

BIBIYAN LAW GROUP, P.C.

David D. Bibiyan (SBN 287811)

david@tomorrowlaw.com

Vedang J. Patel (SBN 328647)

vedang@tomorrowlaw.com

Brandon M. Chang (SBN 316197)

brandon@tomorrowlaw.com

1460 Westwood Blvd.

Los Angeles, California 90024

Telephone: (310) 438-5555; Facsimile: (310) 300-1705

Attorneys for Plaintiffs, DIANA PEDRAZA LOPEZ and

GABRIELLA REYES RUBALCAVA

as aggrieved employees and on behalf of all other aggrieved employees

[Continued on Next Page]

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

DIANA PEDRAZA LOPEZ, GABRIELLA
REYES RUBALCAVA, and JONATHAN
AIKENS as aggrieved employees and on
behalf of all other aggrieved employees,

Plaintiffs,

v.

CONCORDE CAREER COLLEGES, INC.,
a Delaware corporation; JAMI FRAZIER,
an individual; JEREMIAH HATCHER, an
individual; KIMBERLY BRADSHAW, an
individual; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: CIVSB2327299

[Assigned for all purposes to the Hon.
Stephanie Tanada, in Dept. 33]

PAGA SETTLEMENT AGREEMENT

Action Filed: August 21, 2023

Trial Date: None set

D.LAW, INC.

Emil Davtyan (SBN 299363)

emil@d.law

David Yeremian (SBN 226337)

d.yeremian@d.law

Alvin B. Lindsay (SBN 220236)

a.lindsay@d.law

Rose Sorial (SBN 271382)

r.sorial@d.law

880 E Broadway

Glendale, CA 91205

Telephone: (818) 962-6465

Facsimile: (818) 962-6469

Attorneys for Plaintiff JONATHAN F. AIKENS
on behalf of himself and others aggrieved employees

SNELL & WILMER L.L.P.

Christy D. Joseph, Esq. (SBN 136785)

cjoseph@swlaw.com

Erin D. Leach, Esq. (SBN 247785)

eleach@swlaw.com

Ashley McLachlan, Esq. (SBN 334146)

amclachlan@swlaw.com

600 Anton Blvd., Ste 1400

Costa Mesa, CA 92626-7689

Telephone: (714) 427-7000

Facsimile: (714) 427-7799

Attorney for Defendant, CONCORDE CAREER COLLEGES, INC.

This PAGA Settlement Agreement (“Settlement,” “Agreement” or “Settlement Agreement”) is made by and between plaintiffs Diana Pedraza Lopez (“Plaintiff Lopez”), Gabriella Reyes Rubalcava (“Plaintiff Reyes”), and Jonathan Aikens (“Plaintiff Aikens” and collectively, “Plaintiffs”), individually and on behalf of the Aggrieved Employees; and defendant Concorde Career Colleges, Inc.¹ (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS

1.1. “Action” means both (1) Plaintiff Lopez and Plaintiff Reyes’ PAGA lawsuit alleging wage and hour violations against Defendants captioned *Diana Pedraza Lopez et. al v. Concorde Career Colleges, Inc.*, Case No. CIVSB2327299 initiated on August 21, 2023 in the Superior Court of the State of California, County of San Bernardino and (2) Plaintiff Aikens PAGA lawsuit alleging wage and hour violations against Defendant captioned *Jonathan Aikens v. Concorde Career Colleges, Inc.*, Case No. 23STCV28277 initiated on November 17, 2023 in Los Angeles County Superior Court.

1.2. “Administrator” means ILYM Group, Inc. (“ILYM”), the neutral entity the Parties have agreed to appoint to administer the Settlement.

1.3. “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.

1.4. “Aggrieved Employee” means all persons employed by Defendants as non-exempt employees or as exempt instructors, either directly or through any subsidiary, staffing

¹ Plaintiffs did not serve the individual defendants Jami Frazier, Jeremiah Hatcher, and Kimberly Bradshaw. However, this settlement will resolve the PAGA claims against them as well.

1 agency, or professional employer organization, in California at any time during the PAGA
2 Period.

