CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

This Class Action Settlement Agreement and Release of Claims ("Settlement Agreement," "Settlement," or "Agreement") is entered into by and between Defendants, B. Daniel Shabani, Inc.; B. Daniel Shabani, Ph.D., Psychologist, Inc.; and Bahram Daniel Shabani, (collectively "Defendants") and Plaintiff, Yasmine Gonzalez ("Class Representative" and/or "Plaintiff") on behalf of herself, on behalf of all members of the "Settlement Class" hereinafter defined, subject to final approval of the Court, and as a private attorney general. (Plaintiff and Defendants are hereinafter referred to as the "Parties"). This Agreement provides for a Gross Settlement Fund of Three Hundred Twenty Five Thousand Dollars and Zero Cents ($325,000.00), which is intended to and does effectuate the full, final and complete resolution of the Released Claims and Plaintiff's Released Claims, as defined in Paragraphs 56 through 58 herein.

DEFINITIONS

1. "Action" means the putative class and representative action captioned *YASMINE GONZALEZ, an individual; Individually and on behalf of all others similarly situated, and the general public v. B. DANIEL SHABANI, INC., a California Corporation; B. DANIEL SHABANI, PH.D., PSYCHOLOGIST, INC., a California Corporation; BAHRAM DANIEL SHABANI, an Individual; and DOES 1 through 50, inclusive,* Los Angeles County Superior Court Case No. 24STCV06425.

2. "Class Counsel" is Azad M. Marvazy and Brea Violette of Light Law Group, APC.

3. "Class" or "Class Members" refers to the class, which the Parties agree shall be certified for settlement purposes only, as follows: All persons who are or were employed by Defendants as nonexempt Behavior Technicians (including those who performed the same duties as Behavior Technicians but with a different job title) in the State of California at any time during the period from March 14, 2020 through April 8, 2025. The investigation and discovery

by both parties showed that there are approximately 107 Class Members as of the date of this Agreement.

4. "Class Representative" and "Plaintiff" refers to Plaintiff Yasmine Gonzalez.

5. "Complaint" refers collectively to the Class Action Complaint for Damages filed on March 14, 2024, the First Amended Complaint filed on September 3, 2024, and the Second Amended Complaint filed on May 2, 2025, in the Action.

6. "Court" shall refer to the Superior Court of California for the County of Los Angeles.

7. "Defendants' Counsel" is Keith F. Simpson of the Law Offices of Keith Simpson, APC, and Kim D. Blanchard.

8. "Effective Date" refers to, if there are no timely objections by members of the Settlement Class and/or any such objections have been withdrawn prior to the final approval hearing, the date the Court signs an order granting final approval of the Settlement Agreement. If timely objections are submitted by one or more members of the Settlement Class which are not thereafter withdrawn prior to the final approval hearing, the Effective Date shall be the later of the following events: (1) when the period for filing any appeal, writ or other appellate proceeding has lapsed; (2) when any appeal, writ, or other appellate proceeding opposing the Settlement has been dismissed finally and conclusively with no right to pursue further remedies or relief; or (3) when any appeal, writ, or other appellate proceeding has upheld the Court's final approval order and judgment with no right to pursue further remedies or relief. It is the intention of the Parties that the Settlement shall not become effective until the Court's final approval order and entered judgment is completely final, and there is no further recourse by any appellant or objector who seeks to contest the Settlement.

9. "Employer Taxes" refer to the employer's share of the payroll taxes and contributions owed with respect to the wage portions of the Individual Settlement Shares made to Settlement Class Members, under local, state, and federal laws, *inter alia*, the Federal Insurance Contributions Act, the Federal Unemployment Tax Act, and for unemployment insurance. The

Gross Settlement Fund does not include the Employer's Taxes, which shall be paid by Defendants separately.

10. "Gross Settlement Fund" refers to the maximum amount of Three Hundred Twenty Five Thousand Dollars and Zero Cents ($325,000.00) that Defendants shall pay, without reversion to Defendants, pursuant to this Settlement Agreement.

11. "Individual Settlement Shares" means the portion of the Net Settlement Fund distributable to each Settlement Class Member. Individual Settlement Shares will be distributed to Settlement Class Members on a *pro rata* basis, based upon the number of weeks that each Settlement Class Member worked as a Behavior Technician during the Settlement Period ("Workweeks"), divided by the total number of Workweeks worked by all Settlement Class Members during the Settlement Period as Behavior Technicians. The Settlement Administrator will distribute the Individual Settlement Shares to Settlement Class Members.

12. "Net Settlement Fund" shall be calculated by deducting the following Court-approved amounts from the Gross Settlement Fund: (a) Class Counsel's attorneys' fees and litigation costs and expenses; (b) the Service Award to Plaintiff; (c) the PAGA Payment to the California Labor and Workforce Development Agency ("LWDA"); and (d) Settlement Administration Expenses.

13. "Settlement Fund Account" means the qualified bank account to be established by the Settlement Administrator pursuant to the terms of this Settlement Agreement, from which all monies payable under the terms of this Settlement shall be paid.

14. "Notice" means the Notice of Class Action Settlement, in a form substantially similar to the attached **"Exhibit A,"** subject to Court approval, and incorporated by reference into this Settlement Agreement.

15. "Parties" refers to the Class Representative and Defendants, collectively.

16. "PAGA Payment" means the amount that the Parties have agreed to pay in connection with the California Labor Code Private Attorneys General Act of 2004 (Cal. Labor Code §§ 2698 *et seq.*). The Parties have agreed that Ten Thousand Dollars and Zero Cents

($10,000.00) of the Gross Settlement Amount will be allocated to the resolution of any Class Members' claims arising under PAGA. Pursuant to PAGA, 75%, or Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00), of this sum will be paid to the LWDA and the remaining 25%, or Two Thousand Five Hundred Dollars and Zero Cents ($2,500.00), will be part of the Net Settlement Amount available for distribution to Class Members.

17. "Released Parties" refers to Defendants, B. Daniel Shabani, Inc. and B. Daniel Shabani, Ph.D., Psychologist, Inc., and all of their respective past, present, and future parent companies, subsidiaries, and divisions, related or affiliated companies, and all of their respective owners, shareholders, trustees, executors, administrators, officers, directors, employees, agents, attorneys, insurers, successors and assigns, any individual or entity which could be liable for any of the Released Claims, and Defendants' Counsel of record in the Action.

In addition, "Released Parties" refers to and includes individual Defendant, Bahram Daniel Shabani, and any of his representatives, agents, estates, heirs, administrators, executors, successors, assigns, companies, entities and any of their present and former members, officers, directors, managers, partners, parents, agents, employees, shareholders, affiliates, parent companies, subsidiaries, insurers, attorneys, representatives, and administrators.

18. "Service Award" refers to the amount to be paid to Plaintiff to compensate her for her role in bringing and prosecuting this suit.

19. "Settlement Period" is the time period beginning March 14, 2020 through April 8, 2025.

20. "Settlement Class" or "Settlement Class Members" means all members of the Class who do not timely submit a valid Request for Exclusion, consistent with the procedures described herein.

21. "Settlement Administrator" refers to the third-party company responsible for administering the Settlement. The Parties agree to have Analytics Consulting act as the Settlement Administrator. Class Counsel estimates that the fees and costs paid to the Settlement Administrator will be approximately $10,000.00 (ten thousand dollars).

