGA Amount and will still be bound to the PAGA release as set forth in Paragraph
10 36 of the Agreement. In the event that five percent (5%) or more of the Class Members submit a
11 timely and valid Request for Exclusion, Defendants will have the option to rescind and terminate
12 the settlement resulting in both Parties returning to their pre-settlement positions in the Litigation.
13 Should the 5% threshold for opt outs be exceeded, the Settlement Administrator shall notify lead
14 counsel for all Parties via email immediately, and Defendants shall have ten (10) calendar days
15 from the date of this email, to exercise its option to rescind and terminate the settlement as
16 referenced in this Paragraph by providing Class Counsel with written notice of its intent to
17 terminate the Settlement. In the event Defendants exercise their option to terminate the Settlement
18 Agreement, Defendants shall pay all the Settlement Administration costs incurred up to the date of
19 termination.

20 b. Objecting to the Settlement Agreement: An objection to the class action
21 portion of the Settlement Agreement ("Objection"), must include: (i) the full name, current
22 mailing address, signature, and last four digits of the Social Security number of the objecting Class
23 Member; (ii) a statement indicating the legal and factual grounds for the objection; (iii) a
24 statement indicating whether the objecting Class Member is represented by counsel and
25 identifying any such counsel to avoid any unintended communications with a represented party;
26 and (iv) a statement indicating whether the objecting Class Member intends to appear for and
27 wishes to be heard at the Final Approval Hearing. Objections may also be made orally, with or
28 without submitting a written objection, by appearing at the Final Approval Hearing.

1 c. Disputing Workweeks: A Class Member's dispute of the number of
2 Workweeks credited and used to calculate the Class Member's Individual Settlement Share,
3 ("Workweeks Dispute") must include: (i) the full name, current mailing address, telephone
4 number, signature, and last four digits of the Social Security number of the disputing Class
5 Member; (ii) a statement indicating that the Class Member seeks to dispute the number of
6 Workweeks credited to him or her, the time period(s) he or she worked for Defendants in a non-
7 exempt position in California during the Settlement Class Period, and the number of Workweeks
8 that he or she contends should be credited to him or her; and (iii) documentation and/or other facts
9 supporting the Class Member's position. In response to any timely Workweeks Dispute,
10 Defendants will first verify the information contained in the disputing Class Member's personnel
11 file and Defendants' payroll records. Unless the Class Member can establish that the number of
12 Workweeks credited to him or her is incorrect, by providing documentation in support thereof or
13 other details to substantiate his or her position, the total number of Workweeks established by
14 Defendants' records will control. Class Counsel and Defendants' Counsel will then make a good
15 faith effort to resolve the dispute informally before the Final Approval Hearing. If counsel for the
16 Parties cannot agree, the dispute shall be resolved by the Settlement Administrator before the Final
17 Approval Hearing, who shall examine the records provided by Defendants and the Class Member
18 and shall be the final arbiter of disputes relating to a Class Member's Workweeks. The Settlement
19 Administrator's determination regarding any such dispute shall be final for purposes of
20 administering notice of the Settlement, subject to final review, determination, and approval by the
21 Court.

22 26. Funding of Settlement: Within ten (10) business days following the occurrence of
23 the Effective Date of the Settlement as defined above, Defendants shall transfer the GSF in the
24 amount of Three Hundred Twenty-Five Thousand Dollars and Zero Cents (\$325,000.00) to a
25 Qualified Settlement Fund account ("Settlement Account") established by the Settlement
26 Administrator. Thereafter, the Settlement Administrator shall distribute the funds as soon as is
27 practical in accordance with the terms of this Settlement Agreement and as ordered by the Court.
28 No funds will be payable by Defendants prior to that time.

1 27. Payment Procedures: Within ten (10) business day after Defendants deposit the
2 GSF into the Settlement Account created by the Settlement Administrator, the Settlement
3 Administrator shall distribute payment of all Individual Settlement Payments to Settlement Class
4 Members (as provided in Paragraph 24 above), all PAGA Employee Payments to the Aggrieved
5 Employees (as provided in Paragraph 17 above), Attorneys' Fees and Costs to Class Counsel, the
6 Enhancement Award to the Class Representative, LWDA Payment to the LWDA, and Settlement
7 Administration Costs to the Settlement Administrator, in accordance with this Settlement
8 Agreement and as ordered by the Court.

9 28. Tax Treatment of Settlement Payments:

10 a. Each Individual Settlement Share will be allocated as 25% wages ("Wages
11 Portion"), and 75% for penalties, statutory and other non-wage damages, and interest. The
12 penalties, statutory and other non-wage damages, and interest portions are collectively referred to
13 as "Non-Wage Portions." Any PAGA Employee Payment shall be treated as 100% penalties.

14 b. Prior to distribution, Individual Settlement Shares will be subject to
15 reduction for required employee-side payroll taxes, contributions, and withholding with respect to
16 the Wages Portion, resulting in net payment which is referred to as "Individual Settlement
17 Payment(s)." The employer-side payroll taxes will be paid by Defendant, in addition to the GSF,
18 to the Settlement Administrator on behalf of the Settlement Class Members.

19 c. Each recipient of any monies paid in accordance with this Settlement
20 Agreement is responsible for any taxes associated with the monies received by each recipient.

21 d. If required by state or federal tax requirements, the Settlement
22 Administrator will issue IRS Form W-2 to Settlement Class Members and prepare appropriate W-
23 4 payroll tax deductions for the Wages Portion. Where otherwise required, the Settlement
24 Administrator will prepare a Form 1099 for Settlement Class Members for the Non-Wage Portions
25 and any PAGA Employee Payment. The Settlement Administrator will be responsible for
26 preparing these forms timely and correctly. Settlement Class Members will be responsible for
27 correctly characterizing the compensation that they receive pursuant to the Form 1099 and for
28 payment of any taxes owing on said amount.

