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7 Attorneys for Plaintiff

8 **SUPERIOR COURT OF CALIFORNIA**

9 **COUNTY OF SAN FRANCISCO**

10 PAUL REEB, individually and on
11 behalf of others similarly
12 situated,

13 Plaintiff,

14 v.

15 AIR EDUCATION, INC., a
16 Delaware corporation, and
17 DOES 1 through 50,

18 Defendants.

Case Number:

CGC-25-630919

CLASS ACTION

(Plaintiff Class,

Cal.Code Civ.Proc., § 382)

**NOTICE OF FILING OF PROPOSED
SETTLEMENT AGREEMENT**

[Cal. Rules of Court, rule 3.769(c)]

HEARING:

Date: 17 AUGUST 2026

Time: 11:00 a.m.

Place: Dept. 613

ACTION FILED:

03 NOVEMBER 2025

TRIAL DATE:

Not set.

1 PLEASE TAKE NOTICE that Plaintiff, Paul Reeb (**hereinafter**
2 **“Plaintiff”**), has filed the attached Proposed Settlement Agreement, which
3 includes the parties’ agreed proposed Class Notice, in compliance with Cal. Rules
4 of Court, rule 3.769(c):

5 A. Redline showing changes from the Los Angeles Superior Court
6 standard forms for (i) settlement of class and PAGA actions, and (ii)
7 class notice; and

8 B. Fully executed copies of the Proposed Settlement Agreement, which
9 includes the parties’ agreed proposed Class Notice.

10 Dated: 24 July 2026

Respectfully submitted,

11 DAVID J. GALLO
12 **LAW OFFICES OF DAVID J. GALLO**
13 12702 VIA CORTINA, SUITE 500
14 DEL MAR, CALIFORNIA 92014-3769
Telephone: (858) 509-3652

15 /s/ David J. Gallo
By: David J. Gallo,
16 California Bar No. 127722
Attorneys for all Plaintiffs
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Sophia B. Collins, Esq.: scollins@littler.com
Anthony Ly, Esq.: aly@littler.com
Blair Senesi, Esq.: bsenesi@littler.com

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 24th day of July, 2026, at Del Mar, California.

/s/ David J. Gallo

 DAVID J. GALLO

NOTICE OF FILING OF PROPOSED SETTLEMENT AGREEMENT [Cal. Rules of Court, rule 3.769(c)] – PAGE 3

Exhibit “A”

1 CLASS ACTION AND PAGA SETTLEMENT AGREEMENT
2 AND CLASS NOTICE
3

4 ~~CLASS ACTION AND PAGA SETTLEMENT AGREEMENT~~
5 ~~AND CLASS NOTICE~~

6 This Class Action and PAGA Settlement Agreement (“Agreement”) is
7 made by and between ~~p~~Plaintiff, Paul Reeb (hereinafter “Plaintiff”) ~~and~~
8 ~~defendant (“XYZ”).~~, and defendant Air Education, Inc. (hereinafter “AEI”),
9 a Delaware corporation. The Agreement refers to Plaintiff and ~~XYZ~~AEI
10 collectively as “Parties,” or individually as “Party.”
11

12 1. DEFINITIONS.

13 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour
14 violations against ~~XYZ captioned initiated on~~AEI captioned “Paul
15 Reeb v. Air Education, Inc.”, Case No. CGC-25-630919, in the
16 Superior Court of California for the County of San Francisco,
17 initiated on 03 November 2025, and pending in the Court.

18 1.2 “Administrator” means Simpluris, the neutral entity the Parties
19 have agreed to appoint to administer the Settlement.

20 1.3 “Administration Expenses Payment” means the amount the
21 Administrator will be paid from the Gross Settlement Amount to
22 reimburse its reasonable fees and expenses in accordance with the
23 Administrator’s “not to exceed” bid submitted to the Court in
24 connection with Preliminary Approval of the Settlement.

25 1.4 “Aggrieved ~~Employee~~Tutor” means ~~[e.g., a person employed by XYZ~~
26 ~~in California and classified as a who worked for XYZ during the~~

~~PAGA Period].~~

~~1.5 “Class” means [define class, e.g., all persons employed by XYZ in California and classified as who worked for XYZ during the Class Period].~~
persons who, at any time after 13 March 2025, worked as Tutors in California whom Plaintiff alleges were employees of AEI (which allegation is disputed).

1.5 “California Tutor Class” means the not more than one hundred thirty-six (136) persons: (a) who have provided California addresses to AEI at any time; and (b) who at any time after 3 November 2021, were parties to contracts to provide tutoring services in California (whether or not they actually conducted any Tutoring Sessions). The Former Tutor Subclass shall mean the members of the California Tutor Class who have conducted one or more Tutoring Sessions, but have resigned, or whose contracts have expired without the entry of a new contract, at any time on or after 03 November 2022.

1.6 “Class Counsel” means David J. Gallo, Esq., of the Law Offices of David J. Gallo.

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

1.8 “Class Data” means Class Member identifying information in ~~XYZ’s~~AEI’s possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period ~~Workweeks and PAGA Pay Periods.~~

Tutoring Sessions, and number of Tutoring Sessions performed during the PAGA

**CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND
CLASS NOTICE – PAGE 3**

Period.

- 1.9 “Class Member” or “Settlement Class Member” means a member of the California Tutor Class, as either a Participating Class Member or Non-Participating Class Member (including a ~~Non-Participating~~Non-Participating Class Member who qualifies as an Aggrieved ~~Employee~~Tutor).
- 1.10 “Address Search” means the Administrator’s investigation and search for current Class Member or Aggrieved ~~Employee~~Tutor mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members or Aggrieved ~~Employees~~Tutors.
- 1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English ~~[with a Spanish translation, if applicable]~~ in the form, without material variation, attached as Exhibit ~~A~~“A” and incorporated by reference into this Agreement.
- 1.12 “Class Period” means the period from to 03 November 2021 through the date of Preliminary Approval.
- 1.13 “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a class representative.
- 1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

- 1.15 “Court” means the Superior Court of California, for the City and County of ~~Los Angeles~~ San Francisco.
- 1.16 ~~“XYZ”~~“AEI” means named Defendant, Air Education, Inc.
- 1.17 “Defense Counsel” means Sophia B. Collins, Esq., Anthony Ly, Esq., Blair Senesi, Esq., and Valentina Wilson, Esq., all of Littler Mendelson, P.C.
- 1.18 “Effective Date” means the date on which the Judgment becomes final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.19 “Final Approval” means the Court’s order granting final approval of the Settlement-.
- 1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.
- 1.21 “Gross Settlement Amount” means \$~~Nine Hundred Thirty Thousand Dollars~~ (\$930,000.00) which is the total amount ~~XYZ~~AEI agrees to pay under the Settlement (in addition to costs of administration but only to the extent they may exceed \$6,568.00). The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and

Administration Expenses Payment.

1.22 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated ~~according~~pursuant to the ~~number~~formula set of ~~Workweeks worked during the Class Period~~ut in Section 3.2.4, infra.

1.23 “Individual PAGA Payment” means the Aggrieved ~~Employee’s~~Tutor’s pro rata share ~~[25%/35%]~~(i.e., 35%) of the PAGA Penalties calculated according to the number of ~~PAGA Pay Periods worked~~Tutoring Sessions performed during the PAGA Period of 13 March 2025 to the date of Preliminary Approval.i

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

1.25 “LWDA” means the California Labor and Workforce Development Agency.

1.26 “LWDA PAGA Payment” means the ~~[75%/65%]~~65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).

1.27 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and ~~Administration~~ive ~~Expenses~~ Payment. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.28 “Non-Participating Class Member” means any Class Member who opts out of the Settlement by sending the Administrator a valid and

timely Request for Exclusion.

1.29 “PAGA Pay Period” means any pay period during which an Aggrieved ~~Employee~~Tutor worked ~~for XYZ~~as a Tutor for at least one day during the PAGA Period.

1.30 “PAGA Period” means the period from 13 March 2025 to the date of Preliminary Approval.

1.31 “PAGA” means the Private Attorneys General Act (Lab. Code, ~~§§§~~ 2698, *et seq.*).

1.32 “PAGA Notice” means Plaintiff’s 13 March 2026 letter to ~~XYZ~~AEI and the LWDA~~f~~, and Plaintiff’s 01 May 2026 letter to ~~XYZ~~AEI and the LWDA~~f~~, providing notice pursuant to Labor Code section 2699.3, subdivision (a).

1.33 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated ~~[25%/35%]~~35% to the Aggrieved ~~Employees~~~~(-)~~Tutors, and ~~[75%/65%]~~65% to the LWDA~~(-)~~, in settlement of PAGA claims.

1.34 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.35 “Plaintiff” means Mr. Paul Reeb, the named plaintiff in the Action.

1.36 “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

1.37 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.38 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1 1.39 “Released Parties” means ~~XYZ~~AEI and each of its former and
2 present {directors,} {officers,} {shareholders,} {owners,} {members,}
3 {attorneys,} {insurers,} {predecessors,} {successors,} {assigns,}
4 {subsidiaries,} ~~and~~ affiliates.

5 1.40 “Request for Exclusion” means a Class Member’s submission of a
6 written request to be excluded from the Class Settlement signed by
7 the Class Member.

8 1.41 “Response Deadline” means ~~[e.g., 60]~~thirty (30) days after the
9 Administrator mails the Class Notice and shall be the last date on
10 which Class Members may: (a) fax, email or mail Requests for
11 Exclusion, (b) fax, email or mail objections to the Settlement, or (c)
12 fax, email or mail a challenge to the number of ~~Workweeks~~Tutoring
13 Sessions allocated to the Class Member in the Class Notice. Class
14 Members to whom Class Notices are resent after having been
15 returned undeliverable to the Administrator shall have their
16 deadline extended an additional ~~[fourteen (14)]~~ calendar days
17 beyond the Response Deadline.

18 1.42 “Settlement” means the disposition of the Action effected by this
19 Agreement and the Judgment.

20 1.43 ~~“Workweek”~~“Tutoring Session” means any ~~week during~~instance in
21 which a Class Member ~~worked for XYZ for at least one day, during~~
22 ~~the Class Period.~~ii

23 ~~2. RECITALS.~~

24 ~~2.1 — On~~conducted a learning session through the AEI platform.

26 **2. RECITALS.**

27 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND**
28 **CLASS NOTICE – PAGE 8**

2.1 On 03 November 2025, Plaintiff commenced this Action by filing a ~~complaint~~COMPLAINT FOR MONETARY RECOVERY AS A REMEDY FOR LABOR CODE VIOLATIONS alleging causes of action against ~~XYZ for .~~[On AEI for recovery of minimum wage, Labor Code section 1194.2 liquidated damages, split shift payments, reporting time pay, Labor Code section 226 wage statement penalties, Labor Code section 2802 indemnifications for expenses, and restitutionary recovery for alleged violations which occurred prior to the commencements of limitations periods for actions at law. On 30 June 2026, Plaintiff filed a [e.g., First Amended Complaint] alleging causes of action against XYZ for . The [e.g., First Amended]his FIRST AMENDED COMPLAINT FOR MONETARY RECOVERY AS A REMEDY FOR LABOR CODE VIOLATIONS, AND FOR PAGA REMEDIES (“FAC”), which sought all remedies sought by Plaintiff’s initial Complaint, and which also sought civil penalties under PAGA. On 2026, Plaintiff filed his SECOND AMENDED COMPLAINT FOR MONETARY RECOVERY AS A REMEDY FOR LABOR CODE VIOLATIONS, AND FOR PAGA REMEDIES (“2ndAC”), which sought all remedies sought by Plaintiff’s FAC, and which also sought Labor Code section 203 penalty wages. Plaintiff’s 2nd AC Complaint is the operative complaint in the Action (the “Operative Complaint”).] ~~XYZ~~ AEI denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in ~~in~~ the Operative Complaint and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to ~~XYZ~~AEI and the LWDA by sending the PAGA Notice.

2.3 On 22 May 2026, the Parties participated in ~~an all-day~~a mediation presided over by the Hon. Wynne S. Carvill (ret.) in which ~~led to all principal terms of~~ this Agreement ~~for describe alternative means of negotiation~~.

~~2.4 Before [mediation] [negotiating the Settlement] were ascertained.~~

2.4 Prior to commencement of this Action, as a Tutor (and now former Tutor), Plaintiff had access to full information regarding AEI's time-keeping system and its compensation system. Before mediation, Plaintiff obtained, through [formal] [informal] discovery, mediation-protected disclosures a substantial amount of data including but not limited to: number of Tutoring Sessions conducted by Class Members 3 November 2022; number of Tutoring Sessions conducted by Class Members 3 November 2024; number of workdays after 3 November 2022 that Class Members conducted more than one Tutoring Session; number of pay periods after 3 November 2024 that Class Members have worked; the number of California persons have been active Tutors during the period commencing 3 November 2022; the number of members of the Former Tutor Subclass. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("~~Dunk/Kullar~~""Dunk/Kullar").

2.5 The Court ~~has~~ [has not] granted class certification.

2.6 The Parties, Class Counsel and Defense Counsel represent ~~[they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement]~~ ~~[they are aware of the following other pending matter[s] or action[s] asserting claims that will be extinguished or affected by the Settlement. ;]~~.

3.- MONETARY TERMS.

3.1 Gross Settlement Amount. ~~XYZ~~ AEI promises to pay \$ ~~and no more~~ Nine Hundred Thirty Thousand Dollars (\$930,000.00), plus costs of administration (but only to the extent they may exceed \$6,568.00), and no more, as the Gross Settlement Amount ~~[and to separately pay any and all employer payroll taxes owed on the Wage Portions (as defined below) of the Individual Class Payments.]~~ ~~XYZ.~~ AEI has no obligation to pay the Gross Settlement Amount ~~(or any payroll taxes)~~ before the deadline stated in Paragraph 4.2.iii. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved ~~Employees~~ Tutors to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to ~~XYZ~~ AEI.

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 Plaintiff: Class Representative Service Payment of not more than \$10,000.00 (in addition to any Individual Class

1 Payment [and any Individual PAGA Payment] the Class
2 Representative is entitled to receive as a Participating Class
3 Member). XYZ AEI will not oppose or file any papers in
4 relation to Plaintiff's request for a Class Representative
5 Service Payment that does not exceed this amount (except as
6 may be requested by the Court). As part of the Motion for
7 Final Approval, Plaintiff will seek Court approval for any
8 Class Representative Service Payment. If the Court approves
9 a Class Representative Service Payment less than the amount
10 requested, the Administrator will retain the remainder in the
11 Net Settlement Amount. The Administrator will pay the Class
12 Representative Service Payment using IRS Form 1099.
13 Plaintiff assumes full responsibility and liability for any
14 employee taxes which may be owed on the Class
15 Representative Service Payment.

16 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more
17 than %33-1/3%, which is currently estimated to be \$
18 \$310,000.00 and a Class Counsel Litigation Expenses
19 Payment of not more than \$-\$12,000.00. XYZ AEI will not
20 oppose or file any papers in relation to (except as may be
21 requested by the Court) requests for these payments provided
22 they do not exceed these amounts. As part of the Motion for
23 Final Approval, Plaintiff and/or Class Counsel may seek
24 Court approval of a Class Counsel Fees Payment and Class
25 Counsel Litigation Expenses Payment. In support of the Class
26 Counsel Litigation Expenses Payment, Class Counsel must

1 submit a cost ledger listing each expense incurred during the
2 Action. If the Court approves a Class Counsel Fees Payment
3 or a Class Counsel Litigation Expenses Payment less than the
4 amount requested, the Administrator will allocate the
5 remainder to the Net Settlement Amount. Released Parties
6 shall have no liability to Class Counsel or any other Plaintiff's
7 Counsel arising from any claim to any portion of any Class
8 Counsel Fee Payment and/or Class Counsel Litigation
9 Expenses Payment. The Administrator will pay the Class
10 Counsel Fees Payment and Class Counsel Litigation
11 Expenses Payment using one or more IRS 1099 Forms. Class
12 Counsel assumes full responsibility and liability for taxes
13 owed on the Class Counsel Fees Payment and the Class
14 Counsel Litigation Expenses Payment and holds ~~XYZAEI~~
15 harmless, and indemnifies ~~XYZAEI~~, from any dispute or
16 controversy regarding any division or sharing of any of these
17 payments.

18 3.2.3 To the Administrator: An Administration Expenses Payment
19 not to exceed ~~\$\$6,568.00~~, except for a showing of good cause
20 and as approved by the Court. To the extent the
21 administration expenses are less than or the Court approves
22 payment less than ~~\$ \$6,568.00~~, the Administrator will retain
23 the remainder in the Net Settlement Amount.

24 3.2.4 To Each Participating Class Member: An Individual Class
25 Payment, which the Administrator shall calculate ~~by (a)~~
26 ~~dividing the Net Settlement Amount by the total number of~~

1 ~~Workweeks worked by all Participating Class Members~~
2 ~~during the Class Period and (b) multiplying the result by~~ as
3 follows:

4 a. There shall be a *per capita* payment (the “Base
5 Payment”) of Three Hundred Dollars (\$300.00) to each
6 Participating Class Member’s Workweeks.

7 ~~3.2.4.1 Tax Allocation of~~ Member, irrespective of whether he or
8 she has conducted any Tutoring Sessions, and
9 irrespective of whether he or she has resigned, or his or
10 her contract expired without the entry of a new
11 contract;

12 b. There shall be a *per capita* payment (the “Section 203
13 Payment”) of Five Hundred Dollars (\$500.00) to each
14 member of the Former Tutor Subclass;

15 c. The remainder of the Net Settlement Amount shall be
16 paid out to each member of the California Tutor Class
17 according to the ratio of: (total number of Tutoring
18 Sessions conducted by the particular individual Class
19 Member after 03 November 2021) divided by (total
20 number of Tutoring Sessions conducted by *all* Class
21 Members after 03 November 2021).

22 3.2.4.1 Because AEI has always classified the Tutors as
23 independent contractors in reliance upon Labor
24 Code sections 2776 and 2777 (*inter alia*), and
25 because no court or executive agency has ever
26 disturbed this classification, Individual Class

~~Payments. % of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The % of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for [e.g., interest and penalties] (the "Non-Wage Portion").iv The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.~~

3.2.4.2 will be paid without deduction and reported to the IRS and the California Franchise Tax Board on Forms 1099.

3.2.4.2 Effect of Non-Participating Class Members on Calculation of Individual Class Payments.

Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved ~~Employees~~Tutors: PAGA Penalties in the amount of ~~\$\$\$35,000.00~~ to be paid from the

Gross Settlement Amount, with ~~[75%/65%]~~65% (~~\$—i.e., \$22,750.00~~) allocated to the LWDA PAGA Payment and ~~[25%/35%]~~35% (~~\$—i.e., \$12,250.00~~) allocated to the Individual PAGA Payments.