22. "Settlement Administration Expenses" are those expenses incurred by the Settlement Administrator in effectuating the Settlement, distributing Notice to the Class, settlement administration, and any fees and costs incurred or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement Agreement.

BACKGROUND

23. Plaintiff alleges that Defendants, *inter alia*, failed to properly pay Plaintiff and all the members of the Class overtime and minimum wages, failed to provide compliant meal and rest periods and associated premiums, failed to timely pay wages upon termination and during employment, failed to provide compliant wage statements, failed to reimburse business expenses, and engaged in unfair business practices. Plaintiff contends that Defendants owe unpaid wages, penalties, restitution, injunctive and other equitable relief, and reasonable attorneys' fees and costs, under, *inter alia*, California Labor Code sections 510, 512(a), 1194, 1197, 1197.1, 1198, 201, 202, 218.5, 226(a), 226.7, 2800, and 2802, Business and Professions Code section 17200, *et seq*. Plaintiff further alleges Defendants violated the Private Attorneys General Act and contends that Defendants owe civil penalties under California Labor Code section 2698, *et seq*.

24. Defendants deny the entirety of Plaintiff's allegations and further deny that they have committed any illegal or wrongful acts. Defendants contend that Plaintiff and all members of the Class were treated lawfully in every respect. Defendants deny that they harmed such persons in any manner, or that they owe such persons any amounts whatsoever. Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission of the existence or non-existence of liability, culpability, negligence, or wrongdoing by Defendants.

25. Class Counsel has conducted a sufficiently thorough investigation into the claims of the Class against Defendants. The Parties engaged in formal written discovery, within the confines of class certification as required by the Court, including one set of Form Interrogatories – General; Form Interrogatories – Employment Law; Special Interrogatories; Requests for Admission; and Requests for Production of Documents on each entity Defendant. Said written

discovery included multiple meet and confer efforts, which resulted in both further and supplemental responses being produced by Defendants. Defendants produced greater than 5,000 pages of documents thoroughly reviewed and analyzed by Class Counsel. Class Counsel also conducted the depositions of three (3) separate Persons Most Qualified identified by Defendants as most qualified to testify as to nine (9) categories in connection with the allegations in the Complaint as relating to class certification. Based on Class Counsel's own independent investigation and evaluation, and all known facts and circumstances, including the risk of significant defenses asserted by Defendants, Class Counsel is of the opinion that the Settlement is fair, reasonable, and adequate and is in the best interest of the Class.

26. The Parties arrived at the instant Settlement as a result of arm's length negotiations. The Parties engaged in mediation on November 13, 2025, before mediator John B. Golper, Esq., a highly regarded employment law mediator with over four decades of experience litigating employment law matters, who independently assessed the relative positions of the Parties and was able to bring the Parties to the agreement being formalized herein.

27. It is the intention of the Parties that this Settlement Agreement shall constitute a full and complete settlement and release of all class and representative claims arising, or could have arisen, from the allegations of the Action filed against Defendants.

28. The Parties agree to cooperate and take all steps necessary and appropriate to obtain preliminary and final approval of this Settlement and to effectuate all aspects of this Settlement Agreement.

CERTIFICATION OF THE CLASS FOR SETTLEMENT PURPOSES ONLY

29. For settlement purposes only, the Parties agree that the Class shall be certified. This Settlement Agreement is contingent upon the approval and certification by the Court of the Class for settlement purposes only. Defendants do not waive, and instead expressly reserve, their rights to challenge the propriety of class certification for any purpose should the Court not approve the Settlement. In connection with the proposed certification of the Class, the Parties shall cooperate and present to the Court for its consideration competent evidence, as may be

requested by the Court, under the applicable due process requirements and standards for class certification. In the event either preliminary or final approval of the Settlement is not obtained or, if obtained, is reversed upon appeal, the Parties shall be returned to their respective positions in the action as they existed immediately prior to the execution of this Agreement. Furthermore, nothing said or represented in connection with obtaining approval of the Court with respect to this settlement, either on a preliminary or final basis, shall be admissible for any purpose other than to obtain approval by the Court of this Settlement.

SETTLEMENT APPROVAL PROCEDURE

30. This Settlement Agreement will become final and effective upon occurrence of all of the events described in Subparagraphs (a) through (e) below, inclusive.

a. Execution of this Settlement Agreement by the Parties and their respective counsel of record.

b. Entry of an Order by the Court (i) granting preliminary approval of the Settlement Agreement, including conditional certification of the Class for settlement purposes only, (ii) approving the proposed Notice, and (iii) scheduling a hearing date for final approval of the Settlement Agreement ("Final Approval Hearing").

c. Filing by Class Counsel, on or before the date of the Final Approval Hearing, the Settlement Administrator's verification, in writing, that the Notice to the Class has been disseminated in accordance with the Court's preliminary approval order.

d. Entry of an order by the Court granting final approval of the Settlement Agreement.

e. Occurrence of the Effective Date.

SETTLEMENT PAYMENT AND CALCULATION OF CLAIMS

31. In consideration of the mutual covenants and promises set forth herein, the Parties agree, subject to the Court's approval, as follows:

32. Settlement Amount: Defendants agree to pay a Gross Settlement Fund of Three Hundred Twenty Five Thousand Dollars ($325,000) on a non-reversionary basis, and Defendants

will not retain any portion of the Gross Settlement Fund. The Settlement Amount shall be paid by Defendants, within thirty (30) calendar days of the Effective Date, to the Settlement Administrator who shall immediately deposit the Settlement Amount in the Settlement Fund Account. The Settlement Administrator shall distribute the Settlement Funds according to the Distribution of Settlement Payments schedule in paragraph 32(e) below. The Settlement Funds consist of the following: (i) payments to the Settlement Class as described in this Settlement Agreement; (ii) the PAGA payment to the LWDA in the amount of Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00); (iii) Service Award in the amount of Ten Thousand Dollars and Zero Cents ($10,000.00) to the Class Representative; (iv) Settlement Administration Expenses (currently estimated not to exceed $10,000.00); and (v) Class Counsel's Court-approved attorneys' fees (up to one-third of the Gross Settlement Fund, not to exceed $108,333.33) plus litigation costs and expenses not to exceed Thirteen Thousand Dollars and Zero Cents ($13,000.00). Defendants will be separately responsible for any employer payroll taxes required by law, including the employer FICA, FUTA, and SDI contributions, which shall be calculated by the Settlement Administrator. No benefit, including but not limited to 401k, shall increase or accrue as a result of any payment made as a result of this settlement. In the event the total number of Class Members is 10% larger than the number identified in paragraph 3, then the Settlement Amount shall increase by the percentage the number of Class Members is more than 10% larger than identified, i.e., if the number of Class Members are 12% more than identified, the Settlement Amount shall be increased by 12%.