1 e. The Parties acknowledge and agree that neither they nor their attorneys
2 have made any representations regarding the tax consequences of any and all payments made
3 under this Settlement Agreement. Settlement Class Members will be required to pay all federal,
4 state or local taxes, if any, which are required by law to be paid with respect to any and all
5 payments made to them under the settlement. The Parties further agree that Defendants shall have
6 no legal obligation to pay, on behalf of Settlement Class Members, any taxes, deficiencies, levies,
7 assessments, fines, penalties, interest, or costs, which may be required to be paid with respect to
8 the settlement payments.

9 29. Tax Treatment of Enhancement Award: The Class Representative will receive an
10 IRS Form 1099 for her individual Enhancement Award, which will be prepared by the Settlement
11 Administrator, and will be responsible for correctly characterizing this additional compensation
12 for tax purposes and for payment of any taxes owing on said amounts.

13 30. Undistributed Funds: Individual Settlement Payment checks will remain valid and
14 negotiable for one hundred and eighty (180) days after the date of issuance. If an Individual
15 Settlement Payment check is returned before the expiration of the 180-day period ("Returned
16 Check"), within five (5) days of receipt of the Returned Check, the Settlement Administrator shall
17 undertake a skip-trace search for an alternate mailing address and re-mail the Returned Check to
18 an alternate mailing address (if one is located), under a cover letter indicating that the Returned
19 Check will continue to be valid and negotiable for thirty (30) days after the date of re-mailing. In
20 the event that any checks mailed to Settlement Class Members are not cashed, deposited, or
21 otherwise negotiated within the 180-day period, no forwarding address can be located for a
22 Returned Check, or a Returned Check is re-mailed but not cashed, deposited, or otherwise
23 negotiated within the 30-day period from the re-mailing of the Returned Check, then the checks
24 shall be sent to CASA of San Bernardino. The Parties represent and warrant that they do not have
25 any interest in and/or involvement with the governance of CASA of San Bernardino County.

26 ///

27 ///

28 ///

1 **NOTICE TO THE CLASS**

2 31. Compilation of Class List: The Parties agree that within twenty-eight (28) calendar
3 days after preliminary approval of this Settlement Agreement by the Court, Defendants will
4 provide a final "Class List" to the Settlement Administrator, which list shall include the following
5 most up to date information about each Class Member in an electronic format: (a) full name; (b)
6 most current mailing address and phone number as reflected in Defendants' personnel records; (c)
7 Social Security Number; (d) hire date of record with Defendant, and termination date of record if
8 applicable; (e) number of Workweeks for each Class Member; and (f) number of pay periods with
9 hours worked in the PAGA Period. The final Class List will be designated as Highly Confidential,
10 Attorneys' Eyes Only, pursuant to a Court-approved Stipulated Protective Order, and provided by
11 Defendants after the Settlement Administrator signs and returns to Defendants' Counsel the
12 Acknowledgment and Agreement to be Bound attached as Exhibit A to such Protective Order.
13 The final Class List shall be used only by the Settlement Administrator and only for purposes of
14 administering the Settlement, and nothing in this Settlement Agreement limits the use of it for that
15 purpose. The Settlement Administrator will update addresses contained in the Class List prior to
16 the mailing of the Notice to the Class, by using the U.S. Postal Service's National Change of
17 Address Database. Once the final Class List has been received from Defendant, and updated as
18 stated herein, the list shall then be referred to as the "Class Data List." In response to any
19 contention by an individual that he or she is a Class Member who was omitted from the Class Data
20 List, made on or before the Response Deadline, Defendants will first verify the information
21 contained in the personnel file of the individual at issue and Defendants' payroll records. Unless
22 the individual at issue can establish that they should have been included in the Class Data List, by
23 way of supporting documentation, Defendants' records will control. Class Counsel and
24 Defendants' Counsel will then make a good faith effort to determine whether or not the individual
25 at issue is a Class Member. If counsel for the Parties cannot agree, then the Settlement
26 Administrator shall determine whether the individual at issue is a Class Member, who shall
27 examine the records provided by Defendants and the individual at issue, and shall be the final
28 arbiter of whether or not the individual at issue is a Class Member, subject to final review,

1 determination and approval by the Court. If individuals who were not included in the Class Data
2 List provided by Defendants are determined to be Class Members under this provision, and this
3 causes the Buffer referenced in Paragraph 23 to be exceeded, then the provisions of that Paragraph
4 shall apply.

5 32. Dissemination of Notice of Class Action Settlement: Within ten (10) calendar days
6 of its receipt of the Class Data List, the Settlement Administrator will send the Notice to the Class
7 Members, by first-class mail, at their most current address of record or such other address as
8 located by the Settlement Administrator in conformity with Paragraph 31, in the form attached
9 hereto as **Exhibit A** or as otherwise approved by the Court.

10 33. Notice Packets Returned Undelivered: Notice Packets returned to the Settlement
11 Administrator as non-delivered shall be resent to the forwarding address, if any, on the returned
12 envelope within five (5) calendar days of receipt of the forwarding address. A returned Notice
13 Packet will be forwarded only once per Class Member by the Settlement Administrator. With
14 respect to Notice Packets returned to the Settlement Administrator as non-delivered without a
15 forwarding address, the Settlement Administrator shall promptly attempt to obtain a valid mailing
16 address by performing a skip trace search and, if another address is identified, shall mail the
17 Notice Packet to the newly identified address within ten (10) calendar days of receipt of non-
18 delivery notice. Those Class Members who receive a re-mailed Notice Packet, whether by skip-
19 trace or by request, will have between the later of (a) an additional fifteen (15) calendar days from
20 the date of the re-mailed Notice Packet or (b) the Response Deadline to fax or postmark a Request
21 for Exclusion, or file and serve an objection to the Settlement. Upon completion of these steps by
22 the Settlement Administrator, Defendants shall be deemed to have satisfied their obligation to
23 provide the Notice of Pendency of Class Action and Settlement to the affected member of the
24 Class. The affected Class Member shall remain a member of the Class and shall be bound by all
25 the terms of the Joint Stipulation of Settlement and the Court's Order and Final Judgment.