3.2.5.1 The ~~Administrator will calculate each \$12,250.00 allocated to the~~ Individual PAGA ~~Payment by (a) dividing the amount of the Aggrieved Employees' [25%/35%] share of PAGA Penalties (\$) by the~~ Payments will be allocated among and distributed to the Aggrieved Tutors according to the ratio: (number of Tutoring Sessions performed by the Aggrieved Tutor during the PAGA Period) divided by (total number of PAGA Pay Periods worked Tutoring Sessions performed by all Aggrieved Employees Tutors during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

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

1
2 **4.- SETTLEMENT FUNDING AND PAYMENTS.**

3 4.1 Class Size Estimates. ~~Based on a review of its records to date, XYZ~~
4 ~~estimates there are Class Members who collectively worked a total~~
5 ~~of Workweeks, and Aggrieved Employees who worked a total of~~
6 ~~PAGA Pay Periods.~~

7 4.2— AEI represents and warrants that there are not more than one hundred
8 thirty-four (134) Class Members, thirty-two (32) of whom have not at any
9 time after 03 November 2021 conducted any Tutoring Sessions.

10 4.2 Funding of Gross Settlement Amount. ~~XYZ AEI~~ shall fully fund the
11 Gross Settlement Amount, ~~and also fund the amounts necessary to~~
12 ~~fully pay XYZ's share of payroll taxes, (including estimated costs of~~
13 ~~administration)~~ by transmitting the funds to the Administrator no
14 later than ~~[14]~~ twenty-one (21) days after the Effective Date.

15 4.3 Payments from the Gross Settlement Amount. Within ~~[14]~~ days
16 after ~~XYZ~~ AEI funds the Gross Settlement Amount, the
17 Administrator will mail checks for all Individual Class Payments,
18 all Individual PAGA Payments, the LWDA PAGA Payment, the
19 Administration Expenses Payment, the Class Counsel Fees
20 Payment, the Class Counsel Litigation Expenses Payment, and the
21 Class Representative Service Payment. Disbursement of the Class
22 Counsel Fees Payment, the Class Counsel Litigation Expenses
23 Payment and the Class Representative Service Payment shall not
24 precede disbursement of Individual Class Payments and Individual
25 PAGA Payments.

26 4.3.1 The Administrator will issue checks for the Individual Class

1 Payments and Individual PAGA Payments and send them to the
2 Class Members and Aggrieved ~~Employees~~Tutors via First Class
3 U.S. Mail, postage prepaid. The face of each check shall prominently
4 state the date (not less than 180 days after the date of mailing)
5 when the check will be voided. The Administrator will cancel all
6 checks not cashed by the void date. The Administrator will send
7 checks for Individual Settlement Payments to all Participating
8 Class Members (including those for whom Class Notice was
9 returned undelivered). The Administrator will send checks for
10 Individual PAGA Payments to all Aggrieved ~~Employees~~Tutors
11 including Non-Participating Class Members who qualify as
12 Aggrieved ~~Employees~~Tutors (including those for whom Class Notice
13 was returned undelivered). The Administrator may send
14 Participating Class Members who are also Aggrieved
15 ~~Employees~~Tutors a single check combining the Individual Class
16 Payment and the Individual PAGA Payment. Before mailing any
17 checks, the Settlement Administrator must update the recipients'
18 mailing addresses using the National Change of Address Database.

19 4.3.2 The Administrator must conduct an Address Search for all Class
20 Members and Aggrieved ~~Employees~~Tutors whose checks are
21 returned undelivered without a United States Postal Service
22 ("USPS") forwarding address. Within ~~seven (7)~~ days of receiving a
23 returned check the Administrator must re-mail the check to the
24 USPS forwarding address provided or to an address ascertained
25 through the Address Search. The Administrator need not take
26 further steps to deliver checks to Class Members or Aggrieved

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

6 4.3.3 For any Class Member whose Individual Class Payment check is
7 uncashed and cancelled after the void date, the Administrator shall
8 transmit the funds represented by such a check ~~[to a~~
9 ~~Court-approved nonprofit organization or foundation consistent with~~
10 ~~Code of Civil Procedure section 384, subdivision (b)]~~to Access Books
11 Bay Area (“Cy Pres Recipient”)] ~~[to the California Controller’s~~
12 ~~Unclaimed Property Fund in the name of the Class Member].~~ [The
13 Parties, Class Counsel and Defense Counsel represent that they
14 have no interest or relationship, financial or otherwise, with the
15 intended Cy Pres Recipient].

16 4.3.4 For any Aggrieved ~~Employee~~Tutor whose Individual PAGA
17 Payment check is uncashed and cancelled after the void date, the
18 Administrator shall transmit the funds represented by such check
19 to the California Controller’s Unclaimed Property Fund in the name
20 of the Aggrieved ~~Employee~~Tutor thereby leaving no “unpaid
21 residue” subject to the requirements of Code of Civil Procedure
22 section 384, subdivision (b).

23 4.3.5 The payment of Individual Class Payments and Individual PAGA
24 Payments shall not obligate ~~XYZ~~AEI to confer any additional
25 benefits or make any additional payments to Class Members or
26 Aggrieved ~~Employees~~Tutors (such as 401(k) contributions or

bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Effective on the date when AEI fully funds the entire Gross Settlement Amount ~~and funds all employer payroll taxes on owed on the Wage Portion of the Individual Class Payments~~, Plaintiff, Class Members, Aggrieved ~~Employees~~ Tutors, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and Plaintiff's respective former and present representatives, agents, attorneys, administrators, successors and assigns, release and discharge Released Parties from all claims, transactions or occurrences ~~that occurred during the Class Period~~ and in any way related to Tutoring Services performed within California, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged based on the facts contained in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and Plaintiff's PAGA Notice. **("Plaintiff's Release.")** Plaintiff's Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, or workers' compensation benefits that arose at any time, or based on occurrences outside the Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects, notwithstanding such

different or additional facts or Plaintiff's discovery of them.^{vi}

5.1.1 Plaintiff's Waiver of Rights Under Civil Code Section 1542.

For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil Code, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her would have materially affected his or her settlement with the debtor or released party.

5.2 Release by Participating Class Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the Class Period ~~including, e.g., "(a) any and all claims involving any alleged failure to pay minimum wage; etc.]~~ for recovery of minimum wage, Labor Code section 1194.2 liquidated damages, split shift payments, reporting time pay, Labor Code section 226 wage statement penalties, Labor Code section 2802 indemnifications for expenses, Labor Code section 203 waiting time

pay, and restitutionary recovery for alleged violations which occurred prior to the commencements of limitations periods for actions at law. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, or workers' compensation or claims based on events occurring outside the Class Period.

5.3 Release by Aggrieved ~~Employees~~Tutors: All Aggrieved ~~Employees~~Tutors are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, administrators, successors and assigns, the Released Parties from all claims for PAGA Penalties that were alleged, or reasonably could have been alleged, based on the facts and allegations in the Operative Complaint that are alleged to have occurred during the PAGA Period and the PAGA Notice ~~[including, e.g., “(a) any and all claims involving any alleged failure to pay minimum wage, etc.]~~.

6. MOTION FOR PRELIMINARY APPROVAL.—

The Parties agree to jointly prepare and file a motion for preliminary approval (“**Motion for Preliminary Approval**”) that complies with the Court’s current checklist for Preliminary Approvals.

6.1 ~~XYZ’s~~AEI’s Declaration in Support of Preliminary Approval. Within ten (10) days of the full execution of this Agreement, ~~XYZ~~AEI will prepare and deliver to Class Counsel a signed declaration from

1 XYZAEI and Defense Counsel disclosing all facts relevant to any
2 actual or potential conflicts of interest with the Administrator and
3 Cy Pres Recipient (if applicable). In their declarations, Defense
4 Counsel and XYZAEI shall aver whether they are aware of any
5 other pending matter or action asserting claims that will be
6 extinguished or adversely affected by the Settlement. AEI's
7 Declaration in Support of Preliminary Approval shall evidence the
8 fact that there are not more than one hundred thirty-four (134)
9 Class Members, and that at least thirty-two (32) of them have not
10 at any time after 03 November 2021 conducted any Tutoring
11 Sessions.

12 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to
13 Defense Counsel all documents necessary for obtaining Preliminary
14 Approval, including: (i) a draft of the notice and memorandum in
15 support of the Motion for Preliminary Approval that includes an
16 analysis of the Settlement under *Dunk/Kullar* and a request for
17 approval of the PAGA Settlement under Labor Code section 2699,
18 subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary
19 Approval and Approval of PAGA Settlement; (iii) a draft proposed
20 Class Notice; (iv) a signed declaration from the Administrator
21 attaching its "not to exceed" bid for administering the Settlement
22 and attesting to its willingness to serve; competency; operative
23 procedures for protecting the security of Class Data; amounts of
24 insurance coverage for any data breach, defalcation of funds or other
25 misfeasance; all facts relevant to any actual or potential conflicts of
26 interest with Class Members {and/or the proposed Cy Pres

1 Recipient; and the nature and extent of any financial relationship
2 with Plaintiff, Class Counsel or Defense Counsel; (v) a signed
3 declaration from Plaintiff confirming willingness and competency to
4 serve and disclosing all facts relevant to any actual or potential
5 conflicts of interest with Class Members, and/or the Administrator
6 and/or the proposed Cy Pres Recipient; (vi) a signed declaration
7 from each Class Counsel firm attesting to its competency to
8 represent the Class Members; and its timely transmission to the
9 LWDA of all necessary PAGA documents (PAGA Notice (Lab. Code,
10 § 2699.3, subd. (a)), Operative Complaint (Lab. Code, § 2699, subd.
11 (l)(1)), and the Agreement (Lab. Code, § 2699, subd. (l)(2)); (vii) a
12 redlined version of the Agreement showing all modifications made
13 to the Superior Court of Los Angeles County's Model Agreement;
14 and (viii) all facts relevant to any actual or potential conflict of
15 interest with Class Members, the Administrator and/or the Cy Pres
16 Recipient. In their declarations, Plaintiff and Class Counsel shall
17 aver whether they are aware of any other pending matter or action
18 asserting claims that will be extinguished or adversely affected by
19 the Settlement.

20 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are
21 jointly responsible for expeditiously finalizing and filing the Motion
22 for Preliminary Approval no later than ~~thirty~~ (30) days after the
23 full execution of this Agreement; obtaining a prompt hearing date
24 for the Motion for Preliminary Approval; and appearing in Court to
25 advocate in favor of the Motion for Preliminary Approval. Class
26 Counsel is responsible for delivering the Court's Preliminary

Approval to the Administrator.

6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together by meeting in person or by telephone and in good faith to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

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

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

7.3 Qualified Settlement Fund. The Administrator shall establish a

1 settlement fund that meets the requirements of a Qualified
2 Settlement Fund under US Treasury Regulation section 468B-1.

3 7.4 Notice to Class Members.

4 7.4.1 Not later than ~~15~~fourteen (14) days after the Court
5 grants Preliminary Approval, ~~XYZ~~AEI will deliver the Class
6 Data to the Administrator, in the form of a Microsoft Excel
7 spreadsheet. To protect Class Members' privacy rights, the
8 Administrator must maintain the Class Data in confidence,
9 use the Class Data only for purposes of this Settlement and
10 for no other purpose, and restrict access to the Class Data to
11 Administrator employees who need access to effect and
12 perform under this Agreement. ~~XYZ~~AEI has a continuing
13 duty to immediately notify Class Counsel if it discovers that
14 the Class Data omitted Class Member identifying information
15 and to provide corrected or updated Class Data as soon as
16 reasonably feasible. Without any extension of the deadline by
17 which ~~XYZ~~AEI must send the Class Data to the
18 Administrator, the Parties and their counsel will
19 expeditiously use best efforts, in good faith, to reconstruct or
20 otherwise resolve any issues related to missing or omitted
21 Class Data. No later than three (3) business days after receipt
22 of the Class Data, the Administrator shall notify Class
23 Counsel that the ~~list~~Class Data has been received ~~and state~~
24 ~~the number of Class Members, Aggrieved Employees,~~
25 ~~Workweeks and PAGA Pay Periods in the Class Data.~~

26 7.4.2 Using best efforts to perform as soon as possible, and in no

1 event later than ~~f~~fourteen (14) days after receiving the Class
2 Data, the Administrator will send to all Class Members
3 identified in the Class Data, via first-class USPS mail, the
4 Class Notice ~~{with Spanish translation, if applicable}~~
5 substantially in the form attached to this Agreement as
6 Exhibit "A". The first page of the Class Notice shall
7 prominently estimate the dollar amounts of any Individual
8 Class Payment and Individual PAGA Payment (if applicable)
9 payable to the Class Member, and the number of ~~Workweeks~~
10 ~~and PAGA Pay Periods~~ Tutoring Sessions during the Class
11 Period, and (if applicable) the number of Tutoring Sessions
12 during the PAGA Period which were used to calculate these
13 amounts. Before mailing Class Notices, the Administrator
14 shall update Class Member addresses using the National
15 Change of Address database.

16 7.4.3 Not later than ~~f~~three (3) business days after the
17 Administrator's receipt of any Class Notice returned by the
18 USPS as undelivered, the Administrator shall re-mail the
19 Class Notice using any forwarding address provided by the
20 USPS. If the USPS does not provide a forwarding address, the
21 Administrator shall conduct a Class Member Address Search
22 and re-mail the Class Notice to the most current address
23 obtained. The Administrator has no obligation to make
24 further attempts to locate or send Class Notice to Class
25 Members whose Class Notice is returned by the USPS a
26 second time.

1 7.4.4 The deadline for Class Members' written objections,
2 challenges to ~~Workweeks~~reported numbers of Tutoring
3 Sessions, and Requests for Exclusion will be extended for
4 Class Members whose notices are re-mailed. Class Members
5 to whom Class Notices are resent after having been returned
6 undeliverable to the Administrator shall have their deadline
7 extended an additional ~~f~~fourteen (14) calendar days beyond
8 the Response Deadline. The Administrator will inform the
9 Class Member of the extended deadline with the re-mailed
10 Class Notice.

11 7.4.5 If the Administrator, ~~XYZ~~AEI or Class Counsel is contacted
12 by or otherwise discovers any persons who believe they should
13 have been included in the Class Data and should have
14 received Class Notice, the Parties will expeditiously meet and
15 confer in person or by telephone, and in good faith, in an effort
16 to agree on whether to include them as Class Members and if
17 so at what additional cost to AEI. If the Parties agree, such
18 persons will be Class Members entitled to the same rights as
19 other Class Members, and the Administrator will send, via
20 email or overnight delivery, a Class Notice requiring them to
21 exercise options under this Agreement not later than
22 ~~f~~fourteen (14) days after receipt of Class Notice, or the
23 deadline dates in the Class Notice, which ever are later.

24 7.5 Requests for Exclusion (Opt-Outs).

25 7.5.1 Class Members who wish to exclude themselves from (opt-out
26 of) the Class Settlement must send the Administrator, by fax,

1 email, or mail, a signed written Request for Exclusion not
2 later than the Response Deadline. A Request for Exclusion is
3 a letter from a Class Member or the Class Member's
4 representative that reasonably communicates the Class
5 Member's election to be excluded from the Settlement and
6 includes the Class Member's name, address and email
7 address or telephone number. To be valid, a Request for
8 Exclusion must be timely faxed, emailed, or postmarked by
9 the Response Deadline.

10 7.5.2 The Administrator may not reject a Request for Exclusion as
11 invalid because it fails to contain all the information specified
12 in the Class Notice. The Administrator shall accept any
13 Request for Exclusion as valid if the Administrator can
14 reasonably ascertain the identity of the person as a Class
15 Member and the Class Member's desire to be excluded. The
16 Administrator's determination shall be final and not
17 appealable or otherwise susceptible to challenge. If the
18 Administrator has reason to question the authenticity of a
19 Request for Exclusion, the Administrator may demand
20 additional proof of the Class Member's identity. The
21 Administrator's determination of authenticity shall be final
22 and not appealable or otherwise susceptible to challenge.

23 7.5.3 Every Class Member who does not submit a timely and valid
24 Request for Exclusion is deemed to be a Participating Class
25 Member, entitled to all benefits and bound by all terms and
26 conditions of the Settlement, including the Participating Class

Members' Release under Paragraph 5.2 of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

7.5.4 Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of WorkweeksTutoring Sessions. Each Class Member shall have until the Response Deadline to challenge the number of WorkweeksTutoring Sessions allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges to the number of WorkweeksTutoring Sessions. In the absence of any contrary documentation, the Administrator is entitled to presume that the WorkweeksTutoring Sessions contained in the Class Notice are correct if they are consistent with the Class Data. The Administrator's determination of allocations of WorkweeksTutoring

Sessions is final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide to Defense Counsel and Class Counsel copies of all challenges to calculation of ~~Workweeks~~Tutoring Sessions and the Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and this Agreement, including contesting the fairness of the Settlement and the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administration Expenses Payment, and Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email or mail no later than the Response Deadline. Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present oral objections at the Final Approval Hearing.

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform all tasks to be performed by the Administrator set forth in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain, and use a website to post information of interest to Class Members including the

1 date, time and location for the Final Approval Hearing and
2 copies of the Agreement, Motion for Preliminary Approval, the
3 Preliminary Approval, the Class Notice, the Motion for Final
4 Approval, the Final Approval, and the Judgment. The
5 Administrator will also maintain and monitor an email
6 address and a toll-free telephone number to receive Class
7 Member calls, faxes and emails.

8 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The
9 Administrator will promptly review on a rolling basis
10 Requests for Exclusion to ascertain their validity. Not later
11 than five (5) days after the expiration of the deadline for
12 submitting Requests for Exclusion, the Administrator shall
13 email a list to Class Counsel and Defense Counsel containing
14 (a) the names and other identifying information of Class
15 Members who have timely submitted valid Requests for
16 Exclusion (**“Exclusion List”**); (b) the names and other
17 identifying information of Class Members who have
18 submitted invalid Requests for Exclusion; and (c) copies of all
19 Requests for Exclusion submitted (whether valid or invalid).

20 7.8.3 Weekly Reports. The Administrator must, on a weekly basis,
21 provide written reports to Class Counsel and Defense Counsel
22 that, among other things, tally the number of: Class Notices
23 mailed or re-mailed, Class Notices returned undelivered,
24 Requests for Exclusion (whether valid or invalid) received,
25 objections received, challenges to Workweeks Tutoring
26 Sessions received and/or resolved, and checks mailed for

1 Individual Class Payments and Individual PAGA Payments
2 (“**Weekly Report**”). The Weekly Reports must include the
3 Administrator’s assessment of the validity of Requests for
4 Exclusion and attach copies of all Requests for Exclusion and
5 objections received.