a. Attorneys' Fees and Costs and Expenses: In conjunction with final approval of this Settlement Agreement, Class Counsel will apply to the Court for an award of attorneys' fees in an amount totaling up to one-third of the Gross Settlement Fund (not to exceed $108,333.33), plus actual litigation costs and expenses not to exceed Thirteen Thousand Dollars and Zero Cents ($13,000). Defendants will not oppose or object to Class Counsel's application for these attorneys' fees and costs. If the Court does not approve Class Counsel's request for attorneys' fees and reimbursement of litigation costs and expenses, the amounts not approved shall be a part

of the Net Settlement Fund to be distributed to the Settlement Class, according to the formula set forth below. These fees and costs are included in, and come from, the Gross Settlement Fund and will be paid directly to Class Counsel by the Settlement Administrator according to the Distribution of Settlement Payments schedule in paragraph 32(f) below. The Settlement Administrator will issue Class Counsel an IRS Form 1099 for their award of attorneys' fees.

b. Service Award: Subject to Court approval, in addition to any payment Plaintiff may receive in her capacity as a Settlement Class Member, she will individually receive a Service Award from the Gross Settlement Fund for her services as a Class Representative. Plaintiff shall receive a Service Award of Ten Thousand Dollars and Zero Cents ($10,000.00). Defendants will not oppose or object to Plaintiff's request for the Service Award. The Class Representative's Service Award will be distributed by the Settlement Administrator according to the Distribution of Settlement Payments schedule in paragraph 32(f) below. The Settlement Administrator will issue to Plaintiff an IRS Form 1099 in connection with this payment.

c. PAGA Payment. Subject to Court approval, the Parties have agreed that the amount of Ten Thousand Dollars and Zero Cents ($10,000.00) of the Gross Settlement Amount will be designated for satisfaction of Plaintiff's and Class Members' claims arising under PAGA. Pursuant to PAGA, Seventy-Five Percent (75%), or Seven Thousand Five Hundred Dollars and Zero Cents ($7,500.00), of this sum will be paid to the LWDA and Twenty-Five Percent (25%), and Two Thousand Five Hundred Dollars and Zero Cents ($2,500.00), will be distributed to Class Members as part of the Net Settlement Amount.

d. Settlement Payments to Settlement Class Members: Each Settlement Class Member shall be entitled to receive a *pro rata* portion of the Net Settlement Fund ("Individual Settlement Share"), based upon the number of Workweeks that each Settlement Class Member worked during the Settlement Period, divided by the total number of Workweeks worked by all Settlement Class Members during the Settlement Period. The Settlement Administrator shall calculate the number of Workweeks worked by Settlement Class Members, the amount to be paid per Workweek, and the Individual Settlement Share of each Settlement Class Member. The

Individual Settlement Share shall be reduced by the employees' share of any required legal deductions or withholdings, with respect to the wage-portion of the Individual Settlement Share, for each Settlement Class Member. Payment of the Individual Settlement Shares shall be distributed to the Settlement Class Members by the Settlement Administrator according to the Distribution of Settlement Payments schedule in paragraph 32(f) below.

e. Settlement Administration Expenses: The Settlement Administration Expenses shall be paid from the Gross Settlement Fund according to the Distribution of Settlement Payments schedule in paragraph 32(f) below. If Defendants opt to terminate the Settlement Agreement pursuant to the terms of this Agreement, then Defendants shall bear the cost of any Settlement Administration Expenses incurred up to that date.

f. Distribution of Settlement Payments: Defendants shall pay the Settlement Amount to the Settlement Administrator according to the schedule in paragraph 32 above. The Settlement Administrator shall immediately deposit the Settlement Amount in the Settlement Fund Account. The Settlement Administrator shall distribute the Settlement Funds based on amounts approved by the Court for the five categories of payments: (i) payments to the Settlement Class; (ii) PAGA payment to the LWDA; (iii) Service Award to the Class Representative; (iv) Settlement Administration Expenses; and (v) Class Counsel's Court-approved attorneys' fees and costs.

33. Right to Rescission: If more than fifteen percent (15%) of the Class Members opt out of the Settlement Class by submitting valid and timely Requests for Exclusion as set forth in Paragraph 46 of this Agreement, Defendants shall have the right in their sole discretion to rescind and void this Settlement Agreement by providing written notice to Class Counsel in conformity with Paragraph 71, within fourteen (14) calendar days of the day on which the Settlement Administrator furnishes the parties with the number of valid and timely Requests for Exclusion as provided in Paragraph 46. If Defendants exercises this option, Defendants shall pay all Settlement Administration Expenses incurred up to that date.

ALLOCATION AND TAX TREATMENT

34. The Parties agree that each employee's share of taxes and other legally required withholdings with respect to the wage-portion of each Individual Settlement Share will be withheld from the Individual Settlement Shares before they are distributed to Settlement Class Members. Income tax withholding will also be made pursuant to applicable federal, state and/or local withholding codes or regulations. For withholding tax characterization purposes and payment of taxes, each Individual Settlement Share shall be deemed and is allocated by the Parties as follows: twenty percent (20%) as wages, forty percent (40%) as interest, and forty percent (40%) as penalties.

35. The Parties agree that the wage portion of each Settlement Class Member's Individual Settlement Share will be subject to each employee's share of taxes and withholdings and shall be reported on an IRS Form W-2. The non-wage portion shall be reported as such to each Settlement Class Member on an IRS Form 1099. Settlement Class Members will be issued payment of their Individual Settlement Share subject to reduction for the employee's share of taxes and withholdings with respect to the wage-portion of each share. Employer's Taxes with respect to the wage-portion of each Individual Settlement Share shall be paid by Defendants separately and in addition to the Gross Settlement Fund.

36. The employee's portion of all applicable income and payroll taxes, as well as the taxes on the penalties and interest damages payment, will be the responsibility of the Settlement Class Members, who agree to hold harmless the Released Parties, Class Counsel, and Defendants' Counsel for any tax liability, including penalties and interest, arising out of or relating to the Settlement Class Members' failure to pay taxes on any amounts paid pursuant to this Agreement. Each Individual Settlement Share is subject to the employee's share of taxes with respect to the wage-portion of Individual Settlement Share, which the Settlement Administrator is responsible for remitting and reporting to the tax authorities. Although the Employer's Taxes associated with the wage-portion of Individual Settlement Shares shall be paid separately and in addition to the Gross Settlement Fund, the Settlement Administrator shall be

responsible for calculating the Employer's Taxes and notifying Defendants of the total amount due for the Employer's Taxes, collecting said amount from Defendants, and remitting and reporting it to the tax authorities.

APPOINTMENT AND DUTIES OF SETTLEMENT ADMINISTRATOR

37. The Settlement Administrator will perform the duties of distributing the Notice, receiving, reviewing, and processing Requests for Exclusion, Objections, and disputes, and calculating, verifying, and distributing the Individual Settlement Shares to Settlement Class Members, as described in this Settlement Agreement. The Settlement Administrator will report to the Parties, in summary or narrative form, the substance of its findings with respect to the number of timely disputes, Requests for Exclusion, and Objections that the Settlement Administrator received, within ten (10) business days of the Response Deadline, as defined in Paragraph 46.

NOTICE TO THE CLASS

38. Within fourteen (14) calendar days of the date on which the Court grants preliminary approval of the Settlement, Defendants shall provide the Settlement Administrator the most updated information in its possession, custody, or control with respect to each Class Member's name, last known address, Social Security number, and last known telephone number, dates of employment, and number of Workweeks that each member of the Class worked for Defendants during the Settlement Period ("Class Data"). Defendants agree to provide this information in a format reasonably acceptable to the Settlement Administrator, who shall make the final determination as to the total Workweeks worked by each Class Member.