3 **1.5. “Aggrieved Employee Data”** means Aggrieved Employee identifying
4 information in Defendants’ possession including the Aggrieved Employee’s name, last-known
5 mailing address, Social Security number, and number of pay periods during the PAGA Period.

6 **1.6. “Aggrieved Employee Address Search”** means the Administrator’s
7 investigation and search for current Aggrieved Employees’ mailing addresses using all
8 reasonably available sources, methods and means, including, but not limited to, the National
9 Change of Address database, skip traces and direct contact by the Administrator with Aggrieved
10 Employees.

11 **1.7. “Court”** means the Superior Court of California, County of San Bernardino.

12 **1.8. “Defense Counsel”** means Erin D. Leach, Christy D. Joseph, and Ashley
13 McLachlan of Snell & Wilmer L.L.P.

14 **1.9. “Effective Date”** means the date by when both of the following have occurred:
15 (a) the Court enters a Judgment on its Order Approving the PAGA Settlement and (b) the
16 Judgment is final. The Judgment is final on the day the Court enters Judgment.

17 **1.10. “Gross Settlement Amount”** means Five Hundred Ninety Thousand Dollars
18 (\$590,000.00), which is the total amount Defendants agree to pay under the settlement except as
19 provided in Paragraph 8.1 below. The Gross Settlement Amount will be used to pay the
20 settlement payments to the Aggrieved Employees, settlement administration fees and costs,
21 payment to the state of California of its share of penalties under the Labor Code Private
22 Attorneys’ General Act of 2004 (“PAGA”) and attorneys’ fees and costs.

23 **1.11. “Individual PAGA Payment”** means the Aggrieved Employee’s pro rata share
24 of the 25% of the PAGA Penalties calculated according to the number of Pay Periods the
25

Aggrieved Employee worked during the PAGA Period compared to the number of Pay Periods worked by all Aggrieved Employees during the PAGA Period.

1.12. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.13. “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).

1.14. “LWDA PAGA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

1.15. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: the settlement administration fees and costs and attorneys’ fees and costs. The remainder is the PAGA Penalties defined in 1.22.

1.16. “PAGA Counsel” means, David D. Bibiyan and Vedang J. Patel of Bibiyan Law Group, P.C. and Emil Davtyan, David Yeremian, Alvin B. Lindsay, and Rose Sorial of D. Law, Inc. The term “PAGA Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”

1.17. “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.

1.18. “PAGA Pay Period” or “Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendants during the PAGA Period, based on payroll records or hire dates, termination dates (if applicable) and re-hire dates (if applicable).

1.19. “PAGA Period” means the period from August 25, 2022 through November 24, 2024.

1.20. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. *et seq.*).

1.21. “PAGA Notice” means Plaintiffs’ letters to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd. (a).

1 **1.22. “PAGA Penalties”** means the total amount of PAGA civil penalties to be paid
2 from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees and the 75% to
3 LWDA in settlement of PAGA claims.

4 **1.23. “Plaintiffs”** means Diana Pedraza Lopez, Gabriella Reyes Rubalcava, and
5 Jonathan Aikens, the named plaintiffs in the Action.

6 **1.24. “Approval Order”** means the proposed Court Order Granting Approval of
7 PAGA Settlement.

8 **1.25. “Released PAGA Claims”** means the claims being released by the Plaintiffs and
9 PAGA Counsel and as described in Paragraph (5) below.

10 **1.26. “Released Parties”** means the Defendants and their former, present and future
11 owners, parents, subsidiaries, affiliated companies, staffing agencies, or professional employer
12 organizations and all of their current, former and future officers, directors, members, managers,
13 executive-level employees, consultants, partners, shareholders, joint venturers, agents,
14 successors, assigns, accountants, insurers, or legal representatives.

15 **1.27. “Settlement”** means the disposition of the Action effected by this Agreement and
16 the Judgment.

17 **1.28. “Defendants”** means the named Defendants Concorde Career Colleges, Inc., Jami
18 Frazier, Jeremiah Hatcher, and Kimberly Bradshaw, collectively.