6 7.8.4 Administrator’s Declaration. Not later than ~~f~~fourteen (14~~f~~)
7 days before the date by which Plaintiff is required to file the
8 Motion for Final Approval of the Settlement, the
9 Administrator will provide to Class Counsel and Defense
10 Counsel, a signed declaration suitable for filing in Court
11 attesting to its due diligence and compliance with all of its
12 obligations under this Agreement, including, but not limited
13 to, its mailing of Class Notice, the Class Notices returned as
14 undelivered, the re-mailing of Class Notices, attempts to
15 locate Class Members, the total number of Requests for
16 Exclusion it received (both valid or invalid), and the number
17 of written objections. The declaration shall attach the
18 Exclusion List. The Administrator will supplement its
19 declaration as needed or requested by the Parties and/or the
20 Court. Class Counsel is responsible for filing the
21 Administrator’s declaration(s) in Court.

22 7.8.5 Final Report by Settlement Administrator. Within ~~f~~ten (10~~f~~)
23 days after the Administrator disburses all funds in the Gross
24 Settlement Amount, the Administrator will provide Class
25 Counsel and Defense Counsel with a final report detailing its
26 disbursements by employee identification number only of all

1 payments made under this Agreement. At least ~~f~~fourteen
2 ~~(15)~~4 days before any deadline set by the Court, the
3 Administrator will prepare, and submit to Class Counsel and
4 Defense Counsel, a signed declaration suitable for filing in
5 Court attesting to its disbursement of all payments required
6 under this Agreement. Class Counsel is responsible for filing
7 the Administrator's declaration in Court.

8 **8. ~~XYZ~~SAEI'S RIGHT TO WITHDRAW.**—

9 If the number of valid Requests for Exclusion identified in the Exclusion
10 List exceeds ~~%fifteen percent (15%)~~ of the total of all Class Members, ~~XYZ~~AEI
11 may, but is not obligated, elect to withdraw from the Settlement. The Parties
12 agree that, if ~~XYZ~~AEI withdraws, the Settlement shall be void *ab initio* and have
13 no force or effect whatsoever, and neither Party will have any further obligation
14 to perform under this Agreement; provided, however, ~~XYZ~~AEI will remain
15 responsible for paying all Settlement Administration Expenses incurred to that
16 point. ~~XYZ~~AEI must notify Class Counsel and the Court of its election to
17 withdraw not later than ~~[seven]~~(7) days after the Administrator sends the final
18 Exclusion List to Defense Counsel; late elections will have no effect.

19
20 **9. MOTION FOR FINAL APPROVAL.**—

21 Not later than ~~f~~sixteen ~~(16)~~ court days before the calendared Final
22 Approval Hearing, Plaintiff will file in Court, a motion for final approval that
23 includes a request for approval of the PAGA settlement under Labor Code
24 section 2699, subdivision (l), a proposed Final Approval Order and a proposed
25 Judgment (**collectively “Motion for Final Approval”**). Plaintiff shall provide
26 drafts of these documents to Defense Counsel not later than ~~[seven]~~(7) days

1 before filing the Motion for Final Approval. Class Counsel and Defense Counsel
2 will expeditiously meet and confer in person or by telephone, and in good faith,
3 to resolve any disagreements concerning the Motion for Final Approval.

4 9.1 Response to Objections. Each Party retains the right to respond to
5 any objection raised by a Participating Class Member, including the
6 right to file responsive documents in Court no later than ~~five~~ (5)
7 court days before the Final Approval Hearing, or as otherwise
8 ordered or accepted by the Court.

9 9.2 Duty to Cooperate. If the Court does not grant Final Approval or
10 conditions Final Approval on any material change to the Settlement
11 (including, but not limited to, the scope of release to be granted by
12 Class Members), the Parties will expeditiously work together in
13 good faith to address the Court's concerns by revising the
14 Agreement as necessary to obtain Final Approval. The Court's
15 decision to award less than the amounts requested for the Class
16 Representative Service Payment, Class Counsel Fees Payment,
17 Class Counsel Litigation Expenses Payment or Administration
18 Expenses Payment shall not constitute a material modification to
19 the Agreement within the meaning of this paragraph.

20 9.3 Continuing Jurisdiction of the Court. The Parties agree that, after
21 entry of Judgment, the Court will retain jurisdiction over the
22 Parties, Action, and the Settlement solely for purposes of (i)
23 enforcing this Agreement or Judgment, (ii) addressing settlement
24 administration matters and (iii) addressing such post-Judgment
25 matters as are permitted by law.

26 9.4 Waiver of Right to Appeal. Provided the Judgment is consistent

1 with the terms and conditions of this Agreement, specifically
2 including the Class Counsel Fees Payment and Class Counsel
3 Litigation Expenses Payment, the Parties, their respective counsel
4 and all Participating Class Members who did not object to the
5 Settlement, waive all rights to appeal from the Judgment, including
6 all rights to post-judgment and appellate proceedings, the right to
7 file motions to vacate judgment, motions for new trial, extraordinary
8 writs and appeals. The waiver of appeal does not include any waiver
9 of the right to oppose such motions, writs or appeals. If an objector
10 appeals the Judgment, the Parties' obligations to perform under this
11 Agreement will be suspended until such time as the appeal is finally
12 resolved and the Judgment becomes final, except as to matters that
13 do not affect the Net Settlement Amount.

14 9.5 Appellate Court Orders to Vacate, Reverse or Materially Modify
15 Judgment. If the appellate court vacates, reverses or modifies the
16 Judgment in a manner that requires a material modification of this
17 Agreement (including, but not limited to, the scope of release to be
18 granted by Class Members), this Agreement shall be null and void.
19 The Parties shall nevertheless expeditiously work together in good
20 faith to address the appellate court's concerns and to obtain Final
21 Approval and entry of Judgment, sharing, on a 50-50 basis, any
22 additional administration expenses reasonably incurred after
23 remittitur. An appellate decision to vacate, reverse or modify the
24 Court's award of the Class Representative Service Payment or any
25 payments to Class Counsel shall not constitute a material
26 modification of the Judgment within the meaning of this paragraph,

as long as the Gross Settlement Amount remains unchanged.

10. AMENDED JUDGMENT.

If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

11. ADDITIONAL PROVISIONS.

11.1 No Admission of Liability. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by XYZAEI that any of the allegations in the Operative Complaint have merit or that XYZAEI has any liability for any claims asserted; nor is it intended or should be construed as an admission by Plaintiff that XYZ'sAEI's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If for any reason the Court does not grant Preliminary Approval, grant Final Approval, or enter Judgment, XYZAEI reserves the right to contest certification of any class for any reason, XYZAEI reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest XYZ'sAEI's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this

Agreement).

11.2 Confidentiality Before Preliminary Approval. Plaintiff, Class Counsel, XYZAEI and Defense Counsel separately agree that, until the Motion for Preliminary Approval is filed, they and each of them will not disclose, disseminate, publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency or other entity except: (1) to the Parties' attorneys, accountants or spouses, all of whom will be instructed to keep this Agreement confidential; (2) to counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, XYZAEI and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3 No Solicitation. The Parties separately agree that they and their

1 respective counsel and employees will not solicit any Class Member
2 to opt out of or object to the Settlement or appeal from the
3 Judgment. Nothing in this paragraph shall be construed to restrict
4 Class Counsel's ability to communicate with Class Members in
5 accordance with Class Counsel's ethical obligations owed to Class
6 Members.

7 11.4 Integrated Agreement. Upon execution by all Parties and their
8 counsel, this Agreement together with its attached exhibits shall
9 constitute the entire agreement between the Parties relating to the
10 Settlement, superseding any and all oral representations,
11 warranties, covenants or inducements made to or by any Party.

12 11.5- Attorney Authorization. Class Counsel and Defense Counsel
13 separately warrant and represent that they are authorized by
14 Plaintiff and ~~XYZ~~AEI, respectively, to take all appropriate action
15 required or permitted to be taken by such Parties pursuant to this
16 Agreement to effectuate its terms, and to execute any other
17 documents reasonably required to effectuate the terms of this
18 Agreement including any amendments to this Agreement.

19 11.6 Cooperation. The Parties and their counsel will cooperate with each
20 other and use their best efforts in good faith to implement the
21 Settlement by, among other things, modifying the Settlement
22 Agreement and submitting supplemental evidence and
23 supplementing points and authorities as requested by the Court. In
24 the event the Parties are unable to agree upon the form or content
25 of any document necessary to implement the Settlement, or on any
26 modification of the Agreement that may become necessary to

1 implement the Settlement, the Parties will seek the assistance of a
2 mediator or the Court for resolution.

3 11.7 No Prior Assignments. The Parties separately represent and
4 warrant that they have not directly or indirectly assigned,
5 transferred, encumbered or purported to assign, transfer or
6 encumber to any person or entity any portion of any liability, claim,
7 demand, action, cause of action or right released and discharged by
8 the Party in this Settlement.

9 11.8 No Tax Advice. Neither Plaintiff, Class Counsel, XYZAEI nor
10 Defense Counsel are providing any advice regarding taxes or
11 taxability, nor shall anything in this Settlement be relied upon as
12 such within the meaning of United States Treasury Department
13 Circular 230 (31 CFR Part 10, as amended) or otherwise.

14 11.9 Modification of Agreement. This Agreement, and all parts of it, may
15 be amended, modified, changed or waived only by an express
16 written instrument signed by all Parties or their representatives
17 and approved by the Court.

18 11.10 Agreement Binding on Successors. This Agreement will be binding
19 upon, and inure to the benefit of, the successors of each of the
20 Parties.

21 11.11 Applicable Law. All terms and conditions of this Agreement and its
22 exhibits will be governed by and interpreted according to the laws
23 of the State of California, without regard to conflict of law
24 principles.

25 11.12 Cooperation in Drafting. The Parties have cooperated in drafting
26 and preparing this Agreement. This Agreement will not be

1 construed against any Party on the basis that the Party was the
2 drafter or participated in the drafting.

3 11.13 Confidentiality. To the extent permitted by law, all agreements
4 made and orders entered during the Action and in this Agreement
5 relating to the confidentiality of information shall survive the
6 execution of this Agreement.

7 11.14 Use and Return of Class Data. Information provided to Class
8 Counsel pursuant to Evidence Code section 1152, and all copies and
9 summaries of the Class Data provided to Class Counsel by XYZAEI
10 in connection with the mediation, other settlement negotiations, or
11 the Settlement, may be used only with respect to this Settlement
12 and for no other purpose, and may not be used in any way that
13 violates any existing contractual agreement, statute or the
14 California Rules of Court. Not later than ninety (90) days after the
15 date when the Court discharges the Administrator's obligation to
16 provide a declaration confirming the final pay out of all Settlement
17 funds, Plaintiff shall destroy all paper and electronic versions of
18 Class Data received from XYZAEI unless, before the Court's
19 discharge of the Administrator's obligation, XYZAEI makes a
20 written request to Class Counsel for the return, rather than the
21 destruction, of Class Data.

22 11.15 Headings. The descriptive heading of any section or paragraph of
23 this Agreement is inserted for convenience of reference only and
24 does not constitute a part of this Agreement.

25 11.16 Calendar Days. Unless otherwise noted, all references to "days" in
26 this Agreement shall be to calendar days. In the event any date or

1 deadline set forth in this Agreement falls on a weekend or federal
2 legal holiday, such date or deadline shall be on the first business
3 day thereafter.

4 11.17 Notice. All notices, demands or other communications between the
5 Parties in connection with this Agreement will be in writing and
6 deemed to have been duly given as of the third business day after
7 mailing by United States mail, or the day sent by email or
8 messenger, addressed as follows:

9
10 **To Plaintiff:**

11 Mr. Paul Reeb
12 c/o David J. Gallo, Esq.
13 Law Offices of David J. Gallo
14 12702 Via Cortina, Suite 500
15 Del Mar, California 92014

16 **To AEI:**

17 Air Education, Inc.
18 Sophia B. Collins, Esq.
19 Little Mendelson, P.C.
20 Treat Towers
21 1255 Treat Boulevard, Suite 600
22 Walnut Creek, California 94597

23 11.18 Execution in Counterparts. This Agreement may be executed in one
24 or more counterparts by facsimile, electronically (i.e., DocuSign), or
25 email which for purposes of this Agreement shall be accepted as an
26 original. All executed counterparts and each of them will be deemed
27 to be one and the same instrument if counsel for the Parties will
28 exchange between themselves signed counterparts. Any executed
counterpart will be admissible in evidence to prove the existence
and contents of this Agreement.

1 11.19 Stay of Litigation. The Parties agree that upon the execution of this
2 Agreement the litigation shall be stayed, except to effectuate the
3 terms of this Agreement. The Parties further agree that upon the
4 signing of this Agreement that pursuant to Code of Civil Procedure
5 section 583.330 to extend the date to bring a case to trial under
6 Code of Civil Procedure section 583.310 for the entire period of this
7 settlement process.

8
9 IN WITNESS WHEREOF, the parties hereto have executed this
10 Settlement Agreement on the dates indicated below:

11
12 PAUL REEB, individually and as proposed
13 Class Representative:

14 Dated: July 2026

15 By: Paul Reeb

16 * * * * * * * * * *

17 AIR EDUCATION, INC., a Delaware
18 corporation:

19
20 Dated: July 2026

21 By:

22 as its

23
24
25
26
27 CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND
28 CLASS NOTICE – PAGE 43

1 APPROVED AS TO FORM AND CONTENT:

2 DAVID J. GALLO
3 LAW OFFICES OF DAVID J. GALLO
4 12702 VIA CORTINA, SUITE 500
5 DEL MAR, CALIFORNIA 92014-3769
6 Telephone: (858) 509-3652

7 By: David J. Gallo,
8 California Bar No. 127722
9 proposed Class Counsel

10 SOPHIA B. COLLINS
11 LITTLER MENDELSON, P.C.
12 TREAT TOWERS
13 1255 TREAT BOULEVARD, SUITE 600
14 WALNUT CREEK, CALIFORNIA 94597
15 Telephone: (925) 932-2468

16 By: Sophia B. Collins,
17 California Bar No. 289318
18 Attorneys for Defendant,
19 AIR EDUCATION, INC.

20
21
22
23
24
25
26 [REDLINE OF SETTLEMENT AGREEMENT.wpd]

27 CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND
28 CLASS NOTICE – PAGE 44

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN FRANCISCO

PAUL REEB, individually and on
behalf of others similarly
situated,

Plaintiff,

v.

AIR EDUCATION, INC., a
Delaware corporation, and
DOES 1 through 50,

Defendants.

Case Number:

CGC-25-630919

CLASS ACTION
(Plaintiff Class,
Cal.Code Civ.Proc., § 382)

NOTICE OF PENDENCY OF
ACTION, PROPOSED
SETTLEMENT, AND FINAL
FAIRNESS HEARING

ACTION FILED:

03 NOVEMBER 2025

TRIAL DATE:

Not set.

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL

[_____]

The Superior Court for the State of California authorized this
Notice. Read it carefully! It's not junk mail, spam, an advertisement or
solicitation by a lawyer. You are not being sued.

NOTICE OF PENDENCY OF ACTION, PROPOSED SETTLEMENT, AND
FINAL FAIRNESS HEARING – PAGE 2

Exhibit Page 048

Exhibit Page 048

1 You may be eligible to receive money from ~~an employee~~a class action
2 lawsuit (the “Action”) against _____ [~~abbreviate name~~; “XYZ” is
3 ~~used herein~~Air Education, Inc. (“AEI”), which you may know as a
4 ~~placeholder~~“Air Reading”, for alleged wage and hour violations. The Action was
5 filed by a [~~former~~] ~~XYZ employee~~ _____ Tutor, Mr. Paul Reeb
6 (“Plaintiff”) and seeks payment of (1) back wages [~~and other relief~~] for a class of
7 [~~e.g., hourly~~] ~~employees~~people who worked as Air Reading Tutors (“Class
8 Members”) ~~who worked for XYZ~~ during the Class Period _____ 03
9 November 2021 to _____ 17 August 2026; and (2) penalties under
10 the California Private Attorney General Act (“PAGA”) for all [~~e.g., hourly~~]
11 ~~employees~~Tutors who ~~worked for XYZ~~conducted any Tutoring Sessions during
12 the PAGA Period (_____ 13 March 2025 to _____ 17
13 August 2026) (“Aggrieved ~~Employees~~”Tutors”).

14 The proposed settlement has two main parts: (1) a class settlement
15 requiring ~~XYZ~~AEI to fund individual class payments, and (2) a PAGA settlement
16 requiring ~~XYZ~~AEI to fund individual PAGA payments and pay penalties to the
17 California Labor and Workforce Development Agency (“LWDA”).

18 Based on ~~XYZ’s~~AEI’s records, and the parties’ current assumptions, your
19 individual class payment is estimated to be \$ _____ ~~(less withholding)~~
20 and your individual PAGA payment is estimated to be \$ _____.
21 The actual amount you may receive likely will be different and will depend on a
22 number of factors. (If no amount is stated for your individual PAGA payment,
23 then according to ~~XYZ’s~~AEI’s records you are not eligible for an individual PAGA
24 payment under the settlement because you didn’t ~~work~~conduct any Tutoring
25 Sessions during the PAGA Period [i.e., after 13 March 2025].)

26 The above estimates are based on ~~XYZ’s~~AEI’s records showing that you
27 ~~worked~~conducted _____ ~~workweeks~~Tutoring Sessions during the
28

1 Class Period and you ~~worked~~conducted _____ ~~workweeks~~
2 Tutoring Sessions during the PAGA Period (i.e., after 13 March 2025). If you
3 believe that ~~you worked more workweeks during~~either of the ~~Class Period~~se
4 numbers is inaccurate, you can submit a challenge by the deadline date. See
5 Section IV of this Notice.

6 The Court has already preliminarily approved the proposed settlement and
7 approved this ~~n~~Notice. The Court has not yet decided whether to grant final
8 approval. Your legal rights are affected whether you act or not~~act~~. Read this
9 ~~n~~Notice carefully. You will be deemed to have carefully read and understood it.
10 At the final approval hearing, the Court will decide whether to finally approve
11 the settlement and how much of the settlement will be paid to Plaintiff and
12 Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to
13 enter a judgment that requires ~~XYZ~~AEI to make payments under the settlement
14 and requires Class Members and Aggrieved ~~Employees~~Tutors to give up their
15 rights to assert certain claims against ~~XYZ~~AEI.

16 If you ~~worked for XYZ~~were signed up as an Air Reading Tutor during the
17 Class ~~Period and/or the PAGA~~ Period, you have two basic options under the
18 settlement:

19 (1) **Do Nothing.** You don't have to do anything to participate in the
20 proposed settlement and be eligible for an individual class payment and/or an
21 individual PAGA payment. As a participating class member, though, you will give
22 up your right to assert Class Period wage claims against ~~XYZ~~AEI.

23 (2) **Opt-Out of the Class Settlement.** You can exclude yourself from
24 the class settlement (opt-out) by submitting the written request for exclusion or
25 otherwise notifying the Administrator in writing. If you opt-out of the settlement,
26 you will not receive an individual class payment. You will, however, preserve
27 your right to personally pursue Class Period wage claims against ~~XYZ~~AEI, and,
28

1 if you are an Aggrieved EmployeeTutor, remain eligible for an individual PAGA
2 payment. You cannot opt-out of the PAGA portion of the proposed settlement.