39. Subject to Court approval of content, the Settlement Administrator shall send the Notice to the Class, by first class U.S. mail, within fourteen (14) calendar days after receiving the Class Data from Defendants. The Notice, subject to Court approval, shall contain the estimated Individual Settlement Share that each Class Member is eligible to receive, as well as his or her Employment Information, as defined in Paragraph 52. The Notice will advise all Class Members of the nature of the Action, the terms of the Settlement, the binding nature of the release, the

final approval hearing date, and Class Members' right to request exclusion from the settlement, object to the settlement, and/or dispute the Employment Information attributed to him or her.

40. Prior to mailing the Notices, the Settlement Administrator shall use the United States Postal Service National Change of Address ("NCOA") List to locate updated addresses to ensure that the Notice is sent to all Class Members at the addresses most likely to result in immediate receipt of the Notice. With respect to any returned, undeliverable Notice, the Settlement Administrator will perform a robust skip-trace procedure to obtain a current address and, if an updated address is located, the Settlement Administrator shall undertake one (1) re-mailing of the Notice to such address within five (5) calendar days of the receipt of the returned Notice. Class Members to whom Notices are re-sent after having been returned undeliverable to the Settlement Administrator shall have between the later of (a) an additional ten (10) calendar days from the date of re-mailing or (b) the Response Deadline, as set forth in paragraph 46, to submit an Objection, Request for Exclusion, or dispute regarding his or her Employment Information, as set forth in the Notice. Notices that are re-mailed shall be accompanied by a short cover letter from the Settlement Administrator informing the recipient of this adjusted deadline.

41. Upon completion of the steps outlined in Paragraphs 37 through 40 by the Settlement Administrator, Defendants and the Settlement Administrator shall be deemed to have satisfied their obligations to provide notice to the affected Class Member, and, regardless of whether the affected Class Member actually receives the Notice or cashes his or her Individual Settlement Share check, the affected Class Member shall remain a member of the Settlement Class and shall be bound by all the terms of the Settlement and the Court's final approval order and judgment.

42. Class Counsel shall provide the Court, at least seven (7) calendar days prior to the Final Approval Hearing, a declaration by the Settlement Administrator of due diligence and proof of mailing with regard to the Notice.

CALCULATION OF SETTLEMENT SHARES AND PAYMENTS

43. The Settlement Administrator shall calculate the Individual Settlement Share payments to be paid to the Settlement Class Members and distribute said payments in accordance with the Distribution of Settlement Payments schedule in paragraph 32(f). Individual Settlement Share checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance and, if not cashed by the Settlement Class Member within that time, the check will be cancelled. The funds associated with such cancelled checks considered unpaid, unclaimed, or abandoned cash residue pursuant to California Code of Civil Procedure section 384 ("Unpaid Residue"), and the Unpaid Residue plus any accrued interest that has not otherwise been distributed shall be transmitted by the Settlement Administrator, to the cy pres designation, Legal Aid Foundation of Los Angeles. The Settlement Administrator shall also prepare a report regarding the distribution plan pursuant to California Code Civil Procedure section 384 and the report shall be presented to the Court by Class Counsel.

44. Settlement Class Members whose Individual Settlement Share checks are cancelled shall remain part of the Settlement Class and subject to the provisions of this Settlement. All checks distributed to Settlement Class Members shall prominently state the expiration date or contain a statement as to when the checks will expire, or alternatively, such a statement may be made in a letter accompanying the checks.

45. Thirty (30) calendar days before the Individual Settlement Share checks are to expire, the Settlement Administrator shall send one (1) reminder postcard to Settlement Class Members to whom Individual Settlement Share checks were mailed but are uncashed, reminding the Settlement Class Members to cash the checks. Upon completion of its calculation of Individual Settlement Shares, the Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a report listing the amount of the Individual Settlement Share to be made to each Settlement Class Member. Proof of payment to the Settlement Class Members shall be provided to Class Counsel and Defendants' Counsel within ninety (90) calendar days of the Effective Date.

EXCLUSION PROCESS

46. Class Members may opt out of the Settlement by submitting a written request to be excluded from the Settlement ("Request for Exclusion") to the Settlement Administrator in conformity with the instructions in the Notice. Any such Request for Exclusion must be mailed to the Settlement Administrator, postmarked no later than thirty (30) calendar days after the date the Notice is initially mailed to the Class Members by the Settlement Administrator (the "Response Deadline") or, in the case of a re-mailed Notice, the later of (a) an additional ten (10) calendar days from the date the Notice is re-mailed (the "Extended Response Deadline") or (b) the Response Deadline. A Request for Exclusion must state the Class Member's name, current address, telephone number, last four digits of his or her Social Security number, and contain a clear statement that the Class Member wishes to opt-out of the Settlement. The Request for Exclusion shall also state the name and case number of the Action. Requests to opt-out that do not include all required information, as stated in the Notice, or that are not submitted on a timely basis, will be deemed invalid and ineffective. Persons who are eligible to, and do submit, valid and timely Requests for Exclusion will not participate in the Settlement, nor will they be bound by the terms of the proposed Settlement, if it is approved, or the Court's final judgment. The Parties agree to meet and confer on late and ambiguous Requests for Exclusion, and may mutually agree to accept defective Requests for Exclusion for good cause shown.

47. By signing this Agreement, the Class Representative waives her right to opt out of the Settlement Class, and any such Request for Exclusion will be void and of no force and effect.

OBJECTION PROCESS

48. Class Members who do not opt-out (i.e., Settlement Class Members) have the right to object to this Settlement Agreement. Objections to the Settlement must be in writing, and must be mailed to the Settlement Administrator, postmarked no later than the Response Deadline, or, in the case of a re-mailed Notice, by the later of (a) the Extended Response Deadline or (b) the Response Deadline, as defined in Paragraph 46. The postmark date shall be deemed the exclusive means for determining whether the Objection is timely.

49. Objections should state the Settlement Class Member's name, current address, telephone number, dates of employment with Defendants, last four digits of his or her Social Security number, and the name and case number of the Action. The Objection should also describe why the Settlement Class Member objects to the Settlement, and state whether the objector wishes to be heard at the Final Approval Hearing. The Court will hear from any Class Member who appears at the Final Approval Hearing and asks to speak, regardless of whether a written objection was submitted.

50. All Objections that are submitted to the Settlement Administrator shall be forwarded by the Settlement Administrator to counsel for the Parties within three (3) business days of receipt of the Objection.

51. At no time shall any of the Parties or their counsel seek to solicit or otherwise encourage Settlement Class Members to submit written objections to the Settlement Agreement or appeal from the Court's final approval order and judgment. Class Counsel shall not represent any Settlement Class Members with respect to any such objections.

NOTICE OF CALCULATION OF PAYMENT AND DISPUTE PROCESS

52. The Notice will apprise each member of the Class of the total number of Workweeks that have been attributed to them, based on Defendants' records, which have been used to calculate their estimated Individual Settlement Share ("Employment Information"). These calculations shall be based on Defendants' records.

53. If a Class Member does not wish to dispute the Employment Information set forth in the Notice, then the Class Member need do nothing, and payment will be made based on Defendants' records.