19 **2. RECITALS**

20 **2.1.** On August 25, 2023, Plaintiff Lopez and Plaintiff Reyes filed with the LWDA and
21 served on Defendants a notice under Labor Code section 2699.3 stating Plaintiffs intended to
22 serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for
23 alleged Labor Code violations (“Lopez PAGA Notice”). On November 17, 2023, Plaintiff Aikens
24 filed with the LWDA and served on Defendant a notice under Labor Code section 2699.3 stating
25 Plaintiff intended to serve as a proxy of the LWDA to recover civil penalties on behalf of

1 Aggrieved Employees for alleged Labor Code violations (“Aikens PAGA Notice”). The Lopez
2 PAGA Notice and Aikens PAGA Notice are collectively referred to as the “PAGA Notice”.

3 **2.2.** On October 30, 2023, Plaintiff Lopez and Plaintiff Reyes filed a PAGA complaint
4 in the Superior Court of California for the County of San Bernardino, Case No. CIVSB2327299,
5 on behalf of themselves and all other aggrieved employees. The Complaint alleged, pursuant to
6 the PAGA, violations of the Labor Code, including: (1) civil penalties under Labor Code Section
7 210 for failure to pay wages on a timely basis, (2) civil penalties under Labor Code section 226.3
8 for failure to provide accurate itemized wage statements, (3) violation of Labor Code section 558
9 for failing to pay all overtime and minimum wages due, (4) violation of Labor Code section
10 1174.5 for failure to maintain records, (5) violation of Labor Code section 1197.1 for failure to
11 pay at least minimum wage, and (6) civil penalties under Labor Code section 2699 for failure to
12 pay overtime and minimum wage, failure to provide meal and rest breaks, failure to provide
13 accurate itemized wage statements or pay timely wages during employment or after separation,
14 failure to provide employees the opportunity to inspect records, failure to reimburse, failure to
15 provide section 2810.5 notice, failure to provide proper accrual and use of paid sick leave, failure
16 to pay employees all owed paid time off and vacation time at separation, and placing restraints
17 on competition, whistleblowing, and freedom of speech (the “Lopez Complaint”).

18 **2.3.** On November 17, 2023, Plaintiff Aikens filed a class action complaint against
19 Defendant alleging the following causes of action: (1) failure to pay minimum wages, (2) failure
20 to pay wages and overtime under Labor Code section 510, (3) meal period liability, (4) rest break
21 liability, (5) failure to pay reporting time, (6) violation of Labor Code section 226, (7) violation
22 of Labor Code section 221, (8) violation of Labor Code section 204, (9) violation of Labor Code
23 section 203, (10) failure to maintain records required, (11) failure to produce requested
24 employment records, (12) failure to reimburse, and (13) violation of Business and Professions
25 Code section 17200. On January 22, 2024, Plaintiff Aikens amended his complaint to add a

1 fourteenth cause of action for penalties under PAGA based on each of the above allegations. This
2 is referred to as the “Aikens Complaint”.

3 **2.4.** On September 24, 2024, the parties participated in an all-day mediation on a
4 PAGA-only basis presided over by Mr. Tagore Subramaniam, Esq., which led to the present
5 settlement of both the Lopez Case and the Aikens Case on a PAGA basis only.

6 **2.5.** Prior to the mediation, Defendant agreed to informally produce the following: (1)
7 Time and Payroll records for all employees categorized by Defendants as non-exempt, hourly
8 employees working for Defendants in California from August 25, 2022 through the present
9 (going into the mediation) as well as time and payroll records for all salaried, full-time instructors
10 during the PAGA Period; (2) Job Descriptions for non-exempt and allegedly “exempt”
11 employees who worked for Defendants during the PAGA Period; (3) Any and all Employee
12 Handbooks featuring policies that were in effect during the PAGA Period; and (4) Plaintiffs’
13 Personnel files maintained by Defendants. Based on these records and in consultation with expert
14 consultants, Plaintiffs’ counsel was able to extrapolate all pertinent data through the mediation,
15 including number of Aggrieved Employees, number of Pay Periods, number of shifts worked,
16 the number of alleged meal period violations, the number of alleged rest period violations, the
17 number of Aggrieved Employees eligible for wage statement penalties and waiting time
18 penalties, among others.