3 XYZAEI will not retaliate against you for any actions you
4 take with respect to the proposed settlement.

5
6
7 **SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN**
8 **THIS SETTLEMENT**
9

10 You Don't Have to 11 Do Anything to 12 Participate in the 13 Settlement	If you do nothing, you will be a Participating Class Member, eligible for an individual class payment and an individual PAGA payment (if any). In exchange, you will give up your right to assert the wage claims against <u>XYZAEI</u> that are covered by this settlement ("Released Claims").
---	---

You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is	If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Administrator a written request for exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an individual class payment. Non-Participating Class Members cannot object to any portion of the proposed settlement. See Section VI of this nNotice. You cannot opt-out of the PAGA portion of the proposed settlement. XYZAEI must pay individual PAGA payments to all Aggrieved EmployeesTutors, and the Aggrieved EmployeesTutors must give up their rights to pursue Released Claims (defined below).
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Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed settlement. The Court’s decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this rNotice.
You Can Participate in the _____ Final Approval Hearing	The Court’s final approval hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the settlement at the final approval hearing. See Section VIII of this rNotice.

You Can Challenge the Calculation of Your Workweeks/Pay Periods Tutoring Sessions Written Challenges Must be Submitted by _____	The amount of your individual class payment and individual PAGA payment (if any) depend on how many ~~workweeks~~ <u>Tutoring Sessions</u> you ~~worked at least one day~~ <u>conducted</u> during the Class Period and how ~~many pay periods~~ <u>Tutoring Sessions</u> you ~~worked at least one day~~ <u>conducted</u> during the PAGA Period, respectively. The ~~number of Class Period workweeks and number of PAGA Period pay periods you worked according to XYZ's~~ <u>numbers of Tutoring Sessions you conducted during these periods according to AEI's</u> records is stated on the first page of this ~~n~~ <u>Notice</u>. If you disagree with the ~~number of Class Period workweeks,~~ <u>either or both of these numbers,</u> you must challenge it by _____. See Section IV of this ~~n~~ <u>Notice</u>.
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I. WHAT IS THE ACTION ABOUT?

~~Plaintiff is a [former] XYZ employee. The Action accuses XYZ of violating California labor laws by failing to pay [e.g., overtime wages, minimum wages, wages due upon termination and reimbursable expenses] and failing to provide [e.g., meal periods, rest breaks and accurate itemized~~ A former Tutor, Mr. Paul Reeb, filed the Action against AEI. Mr. Reeb claims that the California Tutors should be treated as employees instead of independent contractors. AEI disputes these claims and contends all of its Tutors were properly treated as independent contractors.

All of Mr. Reeb's claims are wholly dependent upon his legal theory that the California Tutors should be treated as employees (which, as stated above, is

1 disputed by AEI).

2 Mr. Reeb claims that the Tutors were not paid at least the minimum wage
3 for all the time they worked in relation to Tutoring Sessions; that they were
4 entitled to receive “split shift premiums” when they conducted more than one
5 Tutoring Session in a day with idle time between; that they were also entitled to
6 receive “reporting time pay” (an extra hour of pay) on such days; that they should
7 have received wage statements]. ~~Based on the same claims, Plaintiff has also~~
8 ~~asserted a claim for~~ (i.e., pay stubs); that they should have received
9 reimbursement for use of their own computers and internet connection; and that
10 Tutors who are no longer under contract and active should receive thirty (30)
11 times one day’s pay as “waiting time pay” (i.e., penalty for not paying all wages
12 due upon conclusion of employment). Mr. Reeb also alleges that AEI willfully
13 misclassified the Tutors as independent contractors instead of as employees. AEI
14 disputes all these claims, which would all fail if a court were to find that the
15 Tutors are properly treated as independent contractors. Mr. Reeb seeks to
16 represent a class of Tutors, and he seeks to recover unpaid wages and many types
17 of penalties for the Tutors. He also seeks to recover civil penalties ~~under on~~
18 ~~behalf of~~ the California ~~Private Attorneys General Act (Lab. Code, § 2698, et~~
19 ~~seq.). Plaintiff is represented by attorneys in the Action:~~
20 ~~_____~~ Labor and Workforce Development
21 Agency.

22 AEI has asserted that these claims have no legal or factual support
23 whatsoever.

24

25 **II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?**

26 So far the Court has made no determination whether ~~XYZ~~ AEI or Plaintiff
27 is correct on the merits. In the meantime, Plaintiff and ~~XYZ hired [an~~

1 ~~experienced, neutral mediator/a retired judge/~~
2 ~~_____]~~ AEI attended a mediation before an experienced
3 retired judge, the Hon. Wynne S. Carvill (Ret.), in an effort to resolve the Action
4 by negotiating an agreement ~~(to settle the case)~~ rather than continuing the
5 expensive and time-consuming process of litigation. The ~~negotiations were~~
6 ~~successful.~~ parties ultimately agreed to settle on the terms that had been
7 discussed (but not finalized) at the mediation. By signing a settlement
8 agreement and agreeing to ask the Court to enter a judgment ending the Action,
9 Plaintiff and ~~XYZ~~ AEI have negotiated a proposed settlement that is subject to the
10 Court's final approval. Both sides agree the proposed settlement is a compromise
11 of disputed claims. By agreeing to settle, ~~XYZ~~ AEI does not admit any violations
12 or concede the merit of any claims. Plaintiff and Class Counsel strongly believe
13 the settlement is a good deal for you because they believe that: (1) ~~XYZ~~ AEI has
14 agreed to pay a fair, reasonable and adequate amount considering the strength
15 of the claims and the risks and uncertainties of continued litigation; and (2)
16 settlement is in the best interests of the Class Members. The Court preliminarily
17 approved the proposed settlement as fair, reasonable and adequate, authorized
18 this Notice, and scheduled a hearing to determine final approval.

19 20 **III. WHAT ARE THE IMPORTANT TERMS OF PROPOSED** 21 **SETTLEMENT?**

- 22 1. ~~XYZ~~ AEI Will Pay \$~~_____~~ \$930,000.00 (plus costs of
23 administration but only to the extent they may exceed \$6,568.00) as
24 the Gross Settlement Amount ("Gross Settlement"). ~~XYZ~~ AEI has
25 agreed to deposit the Gross Settlement into an account controlled by
26 the Administrator of the settlement. The Administrator will use the
27 Gross Settlement to pay the individual class payments, individual
28

1 PAGA payments, a class representative service payment, Class
2 Counsel's attorneys' fees and expenses, the Administrator's expenses,
3 and penalties to be paid to the LWDA. Assuming the Court grants
4 final approval, ~~XYZ~~AEI will fund the Gross Settlement not more
5 than ~~14~~twenty-one (21) days after the judgment entered by the
6 Court becomes final. The judgment will be final on the date the
7 Court enters judgment, or a later date if Participating Class
8 Members object to the proposed settlement or the judgment is
9 appealed.

10 2. Court Approved Deductions from Gross Settlement. At the final
11 approval hearing, Class Counsel will ask the Court to approve the
12 following deductions from the Gross Settlement, the amounts of
13 which will be decided by the Court:

14 A. Up to \$ ~~_____~~ \$310,000.00 [~~___~~%33-1/3% of the Gross
15 Settlement] to Class Counsel for attorneys' fees and up to
16 \$ ~~_____~~ \$12,000.00 for their litigation expenses. To date,
17 Class Counsel have worked and incurred expenses on the
18 Action without payment.

19 B. Up to \$ ~~_____~~ \$10,000.00 to Plaintiff as a class
20 representative award for filing the Action, working with Class
21 Counsel and representing the Class, and for assuming all risks
22 arising from his representation of the Class. A class
23 representative award will be the only monies Plaintiff will
24 receive from this settlement other than Plaintiff's individual
25 class payment and any individual PAGA payment.

26 C. Up to \$ ~~_____~~ \$6,568.00 to the Administrator for
27 services administering the settlement.

1 D. Up to \$ \$35,000.00 for PAGA penalties,
2 allocated [75%/65%]\$22,750.00 (i.e., 65%) to the LWDA and
3 [25%/35%]\$12,250.00 (i.e., 35%) to individual PAGA payments
4 to Aggrieved EmployeesTutors based on their pay
5 periodsnumber of Tutoring Sessions conducted during the
6 PAGA Period.

7 Participating Class Members have the right to object to any of these
8 deductions except the PAGA penalties. The Court will consider all
9 objections.

10 3. Net Settlement Distributed to Class Members. After making the
11 above deductions in amounts approved by the Court, the
12 Administrator will distribute the rest of the Gross Settlement (the
13 “Net Settlement”) by making individual class payments to as follows:

14 i. The amount allocated to the Individual PAGA Payments will
15 be allocated among and distributed to the Aggrieved Purported
16 Employees according to the ratio: (number of Tutoring
17 Sessions conducted by the Aggrieved Tutor during the PAGA
18 Period) divided by (total number of Tutoring Sessions
19 conducted by all Aggrieved Tutors worked during the PAGA
20 Period);

21 ii. There shall be a per capita payment (the “Base Payment”) of
22 Three Hundred Dollars (\$300.00) to each Participating Class
23 Members based on their Class Period workweeks.

24 4. Taxes Owed on Payments to Class Members. Plaintiff and XYZ are
25 asking the Court to approve an allocation of ____ % of each
26 individual class payment to taxable wages (“Wage Portion”) and ____
27 % to [e.g., interest, etc.] (“Non-Wage Portion”). The Wage Portion is
28

1 subject to withholdings and will be reported on IRS W-2 Forms.
2 [~~Option 1: (XYZ will separately pay employer payroll taxes it owes on~~
3 ~~the Wage Portion.)~~] The individual PAGA payments are counted as
4 ~~penalties rather than wages for tax purposes.~~ Member, irrespective
5 of whether he or she has conducted any Tutoring Sessions, and
6 irrespective of whether he or she has resigned, or his or her contract
7 expired without the entry of a new contract;

8 iii. There shall be a per capita payment (the “Section 203
9 Payment”) of Five Hundred Dollars (\$500.00) to each
10 Participating Class Member who has conducted one or more
11 Tutoring Sessions, but has resigned, or whose contract has
12 expired without the entry of a new contract, at any time on or
13 after 03 November 2022;

14 iv. The remainder of the Net Settlement Amount shall be paid out
15 to each Participating Class Member according to the ratio of:
16 (total number of Tutoring Sessions conducted by the particular
17 individual Class Member after 03 November 2021) divided by
18 (total number of Tutoring Sessions conducted by all Class
19 Members after 03 November 2021).

20 4. Tax Reporting. Neither the Court, nor any governmental agency,
21 has ever found that AEI’s classification of its Tutors as independent
22 contractors is incorrect. AEI contends that AEI’s classification of its
23 Tutors as independent contractors is proper. The Administrator will
24 report ~~the individual PAGA~~ all payments ~~and the Non-Wage Portions~~
25 ~~of the individual class payments~~ to relevant taxing authorities on IRS
26 1099 Forms.

27 ~~Although~~ Neither Plaintiff ~~and XYZ have agreed to these~~

1 ~~allocations, neither side~~ nor AEL, is giving you any advice on whether
2 your payments are taxable or how much you might owe in taxes. You
3 are responsible for paying all taxes ~~(including penalties and interest~~
4 ~~on back taxes)~~ on any payments received from the proposed
5 settlement. You should consult a tax advisor if you have any
6 questions about the tax consequences of the proposed settlement.

- 7 5. Need to Promptly Cash Payment Checks. The front of every check
8 issued for individual class payments and individual PAGA payments
9 will show the date when the check expires (the void date). If you
10 don't cash it by the void date, your check will be automatically
11 cancelled, and the monies ~~[will be deposited with the California~~
12 ~~Controller's Unclaimed Property Fund in your name]~~ [will
13 irrevocably be lost to you because they will be paid to a non-profit
14 organization or foundation].

15 ~~[If the monies represented by your check is sent to the Controller's~~
16 ~~Unclaimed Property Fund, you should consult the rules of the fund~~
17 ~~for instructions on how to retrieve your money.]~~

- 18 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You
19 will be treated as a Participating Class Member, participating fully
20 in the class settlement, unless you notify the Administrator in
21 writing, not later than _____, that you wish to opt-out.
22 The easiest way to notify the Administrator is to send a written and
23 signed request for exclusion by the _____ response
24 deadline. The request for exclusion should be a letter from the Class
25 Member or Class Member's representative setting forth the Class
26 Member's name, present address, telephone number, and a simple
27 statement electing to be excluded from the settlement. Class
28

Members who opt out will not receive individual class payments, but will preserve their rights to personally pursue wage and hour claims against ~~XYZ~~AEI.

You cannot opt-out of the PAGA portion of the settlement. Class Members who opt out of the class settlement remain eligible for individual PAGA payments and are required to give up their right to assert PAGA claims against ~~XYZ~~AEI based on the PAGA Period facts alleged in the Action.

7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will not grant final approval of the settlement or not enter a judgment. It is also possible the Court will enter a judgment that is reversed on appeal. Plaintiff and ~~XYZ~~AEI have agreed that, in either case, the settlement will be void, ~~XYZ~~AEI will not pay any money, and Class Members will not release any claims against ~~XYZ~~AEI.

8. Administrator. The Court has appointed ~~_____~~Simpluris, a neutral company, (the “Administrator”) to send this ~~n~~Notice, calculate and make payments, and process Class Members’ requests for exclusion. The Administrator will also decide Class Member challenges over ~~Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the settlement.~~number of Tutoring Sessions conducted during the relevant periods. The Administrator’s contact information is contained in Section IX of this ~~n~~Notice.

9. Participating Class Members’ Release. After the Judgment is final and ~~XYZ~~AEI has fully funded the Gross Settlement ~~[(and separately~~

1 ~~paid all employer payroll taxes)~~, Participating Class Members will
2 be legally barred from asserting any of the claims released under the
3 settlement. This means that unless you opted out by validly
4 excluding yourself from the class settlement, you cannot sue,
5 continue to sue or be part of any other lawsuit against ~~XYZ~~AEI or
6 related entities for wages based on the Class Period facts and PAGA
7 penalties based on PAGA Period facts, as alleged in the Action and
8 resolved by this settlement.

9 The Participating Class Members will be bound by the
10 following release:

11 All Participating Class Members, on behalf of
12 themselves and their respective former and present
13 representatives, agents, attorneys, administrators,
14 successors and assigns, release Released Parties from (i)
15 all claims that were alleged, or reasonably could have
16 been alleged, based on the facts and allegations in the
17 Operative Complaint that are alleged to have occurred
18 during the Class Period ~~[including, e.g., “(a) any and all~~
19 ~~claims involving any alleged failure to pay minimum~~
20 ~~wage; etc.].-~~ for recovery of minimum wage, Labor Code
21 section 1194.2 liquidated damages, split shift payments,
22 reporting time pay, Labor Code section 226 wage
23 statement penalties, Labor Code section 2802
24 indemnifications for expenses, Labor Code section 203
25 waiting time pay, and restitutionary recovery for alleged
26 violations which occurred prior to the commencements
27 of limitations periods for actions at law.
28

1 Except as set forth in Section 5.3 of the Settlement Agreement,
2 Participating Class Members do not release any other claims,
3 including claims for vested benefits, wrongful termination, violation
4 of the Fair Employment and Housing Act, unemployment insurance,
5 disability, social security, workers' compensation, or claims based on
6 events occurring outside the Class Period.

- 7 10. Aggrieved ~~Employees~~Tutors' PAGA Release. After the Court's
8 judgment is final, and ~~XYZ~~AEI has paid the Gross Settlement ~~(and~~
9 ~~separately paid the employer-side payroll taxes)~~, all Aggrieved
10 ~~Employees~~Tutors will be barred from asserting PAGA claims against
11 ~~XYZ~~AEI, whether or not they exclude themselves from the
12 Settlement. This means that all Aggrieved ~~Employees~~Tutors,
13 including those who are Participating Class Members and those who
14 opt-out of the class settlement, cannot sue, continue to sue or
15 participate in any other PAGA claim against ~~XYZ~~AEI or its related
16 entities based on the PAGA Period facts alleged in the Action and
17 resolved by this settlement.

18 The Aggrieved ~~Employees~~Tutors' Release is as follows:

19 All Aggrieved ~~Employees~~Tutors are deemed to release,
20 on behalf of themselves and their respective former and
21 present representatives, agents, attorneys,
22 administrators, successors, and assigns, the Released
23 Parties, from all claims for PAGA penalties that were
24 alleged, or reasonably could have been alleged, based on
25 the facts and allegations in the Operative Complaint
26 that are alleged to have occurred during the PAGA
27 Period and the PAGA Notice ~~including, e.g., (a) any and~~
28

all claims involving any alleged failure to pay minimum wage; etc.].

IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. ~~Individual Class Payments~~Administrator's Calculations. The Administrator will calculate ~~individual class payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.~~

2. ~~Individual PAGA Payments. The Administrator will calculate individual PAGA payments by (a) dividing \$ _____ by,~~
and Individual Class Payments, according to the formula set out at Part III(3) above.

2. Tutoring Session Challenges. The total number of Tutoring Sessions conducted by you after 03 November 2021, and the total number of ~~PAGA Period pay periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee.~~

3. ~~Workweek Challenges. The number of Workweeks you worked during the Class Period, as recorded in XYZ's records~~Tutoring Sessions conducted by you during the PAGA Period, is stated in the first page of this ~~n~~NNotice. You have until _____ to challenge ~~the~~either or both numbers of ~~Workweeks~~Tutoring Sessions credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section IX of this ~~n~~NNotice has the Administrator's contact information.

1 You need to support your challenge by sending ~~copies of pay~~
2 ~~stubs~~scheduling confirmations or other records. The Administrator
3 will accept ~~XYZ's calculation of Workweeks based on XYZ's~~AEI's
4 calculations of the total number of Tutoring Sessions conducted by
5 you after 03 November 2021, and during the PAGA Period, based on
6 AEI's records as accurate unless you send copies of records
7 containing contrary information. You should send copies rather than
8 originals because the documents will not be returned to you. The
9 Administrator will resolve ~~Workweek~~these challenges based on your
10 submission and on input from Class Counsel (who will advocate on
11 behalf of Participating Class Members) and ~~XYZ's~~AEI's Counsel. The
12 Administrator's decision is final. You can't appeal or otherwise
13 challenge its final decision.