54. If a Class Member wishes to challenge the Employment Information set forth in the Notice, then the Class Member must submit a written, signed dispute, in conformity with any instructions contained in the Notice, along with supporting documents, if any exist, to the Settlement Administrator at the address provided on the Notice. To be timely, any such dispute must be postmarked on or before the Response Deadline, or, in the event of a re-mailed Notice

Packet, on or before the later of (a) the Extended Response Deadline, or (b) the Response Deadline.

55. Absent an agreement between Class Counsel and Defendants' Counsel regarding how to address the dispute, the Settlement Administrator shall have authority to resolve the dispute and make a final and binding determination without hearing or right of appeal. Defendants agree to provide the Settlement Administrator with additional documents necessary to assess the dispute, if such documents exist. All disputes shall be resolved, either by agreement of Class Counsel and Defendants' Counsel or by decision of the Settlement Administrator as provided herein, prior to submitting the Settlement Administrator's declaration to the Court for final approval.

RELEASES

56. Release of Claims by All Settlement Class Members. Upon the full funding of the Settlement by Defendants as required by paragraph 32 above, and except as to such rights or claims as may be created by this Settlement Agreement, all members of the Settlement Class fully release and discharge the Released Parties from the "Released Claims," which shall be any and all claims alleged in, or arising out of facts asserted in, the operative Second Amended Complaint in the Action which arose during the period of March 14, 2020 through April 8, 2025. These include claims for: (1) failure to pay overtime compensation in violation of California Labor Code sections 510, 558 and 1194, et seq.; (2) failure to pay minimum wages in violation of California Labor Code sections 1182.11-1182.13, 1194, 1194.2, 1197, 1197.1 and 1199; (3) failure to provide meal breaks in violation of California Labor Code sections 218.5, 226.7, 512, 558, and 1194, et seq.; (4) failure to provide rest breaks in violation of California Labor Code sections 218.5, 226.7, 558, and 1194, et seq.; (5) failure to indemnify for necessary expenditures in violation of California Labor Code section 2802; (6) failure to provide accurate itemized wage statements in violation of California Labor Code section 226; (7) waiting time penalties in violation of California Labor Code sections 201, 202, and 203; and (8) unfair business practices in violation of California Business and Professions Code sections 17200, et seq. In the event that

a Class Member submits a valid Request for Exclusion and, thereby, opts out of the Settlement Class, that Class Member shall still recover a payment pursuant to the PAGA Payment and such payment will be calculated on a pro rata basis for the statutorily permitted period of February 26, 2023 through April 8, 2025 (the "PAGA Period"), based on the total of thirty (30) aggrieved employees during the PAGA Period. In exchange for this PAGA Payment, the Class Member fully releases and discharges the Released Parties from any and all claims for penalties under PAGA as disclosed in the PAGA Notice sent to the LWDA and alleged in the operative Second Amended Complaint in the Action (a true and correct copy of the PAGA Notice is attached hereto as Exhibit B). Such claims for penalties under PAGA include: (1) pursuant to California Labor Code sections 558, 1197.1, and 2699, et seq. for unlawful failure to pay minimum wages; (2) pursuant to California Labor Code sections 558, 1199, 1197.1, and 2699, et seq. for unlawful failure to pay overtime wages; (3) pursuant to California Labor Code sections 558 and 2699, et seq. for unlawful failure to provide uninterrupted off-duty meal periods; (4) pursuant to California Labor Code sections 558 and 2699, et seq. for unlawful failure to provide uninterrupted off-duty rest periods; (5) pursuant to California Labor Code sections 558, 2802 and 2699, et seq. for unlawful failure to reimburse expenses; (6) pursuant to California Labor Code sections 226.3and 2699, et seq. for unlawful failure to furnish accurate wage statements; (7) pursuant to California Labor Code sections 1174.5and 2699, et seq. for unlawful failure to keep accurate payroll records of daily hours worked; (8) pursuant to California Labor Code section 1199 and 2699, et seq. for violating or refusing or neglecting to comply with any provision of the Labor Code regarding employees' wages, hours, and working conditions; and (9) pursuant to California Labor Code sections 203, 256 and 2699, et seq. for unlawful failure to pay wages due upon termination.

57. Release of Claims by Plaintiff. In addition to the release set forth in Paragraph 56, upon final approval by the Court of this Settlement Agreement, Plaintiff fully releases and discharges the Released Parties from any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees and costs, damages (including general, special,

economic, compensatory, punitive), penalties, prejudgment interest, actions or causes of action of whatever kind or nature, whether known or unknown, including all of those arising under state, federal or common law, which Plaintiff has, ever had, or hereafter may claim to have, arising on or before the date that she signs this Settlement Agreement, including without limitation: any claims for unpaid minimum wage or overtime, wage statement violations, meal period and rest period violations, unreimbursed business-related expenses, interest, "waiting time" penalties, statutory penalties, restitution, liquidated damages, civil penalties, penalties pursuant to the Labor Code Private Attorneys General Act of 2004 – Cal. Lab. Code § 2698 *et seq.,* the California Business and Professions Code, the California Civil Code, or any state, county or city law or ordinance regarding wages or compensation.

58. In addition to the releases made by all Settlement Class Members, Plaintiff expressly waives any rights or benefits afforded by Section 1542 of the Civil Code of the State of California, and does so understanding the significance of that waiver. Section 1542 provides:

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

DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL

59. The Parties shall promptly submit this Settlement Agreement to the Court in support of Plaintiff's Motion for Preliminary Approval for determination by the Court as to its fairness, adequacy, and reasonableness and apply for the entry of a preliminary order:

a. Scheduling a Final Approval Hearing on the question of whether the proposed Settlement should be finally approved as fair, reasonable, and adequate as to the Class;

b. Approving the proposed Notice;

c. Preliminarily approving the Settlement; and

d. Preliminarily certifying the Settlement Class for purposes of the Settlement only.

60. To effectuate the settlement approval process, Plaintiff will bring a motion before the Court for an order preliminarily approving the Settlement, including the Notice, and including conditional certification of the Class for settlement purposes only. Class Counsel will prepare the Motion for Preliminary Approval, and agrees to provide Defendants' Counsel a courtesy copy of the motion and supporting papers prior to filing the Motion for Preliminary Approval. Class Counsel will also prepare the Motion for Final Approval of the Settlement and hereby agrees to provide Defendants' Counsel a courtesy copy of the motion and supporting papers prior to filing the Motion for Final Approval. Prior to filing any Motion for Preliminary Approval and any Motion for Final Approval, Class Counsel will meet and confer with Defendants' Counsel on a mutually agreed upon date for hearing of the Motion for Preliminary Approval and for hearing of the Motion for Final Approval.

61. Upon submitting this Settlement Agreement to the Court for preliminary approval, Class Counsel shall promptly submit a copy of this Settlement Agreement to the LWDA.

DUTIES OF THE PARTIES IN CONNECTION WITH THE FINAL COURT APPROVAL HEARING

62. In connection with the hearing on final approval of this Settlement Agreement, Class Counsel will submit a proposed final approval order and proposed final judgment at least seven (7) days before the scheduled date of the hearing on final approval:

a. Approving the Settlement Agreement, adjudging the terms thereof to be fair, reasonable, and adequate, and directing consummation of its terms and provisions;

b. Approving and awarding Class Counsel's attorneys' fees and litigation costs and expenses, the Settlement Administration Expenses, and the Service Award as set forth in this Settlement Agreement; and

c. Entering final judgment.