19 **2.6.** The Parties, PAGA Counsel and Defense Counsel represent that they are not
20 aware of any other pending matter or action asserting claims that will be extinguished or affected
21 by the Settlement.

22 **2.7.** As part of the Settlement, the Parties hereby stipulate to Plaintiffs filing a First
23 Amended Complaint in the Lopez Action, to include Jonathan Aikens as a named plaintiff, and
24 adding all the PAGA claims alleged in the Aikens Action. The First Amended Complaint shall
25 be the Operative Complaint in the Action. Defendant denies the allegations in the Operative

Complaint, denies any failure to comply with the laws identified in the Operative Complaint and denies any and all liability for the causes of action alleged.

2.8. As part of the Settlement, within 30 days of the filing of the First Amended Complaint set forth in Section 2.7, Plaintiff Aikens shall file a request for dismissal without prejudice of the Aikens Action and shall also file a declaration supporting his dismissal of class claims.

3. MONETARY TERMS

3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 8.1 below, Defendant promises to pay \$590,000.00 and no more as the Gross Settlement Amount. The Gross Settlement Amount is the maximum payment to be paid by Defendant for this Settlement. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendants.

3.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35% which is currently estimated to be \$206,500.00 and PAGA Counsel Litigation Expenses Payment of not more than \$35,000.00. Defendant will not oppose requests for Court approval of these payments provided that they do not exceed these amounts unless, in the event of a material breach of this Agreement by Defendant, Plaintiffs are required to move the Court for enforcement of this Agreement. Plaintiffs and/or PAGA Counsel will file an application or motion for PAGA Counsel Fees Payment and PAGA

1 Litigation Expenses Payment. If the Court approves a PAGA Counsel
 2 Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less
 3 than the amounts requested, the Administrator will allocate the remainder
 4 to the Net Settlement Amount. Released Parties shall have no liability to
 5 PAGA Counsel or any other Plaintiffs' Counsel arising from any claim to
 6 any portion any PAGA Counsel Fees Payment and/or PAGA Counsel
 7 Litigation Expenses Payment. The Administrator will pay the PAGA
 8 Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment
 9 using one or more IRS 1099 Forms. PAGA Counsel assumes full
 10 responsibility and liability for taxes owed on the PAGA Counsel Fees
 11 Payment and the PAGA Counsel Litigation Expenses Payment and holds
 12 Defendants harmless, and indemnifies Defendants, from any dispute or
 13 controversy regarding any division or sharing of any of these Payments.

14 **3.2.2 To the Administrator:** An Administrator Expenses Payment not to
 15 exceed \$7,450.00 except for a showing of good cause and as approved by
 16 the Court. To the extent the Administration Expenses are less or the Court
 17 approves payment less than \$7,450.00, the Administrator will retain the
 18 remainder in the Net Settlement Amount.

19 **3.2.3 To the LWDA and Aggrieved Employees:** PAGA Penalties in the
 20 amount of no less than \$341,050.00 to be paid from the Gross Settlement
 21 Amount, with 75% (\$255,787.50) allocated to the LWDA PAGA Payment
 22 and 25% (\$85,262.50) allocated to the Individual PAGA Payments.

23 **3.2.3.1** The Administrator will calculate each Individual PAGA Payment
 24 by (a) dividing the amount of the Aggrieved Employees' 25% share
 25 of PAGA Penalties (\$85,262.50) by the total number of PAGA

1 Period Pay Periods worked by all Aggrieved Employees during the
2 PAGA Period and (b) multiplying the result by each Aggrieved
3 Employee's number of PAGA Period Pay Periods. Aggrieved
4 Employees assume full responsibility and liability for any taxes
5 owed on their Individual PAGA Payment.

6 **3.2.3.2** If the Court approves PAGA Penalties of less than the amount
7 requested, the Administrator will allocate the remainder to the Net
8 Settlement Amount. The Administrator will report the Individual
9 PAGA Payments on IRS 1099 Forms.