26 34. Websites: Pursuant to California Rule of Court 3.771(b), the Settlement
27 Administrator shall provide Notice of the Final Judgment by posting on the Claim Administrator's
28 website.

RELEASE BY THE CLASS AND THE LWDA

35. Release by the Settlement Class Members: Upon the funding of the GSF by Defendants, Plaintiff and the participating Settlement Class Members will release Defendants and each of their respective affiliates, parent companies (including, without limitation, Learn-It Systems, LLC), subsidiaries, shareholders, officers, partners, directors, members, owners, employees, employers, agents, contractors, attorneys, insurers, predecessors, representatives, accountants, successors, and assigns, past, present, and future, and each and all of their respective shareholders, officers, partners, directors, members, owners, employees, employers, contractors, insurers, predecessors, accountants, executors, successors, assigns, and pension, profit sharing, retirement savings, health and welfare, and any other employee benefit plans of any nature and the respective trustees, administrators, sponsors, fiduciaries, successors, and employees of all such plans, past, present, and future, and all persons acting under, by, through, or in concert with any of them (collectively, the “Released Parties”), of and from any and all claims, demands, complaints, actions, causes of action, costs, expenses, attorneys’ fees, economic damages, non-economic damages (if any), restitution, civil penalties, statutory penalties, liquidated damages, punitive damages (if any), interest, obligations, liabilities, or other monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in any of the pleadings filed in the Litigation, based on the allegations contained therein, including the operative First Amended Complaint, for failure to pay (or correctly pay) wages and/or overtime wages, failure to timely pay wages, including final wages, failure to furnish accurate itemized wage statements and failure to reimburse employment-related expenses, violations of Cal. Labor Code § 212, violations of Business & Professions Code § 17200, violations of the California Unfair Competition Law (“UCL”), and/or civil penalties, based in whole or in part on any direct or imputed violation of any state, local or administrative constitution, charter, law, rule, regulation or ordinance (collectively, “Released Claims”) from September 2, 2021 through December 31, 2022.

36. Release by the LWDA and the Aggrieved Employees: Upon the funding of the GSF by Defendants, the LWDA and the Aggrieved Employees will release the Released Parties

1 from any and all claims and causes of action, contingent or accrued, arising out of the allegations
2 asserted in the Litigation and from all violations asserted or that could have reasonably been
3 asserted based on the allegations in any notice sent to the LWDA as referenced in any of the
4 pleadings filed in the Litigation (including the First Amended Complaint) including, without
5 limitation, for civil penalties under the Private Attorneys General Act of 2004 Cal. Labor Code
6 § 2698 *et seq.* based upon the facts alleged, including: failure to pay minimum wages in violation
7 of Cal. Labor Code § 1194 and 1194.2; failure to pay overtime wage in violation of Cal. Labor
8 Code § 510; penalties pursuant to Cal. Labor Code § 226 for failure to furnish accurate itemized
9 wage statements; failure to timely pay final wages in violation of Cal. Labor Code 201-203;
10 failure to reimburse employment-related expenses in violation of Labor Code § 2802; and for
11 violations of Labor Code §§ 201, 202, 203, 204, 210, 212, 226, 226.3, 510, 558, 1174, 1174.5,
12 1194, 1194.2, 1197, 1197.1, 1198, 2802, and IWC Wage Order Nos. 4-2001 and 5-2001
13 (“Released PAGA Claims”) that occurred from September 2, 2021 through September 1, 2023.

14 **ADDITIONAL RELEASE BY CLASS REPRESENTATIVE**

15 37. In addition to the release set forth in Paragraphs 35 and 36, Plaintiff for herself
16 alone, as an individual, releases the Released Parties of and from any and all claims, debts,
17 liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees, damages, actions or
18 causes of action of every kind or nature, contingent or accrued, which do or may exist as of the
19 date of the execution of this Settlement Agreement and through and including the date of Final
20 Approval of this Settlement Agreement. In connection therewith, Plaintiff waives the provisions
21 of California Civil Code Section 1542 which states:

22 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT**
23 **THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR**
24 **SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF**
25 **EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR**
26 **HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER**
27 **SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**
28

1 **INJUNCTION BARRING PURSUIT OF RELEASED CLAIMS**

2 38. This settlement is conditioned upon the release by Settlement Class Members,
3 Plaintiff, and the LWDA as described in Paragraphs 35 through 37, above, and upon covenants by
4 Plaintiff and Settlement Class Members, and on behalf of the LWDA, that they will not and
5 cannot participate in any actions, lawsuits, proceedings, complaints, or charges brought
6 individually, by the DLSE, the LWDA, or by any other agency, persons or entity in any court,
7 arbitration or before any administrative body with respect to the claims released as described in
8 Paragraphs 35 through 37, above, nor will such Settlement Class Members, Plaintiff, or the
9 LWDA contest or interfere with efforts by Defendants or by any other Released Parties to oppose
10 any attempt to bring such Released Claims against any of them. Additionally, it is agreed herein
11 that neither injunctive or declaratory relief, nor any equitable relief beyond what could be
12 characterized as restitution of claimed unpaid wages required to be paid pursuant to this
13 Settlement Agreement, will be ordered by the Court against Defendants in Final Approval of the
14 Settlement, which will otherwise be grounds for Defendants rescinding and terminating this
15 Settlement Agreement.