63. Upon receiving the signed final judgment from the Court, Class Counsel shall submit the final judgment to the LWDA.

PARTIES' AUTHORITY AND CLASS SIGNATURES

64. It is agreed that, because the Class is so numerous, it is impossible or impractical to have each Class Member execute this Settlement Agreement. Plaintiff shall execute this Settlement Agreement on behalf of herself and the Settlement Class Members. The Notice shall advise Class Members of the binding nature of the release, and as such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member individually.

65. The signatories represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties to its terms and conditions.

MUTUAL FULL COOPERATION

66. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to execution of such documents as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties to this Settlement Agreement shall use their best efforts, including all efforts contemplated by this Settlement Agreement, the memorandum of understanding executed at the November 13, 2025 mediation of this matter, and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendants' Counsel, take all necessary steps to secure the Court's final approval of this Settlement Agreement.

67. Defendants understand that in the course of applying for court approval of the Settlement, the Class Representative will be required to submit sufficient evidence to support the fairness of the proposed settlement terms. Defendants affirmatively agree to assist and support the Class Representative in providing such evidence and, if requested by the Class Representative, will provide declaration(s) or other admissible evidence reflecting number of

Class Members, their compensation information, and the number of weeks they worked during the Settlement Period.

68. The Parties agree that neither they nor their counsel will solicit or otherwise encourage, directly or indirectly, Class Members to request exclusion from the Settlement Class, object to the Settlement, or appeal the final judgment.

NO ADMISSIONS

69. Any communication about the Settlement to Class Members (other than Plaintiff) prior to preliminary approval of the Settlement will be limited to a statement that a settlement has been reached and the details will be communicated in a forthcoming Court-approved Notice.

70. Each of the Parties has entered into this Settlement Agreement with the intention to avoid further disputes and litigation with the attendant risk, inconvenience and expense. Nothing contained herein, nor the consummation of this Settlement Agreement, is to be construed or deemed an admission to the existence or non-existence of liability, culpability, negligence, or wrongdoing. This Settlement Agreement is a settlement document and shall, pursuant to California Evidence Code Section 1152, be inadmissible as evidence in any proceeding. The preceding sentence shall not apply to an action or proceeding to approve, interpret, or enforce this Settlement Agreement.

NOTICES

71. Unless otherwise specifically provided, all notices, demands, or other communications required of the Parties by this Settlement Agreement shall be: (1) in writing; (2) deemed given on the third (3rd) business day after mailing; and (3) sent via United States registered or certified mail, return receipt requested, addressed as follows:

To Plaintiff:

Azad M. Marvazy
Brea Violette
Light Law Group, APC
1880 Century Park East, Suite 512
Los Angeles, CA 90067

To Defendants:

Keith F. Simpson
Kim D. Blanchard
Law Offices of Keith F. Simpson
1334 Parkview Avenue, Suite 325
Manhattan Beach, CA 90266

CONSTRUCTION AND INTERPRETATION

72. The Parties agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive arm's-length negotiations between the Parties and that this Settlement Agreement shall not be construed in favor of or against any of the Parties by reason of their participation in the drafting of this Settlement Agreement.

73. Paragraph titles are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement Agreement or any of its provisions. Each term of this Settlement Agreement is contractual and not merely a recital.

74. This Agreement shall be subject to and governed by the laws of the State of California. The parties acknowledge that they are subject to the continuing jurisdiction of the Court to enforce the terms of the Settlement contained herein. The Parties agree that this Agreement shall be binding and enforceable pursuant to California Code of Civil Procedure section 664.6, with any disputes reviewable by the Court in which the Class Action was brought.

CONFIDENTIALITY

75. The negotiations and discussions preceding submission of the Settlement Agreement to the Court for approval, and any negotiations and discussions between the time of preliminary approval and final approval will remain strictly confidential and shall not be discussed, disclosed or communicated with anyone other than the Parties of record, counsel of record, any retained consultants, and the mediator unless otherwise ordered by the Court or required by law.

MODIFICATION

76. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by counsel for the Parties, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by counsel for the Parties.

INTEGRATION CLAUSE

77. This Settlement Agreement and exhibits attached hereto contain the entire agreement between the Parties relating to any and all matters addressed in the Settlement Agreement, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, with respect to such matters are extinguished. No rights hereunder may be waived or modified except in a writing signed by all Parties.

BINDING ON CLASS MEMBERS AND ASSIGNS

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

79. It is agreed that it is impossible or impractical to have each member of the Settlement Class execute this Settlement Agreement. The Notice will advise all Class Members of the binding nature of the release and such shall have the same force and effect as if each member of the Settlement Class executed this Settlement Agreement.

COUNTERPARTS

This Settlement Agreement may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one Settlement Agreement, which shall be binding upon and effective as to all Parties. Copies of the executed agreement shall be effective for all purposes as though the signatures contained therein, including digital signatures, were original signatures.

IT IS SO AGREED,

PLAINTIFF:

DATED: 12/26/2025 , 2025

Yasmine Gonzalez (Dec 26, 2025 13:26:30 PST)

YASMINE GONZALEZ, Plaintiff

DEFENDANTS:

B. DANIEL SHABANI, INC., Defendant

DATED: **January 7, 2026** , 2025

Name: **Daniel Shabani**

Title: **Executive Director**

B. DANIEL SHABANI, PH.D.,
PSYCHOLOGIST, INC., Defendant

DATED: **January 7, 2026** , 2025

Name: **Daniel Shabani**

Title: **Executive Director**

DATED: **January 7, 2026** , 2025

BAHRAM DANIEL SHABANI, Defendant

APPROVED AS TO FORM:

LIGHT LAW GROUP, APC

DATED: December 26 , 2025

Azad M. Marvazy, Esq.
Brea Violette, Esq.
Attorneys for Plaintiff, Yasmine Gonzalez and Proposed Counsel for the Settlement Class

APPROVED AS TO FORM:

LAW OFFICES OF KEITH F. SIMPSON

DATED: January 7, 2026 , 2025

Keith F. Simpson

Keith F. Simpson, Esq.
Kim D. Blanchard, Esq.
Attorneys for Defendants, B. Daniel Shabani, Inc.; B. Daniel Shabani, Ph.D., Psychologist, Inc.; and Bahram Daniel Shabani

EXHIBIT A

NOTICE OF CLASS ACTION SETTLEMENT

Yasmine Gonzalez v. B. Daniel Shabani, Inc., et al.
Superior Court of California, County of Los Angeles, Spring Street Courthouse
Case No. 24STCV06425

To: All persons who worked for Defendants as Behavior Technicians (including those who performed the same duties as Behavior Technicians but with a different job title) in the State of California at any time during the period from March 14, 2020 until April 8, 2025:

[ADMINISTRATOR] ID: <<[ADMINISTRATOR] ID>>
<<Name>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip Code>>

PLEASE READ THIS NOTICE CAREFULLY. IT MAY AFFECT YOUR LEGAL RIGHTS. YOU MAY BE ENTITLED TO MONEY FROM THIS SETTLEMENT

I. INTRODUCTION

A proposed class action settlement (the "Settlement") of the above-captioned action (the "Action") filed in the Superior Court of the State of California, in and for the County of Los Angeles (the "Court") against B. Daniel Shabani, Inc.; B. Daniel Shabani, Ph.D., Psychologist, Inc.; and Bahram Daniel Shabani (collectively, "Defendants"), has been reached by the parties and has been granted preliminary approval by the Court supervising the Action. The Settlement is expected to be paid within thirty (30) days of the entry of final judgment.