10 **4. SETTLEMENT FUNDING PAYMENTS**

11 **4.1. Aggrieved Employee Pay Periods.** Based on a review of its records to date,
12 Defendants estimate there are approximately 579 Aggrieved Employees who worked a total of
13 17,898 PAGA Pay Periods.

14 **4.2. Aggrieved Employee Data.** Within 14 days of the Effective Date, Defendant will
15 deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel
16 spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain
17 the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for
18 purposes of this Settlement and for no other purpose, and restrict access to the Aggrieved
19 Employee Data to Administrator employees who need access to the Aggrieved Employee Data
20 to effect and perform under this Agreement. Defendant has a continuing duty to immediately
21 notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee
22 identifying information and to provide corrected or updated Aggrieved Employee Data as soon
23 as reasonably feasible. Without any extension of the deadline by which Defendant must send the
24 Aggrieved Employee Data to the Administrator, the Parties and their counsel will expeditiously
25

1 use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or
2 omitted Aggrieved Employee Data.

3 **4.3. Funding of Gross Settlement Amount.** Defendant shall fully fund the Gross
4 Settlement Amount by transmitting the funds to the Administrator no later than 30 days after the
5 Effective Date.

6 **4.4. Payments from the Gross Settlement Amount.** Within 10 days after Defendant
7 funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA
8 Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA
9 Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment. Disbursement of
10 the PAGA Counsel Litigation Expenses Payment and PAGA Counsel Fees Payment shall not
11 precede disbursement of Individual PAGA Payments.

12 **4.4.1.** The Administrator will issue checks for the Individual PAGA Payments
13 and send them to the Aggrieved Employees via First Class U.S. Mail,
14 postage prepaid. The face of each check shall prominently state the date
15 (not less than 180 days after the date of mailing) when the check will be
16 voided. The Administrator will cancel all checks not cashed by the void
17 date. Before mailing any checks, the Settlement Administrator must update
18 the recipients' mailing addresses using the National Change of Address
19 Database.

20 **4.4.2.** The Administrator must conduct an Aggrieved Employee Address Search
21 for all Aggrieved Employees whose checks are returned undelivered
22 without USPS forwarding address. Within 3 days of receiving a returned
23 check, the Administrator must re-mail checks to the USPS forwarding
24 address provided or to an address ascertained through the Aggrieved
25 Employee Address Search. The Administrator need not take further steps

1 to deliver checks to Aggrieved Employees whose re-mailed checks are
2 returned as undelivered. The Administrator shall promptly send a
3 replacement check to any Aggrieved Employee whose original check was
4 lost or misplaced, requested by the Aggrieved Employee prior to the void
5 date.

6 **4.4.3.** For any Aggrieved Employee whose Individual PAGA Payment check is
7 uncashed and cancelled after the void date, the Administrator shall
8 transmit the funds represented by such checks to the California Controller's
9 Unclaimed Property Fund in the name of the Aggrieved Employee.

10 **4.4.4.** The payment of Individual PAGA Payments shall not obligate Defendant
11 to confer any additional benefits or make any additional payments to the
12 Aggrieved Employees (such as 401(k) contributions or bonuses) beyond
13 those specified in this Agreement.

14 **5. RELEASE OF CLAIMS**

15 Upon Court approval of the Settlement and effective on the date when Defendant fully
16 funds the entire Gross Settlement Amount, Plaintiffs, on behalf of themselves and the State of
17 California and Aggrieved Employees, will fully and finally release and discharge the Released
18 Parties from all claims, rights, demands, liabilities and causes of action that arose during the
19 PAGA Period for civil penalties under PAGA, or that could have been pled based on the factual
20 allegations in the Operative Complaint filed in the PAGA Actions and corresponding PAGA
21 Notices to the LWDA.

22 Upon approval of the Settlement and full payment of the Gross Settlement Amount,
23 Plaintiffs waive any and all claims for fees, costs, indemnity or contribution against Defendant,
24 Defendant's Counsel or any Released Parties except as set forth herein.