14 15 **V. HOW WILL I GET PAID?**

- 16 1. Participating Class Members. The Administrator will send, by U.S.
17 mail, a single check to every Participating Class Member (i.e., every
18 Class Member who doesn't opt-out) including those who also qualify
19 as Aggrieved ~~Employees~~Tutors. The single check will combine the
20 individual class payment and the individual PAGA payment (if any).
- 21 2. Non-Participating Class Members. The Administrator will send, by
22 U.S. mail, a single individual PAGA payment check to every
23 Aggrieved ~~Employee~~Tutor who opts out of the class settlement.
24 **Your check will be sent to the same address as this**
25 **~~n~~NNotice. If you change your address, be sure to notify**
26 **the Administrator as soon as possible. Section IX of this**
27 **~~n~~NNotice has the Administrator's contact information.**

1 **VI. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

2 To opt out of the class action settlement, submit a written and signed letter
3 with your name, present address, telephone number and a simple statement that
4 you do not want to participate in the settlement. The Administrator will exclude
5 you based on any writing communicating your request be excluded. Be sure to
6 personally sign your request, identify the Action as _____ **REEB v.**
7 **AIR EDUCATION**, **and** **Case No. CGC-25-630919**, **and** include your identifying
8 information (full name, address, telephone number, approximate dates of
9 employment and social security number for verification purposes). You must
10 make the request yourself. If someone else makes the request for you, it will not
11 be valid. **You must send your request to be excluded to the Administrator**
12 **by _____, or it will be invalid.** Section IX of the **n**Notice has the
13 Administrator's contact information.

14
15 **VII. HOW DO I OBJECT TO THE SETTLEMENT?**

16 Only Participating Class Members have the right to object to the
17 settlement. Before deciding whether to object, you may wish to see what Plaintiff
18 and **XYZAEI** are asking the Court to approve. At least ____ days before the
19 _____ final approval hearing, Class Counsel and/or Plaintiff will file
20 in Court a Motion for Final Approval that includes, among other things, the
21 reasons why the proposed settlement is fair and states (i) the amount Class
22 Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the
23 amount Plaintiff is requesting as a class representative service award. Upon
24 reasonable request, Class Counsel (whose contact information is in Section IX of
25 this Notice) will send you copies of these documents at no cost to you. You can
26 also view them on the Administrator's website
27 _____ **www.simpluris.com** or the Court's website
28

1 <https://sf.courts.ca.gov/online-services>

2 A Participating Class Member who disagrees with any aspect of the
3 settlement or the Motion for Final Approval may wish to object, for example, that
4 the proposed settlement is unfair, or that the amounts requested by Class
5 Counsel or Plaintiff are too high or too low. **The deadline for sending written**
6 **objections to the Administrator is** _____. Be sure to tell the
7 Administrator what you object to, why you object and any facts that support your
8 objection. Make sure you identify the Action _____ **as REEB v.**
9 **AIR EDUCATION, Case No. CGC-25-630919,** and include your name, current
10 address, telephone number and approximate dates ~~of employment for [XYZ]~~ **you**
11 **were (or are) an AEI Tutor,** and sign the objection. Section IX of this ~~n~~**N**Notice has
12 the Administrator's contact information.

13 A Participating Class Member can object (or personally retain a lawyer to
14 object at your own cost) by attending the final approval hearing. You (or your
15 attorney) should be ready to tell the Court what you object to, why you object, and
16 any facts that support your objection. See Section VIII of this ~~n~~**N**Notice
17 (immediately below) for specifics regarding the final approval hearing.

18

19 **VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?**

20 You can, but don't have to, attend the final approval hearing
21 _____ on at _____ in Department ~~[]~~ **613** of the Superior
22 Court of ~~Los Angeles~~ **San Francisco** County, located at ~~312 North Spring Street,~~
23 ~~Los Angeles, CA 90012.~~ **Civic Center Courthouse; 400 McAllister Street; San**
24 **Francisco, California 94102.** At the hearing, the judge will decide whether to
25 grant final approval of the settlement and how much of the Gross Settlement will
26 be paid to Class Counsel, Plaintiff and the Administrator. The Court will invite
27 comment from objectors, Class Counsel and defense counsel before making a
28

1 decision. You can attend (or hire a lawyer to attend) either personally or virtually
2 via ~~LA Court Connect~~ (<https://www.lacourt.org/lacc/>). Check the Court's website
3 for the most current information.

4 It's possible the Court will reschedule the final approval hearing. You
5 should check the Administrator's website
6 www.simpluris.com beforehand or contact Class Counsel
7 to verify the date and time of the final approval hearing.

8
9 **IX. HOW CAN I GET MORE INFORMATION?** ~~IX. HOW CAN I GET~~
10 ~~MORE INFORMATION?~~

11 The settlement agreement sets forth everything ~~XYZ~~ AEI and Plaintiff have
12 promised to do under the proposed settlement. The easiest way to read the
13 settlement agreement, the judgment or any other settlement documents is to go
14 to [_____ website at _____](https://sf.courts.ca.gov/online-services). the Court's website, at
15 <https://sf.courts.ca.gov/online-services> Court filings can be viewed for free,
16 any time of day or night. Start with "ONLINE SERVICES", then go to "CASE
17 INFORMATION", then "Civil Case Query: Access Now", then input Case
18 Number CGC-25-630919

19 You can also telephone or send an email to Class Counsel or the
20 Administrator using the contact information listed below, ~~or consult the Superior~~
21 ~~Court website by going to _____ [confirm] and entering~~
22 ~~the Case Number for the Action, Case No. _____. You can also make an~~
23 ~~appointment to personally review court documents in the Clerk's Office at the~~
24 ~~Stanley Mosk Courthouse by calling (213) 830-0800.~~

25
26 **DO NOT TELEPHONE THE COURT TO OBTAIN**
27 **INFORMATION ABOUT THE SETTLEMENT**
28

1 Class counsel:

2 DAVID J. GALLO, ESQ., of LAW OFFICES OF DAVID J. GALLO
3 E-mail Address: DJGSAN@AOL.COM
4 Mailing Address: 12702 VIA CORTINA, SUITE 500
5 DEL MAR, CALIFORNIA 92014-3769
6 Telephone: 858 509 3652
7 Fax Number: 858 509 3717

8 Settlement Administrator:

9 N a m e o f C o m p a n y :
10 Simpluris
11 E-mail Address: _____
12 Mailing Address: _____ 3194-C
13 Airport Loop Drive; Costa Mesa, CA 92626
14 Telephone: _____ 800-779-2104
15 Fax Number: _____

16 **X. WHAT IF I LOSE MY SETTLEMENT CHECK?**

17 If you lose or misplace your settlement check before cashing it, the
18 Administrator will replace it as long as you request a replacement before the void
19 date on the face of the original check. If your check is already void, ~~[you should~~
20 ~~consult the Unclaimed Property Fund for instructions on how to retrieve the~~
21 ~~funds]~~ [you will have no way to recover the money].

22 **XI. WHAT IF I CHANGE MY ADDRESS?**

23 To receive your check, you should immediately notify the Administrator if
24 you move or otherwise change your mailing address.
25
26
27
28

Exhibit “B”

1 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT**
2 **AND CLASS NOTICE**

3 This Class Action and PAGA Settlement Agreement (“**Agreement**”) is
4 made by and between Plaintiff, Paul Reeb (**hereinafter “Plaintiff”**), and
5 defendant Air Education, Inc. (**hereinafter “AEI”**), a Delaware corporation.
6 The Agreement refers to Plaintiff and AEI collectively as “Parties,” or
7 individually as “Party.”

8
9 **1. DEFINITIONS.**

10 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour
11 violations against AEI captioned “Paul Reeb v. Air Education, Inc.”,
12 Case No. CGC-25-630919, in the Superior Court of California for the
13 County of San Francisco, initiated on 03 November 2025, and
14 pending in the Court.

15 1.2 “Administrator” means Simpluris, the neutral entity the Parties
16 have agreed to appoint to administer the Settlement.

17 1.3 “Administration Expenses Payment” means the amount the
18 Administrator will be paid from the Gross Settlement Amount to
19 reimburse its reasonable fees and expenses in accordance with the
20 Administrator’s “not to exceed” bid submitted to the Court in
21 connection with Preliminary Approval of the Settlement.

22 1.4 “Aggrieved Tutor” means persons who, at any time after 13 March
23 2025, worked as Tutors in California whom Plaintiff alleges were
24 employees of AEI (which allegation is disputed).

25 1.5 “California Tutor Class” means the not more than one hundred
26 thirty-six (136) persons: (a) who have provided California addresses

1 to AEI at any time; and (b) who at any time after 3 November 2021,
2 were parties to contracts to provide tutoring services in California
3 (whether or not they actually conducted any Tutoring Sessions).
4 The Former Tutor Subclass shall mean the members of the
5 California Tutor Class who have conducted one or more Tutoring
6 Sessions, but have resigned, or whose contracts have expired
7 without the entry of a new contract, at any time on or after 03
8 November 2022.

9 1.6 “Class Counsel” means David J. Gallo, Esq., of the Law Offices of
10 David J. Gallo.

11 1.7 “Class Counsel Fees Payment” and “Class Counsel Litigation
12 Expenses Payment” mean the amounts allocated to Class Counsel
13 for reimbursement of reasonable attorneys’ fees and expenses,
14 respectively, incurred to prosecute the Action.

15 1.8 “Class Data” means Class Member identifying information in AEI’s
16 possession including the Class Member’s name, last-known mailing
17 address, Social Security number, and number of Class Period
18 Tutoring Sessions, and number of Tutoring Sessions performed
19 during the PAGA Period.

20 1.9 “Class Member” or “Settlement Class Member” means a member of
21 the California Tutor Class, as either a Participating Class Member
22 or Non-Participating Class Member (including a Non-Participating
23 Class Member who qualifies as an Aggrieved Tutor).

24 1.10 “Address Search” means the Administrator’s investigation and
25 search for current Class Member or Aggrieved Tutor mailing
26 addresses using all reasonably available sources, methods and

means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members or Aggrieved Tutors.

1.11 “Class Notice” means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit “A” and incorporated by reference into this Agreement.

1.12 “Class Period” means the period from to 03 November 2021 through the date of Preliminary Approval.

1.13 “Class Representative” means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a class representative.

1.14 “Class Representative Service Payment” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.

1.15 “Court” means the Superior Court of California, for the City and County of San Francisco.

1.16 “AEI” means named Defendant, Air Education, Inc.

1.17 “Defense Counsel” means Sophia B. Collins, Esq., Anthony Ly, Esq., Blair Senesi, Esq., and Valentina Wilson, Esq., all of Littler Mendelson, P.C.

1.18 “Effective Date” means the date on which the Judgment becomes final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more

Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or (c) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

1.19 “Final Approval” means the Court’s order granting final approval of the Settlement.

1.20 “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.21 “Gross Settlement Amount” means Nine Hundred Thirty Thousand Dollars (\$930,000.00) which is the total amount AEI agrees to pay under the Settlement (in addition to costs of administration but only to the extent they may exceed \$6,568.00). The Gross Settlement Amount will be used to pay Individual Class Payments, Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment.

1.22 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated pursuant to the formula set out in Section 3.2.4, *infra*.

1.23 “Individual PAGA Payment” means the Aggrieved Tutor’s pro rata share (*i.e.*, 35%) of the PAGA Penalties calculated according to the number of Tutoring Sessions performed during the PAGA Period of 13 March 2025 to the date of Preliminary Approval.

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

1 1.25 “LWDA” means the California Labor and Workforce Development
2 Agency.

3 1.26 “LWDA PAGA Payment” means the 65% of the PAGA Penalties
4 paid to the LWDA under Labor Code section 2699, subdivision (i).

5 1.27 “Net Settlement Amount” means the Gross Settlement Amount, less
6 the following payments in the amounts approved by the Court:
7 Individual PAGA Payments, LWDA PAGA Payment, Class
8 Representative Service Payment, Class Counsel Fees Payment,
9 Class Counsel Litigation Expenses Payment, and Administrative
10 Expense Payment. The remainder is to be paid to Participating
11 Class Members as Individual Class Payments.

12 1.28 “Non-Participating Class Member” means any Class Member who
13 opts out of the Settlement by sending the Administrator a valid and
14 timely Request for Exclusion.

15 1.29 “PAGA Pay Period” means any pay period during which an
16 Aggrieved Tutor worked as a Tutor for at least one day during the
17 PAGA Period.

18 1.30 “PAGA Period” means the period from 13 March 2025 to the date of
19 Preliminary Approval.

20 1.31 “PAGA” means the Private Attorneys General Act (Lab. Code, §§
21 2698, *et seq.*).

22 1.32 “PAGA Notice” means Plaintiff’s 13 March 2026 letter to AEI and
23 the LWDA, and Plaintiff’s 01 May 2026 letter to AEI and the
24 LWDA, providing notice pursuant to Labor Code section 2699.3,
25 subdivision (a).

26 1.33 “PAGA Penalties” means the total amount of PAGA civil penalties

to be paid from the Gross Settlement Amount, allocated 35% to the Aggrieved Tutors, and 65% to the LWDA, in settlement of PAGA claims.

1.34 “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.35 “Plaintiff” means Mr. Paul Reeb, the named plaintiff in the Action.

1.36 “Preliminary Approval” means the Court’s order granting preliminary approval of the Settlement.

1.37 “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.

1.38 “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.

1.39 “Released Parties” means AEI and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.

1.40 “Request for Exclusion” means a Class Member’s submission of a written request to be excluded from the Class Settlement signed by the Class Member.

1.41 “Response Deadline” means thirty (30) days after the Administrator mails the Class Notice and shall be the last date on which Class Members may: (a) fax, email or mail Requests for Exclusion, (b) fax, email or mail objections to the Settlement, or (c) fax, email or mail a challenge to the number of Tutoring Sessions allocated to the Class Member in the Class Notice. Class Members to whom Class

1 Notices are resent after having been returned undeliverable to the
2 Administrator shall have their deadline extended an additional
3 fourteen (14) calendar days beyond the Response Deadline.

4 1.42 “Settlement” means the disposition of the Action effected by this
5 Agreement and the Judgment.

6 1.43 “Tutoring Session” means any instance in which a Class Member
7 conducted a learning session through the AEI platform.

8
9 **2. RECITALS.**

10 2.1 On 03 November 2025, Plaintiff commenced this Action by filing a
11 COMPLAINT FOR MONETARY RECOVERY AS A REMEDY FOR
12 LABOR CODE VIOLATIONS alleging causes of action against AEI
13 for recovery of minimum wage, Labor Code section 1194.2 liquidated
14 damages, split shift payments, reporting time pay, Labor Code
15 section 226 wage statement penalties, Labor Code section 2802
16 indemnifications for expenses, and restitutionary recovery for
17 alleged violations which occurred prior to the commencements of
18 limitations periods for actions at law. On 30 June 2026, Plaintiff
19 filed his FIRST AMENDED COMPLAINT FOR MONETARY
20 RECOVERY AS A REMEDY FOR LABOR CODE VIOLATIONS,
21 AND FOR PAGA REMEDIES (“FAC”), which sought all remedies
22 sought by Plaintiff’s initial Complaint, and which also sought civil
23 penalties under PAGA. On _____ 2026, Plaintiff filed his
24 SECOND AMENDED COMPLAINT FOR MONETARY
25 RECOVERY AS A REMEDY FOR LABOR CODE VIOLATIONS,
26 AND FOR PAGA REMEDIES (“2ndAC”), which sought all remedies

sought by Plaintiff's FAC, and which also sought Labor Code section 203 penalty wages. Plaintiff's 2nd AC Complaint is the operative complaint in the Action (**the "Operative Complaint"**). AEI 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.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to AEI and the LWDA by sending the PAGA Notice.

2.3 On 22 May 2026, the Parties participated in a mediation presided over by the Hon. Wynne S. Carvill (ret.) in which all principal terms of this Agreement were ascertained.

2.4 Prior to commencement of this Action, as a Tutor (and now former Tutor), Plaintiff had access to full information regarding AEI's time-keeping system and its compensation system. Before mediation, Plaintiff obtained, through mediation-protected disclosures a substantial amount of data including but not limited to: number of Tutoring Sessions conducted by Class Members 3 November 2022; number of Tutoring Sessions conducted by Class Members 3 November 2024; number of workdays after 3 November 2022 that Class Members conducted more than one Tutoring Session; number of pay periods after 3 November 2024 that Class Members have worked; the number of California persons have been active Tutors during the period commencing 3 November 2022; the number of members of the Former Tutor Subclass. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in

1 *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801
2 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116,
3 129-130 (“*Dunk/Kullar*”).

4 2.5 The Court has not granted class certification.

5 2.6 The Parties, Class Counsel and Defense Counsel represent they are
6 not aware of any other pending matter or action asserting claims
7 that will be extinguished or affected by the Settlement.

8
9 **3. MONETARY TERMS.**

10 3.1 Gross Settlement Amount. AEI promises to pay Nine Hundred
11 Thirty Thousand Dollars (\$930,000.00), plus costs of administration
12 (but only to the extent they may exceed \$6,568.00), and no more, as
13 the Gross Settlement Amount. AEI has no obligation to pay the
14 Gross Settlement Amount before the deadline stated in Paragraph
15 4.2. The Administrator will disburse the entire Gross Settlement
16 Amount without asking or requiring Participating Class Members
17 or Aggrieved Tutors to submit any claim as a condition of payment.
18 None of the Gross Settlement Amount will revert to AEI.

19 3.2 Payments from the Gross Settlement Amount. The Administrator
20 will make and deduct the following payments from the Gross
21 Settlement Amount, in the amounts specified by the Court in the
22 Final Approval:

23 3.2.1 To Plaintiff: Class Representative Service Payment of not
24 more than \$10,000.00 (in addition to any Individual Class
25 Payment and any Individual PAGA Payment the Class
26 Representative is entitled to receive as a Participating Class

1 Member). AEI will not oppose or file any papers in relation to
2 Plaintiff's request for a Class Representative Service Payment
3 that does not exceed this amount (except as may be requested
4 by the Court). As part of the Motion for Final Approval,
5 Plaintiff will seek Court approval for any Class
6 Representative Service Payment. If the Court approves a
7 Class Representative Service Payment less than the amount
8 requested, the Administrator will retain the remainder in the
9 Net Settlement Amount. The Administrator will pay the Class
10 Representative Service Payment using IRS Form 1099.
11 Plaintiff assumes full responsibility and liability for any
12 employee taxes which may be owed on the Class
13 Representative Service Payment.

14 3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more
15 than 33-1/3%, which is currently estimated to be \$310,000.00
16 and a Class Counsel Litigation Expenses Payment of not more
17 than \$12,000.00. AEI will not oppose or file any papers in
18 relation to (except as may be requested by the Court) requests
19 for these payments provided they do not exceed these
20 amounts. As part of the Motion for Final Approval, Plaintiff
21 and/or Class Counsel may seek Court approval of a Class
22 Counsel Fees Payment and Class Counsel Litigation
23 Expenses Payment. In support of the Class Counsel Litigation
24 Expenses Payment, Class Counsel must submit a cost ledger
25 listing each expense incurred during the Action. If the Court
26 approves a Class Counsel Fees Payment or a Class Counsel

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

15 3.2.3 To the Administrator: An Administration Expenses Payment
16 not to exceed \$6,568.00, except for a showing of good cause
17 and as approved by the Court. To the extent the
18 administration expenses are less than or the Court approves
19 payment less than \$6,568.00, the Administrator will retain
20 the remainder in the Net Settlement Amount.