A final settlement hearing will be held on **[date/time]** to determine whether the Settlement should be granted final approval. Defendants' records show that you worked for Defendants as a Behavior Technician (or performed the same duties as a Behavior Technician but with a different job title) within the State of California at some time during the period from March 14, 2020 to April 8, 2025 and therefore are a Class Member in this Action. As a Class Member, you may be entitled to money under the Settlement and, unless you "opt out" of the Settlement, your legal rights may be affected. The purpose of this Notice of Class Action Settlement ("Notice") is to (1) describe the Action, (2) inform you of the terms of the Settlement, and (3) inform you of your rights and options in connection with the Settlement.

II. SUMMARY OF THE ACTION

On March 14, 2024, former Behavior Technician, Yasmine Gonzalez ("Plaintiff"), commenced a wage-and-hour class action against Defendants in the Los Angeles County Superior Court by filing a Class Action Complaint for Damages, later amended on May 2, 2025 as the operative Second Amended Complaint ("Complaint"). Plaintiff alleges that Defendants failed to properly pay overtime and minimum wages, failed to provide compliant meal and rest periods and associated premiums, failed to timely pay wages upon termination and during employment, failed to provide compliant wage statements, failed to reimburse business expenses, and engaged in unfair business practices. Plaintiff contends that Defendants owe unpaid wages, penalties, restitution, injunctive and other equitable relief, and reasonable attorney's fees and costs, under, inter alia, California Labor Code sections 201, 202, 218.5, 226(a), 226.7, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, 2802, and California Business and Professions Code sections 17200, et seq. Plaintiff further alleges Defendants violated the California Labor Code Private Attorneys General Act ("PAGA") and contends that Defendant owes civil penalties under California Labor Code section 2698, et seq.

Defendants deny all of Plaintiff's allegations and specifically deny that they violated the law in any way as described in the lawsuit. Nothing in this Notice, or the Settlement itself, or any actions required to carry out the terms of the Settlement mean that Defendants admit any fault, guilt, negligence, wrongdoing or liability whatsoever. There has been no finding of any wrongdoing by Defendants. Defendants wish to settle in order to avoid the costs, time, and disruption caused by litigation.

The Court granted preliminary approval of the Settlement on [Preliminary Approval Date] on behalf of a settlement class defined as:

All persons who worked for Defendant as Behavior Technicians (including those who performed the same duties as Behavior Technicians but with a different job title) in the State of California at any time during the period from March 14, 2020 until April 8, 2025 ("Class").

At that time, the Court also preliminarily approved Plaintiff to serve as Class Representative and the following attorneys to serve as Class Counsel:

Azad M. Marvazy
Brea Violette
Light Law Group, APC
1880 Century Park East, Suite 512
Los Angeles, CA 90067
Telephone: 424-293-3730

III. SUMMARY OF SETTLEMENT TERMS

Settlement Amount. Subject to final Court approval, Defendant will pay the amount of $325,000 (the "Gross Settlement Fund") to fully resolve the claims in the Complaint. The Gross Settlement Fund includes all settlement payments to the Class Members who do not timely request exclusion from the Settlement ("Settlement Class" or "Settlement Class Members"), Class Counsel's attorney's fees, litigation costs and expenses, the Settlement Administration Expenses, the Service Award to the Class Representative, and payment to the California Labor and Workforce Development Agency ("LWDA") for PAGA penalties as outlined below.

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

- Settlement Administration. Payment to the Settlement Administrator, estimated to be $10,000.00, for the expense of notifying the Class Members of the Settlement, processing any Requests for Exclusion submitted by Class Members, calculating payments to Settlement Class Members ("Individual Settlement Shares"), and distributing Individual Settlement Shares, among other tasks.
- Attorney's Fees, Expenses, and Costs. Payment to Court-approved Class Counsel of reasonable attorney's fees not to exceed $108,333.33 as reasonable compensation for the work Class Counsel performed in this Action, and will continue to perform through settlement finalization, together with reimbursement for actual litigation expenses and costs actually incurred in connection with the Action (which are currently estimated not to exceed $13,000.00). Class Counsel has been prosecuting the Action on behalf of Plaintiff and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.
- Service Award to Plaintiff. Service award in an amount not to exceed $10,000.00 to Plaintiff to compensate her for her services on behalf of the Settlement Class in initiating and prosecuting the Action. This payment is in addition to whatever payments Plaintiff is otherwise entitled to receive as a Settlement Class Member.
- PAGA Payment: $10,000.00 of the Gross Settlement Amount will be allocated for payment of Plaintiff's and Class Members' claims arising under PAGA. Upon Court approval, 75% of the allocation ($7,500.00) will be paid to the LWDA and 25% of this allocation ($2,500.00) will be distributed to Class Members as part of the Net Settlement Amount.

Calculation of Settlement Class Member Awards. Class Members who do not timely opt-out ("Settlement Class Members") will be entitled to receive a *pro rata* portion of the Net Settlement Fund (his/her "Individual Settlement Share"), calculated based upon the number of weeks that each Settlement Class Member worked for Defendants as Behavior Technicians (including those who performed the same duties as Behavior Technicians but with a different job title) in the State of California at any time during the period from March 14, 2020 until April 8, 2025 ("Settlement Period").

Tax Matters. Each Individual Settlement Share is allocated as ten percent (20%) wages, forty percent (40%) interest, and forty percent (40%) penalties. The wage portion of each Settlement Class Member's Individual Settlement Share will be subject to employee's share of taxes and withholdings and shall be reported on an IRS Form W-2. Settlement Class

Members will be issued payment of their Individual Settlement Share subject to reduction for the employee's share of taxes and withholdings with respect to the wage-portion of each share. Settlement Class Members shall be exclusively liable for any and all tax liability. Settlement Class Members may wish to consult their tax advisors concerning the tax consequences of the payments they receive under the Settlement. The employer's share of payroll and employment taxes and contributions with respect to the wage-portion of each share will be paid by Defendants separately and in addition to the Gross Settlement Fund.

Releases. Upon the full funding of the Settlement by Defendants, and except as to such rights or claims as may be created by the Settlement Agreement, all members of the Settlement Class fully release and discharge the Released Parties ("Released Parties" refers to B. Daniel Shabani, Inc.; B. Daniel Shabani, Ph.D., Psychologist, Inc.; and Bahram Daniel Shabani, and all of their respective past, present, and future parent companies, subsidiaries, and divisions, related or affiliated companies, and all of their respective owners, shareholders, trustees, executors, administrators, officers, directors, employees, agents, attorneys, insurers, successors, assigns, estates, heirs, administrators, executors, and any individual or entity which could be liable for any of the Released Claims, and Defendant's Counsel of record in the Action) from the "Released Claims," which shall be any and all claims alleged in, or arising out of facts asserted in, the operative Second Amended Complaint in the Action which arose during the period of March 14, 2020 to April 8, 2025 (the "Released Claims").