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1 **6. MOTION OR APPLICATION FOR APPROVAL OF**
2 **SETTLEMENT**

3 The Parties agree to jointly prepare and file an application or motion for approval of this
4 Settlement.

5 **6.1. Plaintiffs' Responsibilities.** Plaintiffs will prepare and deliver to Defense
6 Counsel all documents necessary for obtaining approval of this Settlement under Labor Code
7 Section 2699, subd. (f)(2) including (i) a draft proposed Order Granting Approval of PAGA
8 Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for
9 administering the Settlement and attesting to its willingness to serve; competency; operative
10 procedures for protecting the security of Aggrieved Employee Data; amounts of insurance
11 coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any
12 actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature
13 and extent of any financial relationship with Plaintiffs, PAGA Counsel or Defense Counsel; (iii)
14 a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA
15 of all necessary PAGA documents (initial notices of violations (Labor Code section 2699.3, subd.
16 (a)), Operative Complaints (Labor Code section 2699, subd. (l)(1)), this Agreement (Labor Code
17 section 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest
18 with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiffs and PAGA
19 Counsel shall aver that they are not aware of any other pending matter or action asserting claims
20 that will be extinguished or adversely affected by the Settlement.

21 **6.2. Responsibilities of PAGA Counsel.** PAGA Counsel and Defense Counsel are
22 jointly responsible for expeditiously finalizing and filing the application or motion for approval
23 of this Settlement after the full execution of this Agreement and, if necessary, obtaining a prompt
24 hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA
25 Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

1 **6.3. Duty to Cooperate.** If the Parties disagree on any aspect of the proposed
2 application or motion for approval of this Settlement and/or the supporting declarations and
3 documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of
4 the Parties by meeting and conferring, and in good faith, to resolve the disagreement. If the Court
5 does not grant the motion for approval of this Settlement or conditions its approval on any
6 material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work
7 together on behalf of the Parties by meeting and conferring, and in good faith, to modify the
8 Agreement and otherwise satisfy the Court's concerns.

9 **6.4. Settlement Null and Void.** If the Court does not grant approval of the Settlement
10 or the Court does not grant Plaintiff Aikens' request for dismissal or if the Court's approval of
11 the Settlement is reversed or materially modified on appellate review, this Settlement shall
12 become null and void.

13 **7. SETTLEMENT ADMINISTRATION**

14 **7.1. Selection of Administrator.** The Parties have jointly selected ILYM to serve as
15 the Administrator and verified that, as a condition of appointment, ILYM agrees to be bound by
16 this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange
17 for payment of Administration Expenses. The Parties and their Counsel represent that they have
18 no interest or relationship, financial or otherwise, with the Administrator other than a professional
19 relationship arising out of prior experiences administering settlements.

20 **7.2. Employer Identification Number.** The Administrator shall have and use its own
21 Employer Identification Number for purposes of calculating payroll tax withholdings and
22 providing reports state and federal tax authorities.

23 **7.3. Qualified Settlement Fund.** The Administrator shall establish a settlement fund
24 that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury
25 Regulation section 468B-1.

1 **7.4. Administrator Duties.** The Administrator has a duty to perform or observe all
2 tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

3 **8. AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR**
4 **CLAUSE**

5 Based on its records, Defendant estimated that there would be approximately 16,518 pay
6 periods during the PAGA Period when the memorandum of understanding was drafted.

7 **8.1 Increase in the Gross Settlement Amount.** Defendant represents that there are
8 approximately 16,518 Pay Periods worked during the PAGA Period by the Aggrieved
9 Employees. If the actual number of Pay Periods during the PAGA Period is more than 10%
10 greater than this number (i.e., if there are more than 18,169 Pay Periods during the PAGA Period),
11 the Gross Settlement Amount will increase by the percent of increased Pay Periods beyond 10%.
12 Thus, for example, should the number of pay periods increase by 11%, Defendant shall increase
13 the Gross Settlement Amount in proportion to the increase in Pay Periods over the 10% threshold
14 by 1% (e.g., if the number of Pay Periods during the PAGA Period is 11% greater than 16,518
15 Pay Periods, then Defendants will increase the Gross Settlement Amount by 1%, or \$5,900.00).