21 3.2.4 To Each Participating Class Member: An Individual Class
22 Payment, which the Administrator shall calculate as follows:
23 a. There shall be a *per capita* payment **(the “Base**
24 **Payment”)** of Three Hundred Dollars (\$300.00) to each
25 Participating Class Member, irrespective of whether he
26 or she has conducted any Tutoring Sessions, and

1 irrespective of whether he or she has resigned, or his or
2 her contract expired without the entry of a new
3 contract;

4 b. There shall be a *per capita* payment (**the “Section 203**
5 **Payment”**) of Five Hundred Dollars (\$500.00) to each
6 member of the Former Tutor Subclass;

7 c. The remainder of the Net Settlement Amount shall be
8 paid out to each member of the California Tutor Class
9 according to the ratio of: (total number of Tutoring
10 Sessions conducted by the particular individual Class
11 Member after 03 November 2021) divided by (total
12 number of Tutoring Sessions conducted by *all* Class
13 Members after 03 November 2021).

14 3.2.4.1 Because AEI has always classified the Tutors as
15 independent contractors in reliance upon Labor
16 Code sections 2776 and 2777 (*inter alia*), and
17 because no court or executive agency has ever
18 disturbed this classification, Individual Class
19 Payments will be paid without deduction and
20 reported to the IRS and the California Franchise
21 Tax Board on Forms 1099.

22 3.2.4.2 Effect of Non-Participating Class Members on
23 Calculation of Individual Class Payments.
24 Non-Participating Class Members will not receive
25 any Individual Class Payments. The
26 Administrator will retain amounts equal to their

Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

3.2.5 To the LWDA and Aggrieved Tutors: PAGA Penalties in the amount of \$35,000.00 to be paid from the Gross Settlement Amount, with 65% (*i.e.*, \$22,750.00) allocated to the LWDA PAGA Payment and 35% (*i.e.*, \$12,250.00) allocated to the Individual PAGA Payments.

3.2.5.1 The \$12,250.00 allocated to the Individual PAGA Payments will be allocated among and distributed to the Aggrieved Tutors according to the ratio: (number of Tutoring Sessions performed by the Aggrieved Tutor during the PAGA Period) divided by (total number of Tutoring Sessions performed by *all* Aggrieved Tutors during the PAGA Period).

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

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Class Size Estimates. AEI represents and warrants that there are not more than one hundred thirty-four (134) Class Members, thirty-two (32) of whom have not at any time after 03 November 2021

1 conducted any Tutoring Sessions.

2 4.2 Funding of Gross Settlement Amount. AEI shall fully fund the
3 Gross Settlement Amount (including estimated costs of
4 administration) by transmitting the funds to the Administrator no
5 later than twenty-one (21) days after the Effective Date.

6 4.3 Payments from the Gross Settlement Amount. Within 14 days after
7 AEI funds the Gross Settlement Amount, the Administrator will
8 mail checks for all Individual Class Payments, all Individual PAGA
9 Payments, the LWDA PAGA Payment, the Administration
10 Expenses Payment, the Class Counsel Fees Payment, the Class
11 Counsel Litigation Expenses Payment, and the Class
12 Representative Service Payment. Disbursement of the Class
13 Counsel Fees Payment, the Class Counsel Litigation Expenses
14 Payment and the Class Representative Service Payment shall not
15 precede disbursement of Individual Class Payments and Individual
16 PAGA Payments.

17 4.3.1 The Administrator will issue checks for the Individual Class
18 Payments and Individual PAGA Payments and send them to the
19 Class Members and Aggrieved Tutors via First Class U.S. Mail,
20 postage prepaid. The face of each check shall prominently state the
21 date (not less than 180 days after the date of mailing) when the
22 check will be voided. The Administrator will cancel all checks not
23 cashed by the void date. The Administrator will send checks for
24 Individual Settlement Payments to all Participating Class Members
25 (including those for whom Class Notice was returned undelivered).
26 The Administrator will send checks for Individual PAGA Payments

1 to all Aggrieved Tutors including Non-Participating Class Members
2 who qualify as Aggrieved Tutors (including those for whom Class
3 Notice was returned undelivered). The Administrator may send
4 Participating Class Members who are also Aggrieved Tutors a single
5 check combining the Individual Class Payment and the Individual
6 PAGA Payment. Before mailing any checks, the Settlement
7 Administrator must update the recipients' mailing addresses using
8 the National Change of Address Database.

9 4.3.2 The Administrator must conduct an Address Search for all Class
10 Members and Aggrieved Tutors whose checks are returned
11 undelivered without a United States Postal Service ("USPS")
12 forwarding address. Within seven (7) days of receiving a returned
13 check the Administrator must re-mail the check to the USPS
14 forwarding address provided or to an address ascertained through
15 the Address Search. The Administrator need not take further steps
16 to deliver checks to Class Members or Aggrieved Tutors whose
17 re-mailed checks are returned as undelivered. The Administrator
18 shall promptly send a replacement check to any Class Member or
19 Aggrieved Tutor whose original check was lost or misplaced, as
20 requested by the Class Member or Aggrieved Tutor before the void
21 date.

22 4.3.3 For any Class Member whose Individual Class Payment check is
23 uncashed and cancelled after the void date, the Administrator shall
24 transmit the funds represented by such a check to Access Books Bay
25 Area ("Cy Pres Recipient"). The Parties, Class Counsel and Defense
26 Counsel represent that they have no interest or relationship,

financial or otherwise, with the intended Cy Pres Recipient.

4.3.4 For any Aggrieved Tutor whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such check to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Tutor thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384, subdivision (b).

4.3.5 The payment of Individual Class Payments and Individual PAGA Payments shall not obligate AEI to confer any additional benefits or make any additional payments to Class Members or Aggrieved Tutors (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. RELEASES OF CLAIMS. Effective on the date when AEI fully funds the entire Gross Settlement Amount, Plaintiff, Class Members, Aggrieved Tutors, and Class Counsel will release claims against all Released Parties as follows:

5.1 Plaintiff's Release. Plaintiff and Plaintiff's respective former and present representatives, agents, attorneys, administrators, successors and assigns, release and discharge Released Parties from all claims, transactions or occurrences that occurred during the Class Period and in any way related to Tutoring Services performed within California, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged based on the facts contained in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint and Plaintiff's PAGA Notice.

1 **(“Plaintiff’s Release.”)** Plaintiff’s Release does not extend to any
2 claims or actions to enforce this Agreement, or to any claims for
3 vested benefits, unemployment benefits, disability benefits, social
4 security benefits, or workers’ compensation benefits that arose at
5 any time, or based on occurrences outside the Class Period. Plaintiff
6 acknowledges that Plaintiff may discover facts or law different from,
7 or in addition to, the facts or law that Plaintiff now knows or
8 believes to be true but agrees, nonetheless, that Plaintiff’s Release
9 shall be and remain effective in all respects, notwithstanding such
10 different or additional facts or Plaintiff’s discovery of them.

11 5.1.1 Plaintiff’s Waiver of Rights Under Civil Code Section 1542.

12 For purposes of Plaintiff’s Release, Plaintiff expressly waives
13 and relinquishes the provisions, rights, and benefits, if any,
14 of section 1542 of the Civil Code, which reads:

15 A general release does not extend to claims that
16 the creditor or releasing party does not know or
17 suspect to exist in his or her favor at the time of
18 executing the release, and that if known by him
19 or her would have materially affected his or her
20 settlement with the debtor or released party.

21 5.2 Release by Participating Class Members: All Participating Class
22 Members, on behalf of themselves and their respective former and
23 present representatives, agents, attorneys, administrators,
24 successors and assigns, release Released Parties from all claims that
25 were alleged, or reasonably could have been alleged, based on the
26 facts and allegations in the Operative Complaint that are alleged to

1 have occurred during the Class Period including, *e.g.*, for recovery
2 of minimum wage, Labor Code section 1194.2 liquidated damages,
3 split shift payments, reporting time pay, Labor Code section 226
4 wage statement penalties, Labor Code section 2802 indemnifications
5 for expenses, Labor Code section 203 waiting time pay, and
6 restitutionary recovery for alleged violations which occurred prior
7 to the commencements of limitations periods for actions at law.
8 Except as set forth in Section 5.3 of this Agreement, Participating
9 Class Members do not release any other claims, including claims for
10 vested benefits, wrongful termination, violation of the Fair
11 Employment and Housing Act, unemployment insurance, disability,
12 social security, or workers' compensation or claims based on events
13 occurring outside the Class Period.

14 5.3 Release by Aggrieved Tutors: All Aggrieved Tutors are deemed to
15 release, on behalf of themselves and their respective former and
16 present representatives, agents, attorneys, administrators,
17 successors and assigns, the Released Parties from all claims for
18 PAGA Penalties that were alleged, or reasonably could have been
19 alleged, based on the facts and allegations in the Operative
20 Complaint that are alleged to have occurred during the PAGA
21 Period and the PAGA Notice.

22
23 **6. MOTION FOR PRELIMINARY APPROVAL.**

24 The Parties agree to jointly prepare and file a motion for preliminary
25 approval ("**Motion for Preliminary Approval**") that complies with the
26 Court's current checklist for Preliminary Approvals.

27
28

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND
CLASS NOTICE – PAGE 18

1 6.1 AEI's Declaration in Support of Preliminary Approval. Within ten
2 (10) days of the full execution of this Agreement, AEI will prepare
3 and deliver to Class Counsel a signed declaration from AEI and
4 Defense Counsel disclosing all facts relevant to any actual or
5 potential conflicts of interest with the Administrator and Cy Pres
6 Recipient (if applicable). In their declarations, Defense Counsel and
7 AEI shall aver whether they are aware of any other pending matter
8 or action asserting claims that will be extinguished or adversely
9 affected by the Settlement. AEI's Declaration in Support of
10 Preliminary Approval shall evidence the fact that there are not
11 more than one hundred thirty-four (134) Class Members, and that
12 at least thirty-two (32) of them have not at any time after 03
13 November 2021 conducted any Tutoring Sessions.

14 6.2 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to
15 Defense Counsel all documents necessary for obtaining Preliminary
16 Approval, including: (i) a draft of the notice and memorandum in
17 support of the Motion for Preliminary Approval that includes an
18 analysis of the Settlement under *Dunk/Kullar* and a request for
19 approval of the PAGA Settlement under Labor Code section 2699,
20 subdivision (f)(2); (ii) a draft proposed Order Granting Preliminary
21 Approval and Approval of PAGA Settlement; (iii) a draft proposed
22 Class Notice; (iv) a signed declaration from the Administrator
23 attaching its "not to exceed" bid for administering the Settlement
24 and attesting to its willingness to serve; competency; operative
25 procedures for protecting the security of Class Data; amounts of
26 insurance coverage for any data breach, defalcation of funds or other

misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members and/or the proposed Cy Pres Recipient; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator and/or the proposed Cy Pres Recipient; (vi) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; and its timely transmission to the LWDA of all necessary PAGA documents (PAGA Notice (Lab. Code, § 2699.3, subd. (a)), Operative Complaint (Lab. Code, § 2699, subd. (l)(1)), and the Agreement (Lab. Code, § 2699, subd. (l)(2)); (vii) a redlined version of the Agreement showing all modifications made to the Superior Court of Los Angeles County's Model Agreement; and (viii) all facts relevant to any actual or potential conflict of interest with Class Members, the Administrator and/or the Cy Pres Recipient. In their declarations, Plaintiff and Class Counsel shall aver whether they are aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

- 6.3 Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval no later than thirty (30) days after the full execution of this Agreement; obtaining a prompt hearing date for the Motion for Preliminary Approval; and appearing in Court to

1 advocate in favor of the Motion for Preliminary Approval. Class
2 Counsel is responsible for delivering the Court's Preliminary
3 Approval to the Administrator.

4 6.4 Duty to Cooperate. If the Parties disagree on any aspect of the proposed
5 Motion for Preliminary Approval and/or the supporting declarations and
6 documents, Class Counsel and Defense Counsel will expeditiously work
7 together by meeting in person or by telephone, and in good faith, to resolve
8 the disagreement. If the Court does not grant Preliminary Approval or
9 conditions Preliminary Approval on any material change to this
10 Agreement, Class Counsel and Defense Counsel will expeditiously work
11 together by meeting in person or by telephone and in good faith to modify
12 the Agreement and otherwise satisfy the Court's concerns.

13 14 7. SETTLEMENT ADMINISTRATION.

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

24 7.2 Employer Identification Number. The Administrator shall have and
25 use its own Employer Identification Number for purposes of
26 calculating payroll tax withholdings and providing reports state and

federal tax authorities.

7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.

7.4 Notice to Class Members.

7.4.1 Not later than fourteen (14) days after the Court grants Preliminary Approval, AEI will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to effect and perform under this Agreement. AEI has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which AEI must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the Class Data has been received.

7.4.2 Using best efforts to perform as soon as possible, and in no

1 event later than fourteen (14) days after receiving the Class
2 Data, the Administrator will send to all Class Members
3 identified in the Class Data, via first-class USPS mail, the
4 Class Notice substantially in the form attached to this
5 Agreement as Exhibit “A”. The first page of the Class Notice
6 shall prominently estimate the dollar amounts of any
7 Individual Class Payment and Individual PAGA Payment (if
8 applicable) payable to the Class Member, and the number of
9 Tutoring Sessions during the Class Period, and (if applicable)
10 the number of Tutoring Sessions during the PAGA Period
11 which were used to calculate these amounts. Before mailing
12 Class Notices, the Administrator shall update Class Member
13 addresses using the National Change of Address database.

14 7.4.3 Not later than three (3) business days after the
15 Administrator’s receipt of any Class Notice returned by the
16 USPS as undelivered, the Administrator shall re-mail the
17 Class Notice using any forwarding address provided by the
18 USPS. If the USPS does not provide a forwarding address, the
19 Administrator shall conduct a Class Member Address Search
20 and re-mail the Class Notice to the most current address
21 obtained. The Administrator has no obligation to make
22 further attempts to locate or send Class Notice to Class
23 Members whose Class Notice is returned by the USPS a
24 second time.

25 7.4.4 The deadline for Class Members’ written objections,
26 challenges to reported numbers of Tutoring Sessions, and

1 Requests for Exclusion will be extended for Class Members
2 whose notices are re-mailed. Class Members to whom Class
3 Notices are resent after having been returned undeliverable
4 to the Administrator shall have their deadline extended an
5 additional fourteen (14) calendar days beyond the Response
6 Deadline. The Administrator will inform the Class Member of
7 the extended deadline with the re-mailed Class Notice.

8 7.4.5 If the Administrator, AEI or Class Counsel is contacted by or
9 otherwise discovers any persons who believe they should have
10 been included in the Class Data and should have received
11 Class Notice, the Parties will expeditiously meet and confer
12 in person or by telephone, and in good faith, in an effort to
13 agree on whether to include them as Class Members and if so
14 at what additional cost to AEI. If the Parties agree, such
15 persons will be Class Members entitled to the same rights as
16 other Class Members, and the Administrator will send, via
17 email or overnight delivery, a Class Notice requiring them to
18 exercise options under this Agreement not later than fourteen
19 (14) days after receipt of Class Notice, or the deadline dates
20 in the Class Notice, which ever are later.

21 7.5 Requests for Exclusion (Opt-Outs).

22 7.5.1 Class Members who wish to exclude themselves from (opt-out
23 of) the Class Settlement must send the Administrator, by fax,
24 email, or mail, a signed written Request for Exclusion not
25 later than the Response Deadline. A Request for Exclusion is
26 a letter from a Class Member or the Class Member's

1 representative that reasonably communicates the Class
2 Member's election to be excluded from the Settlement and
3 includes the Class Member's name, address and email
4 address or telephone number. To be valid, a Request for
5 Exclusion must be timely faxed, emailed, or postmarked by
6 the Response Deadline.

7 7.5.2 The Administrator may not reject a Request for Exclusion as
8 invalid because it fails to contain all the information specified
9 in the Class Notice. The Administrator shall accept any
10 Request for Exclusion as valid if the Administrator can
11 reasonably ascertain the identity of the person as a Class
12 Member and the Class Member's desire to be excluded. The
13 Administrator's determination shall be final and not
14 appealable or otherwise susceptible to challenge. If the
15 Administrator has reason to question the authenticity of a
16 Request for Exclusion, the Administrator may demand
17 additional proof of the Class Member's identity. The
18 Administrator's determination of authenticity shall be final
19 and not appealable or otherwise susceptible to challenge.

20 7.5.3 Every Class Member who does not submit a timely and valid
21 Request for Exclusion is deemed to be a Participating Class
22 Member, entitled to all benefits and bound by all terms and
23 conditions of the Settlement, including the Participating Class
24 Members' Release under Paragraph 5.2 of this Agreement,
25 regardless of whether the Participating Class Member
26 actually receives the Class Notice or objects to the Settlement.

1 7.5.4 Every Class Member who submits a valid and timely Request
2 for Exclusion is a Non-Participating Class Member and shall
3 not receive an Individual Class Payment or have the right to
4 object to the class action components of the Settlement.
5 Because future PAGA claims are subject to claim preclusion
6 upon entry of the Judgment, Non-Participating Class
7 Members who are Aggrieved Employees are deemed to release
8 the claims identified in Paragraph 5.3 of this Agreement and
9 are eligible for an Individual PAGA Payment.

10 7.6 Challenges to Calculation of Tutoring Sessions. Each Class Member
11 shall have until the Response Deadline to challenge the number of
12 Tutoring Sessions allocated to the Class Member in the Class
13 Notice. The Class Member may challenge the allocation by
14 communicating with the Administrator via fax, email or mail. The
15 Administrator must encourage the challenging Class Member to
16 submit supporting documentation. The Administrator has the
17 authority to address and make final decisions consistent with the
18 terms of this Agreement on all Class Member challenges to the
19 number of Tutoring Sessions. In the absence of any contrary
20 documentation, the Administrator is entitled to presume that the
21 Tutoring Sessions contained in the Class Notice are correct if they
22 are consistent with the Class Data. The Administrator's
23 determination of allocations of Tutoring Sessions is final and not
24 appealable or otherwise susceptible to challenge. The Administrator
25 shall promptly provide to Defense Counsel and Class Counsel copies
26 of all challenges to calculation of Tutoring Sessions and the

Administrator's determination of the challenges.

7.7 Objections to Settlement.

7.7.1 Only Participating Class Members may object to the class action components of the Settlement and this Agreement, including contesting the fairness of the Settlement and the amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Administration Expenses Payment, and Class Representative Service Payment.

7.7.2 Participating Class Members may send written objections to the Administrator, by fax, email or mail no later than the Response Deadline. Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present oral objections at the Final Approval Hearing.

7.7.3 Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

7.8 Administrator Duties. The Administrator has a duty to perform all tasks to be performed by the Administrator set forth in this Agreement or otherwise.