16 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

17 39. The Parties shall promptly seek the Court's approval of this Settlement. Not later
18 than five (5) court days prior to the submission of the motion for preliminary approval of this
19 Settlement Agreement to the Court, Class Counsel will submit a near-final draft thereof (including
20 all supporting papers and proposed order) to counsel for Defendants for their review and
21 comment. As soon as practicable after execution of this Settlement Agreement, the Class
22 Representative and Class Counsel shall apply to the Court for the entry of a preliminary approval
23 order which would accomplish the following:

24 a. Schedule a hearing ("Final Approval Hearing") on the question of whether
25 the Settlement, including, *inter alia*, the payment of Attorneys' Fees and Costs, Enhancement
26 Award, and LWDA Payment should be finally approved as fair, reasonable, and adequate, and
27 finally resolving any outstanding issues or disputes remaining from the administration of the
28 notice of the settlement;

- b. Conditionally certify the Class for purposes of the Settlement only;
- c. Approve, as to form and content, the proposed Notice;
- d. Direct the mailing of the Notice by first class mail to the Class Members;
- e. Preliminarily approve the Settlement and monetary allocations for awards/payments of Attorneys' Fees and Costs, Settlement Administration Costs, Enhancement Award, and PAGA Payment, subject to the final review and approval by the Court;
- f. Preliminarily approve ILYM Group, Inc. as the Settlement Administrator;
- g. Preliminarily approve and appoint Plaintiff as the representative of the Class; and
- h. Preliminarily approve and appoint Plaintiff's Counsel as counsel for the Class.

DUTIES OF THE PARTIES FOLLOWING PRELIMINARY APPROVAL

40. Not later than five (5) calendar days prior to the submission of the motion seeking Final Approval, Class Counsel will submit a near-final draft thereof (including all supporting papers and proposed order) to counsel for Defendants for their review and comment. In conjunction with the request for Final Approval of the Settlement provided for in this Settlement Agreement, Class Counsel will submit a proposed Final Approval Order and Judgment that provides for the following:

- a. Granting final approval of the settlement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;
- b. Approving and awarding Attorneys' Fees and Costs to Class Counsel;
- c. Approving and awarding the Enhancement Award to the Class Representative;
- d. Approving and awarding the LWDA Payment, pursuant to the PAGA, to the LWDA;
- e. Permanently enjoining and restraining Plaintiff, Settlement Class Members, and the LWDA from and against initiating or pursuing any claims settled herein and released by this Settlement Agreement; and

1 f. Entering judgment based thereon.

2 **PARTIES' AUTHORITY**

3 41. The signatories hereto hereby represent that they are fully authorized to enter into
4 this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

5 **MUTUAL FULL COOPERATION**

6 42. The Parties agree to fully cooperate with each other to accomplish the terms of this
7 Settlement Agreement, including but not limited to execution of such documents and to take such
8 other actions as may reasonably be necessary to implement the terms of this Settlement
9 Agreement. The Parties shall use their best efforts, including all efforts contemplated by this
10 Settlement Agreement and any other efforts that may become necessary by order of the Court, or
11 otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as
12 practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance
13 and cooperation of Defendants and their counsel, take all necessary steps to secure the Court's
14 preliminary approval and final approval of this Settlement Agreement.

15 **NO PRIOR ASSIGNMENTS**

16 43. The Parties hereto represent, covenant, and warrant that they have not, directly or
17 indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any
18 person or entity any portion of any liability, claim, demand, action, cause of action, or rights
19 herein released and discharged except as set forth herein.

20 **CONSTRUCTION**

21 44. The Parties hereto agree that the terms and conditions of this Settlement Agreement
22 are the result of lengthy, intensive, arms-length mediated negotiations between the Parties. The
23 Parties further agree that this Settlement Agreement shall not be construed in favor of, or against,
24 any Party by reason of the extent to which any Party, or their or its counsel, participated in the
25 drafting of this Settlement Agreement.

26 **CAPTIONS AND INTERPRETATIONS**

27 45. Paragraph titles or captions contained herein are inserted as a matter of convenience
28 and for reference, and in no way define, limit, extend, or describe the scope of this Settlement

1 Agreement or any provision hereof. Each term of this Settlement Agreement is contractual and
2 not merely a recital.

3 **MODIFICATION**

4 46. This Settlement Agreement may not be changed, altered, or modified, except in
5 writing and signed by the Parties hereto, and approved by the Court. This Settlement Agreement
6 may not be discharged except by performance in accordance with its terms or by a writing signed
7 by the Parties hereto.

8 **INTEGRATION CLAUSE**

9 47. This Settlement Agreement contains the entire agreement between the Parties
10 relating to the settlement and the transaction contemplated hereby, and all prior or
11 contemporaneous agreements, understandings, representations, and statements, whether oral or
12 written and whether by a Party or such Party's legal counsel, are merged herein. No rights
13 hereunder may be waived except in writing.

14 **BINDING ON ASSIGNS**

15 48. This Settlement Agreement shall be binding upon and inure to the benefit of the
16 Parties hereto and their respective heirs, trustees, executors, administrators, successors, and
17 assigns.

18 **SIGNATORIES**

19 49. It is agreed that because of the large number of Settlement Class Members, it is
20 impossible or impractical to have each Settlement Class Member execute this Settlement
21 Agreement. As such, Plaintiff is signing on behalf of the Settlement Class Members. In addition,
22 the Notice will advise all Settlement Class Members of the binding nature of the release of claims
23 under the Settlement and that such shall have the same force and effect as if this Settlement
24 Agreement were executed by each Settlement Class Member. The Parties may execute this
25 Settlement Agreement by providing an electronic signature, such as through DocuSign, and such
26 signature shall be treated as an original signature.

27 ///

28 ///

1 **CONFIDENTIALITY**

2 50. Except as set forth in Paragraph 34, above, or as otherwise agreed in writing
3 between the Parties, both before and following the execution of this Settlement Agreement by the
4 Parties and their counsel, Plaintiff and Plaintiff's counsel may not release any press releases or
5 conferences, responsive media statements/comments, website postings or content, social media
6 postings or content, other Internet postings or content, subscribed email messages, newsletters,
7 disseminated updates, mass mailings, or any other comment or publication to the press, media or
8 public at large about the settlement. Absolutely no information, whether direct or indirect in
9 reference, in any form whatsoever about the Action or the settlement may be posted on any of
10 Plaintiff's or Plaintiff's counsel's websites or social media. The Parties understand and agree that
11 there may be media coverage of the Settlement not initiated by Plaintiff or her counsel, directly or
12 indirectly. Should such media coverage occur, Plaintiff and Plaintiff's counsel shall not directly
13 or indirectly make any reference to the proposed settlement and may state only that the Action has
14 been settled on terms mutually agreeable to the parties. Further, this paragraph shall not limit the
15 public filing of motions or other case materials by Plaintiff's Counsel in the action, including any
16 material filed with the LWDA, related to seeking and obtaining Court approval of the proposed
17 settlement and the related awards of attorneys' fees and costs, enhancements, and other relief set
18 forth in this Settlement Agreement, or to communications between Plaintiff's counsel, Plaintiff,
19 and/or Settlement Class Members and/or Aggrieved Employees in the Action.