16 **9. CONTINUING JURISDICTION OF THE COURT**

17 The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the
18 Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or
19 Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-
20 Judgment matters as are permitted by law.

21 **9.1. Waiver of Right to Appeal.** Provided the Judgment is consistent with the terms
22 and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and
23 PAGA Counsel Litigation Expenses Payment, the Parties, their respective counsel waive all
24 rights to appeal from the Judgment, including all rights to post-judgment and appellate
25 proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary

1 writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such
2 motions, writs or appeals. If another party appeals the Judgment, the Parties' obligations to
3 perform under this Agreement will be suspended until such time as the appeal is finally resolved
4 and the Judgment becomes final.

5 **10. ADDITIONAL PROVISIONS**

6 **10.1. No Admission of Liability or Representative Manageability for Other**
7 **Purposes.** This Agreement represents a compromise and settlement of highly disputed claims.
8 Nothing in this Agreement is intended or should be construed as an admission by Defendants
9 that any of the allegations in the Operative Complaints have merit or that Defendants have any
10 liability for any claims asserted; nor should it be intended or construed as an admission by
11 Plaintiffs that Defendants' defenses in the Action have merit. The Parties agree that
12 representative treatment is for purposes of this Settlement only. If, for any reason the Court does
13 not approve this Settlement, Defendant reserves all available defenses to the claims in the Action,
14 and Plaintiffs reserves the right to contest Defendant's defenses. The Settlement, this Agreement
15 and Parties' willingness to settle the Action will have no bearing on, and will not be admissible
16 in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement
17 and this Agreement).

18 **10.2. Integrated Agreement.** Upon execution by all Parties and their counsel, this
19 Agreement shall constitute the entire agreement between the Parties relating to the Settlement,
20 superseding any and all oral representations, warranties, covenants, or inducements made to or
21 by any Party.

22 **10.3. Attorney Authorization.** PAGA Counsel and Defense Counsel separately
23 warrant and represent that they are authorized by Plaintiffs and Defendant, respectively, to take
24 all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement
25

1 to effectuate its terms, and to execute any other documents reasonably required to effectuate the
2 terms of this Agreement including any amendments to this Agreement.

3 **10.4. Cooperation.** The Parties and their counsel will cooperate with each other and
4 use their best efforts, in good faith, to implement the Settlement by, among other things,
5 modifying the Settlement Agreement, submitting supplemental evidence and supplementing
6 points and authorities as requested by the Court. In the event the Parties are unable to agree upon
7 the form or content of any document necessary to implement the Settlement, or on any
8 modification of the Agreement that may become necessary to implement the Settlement, the
9 Parties will seek the assistance of a mediator and/or the Court for resolution.

10 **10.5. No Prior Assignments.** The Parties separately represent and warrant that they
11 have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer,
12 or encumber to any person or entity and portion of any liability, claim, demand, action, cause of
13 action, or right released and discharged by the Party in this Settlement.

14 **10.6. No Tax Advice.** Neither Plaintiffs, PAGA Counsel, Defendant nor Defense
15 Counsel are providing any advice regarding taxes or taxability, nor shall anything in this
16 Settlement be relied upon as such within the meaning of United States Treasury Department
17 Circular 230 (31 CFR Part 10, as amended) or otherwise.

18 **10.7. Modification of Agreement.** This Agreement, and all parts of it, may be
19 amended, modified, changed, or waived only by an express written instrument signed by all
20 Parties or their representatives, and approved by the Court.

21 **10.8. Agreement Binding on Successors.** This Agreement will be binding upon, and
22 inure to the benefit of, the successors of each of the Parties.

23 **10.9. Applicable Law.** All terms and conditions of this Agreement will be governed by
24 and interpreted according to the internal laws of the state of California, without regard to conflict
25 of law principles.

10.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

10.11. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.