7.8.1 Website, Email Address and Toll-Free Number. The Administrator will establish, maintain, and use a website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Final Approval, and the Judgment. The

1 Administrator will also maintain and monitor an email
2 address and a toll-free telephone number to receive Class
3 Member calls, faxes and emails.

4 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The
5 Administrator will promptly review on a rolling basis
6 Requests for Exclusion to ascertain their validity. Not later
7 than five (5) days after the expiration of the deadline for
8 submitting Requests for Exclusion, the Administrator shall
9 email a list to Class Counsel and Defense Counsel containing
10 (a) the names and other identifying information of Class
11 Members who have timely submitted valid Requests for
12 Exclusion (**“Exclusion List”**); (b) the names and other
13 identifying information of Class Members who have
14 submitted invalid Requests for Exclusion; and (c) copies of all
15 Requests for Exclusion submitted (whether valid or invalid).

16 7.8.3 Weekly Reports. The Administrator must, on a weekly basis,
17 provide written reports to Class Counsel and Defense Counsel
18 that, among other things, tally the number of: Class Notices
19 mailed or re-mailed, Class Notices returned undelivered,
20 Requests for Exclusion (whether valid or invalid) received,
21 objections received, challenges to Tutoring Sessions received
22 and/or resolved, and checks mailed for Individual Class
23 Payments and Individual PAGA Payments (**“Weekly
24 Report”**). The Weekly Reports must include the
25 Administrator’s assessment of the validity of Requests for
26 Exclusion and attach copies of all Requests for Exclusion and

1 objections received.

2 7.8.4 Administrator's Declaration. Not later than fourteen (14) days
3 before the date by which Plaintiff is required to file the
4 Motion for Final Approval of the Settlement, the
5 Administrator will provide to Class Counsel and Defense
6 Counsel, a signed declaration suitable for filing in Court
7 attesting to its due diligence and compliance with all of its
8 obligations under this Agreement, including, but not limited
9 to, its mailing of Class Notice, the Class Notices returned as
10 undelivered, the re-mailing of Class Notices, attempts to
11 locate Class Members, the total number of Requests for
12 Exclusion it received (both valid or invalid), and the number
13 of written objections. The declaration shall attach the
14 Exclusion List. The Administrator will supplement its
15 declaration as needed or requested by the Parties and/or the
16 Court. Class Counsel is responsible for filing the
17 Administrator's declaration(s) in Court.

18 7.8.5 Final Report by Settlement Administrator. Within ten (10)
19 days after the Administrator disburses all funds in the Gross
20 Settlement Amount, the Administrator will provide Class
21 Counsel and Defense Counsel with a final report detailing its
22 disbursements by employee identification number only of all
23 payments made under this Agreement. At least fourteen (14)
24 days before any deadline set by the Court, the Administrator
25 will prepare, and submit to Class Counsel and Defense
26 Counsel, a signed declaration suitable for filing in Court

attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.

8. AEI'S RIGHT TO WITHDRAW.

If the number of valid Requests for Exclusion identified in the Exclusion List exceeds fifteen percent (15%) of the total of all Class Members, AEI may, but is not obligated, elect to withdraw from the Settlement. The Parties agree that, if AEI withdraws, the Settlement shall be void *ab initio* and have no force or effect whatsoever, and neither Party will have any further obligation to perform under this Agreement; provided, however, AEI will remain responsible for paying all Settlement Administration Expenses incurred to that point. AEI must notify Class Counsel and the Court of its election to withdraw not later than seven (7) days after the Administrator sends the final Exclusion List to Defense Counsel; late elections will have no effect.

9. MOTION FOR FINAL APPROVAL.

Not later than sixteen (16) court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval that includes a request for approval of the PAGA settlement under Labor Code section 2699, subdivision (l), a proposed Final Approval Order and a proposed Judgment (**collectively "Motion for Final Approval"**). Plaintiff shall provide drafts of these documents to Defense Counsel not later than seven (7) days before filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.

9.1 Response to Objections. Each Party retains the right to respond to

any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days before the Final Approval Hearing, or as otherwise ordered or accepted by the Court.

9.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment or Administration Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.

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

9.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, the Parties, their respective counsel and all Participating Class Members who did not object to the

1 Settlement, waive all rights to appeal from the Judgment, including
2 all rights to post-judgment and appellate proceedings, the right to
3 file motions to vacate judgment, motions for new trial, extraordinary
4 writs and appeals. The waiver of appeal does not include any waiver
5 of the right to oppose such motions, writs or appeals. If an objector
6 appeals the Judgment, the Parties' obligations to perform under this
7 Agreement will be suspended until such time as the appeal is finally
8 resolved and the Judgment becomes final, except as to matters that
9 do not affect the Net Settlement Amount.

10 9.5 Appellate Court Orders to Vacate, Reverse or Materially Modify
11 Judgment. If the appellate court vacates, reverses or modifies the
12 Judgment in a manner that requires a material modification of this
13 Agreement (including, but not limited to, the scope of release to be
14 granted by Class Members), this Agreement shall be null and void.
15 The Parties shall nevertheless expeditiously work together in good
16 faith to address the appellate court's concerns and to obtain Final
17 Approval and entry of Judgment, sharing, on a 50-50 basis, any
18 additional administration expenses reasonably incurred after
19 remittitur. An appellate decision to vacate, reverse or modify the
20 Court's award of the Class Representative Service Payment or any
21 payments to Class Counsel shall not constitute a material
22 modification of the Judgment within the meaning of this paragraph,
23 as long as the Gross Settlement Amount remains unchanged.

24
25 **10. AMENDED JUDGMENT.**

26 If any amended judgment is required under Code of Civil Procedure

1 section 384, the Parties will work together in good faith to jointly submit a
2 proposed amended judgment.

3
4 **11. ADDITIONAL PROVISIONS.**

5 11.1 No Admission of Liability. This Agreement represents a compromise
6 and settlement of highly disputed claims. Nothing in this
7 Agreement is intended or should be construed as an admission by
8 AEI that any of the allegations in the Operative Complaint have
9 merit or that AEI has any liability for any claims asserted; nor is it
10 intended or should be construed as an admission by Plaintiff that
11 AEI's defenses in the Action have merit. The Parties agree that
12 class certification and representative treatment is for purposes of
13 this Settlement only. If for any reason the Court does not grant
14 Preliminary Approval, grant Final Approval, or enter Judgment,
15 AEI reserves the right to contest certification of any class for any
16 reason, AEI reserves all available defenses to the claims in the
17 Action, and Plaintiff reserves the right to move for class certification
18 on any grounds available and to contest AEI's defenses. The
19 Settlement, this Agreement and Parties' willingness to settle the
20 Action will have no bearing on, and will not be admissible in
21 connection with, any litigation (except for proceedings to enforce or
22 effectuate the Settlement and this Agreement).

23 11.2 Confidentiality Before Preliminary Approval. Plaintiff, Class
24 Counsel, AEI and Defense Counsel separately agree that, until the
25 Motion for Preliminary Approval is filed, they and each of them will
26 not disclose, disseminate, publicize, or cause or permit another

1 person to disclose, disseminate or publicize, any of the terms of the
2 Agreement directly or indirectly, specifically or generally, to any
3 person, corporation, association, government agency or other entity
4 except: (1) to the Parties' attorneys, accountants or spouses, all of
5 whom will be instructed to keep this Agreement confidential; (2) to
6 counsel in a related matter; (3) to the extent necessary to report
7 income to appropriate taxing authorities; (4) in response to a court
8 order or subpoena; or (5) in response to an inquiry or subpoena
9 issued by a state or federal government agency. Each Party agrees
10 to immediately notify each other Party of any judicial or agency
11 order, inquiry, or subpoena seeking such information. Plaintiff,
12 Class Counsel, AEI and Defense Counsel separately agree not to,
13 directly or indirectly, initiate any conversation or other
14 communication, before the filing of the Motion for Preliminary
15 Approval, with any third party regarding this Agreement or the
16 matters giving rise to this Agreement except to respond only that
17 "the matter was resolved," or words to that effect. This paragraph
18 does not restrict Class Counsel's communications with Class
19 Members in accordance with Class Counsel's ethical obligations
20 owed to Class Members.

21 11.3 No Solicitation. The Parties separately agree that they and their
22 respective counsel and employees will not solicit any Class Member
23 to opt out of or object to the Settlement or appeal from the
24 Judgment. Nothing in this paragraph shall be construed to restrict
25 Class Counsel's ability to communicate with Class Members in
26 accordance with Class Counsel's ethical obligations owed to Class

Members.

11.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants or inducements made to or by any Party.

11.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and AEI, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

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

11.7 No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer or

encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or right released and discharged by the Party in this Settlement.

11.8 No Tax Advice. Neither Plaintiff, Class Counsel, AEI nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

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

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

11.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without regard to conflict of law principles.

11.12 Cooperation in Drafting. The Parties have cooperated in drafting and preparing 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.

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

1 execution of this Agreement.

2 11.14 Use and Return of Class Data. Information provided to Class
3 Counsel pursuant to Evidence Code section 1152, and all copies and
4 summaries of the Class Data provided to Class Counsel by AEI in
5 connection with the mediation, other settlement negotiations, or the
6 Settlement, may be used only with respect to this Settlement and
7 for no other purpose, and may not be used in any way that violates
8 any existing contractual agreement, statute or the California Rules
9 of Court. Not later than ninety (90) days after the date when the
10 Court discharges the Administrator's obligation to provide a
11 declaration confirming the final pay out of all Settlement funds,
12 Plaintiff shall destroy all paper and electronic versions of Class
13 Data received from AEI unless, before the Court's discharge of the
14 Administrator's obligation, AEI makes a written request to Class
15 Counsel for the return, rather than the destruction, of Class Data.

16 11.15 Headings. The descriptive heading of any section or paragraph of
17 this Agreement is inserted for convenience of reference only and
18 does not constitute a part of this Agreement.

19 11.16 Calendar Days. Unless otherwise noted, all references to "days" in
20 this Agreement shall be to calendar days. In the event any date or
21 deadline set forth in this Agreement falls on a weekend or federal
22 legal holiday, such date or deadline shall be on the first business
23 day thereafter.

24 11.17 Notice. All notices, demands or other communications between the
25 Parties in connection with this Agreement will be in writing and
26 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:

To Plaintiff:

Mr. Paul Reeb
c/o David J. Gallo, Esq.
Law Offices of David J. Gallo
12702 Via Cortina, Suite 500
Del Mar, California 92014

To AEI:

Air Education, Inc.
Sophia B. Collins, Esq.
Littler Mendelson, P.C.
Treat Towers
1255 Treat Boulevard, Suite 600
Walnut Creek, California 94597

11.18 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.

11.19 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this

1 settlement process.

2
3 IN WITNESS WHEREOF, the parties hereto have executed this
4 Settlement Agreement on the dates indicated below:

5
6 PAUL REEB, individually and as proposed
7 Class Representative:

8 Dated: 10 July 2026

9 By:  _____
Paul Reeb

10 * * * * *

11 AIR EDUCATION, INC., a Delaware
12 corporation:

13
14 Dated: __ July 2026

15 By: _____
16 as its _____

17
18
19
20
21
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26
27 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND**
28 **CLASS NOTICE – PAGE 39**

1 settlement process.

2
3 IN WITNESS WHEREOF, the parties hereto have executed this
4 Settlement Agreement on the dates indicated below:

5
6 PAUL REEB, individually and as proposed
7 Class Representative:

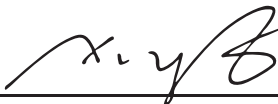
8 Dated: __ July 2026

9 By: Paul Reeb

10 * * * * *

11 AIR EDUCATION, INC., a Delaware
12 corporation:

13
14 Dated: 27 July 2026

15 
16 By: Xing Zhang
17 as its Chief Executive Officer

1 APPROVED AS TO FORM AND CONTENT:

2 DAVID J. GALLO
3 **LAW OFFICES OF DAVID J. GALLO**
4 12702 VIA CORTINA, SUITE 500
5 DEL MAR, CALIFORNIA 92014-3769
6 Telephone: (858) 509-3652

7 By: 
8 David J. Gallo,
9 California Bar No. 127722
10 proposed Class Counsel

11 SOPHIA B. COLLINS
12 **LITTLER MENDELSON, P.C.**
13 TREAT TOWERS
14 1255 TREAT BOULEVARD, SUITE 600
15 WALNUT CREEK, CALIFORNIA 94597
16 Telephone: (925) 932-2468

17 By: _____
18 Sophia B. Collins,
19 California Bar No. 289318
20 Attorneys for Defendant,
21 AIR EDUCATION, INC.

22
23
24
25
26 [SETTLEMENT AGREEMENT ISSUED 30JUN26.wpd]

27 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND**
28 **CLASS NOTICE – PAGE 40**

1 APPROVED AS TO FORM AND CONTENT:

2 DAVID J. GALLO
3 **LAW OFFICES OF DAVID J. GALLO**
4 12702 VIA CORTINA, SUITE 500
5 DEL MAR, CALIFORNIA 92014-3769
6 Telephone: (858) 509-3652

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16 
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19 Attorneys for Defendant,
20 AIR EDUCATION, INC.

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26 [SETTLEMENT AGREEMENT ISSUED 30JUN26.wpd]

27 **CLASS ACTION AND PAGA SETTLEMENT AGREEMENT AND**
28 **CLASS NOTICE – PAGE 40**

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SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN FRANCISCO

PAUL REEB, individually and on
behalf of others similarly
situated,

Plaintiff,

v.

AIR EDUCATION, INC., a
Delaware corporation, and
DOES 1 through 50,

Defendants.

Case Number:

CGC-25-630919

CLASS ACTION
(Plaintiff Class,
Cal.Code Civ.Proc., § 382)

**NOTICE OF PENDENCY OF
ACTION, PROPOSED
SETTLEMENT, AND FINAL
FAIRNESS HEARING**

ACTION FILED:

03 NOVEMBER 2025

TRIAL DATE:

Not set.

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND
HEARING DATE FOR FINAL COURT APPROVAL**

[_____]

*The Superior Court for the State of California authorized this
Notice. Read it carefully! It's not junk mail, spam, an advertisement or
solicitation by a lawyer. You are not being sued.*

**NOTICE OF PENDENCY OF ACTION, PROPOSED SETTLEMENT, AND
FINAL FAIRNESS HEARING – PAGE 1**

Exhibit Page 113

Exhibit Page 113

1 **You may be eligible to receive money** from a class action lawsuit (the
2 “Action”) against Air Education, Inc. (“AEI”), which you may know as “Air
3 Reading”, for alleged wage and hour violations. The Action was filed by a former
4 Tutor, Mr. Paul Reeb (“Plaintiff”) and seeks payment of (1) back wages and other
5 relief for a class of people who worked as Air Reading Tutors (“Class Members”)
6 during the Class Period 03 November 2021 to 17 August 2026; and (2) penalties
7 under the California Private Attorney General Act (“PAGA”) for all Tutors who
8 conducted any Tutoring Sessions during the PAGA Period (13 March 2025 to 17
9 August 2026) (“Aggrieved Tutors”).

10 The proposed settlement has two main parts: (1) a class settlement
11 requiring AEI to fund individual class payments, and (2) a PAGA settlement
12 requiring AEI to fund individual PAGA payments and pay penalties to the
13 California Labor and Workforce Development Agency (“LWDA”).

14 Based on AEI’s records, and the parties’ current assumptions, your
15 individual class payment is estimated to be \$_____ and your individual
16 PAGA payment is estimated to be \$ _____. The actual amount
17 you may receive likely will be different and will depend on a number of factors.
18 (If no amount is stated for your individual PAGA payment, then according to
19 AEI’s records you are not eligible for an individual PAGA payment under the
20 settlement because you didn’t conduct any Tutoring Sessions during the PAGA
21 Period [*i.e.*, after 13 March 2025].)

22 The above estimates are based on AEI’s records showing that **you**
23 **conducted _____ Tutoring Sessions** during the Class Period and **you**
24 **conducted _____ Tutoring Sessions during** the PAGA Period
25 (*i.e.*, after 13 March 2025). If you believe that either of these numbers is
26 inaccurate, you can submit a challenge by the deadline date. See Section IV of
27 this Notice.

1 The Court has already preliminarily approved the proposed settlement and
2 approved this Notice. The Court has not yet decided whether to grant final
3 approval. Your legal rights are affected whether you act or not. Read this Notice
4 carefully. You will be deemed to have carefully read and understood it. At the
5 final approval hearing, the Court will decide whether to finally approve the
6 settlement and how much of the settlement will be paid to Plaintiff and Plaintiff's
7 attorneys ("Class Counsel"). The Court will also decide whether to enter a
8 judgment that requires AEI to make payments under the settlement and requires
9 Class Members and Aggrieved Tutors to give up their rights to assert certain
10 claims against AEI.

11 If you were signed up as an Air Reading Tutor during the Class Period, you
12 have two basic options under the settlement:

13 (1) **Do Nothing.** You don't have to do anything to participate in the
14 proposed settlement and be eligible for an individual class payment and/or an
15 individual PAGA payment. As a participating class member, though, you will give
16 up your right to assert Class Period wage claims against AEI.

17 (2) **Opt-Out of the Class Settlement.** You can exclude yourself from
18 the class settlement (opt-out) by submitting the written request for exclusion or
19 otherwise notifying the Administrator in writing. If you opt-out of the settlement,
20 you will not receive an individual class payment. You will, however, preserve
21 your right to personally pursue Class Period wage claims against AEI, and, if you
22 are an Aggrieved Tutor, remain eligible for an individual PAGA payment. You
23 cannot opt-out of the PAGA portion of the proposed settlement.

24 **AEI will not retaliate against you for any actions you take**
25 **with respect to the proposed settlement.**
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27
28

**SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN
THIS SETTLEMENT**

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an individual class payment and an individual PAGA payment (if any). In exchange, you will give up your right to assert the wage claims against AEI that are covered by this settlement ("Released Claims").
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is 	If you don't want to fully participate in the proposed settlement, you can opt-out of the class settlement by sending the Administrator a written request for exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an individual class payment. Non-Participating Class Members cannot object to any portion of the proposed settlement. See Section VI of this Notice. You cannot opt-out of the PAGA portion of the proposed settlement. AEI must pay individual PAGA payments to all Aggrieved Tutors, and the Aggrieved Tutors must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by _____	All Class Members who do not opt-out (“Participating Class Members”) can object to any aspect of the proposed settlement. The Court’s decision whether to finally approve the settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section VII of this Notice.
You Can Participate in the _____ Final Approval Hearing	The Court’s final approval hearing is scheduled to take place on _____. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. Participating Class Members can verbally object to the settlement at the final approval hearing. See Section VIII of this Notice.

You Can Challenge the Calculation of Your Tutoring Sessions Written Challenges Must be Submitted by _____	The amount of your individual class payment and individual PAGA payment (if any) depend on how many Tutoring Sessions you conducted during the Class Period and how Tutoring Sessions you conducted during the PAGA Period, respectively. The numbers of Tutoring Sessions you conducted during these periods according to AEI's records is stated on the first page of this Notice. If you disagree with the either or both of these numbers, you must challenge it by _____. See Section IV of this Notice.
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I. WHAT IS THE ACTION ABOUT?