20 **COUNTERPARTS**

21 51. This Settlement Agreement may be executed in counterparts, and when each Party
22 has signed and delivered at least one such counterpart, each counterpart shall be deemed an
23 original, and, when taken together with other signed counterparts, shall constitute one Settlement
24 Agreement, which shall be binding upon and effective as to all Parties.

25 **GOVERNING LAW**

26 52. The Parties agree that California law governs the interpretation and application of
27 this Settlement Agreement, except to the extent governed by federal law in which case federal law
28 will apply.

1 DATED: 03 / 20 / 2024


JASMIN GONZALEZ NOW KNOWN AS JASMIN
ANABEL RIVAS
Plaintiff and Proposed Class Representative

4 DATED: 04/29/2024

AUTISM SPECTRUM THERAPIES, LLC and
LEARN-IT SYSTEMS, LLC

6 Defendants

7 By:

8 Name: Charlie Totten

10 Title: Vice President, Legal and Compliance

13 **APPROVED AS TO FORM AND CONTENT:**

14 03 / 21 / 2024

15 DATED: March __, 2024

WINSTON LAW GROUP, P.C.

17 By:


David Winston, Esq.

18 Attorneys for Plaintiff
19 JASMIN GONZALEZ NOW KNOWN AS
20 JASMIN ANABEL RIVAS

21 DATED: April 29, 2024

MCGUIRE WOODS LLP

23 By:


Sabrina A. Beldner, Esq.

24 Attorneys for Defendant
25 AUTISM SPECTRUM THERAPIES, LLC
26 LEARN-IT SYSTEMS, LLC

Exhibit A

**NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT
AND HEARING DATE FOR COURT APPROVAL**
Jasmin Gonzalez v. Autism Spectrum Therapies, LLC, et al.
Case No. CIVSB2206648 (Superior Court, San Bernardino County)

**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	You do not need to do anything to participate in the settlement and receive a Settlement Payment. By doing nothing, you <u>WILL</u> receive a share of the settlement proceeds if the proposed Settlement is finally approved, and you will give up any rights to sue Defendants separately regarding certain claims as described below in this Notice. Your estimated Individual Settlement Share is: \$<< >>. Your estimated share of the PAGA Employee Amount is: \$<< >>. 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.
Ask to Be Excluded (Opt Out)	If you request exclusion, you will receive no money from the settlement, but you will keep any rights you may have to sue Defendants separately about the same legal claims in this lawsuit other than the PAGA claim. Even if you ask to be excluded, you will still be bound to the PAGA release of claims and will still receive your portion of the PAGA Employee Payment as explained in more detail below. To exclude yourself, you must send a Request for Exclusion to the Settlement Administrator as provided below on or before << >>.
Object	You may object to the settlement if you did not ask to be excluded from the settlement. If you timely submit in writing an objection to the settlement and the settlement is nonetheless granted final approval, you <u>WILL</u> (i) receive a share of the settlement proceeds and (ii) release legal claims against Defendants. Your written objection must be postmarked by << >>.

1. Why did I get this Notice?

The Court has granted preliminary approval of the Settlement of a proposed Class Action. **You have received this Notice because Defendants' records indicate that you are a member of the Settlement Class ("Class Member").** The Settlement Class are all non-exempt hourly-paid employees working in the State of California for Defendants from September 2, 2021 through December 31, 2022 (the "Settlement Class Period") who performed any work for Defendants as a non-exempt employee. The Settlement Class shall expressly exclude any putative class member who is a former employee who has previously released such claims after his or her

employment ended.

This 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 March 24, 2022, plaintiff Jasmin Gonzalez (“Plaintiff”) filed a complaint against defendants Autism Spectrum Therapies, LLC and Learn-It Systems, LLC (collectively “Defendants”) in the Superior Court of the State of California, County of San Bernardino, Case No. CIVSB2206648 (the “Litigation”). Plaintiff then filed a First Amended Complaint on July 1, 2022. The Litigation alleges the following claims and violations against Defendants: (1) Failure to Pay Wages and/or Overtime Wages in Violation of Cal. Labor Code §§ 1194 and 1194.2; (2) Failure to Pay Wages and/or Overtime Wages in Violation of Cal. Labor Code § 510; (3) Penalties Pursuant to Labor Code § 226(e); (4) Waiting Time Penalties Pursuant to Labor Code § 203; (5) Failure to Reimburse Expenses In Violation of Cal. Lab. Code § 2802; (6) Civil Penalties Pursuant To Cal. Lab. Code §§ 2699, et seq. (also known as the California Labor Code Private Attorney General Act (“PAGA”)) for violations of for violations of Cal. Labor Code § 201, 202, 203, 204, 210, 212, 226, 226.3, 510, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2802, and IWC Wage Order Nos. 4-2001 and 5-2001; and (7) Violation of Business & Professions Code § 17200. Plaintiff alleges that Defendant failed to pay minimum wages for all hours worked, failed to pay overtime wages for all hours worked and/or at the correct rate including, but not limited to alleged underpayments associated with the Language Premium, failed to provide accurate itemized wage statements, failed to pay employees by check that is negotiable and payment in cash, on demand, and without discount, failed to pay timely wages during employment, failed to timely pay all wages owed at the time of separation, failed to reimburse all necessary business expenses, engaged in unfair competition in violation of Bus. & Prof. Code § 17200 based upon the foregoing, and seeks PAGA penalties pursuant to Labor Code § 2698 *et seq.* The Litigation seeks to recover wages, statutory penalties, damages, restitution and interest on the foregoing claims as well as attorneys’ fees and costs.