10.12. Use of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court.

10.13. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

10.14. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

10.15. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

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1 To Plaintiffs:

2 David D. Bibiyan
3 Vedang J. Patel
4 Bibiyan Law Group, P.C.
5 1460 Westwood Blvd.
6 Los Angeles, California 90024
7 Telephone: (310) 438-5555; Facsimile: (310) 300-1705

8 To Defendant:

9 Erin Leach
10 Snell & Wilmer
11 600 Anton Blvd Ste 1400
12 Costa Mesa, CA 92626-7689
13 (714) 427-7000

14 **10.16. Good Faith Compromise.** The Parties agree that this Agreement reflects their
15 good faith compromise of the claims raised in the Action, based upon the assessment of the
16 mutual risks and costs of further litigation and the assessments of their respective counsel. The
17 Parties agree that the Settlement is fair and reasonable and will so represent to the Court. In
18 addition, Mediator Tagore Subramaniam, Esq. may, at his discretion, execute a declaration
19 supporting the settlement and the reasonableness of this settlement, and the Court may, in its
20 discretion, contact Tagore Subramaniam to discuss the Settlement and whether or not the
21 Settlement is fair and reasonable.

22 **10.17. Publicity.** Plaintiffs and PAGA Counsel agree that they will not issue any press
23 releases, initiate any contact with the press, respond to any press inquiry or have any
24 communication with the press about this case and/or the fact, amount or terms of the Settlement.
25 In addition, Plaintiff and PAGA Counsel agree that they will not engage in any advertising or
distribute any marketing materials relating to the Settlement, including but not limited to any
postings on any websites maintained by PAGA Counsel; provided, however, that PAGA Counsel
may state that it has settled a PAGA claim against a company so long as neither Defendant, nor
the Plaintiffs are identified. Furthermore, nothing shall prohibit PAGA Counsel from assisting
the Aggrieved Employees regarding the Settlement should they contact PAGA Counsel.

10.18. No Liens. Plaintiffs and PAGA Counsel represent and confirm that there are no liens on the Gross Settlement Amount and Plaintiffs agree to defend and indemnify Defendant should it be found that any such liens exist.

10.19. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

10.20. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process.

10.21. Severability. In the event that one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants' Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been included in this Agreement.

IT IS SO AGREED:

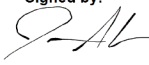
For Plaintiff, Diana Pedraza Lopez

Signed by:


A3005G3254BA4DE...
 Chris Kevane, Director and Secretary of
 Concorde Career Colleges, Inc.
 For Defendant, Concorde Career Colleges, Inc.

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For Plaintiff, Gabriella Reyes Rubalcava

Signed by:


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For Plaintiff, Jonathan Aikens

1 **10.18. No Liens.** Plaintiffs and PAGA Counsel represent and confirm that there are no
2 liens on the Gross Settlement Amount and Plaintiffs agree to defend and indemnify Defendant
3 should it be found that any such liens exist.

4 **10.19. Execution in Counterparts.** This Agreement may be executed in one or more
5 counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this
6 Agreement shall be accepted as an original. All executed counterparts and each of them will be
7 deemed to be one and the same instrument if counsel for the Parties will exchange between
8 themselves signed counterparts. Any executed counterpart will be admissible in evidence to
9 prove the existence and contents of this Agreement.

10 **10.20. Stay of Litigation.** The Parties agree that upon the execution of this Agreement
11 the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further
12 agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the
13 date to bring a case to trial under CCP section 583.310 for the entire period of this settlement
14 process.

15 **10.21. Severability.** In the event that one or more of the provisions contained in this
16 Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such
17 invalidity, illegality, or unenforceability shall in no way effect any other provision if Defendants'
18 Counsel and PAGA Counsel, on behalf of the Parties and the Aggrieved Employees, mutually
19 elect in writing to proceed as if such invalid, illegal, or unenforceable provision had never been
20 included in this Agreement.

21 **IT IS SO AGREED:**

22
23 *Diana Pedraza Lopez*

24 For Plaintiff, Diana Pedraza Lopez

Kevin Prehn, President of Concorde Career
Colleges, Inc.
For Defendant, Concorde Career Colleges, Inc.

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Gabriella Reyes Rubalcava
Gabriella Reyes Rubalcava (May 14, 2025 09:42 PDT)

For Plaintiff, Gabriella Reyes Rubalcava

For Plaintiff, Jonathan Aikens