A former Tutor, Mr. Paul Reeb, filed the Action against AEI. Mr. Reeb claims that the California Tutors should be treated as employees instead of independent contractors. AEI disputes these claims and contends all of its Tutors were properly treated as independent contractors.

All of Mr. Reeb's claims are wholly dependent upon his legal theory that the California Tutors should be treated as employees (which, as stated above, is disputed by AEI).

Mr. Reeb claims that the Tutors were not paid at least the minimum wage for all the time they worked in relation to Tutoring Sessions; that they were entitled to receive "split shift premiums" when they conducted more than one Tutoring Session in a day with idle time between; that they were also entitled to receive "reporting time pay" (an extra hour of pay) on such days; that they should have received wage statements (*i.e.*, pay stubs); that they should have received reimbursement for use of their own computers and internet connection; and that

1 Tutors who are no longer under contract and active should receive thirty (30)
2 times one day's pay as "waiting time pay" (*i.e.*, penalty for not paying all wages
3 due upon conclusion of employment). Mr. Reeb also alleges that AEI willfully
4 misclassified the Tutors as independent contractors instead of as employees. AEI
5 disputes all these claims, which would all fail if a court were to find that the
6 Tutors are properly treated as independent contractors. Mr. Reeb seeks to
7 represent a class of Tutors, and he seeks to recover unpaid wages and many types
8 of penalties for the Tutors. He also seeks to recover civil penalties on behalf of
9 the California Labor and Workforce Development Agency.

10 AEI has asserted that these claims have no legal or factual support
11 whatsoever.

12 13 **II. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?**

14 So far the Court has made no determination whether AEI or Plaintiff is
15 correct on the merits. In the meantime, Plaintiff and AEI attended a mediation
16 before an experienced retired judge, the Hon. Wynne S. Carvill (Ret.), in an effort
17 to resolve the Action by negotiating an agreement to settle the case rather than
18 continuing the expensive and time-consuming process of litigation. The parties
19 ultimately agreed to settle on the terms that had been discussed (but not
20 finalized) at the mediation. By signing a settlement agreement and agreeing to
21 ask the Court to enter a judgment ending the Action, Plaintiff and AEI have
22 negotiated a proposed settlement that is subject to the Court's final approval.
23 Both sides agree the proposed settlement is a compromise of disputed claims. By
24 agreeing to settle, AEI does not admit any violations or concede the merit of any
25 claims. Plaintiff and Class Counsel strongly believe the settlement is a good deal
26 for you because they believe that: (1) AEI has agreed to pay a fair, reasonable and
27 adequate amount considering the strength of the claims and the risks and
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1 uncertainties of continued litigation; and (2) settlement is in the best interests
2 of the Class Members. The Court preliminarily approved the proposed settlement
3 as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing
4 to determine final approval.

5
6 **III. WHAT ARE THE IMPORTANT TERMS OF PROPOSED**
7 **SETTLEMENT?**

- 8 1. AEI Will Pay \$930,000.00 (plus costs of administration but only to
9 the extent they may exceed \$6,568.00) as the Gross Settlement
10 Amount (“Gross Settlement”). AEI has agreed to deposit the Gross
11 Settlement into an account controlled by the Administrator of the
12 settlement. The Administrator will use the Gross Settlement to pay
13 the individual class payments, individual PAGA payments, a class
14 representative service payment, Class Counsel’s attorneys’ fees and
15 expenses, the Administrator’s expenses, and penalties to be paid to
16 the LWDA. Assuming the Court grants final approval, AEI will fund
17 the Gross Settlement not more than twenty-one (21) days after the
18 judgment entered by the Court becomes final. The judgment will be
19 final on the date the Court enters judgment, or a later date if
20 Participating Class Members object to the proposed settlement or the
21 judgment is appealed.
- 22 2. Court Approved Deductions from Gross Settlement. At the final
23 approval hearing, Class Counsel will ask the Court to approve the
24 following deductions from the Gross Settlement, the amounts of
25 which will be decided by the Court:
- 26 A. Up to \$310,000.00 [33-1/3% of the Gross Settlement] to Class
27 Counsel for attorneys’ fees and up to \$12,000.00 for their
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litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$10,000.00 to Plaintiff as a class representative award for filing the Action, working with Class Counsel and representing the Class, and for assuming all risks arising from his representation of the Class. A class representative award will be the only monies Plaintiff will receive from this settlement other than Plaintiff's individual class payment and any individual PAGA payment.

C. Up to \$6,568.00 to the Administrator for services administering the settlement.

D. Up to \$35,000.00 for PAGA penalties, allocated \$22,750.00 (*i.e.*, 65%) to the LWDA and \$12,250.00 (*i.e.*, 35%) to individual PAGA payments to Aggrieved Tutors based on their number of Tutoring Sessions conducted during the PAGA Period.

Participating Class Members have the right to object to any of these deductions except the PAGA penalties. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") as follows:

i. The amount allocated to the Individual PAGA Payments will be allocated among and distributed to the Aggrieved Purported Employees according to the ratio: (number of Tutoring Sessions conducted by the Aggrieved Tutor during the PAGA Period) divided by (total number of Tutoring Sessions

1 conducted by *all* Aggrieved Tutors worked during the PAGA
2 Period);

3 ii. There shall be a *per capita* payment (the “Base Payment”) of
4 Three Hundred Dollars (\$300.00) to each Participating Class
5 Member, irrespective of whether he or she has conducted any
6 Tutoring Sessions, and irrespective of whether he or she has
7 resigned, or his or her contract expired without the entry of a
8 new contract;

9 iii. There shall be a *per capita* payment (the “Section 203
10 Payment”) of Five Hundred Dollars (\$500.00) to each
11 Participating Class Member who has conducted one or more
12 Tutoring Sessions, but has resigned, or whose contract has
13 expired without the entry of a new contract, at any time on or
14 after 03 November 2022;

15 iv. The remainder of the Net Settlement Amount shall be paid out
16 to each Participating Class Member according to the ratio of:
17 (total number of Tutoring Sessions conducted by the particular
18 individual Class Member after 03 November 2021) divided by
19 (total number of Tutoring Sessions conducted by *all* Class
20 Members after 03 November 2021).

21 4. Tax Reporting. Neither the Court, nor any governmental agency,
22 has ever found that AEI’s classification of its Tutors as independent
23 contractors is incorrect. AEI contends that AEI’s classification of its
24 Tutors as independent contractors is proper. The Administrator will
25 report all payments to relevant taxing authorities on IRS 1099
26 Forms.

27 Neither Plaintiff, nor AEI, is giving you any advice on whether
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1 your payments are taxable or how much you might owe in taxes. You
2 are responsible for paying all taxes on any payments received from
3 the proposed settlement. You should consult a tax advisor if you have
4 any questions about the tax consequences of the proposed settlement.

5 5. Need to Promptly Cash Payment Checks. The front of every check
6 issued for individual class payments and individual PAGA payments
7 will show the date when the check expires (the void date). If you
8 don't cash it by the void date, your check will be automatically
9 cancelled, and the monies will irrevocably be lost to you because they
10 will be paid to a non-profit organization or foundation.

11 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You
12 will be treated as a Participating Class Member, participating fully
13 in the class settlement, unless you notify the Administrator in
14 writing, not later than _____, that you wish to opt-out.
15 The easiest way to notify the Administrator is to send a written and
16 signed request for exclusion by the _____ response
17 deadline. The request for exclusion should be a letter from the Class
18 Member or Class Member's representative setting forth the Class
19 Member's name, present address, telephone number, and a simple
20 statement electing to be excluded from the settlement. Class
21 Members who opt out will not receive individual class payments, but
22 will preserve their rights to personally pursue wage and hour claims
23 against AEI.

24 You cannot opt-out of the PAGA portion of the settlement.
25 Class Members who opt out of the class settlement remain eligible
26 for individual PAGA payments and are required to give up their
27 right to assert PAGA claims against AEI based on the PAGA Period
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1 facts alleged in the Action.

- 2 7. The Proposed Settlement Will be Void if the Court Denies Final
3 Approval. It is possible the Court will not grant final approval of the
4 settlement or not enter a judgment. It is also possible the Court will
5 enter a judgment that is reversed on appeal. Plaintiff and AEI have
6 agreed that, in either case, the settlement will be void, AEI will not
7 pay any money, and Class Members will not release any claims
8 against AEI.
- 9 8. Administrator. The Court has appointed Simpluris, a neutral
10 company, (the “Administrator”) to send this Notice, calculate and
11 make payments, and process Class Members’ requests for exclusion.
12 The Administrator will also decide Class Member challenges over
13 number of Tutoring Sessions conducted during the relevant periods.
14 The Administrator’s contact information is contained in Section IX
15 of this Notice.
- 16 9. Participating Class Members’ Release. After the Judgment is final
17 and AEI has fully funded the Gross Settlement, Participating Class
18 Members will be legally barred from asserting any of the claims
19 released under the settlement. This means that unless you opted out
20 by validly excluding yourself from the class settlement, you cannot
21 sue, continue to sue or be part of any other lawsuit against AEI or
22 related entities for wages based on the Class Period facts and PAGA
23 penalties based on PAGA Period facts, as alleged in the Action and
24 resolved by this settlement.

25 The Participating Class Members will be bound by the
26 following release:

27 All Participating Class Members, on behalf of
28

1 themselves and their respective former and present
2 representatives, agents, attorneys, administrators,
3 successors and assigns, release Released Parties from (i)
4 all claims that were alleged, or reasonably could have
5 been alleged, based on the facts and allegations in the
6 Operative Complaint that are alleged to have occurred
7 during the Class Period including, *e.g.*, for recovery of
8 minimum wage, Labor Code section 1194.2 liquidated
9 damages, split shift payments, reporting time pay, Labor
10 Code section 226 wage statement penalties, Labor Code
11 section 2802 indemnifications for expenses, Labor Code
12 section 203 waiting time pay, and restitutionary
13 recovery for alleged violations which occurred prior to
14 the commencements of limitations periods for actions at
15 law.

16 Except as set forth in Section 5.3 of the Settlement Agreement,
17 Participating Class Members do not release any other claims,
18 including claims for vested benefits, wrongful termination, violation
19 of the Fair Employment and Housing Act, unemployment insurance,
20 disability, social security, workers' compensation, or claims based on
21 events occurring outside the Class Period.

- 22 10. Aggrieved Tutors' PAGA Release. After the Court's judgment is final,
23 and AEI has paid the Gross Settlement, all Aggrieved Tutors will be
24 barred from asserting PAGA claims against AEI, whether or not they
25 exclude themselves from the Settlement. This means that all
26 Aggrieved Tutors, including those who are Participating Class
27 Members and those who opt-out of the class settlement, cannot sue,
28

1 continue to sue or participate in any other PAGA claim against AEI
2 or its related entities based on the PAGA Period facts alleged in the
3 Action and resolved by this settlement.

4 The Aggrieved Tutors' Release is as follows:

5 All Aggrieved Tutors are deemed to release, on behalf of
6 themselves and their respective former and present
7 representatives, agents, attorneys, administrators,
8 successors, and assigns, the Released Parties, from all
9 claims for PAGA penalties that were alleged, or
10 reasonably could have been alleged, based on the facts
11 and allegations in the Operative Complaint that are
12 alleged to have occurred during the PAGA Period and
13 the PAGA Notice.
14

15 **IV. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?**

- 16 1. Administrator's Calculations. The Administrator will calculate
17 Individual PAGA Payments, and Individual Class Payments,
18 according to the formula set out at Part III(3) above.
- 19 2. Tutoring Session Challenges. The total number of Tutoring Sessions
20 conducted by you after 03 November 2021, and the total number of
21 Tutoring Sessions conducted by you during the PAGA Period, is
22 stated in the first page of this Notice. You have until _____
23 to challenge either or both numbers of Tutoring Sessions credited to
24 you. You can submit your challenge by signing and sending a letter
25 to the Administrator via mail, email or fax. Section IX of this Notice
26 has the Administrator's contact information.

27 You need to support your challenge by sending scheduling
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1 confirmations or other records. The Administrator will accept AEI's
2 calculations of the total number of Tutoring Sessions conducted by
3 you after 03 November 2021, and during the PAGA Period, based on
4 AEI's records as accurate unless you send copies of records
5 containing contrary information. You should send copies rather than
6 originals because the documents will not be returned to you. The
7 Administrator will resolve these challenges based on your
8 submission and on input from Class Counsel (who will advocate on
9 behalf of Participating Class Members) and AEI's Counsel. The
10 Administrator's decision is final. You can't appeal or otherwise
11 challenge its final decision.

12 13 **V. HOW WILL I GET PAID?**

14 1. Participating Class Members. The Administrator will send, by U.S.
15 mail, a single check to every Participating Class Member (i.e., every
16 Class Member who doesn't opt-out) including those who also qualify
17 as Aggrieved Tutors. The single check will combine the individual
18 class payment and the individual PAGA payment (if any).

19 2. Non-Participating Class Members. The Administrator will send, by
20 U.S. mail, a single individual PAGA payment check to every
21 Aggrieved Tutor who opts out of the class settlement.

22 **Your check will be sent to the same address as this**
23 **Notice. If you change your address, be sure to notify the**
24 **Administrator as soon as possible. Section IX of this**
25 **Notice has the Administrator's contact information.**

26 27 **VI. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?**

1 To opt out of the class action settlement, submit a written and signed letter
2 with your name, present address, telephone number and a simple statement that
3 you do not want to participate in the settlement. The Administrator will exclude
4 you based on any writing communicating your request be excluded. Be sure to
5 personally sign your request, identify the Action as **REEB v. AIR EDUCATION,**
6 **Case No. CGC-25-630919,** and include your identifying information (full name,
7 address, telephone number, approximate dates of employment and social security
8 number for verification purposes). You must make the request yourself. If
9 someone else makes the request for you, it will not be valid. **You must send**
10 **your request to be excluded to the Administrator by _____**
11 **, or it will be invalid.** Section IX of the Notice has the Administrator's contact
12 information.

14 **VII. HOW DO I OBJECT TO THE SETTLEMENT?**

15 Only Participating Class Members have the right to object to the
16 settlement. Before deciding whether to object, you may wish to see what Plaintiff
17 and AEI are asking the Court to approve. At least ____ days before the
18 _____ final approval hearing, Class Counsel and/or Plaintiff will file
19 in Court a Motion for Final Approval that includes, among other things, the
20 reasons why the proposed settlement is fair and states (i) the amount Class
21 Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the
22 amount Plaintiff is requesting as a class representative service award. Upon
23 reasonable request, Class Counsel (whose contact information is in Section IX of
24 this Notice) will send you copies of these documents at no cost to you. You can
25 also view them on the Administrator's website **www.simpluris.com** or the
26 Court's website **https://sf.courts.ca.gov/online-services**

27 A Participating Class Member who disagrees with any aspect of the
28

1 settlement or the Motion for Final Approval may wish to object, for example, that
2 the proposed settlement is unfair, or that the amounts requested by Class
3 Counsel or Plaintiff are too high or too low. **The deadline for sending written**
4 **objections to the Administrator is _____**. Be sure to tell the
5 Administrator what you object to, why you object and any facts that support your
6 objection. Make sure you identify the Action as **REEB v. AIR EDUCATION,**
7 **Case No. CGC-25-630919,** and include your name, current address, telephone
8 number and approximate dates you were (or are) an AEI Tutor, and sign the
9 objection. Section IX of this Notice has the Administrator's contact information.

10 A Participating Class Member can object (or personally retain a lawyer to
11 object at your own cost) by attending the final approval hearing. You (or your
12 attorney) should be ready to tell the Court what you object to, why you object, and
13 any facts that support your objection. See Section VIII of this Notice (immediately
14 below) for specifics regarding the final approval hearing.

15 16 **VIII. CAN I ATTEND THE FINAL APPROVAL HEARING?**

17 You can, but don't have to, attend the final approval hearing
18 _____ on at _____ in Department 613 of the Superior
19 Court of San Francisco County, located at Civic Center Courthouse; 400
20 McAllister Street; San Francisco, California 94102. At the hearing, the judge will
21 decide whether to grant final approval of the settlement and how much of the
22 Gross Settlement will be paid to Class Counsel, Plaintiff and the Administrator.
23 The Court will invite comment from objectors, Class Counsel and defense counsel
24 before making a decision. You can attend (or hire a lawyer to attend) either
25 personally or virtually. Check the Court's website for the most current
26 information.

27 It's possible the Court will reschedule the final approval hearing. You
28

1 should check the Administrator's website **www.simpluris.com** beforehand or
2 contact Class Counsel to verify the date and time of the final approval hearing.

3
4 **IX. HOW CAN I GET MORE INFORMATION?**

5 The settlement agreement sets forth everything AEI and Plaintiff have
6 promised to do under the proposed settlement. The easiest way to read the
7 settlement agreement, the judgment or any other settlement documents is to go
8 to the Court's website, at **https://sf.courts.ca.gov/online-services** Court filings
9 can be viewed for free, any time of day or night. Start with "ONLINE
10 SERVICES", then go to "CASE INFORMATION", then "Civil Case Query: Access
11 Now", then input **Case Number CGC-25-630919**

12 You can also telephone or send an email to Class Counsel or the
13 Administrator using the contact information listed below.

14
15 **DO NOT TELEPHONE THE COURT TO OBTAIN**
16 **INFORMATION ABOUT THE SETTLEMENT**

17 Class counsel:

18 **DAVID J. GALLO, ESQ., of LAW OFFICES OF DAVID J. GALLO**
19 E-mail Address: **DJGSAN@AOL.COM**
20 Mailing Address: **12702 VIA CORTINA, SUITE 500**
21 **DEL MAR, CALIFORNIA 92014-3769**
22 Telephone: **858 509 3652**
23 Fax Number: **858 509 3717**

24 Settlement Administrator:

25 Name of Company: **Simpluris**
26 E-mail Address: _____
27 Mailing Address: **3194-C Airport Loop Drive; Costa Mesa, CA 92626**
28 Telephone: **800-779-2104**
Fax Number: _____

X. WHAT IF I LOSE MY SETTLEMENT CHECK?

**NOTICE OF PENDENCY OF ACTION, PROPOSED SETTLEMENT, AND
FINAL FAIRNESS HEARING – PAGE 18**

1 If you lose or misplace your settlement check before cashing it, the
2 Administrator will replace it as long as you request a replacement before the void
3 date on the face of the original check. If your check is already void, you will have
4 no way to recover the money.

5
6 **XI. WHAT IF I CHANGE MY ADDRESS?**

7 To receive your check, you should immediately notify the Administrator if
8 you move or otherwise change your mailing address.

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15 [CLASS NOTICE MODIFIED for REEB 07JUL26.wpd]
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