Defendants deny all liability and further deny that the Litigation is appropriate for class or representative treatment for any purpose other than this Settlement. Nothing in this Notice, or the settlement itself, or any actions to carry out the terms of the settlement mean that the Defendants admit any fault, guilt, negligence, wrongdoing or liability whatsoever. The Court has not made any findings regarding the above claims in the Litigation.

The Court granted preliminary approval of the settlement on << [REDACTED] >>. At that time, the Court also preliminarily approved Plaintiff to serve as the Class Representative and David Winston of Winston Law Group, P.C. to serve as Class Counsel.

3. What are the terms of the Settlement?

Settlement Payment. Defendants have agreed to pay Three Hundred Twenty-Five Thousand Dollars and Zero Cents (\$325,000.00) (“Gross Settlement Fund”) to fully resolve the Litigation. The Gross Settlement Fund includes all payments to Settlement Class Members and government taxing authorities for employee-side wage withholdings, plus (a) the costs of administration of the settlement, (b) all claimed and/or awarded attorneys’ fees and costs, (c) the claimed and/or awarded enhancement award to the Class Representative, and (d) the payment to the LWDA and payments to Aggrieved Employees pursuant to PAGA. No amount of the Total Settlement Amount will revert to Defendants for any reason and Defendants shall separately pay the employer’s share of payroll taxes.

Defendants will fund the Gross Settlement Fund by depositing the money in a Qualified Settlement Fund maintained by the Settlement Administrator within ten (10) business days of the Effective Date. Within ten (10) business day after Defendants deposit the Gross Settlement Fund into the Settlement Account created by the Settlement Administrator, the Settlement Administrator shall distribute payment of all Individual Settlement

Payments to Settlement Class Members, all PAGA Employee Payments to the Aggrieved Employees, Attorneys' Fees and Costs to Class Counsel, the Enhancement Award to the Class Representative, LWDA Payment to the LWDA, and Settlement Administration Costs to the Settlement Administrator, in accordance with this Settlement Agreement and as ordered by the Court.

Settlement Administration and Other Payments. The Court has tentatively approved certain payments to be made from the Gross Settlement Fund as follows, which will be subject to final Court approval:

- Settlement Administration. Payment to the Settlement Administrator, estimated to be Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), for the expense of notifying the Class Members of the settlement, processing requests to be excluded from the settlement submitted by Class Members, and distributing settlement payments.
- Attorneys' Fees, Expenses, and Costs. Payment to Court-approved Class Counsel of reasonable attorneys' fees not to exceed One Hundred Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Three Cents (\$108,333.33) (one third of the Gross Settlement Fund) as Class Counsel's Attorney' Fees and an amount not to exceed Thirty Thousand Dollars and Zero Cents (\$30,000.00) for all costs and expenses incurred litigating this matter. Class Counsel has been prosecuting the Litigation on behalf of Plaintiff and Settlement Class and the Aggrieved Employees on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.
- Class Representative Enhancement Award. An enhancement award not to exceed a total of Five Thousand Dollars (\$5,000.00), representing an award to Plaintiff for her services on behalf of the Settlement Class Members and Aggrieved Employees in initiating and prosecuting the Litigation. This payment is in addition to whatever payment the Plaintiff is otherwise entitled to as a Settlement Class Member.
- PAGA Settlement. Twenty Thousand Dollars and Zero Cents (\$20,000.00) shall be allocated from the Gross Settlement Fund for settlement of claims for civil penalties under the PAGA ("PAGA Amount"). The Settlement Administrator shall pay seventy-five percent (75%) of the PAGA Amount (\$15,000.00) to the California Labor and Workforce Development Agency no later than ten (10) business days after the Funding Date (hereinafter "LWDA Payment"). Twenty-five (25%) of the PAGA Amount (\$5,000.00) will be distributed to the Aggrieved Employees (hereinafter "PAGA Employee Payment").

Calculation of Individual Settlement Shares. After the above payments are subtracted from the Gross Settlement Fund, the remaining amount (the "Net Settlement Fund" or "NSF") will be used to pay Individual Settlement Shares to each Settlement Class Member that does not submit a timely request for exclusion. The Net Settlement Amount is estimated to be \$141,666.67.

The Settlement Administrator shall use the calculations provided by Defendants, which are based on Defendants' records of the number of Workweeks worked by a Class Member for Defendant during the Settlement Class Period, with a Workweek defined as any week in which a Settlement Class Member worked any hours for Defendants in the Settlement Class Period. Each Class Member's share of the NSF ("Individual Settlement Share(s)") will be calculated initially for purposes of mailing the Notice by multiplying the NSF by a fraction, the numerator of which is the Class Member's total number of Workweeks, and the denominator of which is the total number of Workweeks of all Class Members. Each Settlement Class Member's final Individual Settlement Share for purposes of payment will be calculated by multiplying the NSF by a fraction, the numerator of which is the Settlement Class Member's total number of Workweeks, and the denominator of which is the total number of Workweeks of all participating Settlement Class Members, individually and collectively.

Settlement Class Members who do not submit a Request for Exclusion from the settlement as provided for below will be entitled to receive an Individual Settlement Share. **If you do nothing, you will be deemed a participating Settlement Class Member, a settlement check will automatically be mailed to you, and you will release all claims you may have related to the allegations in the Litigation,** as described below.

Calculation of the Aggrieved Employees' Share of the PAGA Amount (also referred to as the PAGA Employee Payment). For purposes of distributing the PAGA Employee Payment to the Aggrieved Employees, the Settlement Administrator shall calculate from Defendants' records the number of pay periods worked by all Aggrieved Employees during the PAGA Period. A pay period for purposes of the Employee Payment of the PAGA amount shall mean any pay period during the PAGA Period in which an Aggrieved Employee was paid wages for hours worked. The PAGA Employee Payment to the Aggrieved Employees shall be divided among the Aggrieved Employees on a pro-rata basis, and shall be calculated by multiplying the Employee Payment by a fraction, the numerator of which is the Aggrieved Employee's total number of pay periods with hours worked, and the denominator of which is the total number of pay periods of all Aggrieved Employees in the PAGA Period.

Tax Matters. For the purpose of calculating applicable taxes, each Individual Settlement Share will be allocated as 25% wages and 75% for penalties, statutory and other non-wage damages, and interest. The Settlement Administrator shall calculate and process all tax withholdings associated with the employees' share of payroll taxes from the Individual Settlement Shares and send the withholdings to the appropriate governmental taxing authorities. Any PAGA Employee Payment shall be treated as 100% penalties. Participating Settlement Class Members shall be exclusively liable for any employee's share of tax liability, if any. Settlement Class Members may wish to consult their tax advisors concerning the tax consequences of the payments they receive under the settlement.

A. Class Action Release. Upon the funding of the Gross Settlement Fund by Defendants, Plaintiff and the participating Settlement Class Members will release Defendants and each of their respective affiliates, parent companies (including, without limitation, Learn-It Systems, LLC), subsidiaries, shareholders, officers, partners, directors, members, owners, employees, employers, agents, contractors, attorneys, insurers, predecessors, representatives, accountants, successors, and assigns, past, present, and future, and each and all of their respective shareholders, officers, partners, directors, members, owners, employees, employers, contractors, insurers, predecessors, accountants, executors, successors, assigns, and pension, profit sharing, retirement savings, health and welfare, and any other employee benefit plans of any nature and the respective trustees, administrators, sponsors, fiduciaries, successors, and employees of all such plans, past, present, and future, and all persons acting under, by, through, or in concert with any of them (collectively, the "Released Parties"), of and from any and all claims, demands, complaints, actions, causes of action, costs, expenses, attorneys' fees, economic damages, non-economic damages (if any), restitution, civil penalties, statutory penalties, liquidated damages, punitive damages (if any), interest, obligations, liabilities, or other monies and remedies, of any and every kind, contingent or accrued, that have been or reasonably could have been alleged or asserted in any of the pleadings filed in the Litigation, based on the allegations contained therein, including the operative First Amended Complaint, for failure to pay (or correctly pay) wages and/or overtime wages, failure to timely pay wages, including final wages, failure to furnish accurate itemized wage statements and failure to reimburse employment-related expenses, violations of Cal. Labor Code § 212, violations of Business & Professions Code § 17200, violations of the California Unfair Competition Law ("UCL"), and/or civil penalties, based in whole or in part on any direct or imputed violation of any state, local or administrative constitution, charter, law, rule, regulation or ordinance (collectively, "Released Claims") from September 2, 2021 through December 31, 2022.

B. PAGA Release. Upon the funding of the Gross Settlement Fund by Defendants, the LWDA and the Aggrieved Employees will release the Released Parties from any and all claims and causes of action, contingent or accrued, arising out of the allegations asserted in the Litigation and from all violations asserted or that could have reasonably been asserted based on the allegations in any notice sent to the LWDA as referenced in any of the pleadings filed in the Litigation (including the First Amended Complaint) including, without limitation, for civil penalties under the Private Attorneys General Act of 2004 Cal. Labor Code § 2698 *et seq.* based upon the facts alleged, including: failure to pay minimum wages in violation of Cal. Labor Code § 1194 and 1194.2; failure to pay overtime wage in violation of

Cal. Labor Code § 510; penalties pursuant to Cal. Labor Code § 226 for failure to furnish accurate itemized wage statements; failure to timely pay final wages in violation of Cal. Labor Code 201-203; failure to reimburse employment-related expenses in violation of Labor Code § 2802; and for violations of Labor Code §§ 201, 202, 203, 204, 210, 212, 226, 226.3, 510, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2802, and IWC Wage Order Nos. 4-2001 and 5-2001 (“Released PAGA Claims”) that occurred from September 2, 2021 through September 1, 2023.

Conditions of Settlement. This settlement is conditioned upon the Court entering an order and judgment at or following a final approval hearing on the settlement and Defendants funding the Gross Settlement Fund.

4. What are PAGA Penalties?

PAGA Penalties: \$20,000.00 of the Gross Settlement Amount is allocated to alleged PAGA civil penalties (“PAGA Penalties”), subject to Court approval. By law, 75% of the PAGA Penalties (*i.e.*, \$15,000.00) will be paid to the California Labor & Workforce Development Agency and 25% of the PAGA Penalties (*i.e.*, 5,000.00) will be distributed to the Aggrieved Employees regardless of whether they seek to be excluded from the class settlement or not. Under PAGA, the State of California permits aggrieved employees such as Plaintiff to act as private attorney generals to prosecute employers for alleged violations of the Labor Code and all employees are entitled to share in the 25% of the penalties that would otherwise be recoverable by the State if it directly prosecuted Defendants for the alleged Labor Code violations.

5. How much will my payment be?

A. Individual Settlement Share

Defendants’ records reflect that you have <<____>> Workweeks during the Settlement Class Period. Consequently, your estimated Individual Settlement Share is <<\$____>>.

B. Share of PAGA Group Payment

Defendants’ records reflect that you have <<____>> pay periods during the PAGA Period. Consequently, your estimated share of the PAGA Employee Payment is <<\$____>>.

If you wish to challenge the information stated immediately above, then you must submit a written, signed challenge including: (i) your full name, current mailing address, telephone number, signature, and last four digits of your Social Security number; (ii) a statement indicating that you seek to dispute the number of Workweeks credited to you, the time period(s) you worked for Defendants in a non-exempt position in California during the Settlement Class Period, and the number of Workweeks that you contend should be credited to you; and (iii) documentation and/or other facts supporting your position. You should not send original documents as the documents may not be returned to you by the Settlement Administrator.

6. How can I get a payment?

To receive a payment under this settlement, you **do not have to do anything**. A check for your Individual 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 **[INSERT FINAL APPROVAL HEARING DATE]** to decide whether to approve the settlement. If the Court approves the settlement and there are no objections or appeals, settlement payments will be mailed to you within approximately ninety (90) business days after the Court approves the settlement. If there are objections or appeals, resolving them can take time, perhaps more than a year. Please be patient.

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

If you do not wish to participate in the settlement as a Settlement Class Member, you may exclude yourself from the settlement or “opt-out.” **Any Settlement Class Member who timely and properly requests to be excluded or opt-out as a Settlement Class Member will not be entitled to an Individual Settlement Payment and will not be otherwise bound by the terms of the settlement including the Class Action Release or have any right to object, appeal or comment thereon. However, any Settlement Class Member that submits a timely Request for Exclusion that is also an Aggrieved Employee will still receive their pro rata share of the PAGA Payment, and in consideration, will be bound by the PAGA Release as set forth herein. Aggrieved Employees may not opt out of the settlement.**

To opt-out, you must submit a Request for Exclusion to the Settlement Administrator that states in the same or substantially similar language: “I elect to opt-out of the *Gonzalez v. Autism Spectrum Therapies, LLC et al.* class action settlement. I understand that by doing so, I will not receive a share of the class settlement.” This request for exclusion or opt-out must be (a) signed and dated; (b) state your full name, current address, and last four digits of your Social Security Number; and (d) be postmarked no later than **<<45 days after mailing>>**. A Settlement Class Member who properly and timely submits a Request for Exclusion will not be bound by the Class Action Release and will not receive an Individual Settlement Share but will, however, receive their share of the Employee Payment and be bound by the PAGA Release.

Request for exclusions should be sent to the Settlement Administrator using the information below:

Settlement Administrator: INSERT INSERT INSERT INSERT
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If a Request for Exclusion is deficient in one or more respects, the Settlement Administrator shall, within five (5) calendar days of the Settlement Administrator's receipt of the deficient Request for Exclusion, return the document to the Class Member with a letter explaining the deficiencies and informing the Class Member that he or she shall have fourteen (14) calendar days from the date of the deficiency letter to correct the deficiencies and resubmit the Request for Exclusion. Any resubmitted Request for Exclusion must be postmarked within fourteen (14) calendar days of the date of the Settlement Administrator's deficiency letter. The Settlement Administrator has no obligation to provide a Class Member with a second deficiency.

8. How do I tell the Court that I don't like the settlement?

Any Settlement 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 any written objection must be signed and must include: (a) the Settlement Class Member's full name, current mailing address, signature, and last four digits of the Social Security number; (b) a statement indicating the legal and factual grounds for the objection; (c) a statement indicating whether the objecting Settlement Class Member is represented by counsel and identifying any such counsel; and (d) a statement indicating whether the objecting Settlement Class Member intends to appear for and wishes to be heard at the Final Approval Hearing. The objections must be submitted to the Settlement Administrator at the address below.

To object to the settlement, you must remain a member of the Settlement Class, and if the Court approves the settlement, you will be bound by the terms of the settlement. Any Settlement Class Member who does not object in the manner provided in this Notice shall have waived any objection to the settlement, whether by appeal or

otherwise.

Objections may also be made orally, with or without submitting a written objection, by appearing at the final approval hearing on the date and time, and at the location, described in Section 10 below. Settlement Class Members may appear, either in person or through their own attorney at their expense, at the Final Approval Hearing and have their objections heard by the Court.

Written Objections should be sent to the Settlement Administrator using the information below:

Settlement Administrator: INSERT INSERT INSERT INSERT
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The addresses for Parties' counsel are as follows:

Class Counsel:

David S. Winston, Esq.
Winston Law Group, P.C.
1880 Century Park East, Suite 511
Los Angeles, CA 90067
Phone: 424-288-4568 / Fax: 424-532-4062
Email: david@employmentlitigators.com

Counsel for Defendants:

MCGUIREWOODS LLP
Sabrina A. Beldner, Esq.
Email: sbeldner@mcguirewoods.com
Andrew Russell, Esq. (SBN 280669)
Email: arussell@mcguirewoods.com
Natalie M. Lagunas (SBN 318634)
Email: nlagunasl@mcguirewoods.com
1800 Century Park East, 7th Floor
Los Angeles, CA 90067-1501
Phone: 310-315-8200 / Fax: 310-315-8210

9. Do I need to hire my own lawyer?

You do not need to hire your own lawyer, because Class Counsel is working on your behalf. However, if you want your own lawyer, including to make any objections to the Settlement, you are free to hire one at your own expense.

10. What happens next in the case?

The Court will hold a final approval hearing at [INSERT TIME OF HEARING] on _____, in Department S-26 of the San Bernardino Justice Center, 247 West Third Street, San Bernardino, CA 92415. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate and hear any objections to the Settlement. 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 wish to make an objection. 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.

11. How do I get more information?

You may call the Settlement Administrator at (800) _____ or write to *Autism Spectrum Therapies, LLC* - Settlement Administrator, c/o _____.

You may receive a copy of the Settlement, the Final Judgment or other settlement documents by visiting the page set up by the Settlement Administrator [INSERT LINK TO SPECIFIC PAGE OF WEBSITE] on their website. You may also get more details by examining the documents in the court's file at the Clerk's Office located at San Bernardino Justice Center, 247 West Third Street, San Bernardino, CA 92415 or visiting the Court's Access Portal Available at <https://cap.sb-court.org/> and entering the Case No. CIVSB2206648.

PLEASE DO NOT CALL THE COURT ABOUT THIS NOTICE.

IMPORTANT:

- You must keep the Settlement Administrator aware of any change of address to ensure receipt of any settlement payment(s).
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. In such event, the Settlement Administrator shall direct such unclaimed funds to CASA of San Bernardino as a *cy pres* recipient in accordance with Cal. Code of Civ. Proc. § 384.