All Class Members who do not timely request exclusion (i.e., Settlement Class Members) shall be bound by this release. Settlement Class Members shall be bound by this release unless they formally and timely opt out of the settlement.

In the event that a Class Member submits a valid request exclusion and, thereby, opts out of the Settlement Class, that Class Member shall still recover a payment pursuant to the PAGA Payment and such payment will be calculated on a pro rata basis for the statutorily permitted period of February 26, 2023 through April 8, 2025 (the "PAGA Period"), based on the total of thirty (30) aggrieved employees during the PAGA Period. In exchange for this PAGA Payment, the Class Member fully releases and discharges the Released Parties from any and all claims, debts, wages, liabilities, demands, obligations, penalties, guarantees, costs, expenses, attorneys' fees, damages, action or causes of action of whatever kind or nature related to the violation of the California Private Attorney General Act of 2004, California Labor Code § 2698 *et seq*.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order at or following a final approving hearing on the Settlement. The Court's final approval order and judgment must be entered and completely final, without any further recourse available by any appellant or objector to the Settlement.

IV. RECEIVING PAYMENT UNDER THE SETTLEMENT

If you do nothing, you will be deemed part of the Settlement Class, you will be issued payment from the Settlement, and you will release all Released Claims, as described herein. The Settlement payment will be issued in thirty days after the Conditions of Settlement stated above have been met.

Based on Defendants' internal records, which will be presumed to be correct unless evidence to the contrary is timely submitted to the Settlement Administrator:

> **Defendants' records reflect that you worked for Defendants as a Behavior Technician (or performed the same duties as a Behavior Technician) in the State of California for <<WorkWeeks>> weeks during the time period from March 14, 2020 until April 8, 2025 ("Workweeks"), and your estimated gross Individual Settlement Share is <<estAmount>>.**

If you wish to challenge the Workweeks attributed to you, as stated above, then you must submit a written, signed dispute, along with supporting documents, if any exist, to the Settlement Administrator at the following address, postmarked no later than **[Response Deadline]**:

Settlement Administrator
<<Case Name>>
<<Name>>
<<Address1>> <<Address2>>
<<City>>, <<State>> <<Zip Code>>

Questions? Call toll free: [insert]

In order to ensure receipt of your payment, **it is your responsibility to make sure you keep the Settlement Administrator informed of your current mailing address**, and you may do so by contacting the Settlement Administrator by mail at the address listed above. Settlement checks shall remain valid and negotiable for one hundred eighty (180) calendar days from the date of their issuance and, if not cashed within that time, the check will be cancelled. The funds associated with such cancelled checks considered unpaid, unclaimed, or abandoned cash residue pursuant to California Code of Civil Procedure section 384 ("Unpaid Residue"), and the Unpaid Residue plus any accrued interest that has not otherwise been distributed shall be transmitted by the Settlement Administrator, to the cy pres designation, Legal Aid Foundation of Los Angeles.

V. RIGHT TO OPT OUT OF THE SETTLEMENT

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive no money from the Settlement, and you will not be bound by its terms**. To opt out, you must submit a written request to be excluded from the Settlement ("Request for Exclusion"), to the Settlement Administrator, at the address listed above in Section IV, that contains the following information: (1) a clear statement indicating your desire to opt-out of the Settlement, such as: "I do not want to be part of the settlement class in the *Gonzalez v. B. Daniel Shabani, Inc.* class action"; (2) your name; (3) your current address; (4) your telephone number; (5) the last four digits of your Social Security number; and (6) the case name and number (the case name is *Gonzalez v. B. Daniel Shabani, Inc.,* case number 24STCV06425). The Request for Exclusion must be postmarked no later than [Response Deadline]. Requests for Exclusion that do not include all required information or are postmarked after [Response Deadline] will be rejected, and those individuals will remain bound by the Settlement and the release of Released Claims described above.

VI. RIGHT TO OBJECT

Any Class Member who has not opted out (i.e., any Settlement Class Member) and believes that the Settlement should not be finally approved by the Court for any reason, may object to the proposed Settlement. Objections must be in writing, state the basis for the objection, and be mailed to the Settlement Administrator at the address listed above in Section IV, postmarked on or before [Response Deadline]. All objections should state the Settlement Class Member's name, current address, telephone number, dates of employment with Defendants, last four digits of his or her Social Security number, and the case name and number (*Gonzalez v. B. Daniel Shabani, Inc.,* case number 24STCV06425). The objection should also describe why the objector objects to the Settlement, and state whether the objector intends to appear at the Final Approval Hearing. To object to the Settlement, you must remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object. The Court will hear from any Class Member who appears at the Final Approval Hearing and asks to speak, regardless of whether a written objection was submitted. Class Members have the right to appear either in person or through their own attorney (at their own expense). You may appear remotely at the Final Approval Hearing. Please sign up at https://lacc.lacourt.org/ for remote appearance.

VII. HEARING ON THE SETTLEMENT ("FINAL APPROVAL HEARING")

The Final Approval Hearing on the adequacy, reasonableness and fairness of the Settlement will be held on [date/time] in in Department 15, in the Superior Court of the State of California, in and for the County of Los Angles-Spring Street Courthouse, located at 312 N. Spring St., Los Angeles, CA 90012. The Final Approval Hearing may be continued without further notice. **You are not required to attend the Final Approval Hearing**, although any Settlement Class Member is welcome to attend the hearing. If you are objecting, please see Section VI above for instructions. The Court will hear from any Class Member who appears at the Final Approval Hearing and asks to speak, regardless of whether a written objection was submitted. You may appear remotely at the Final Approval Hearing. Please sign up at https://lacc.lacourt.org/ for remote appearance. Any changes to the date or location of the Final Approval hearing, in addition to notice of final judgment, will be available on the class administration website: <<insert admin class website>>.

VIII. ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the Settlement. Settlement Class Members should contact the Settlement Administrator at **Gonzalez v. B. Daniel Shabani, Inc., et al. c/o [insert name/address of administrator]** with any concerns or questions regarding the Settlement. For more information, you may visit the class settlement

website: <<insert admin class website>>, or call the following toll-free telephone support phone number: [insert]

You may also refer to the pleadings, the Settlement Agreement, and other papers filed in the Action, which may be inspected at the Office of the Clerk for the Superior Court of the State of California, in and for the County of Los Angles-Spring Street Courthouse, located at 312 N. Spring Street, Los Angeles, CA 90012, during regular business hours of each court day.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH QUESTIONS.

EXHIBIT B

LIGHT LAW GROUP
A PROFESSIONAL LAW CORPORATION

AZAD M. MARVAZY, FOUNDING PARTNER
AZAD@LIGHTLAWGROUP.COM

LIGHT LAW GROUP, APC
1875 CENTURY PARK EAST, SUITE 1750
LOS ANGELES, CALIFORNIA 90067
424.241.3422 FAX 424.374.8884
WWW.LIGHTLAWGROUP.COM

February 26, 2024

VIA ONLINE SUBMISSION

California Labor and Workforce Development Agency
Attn: PAGA Administrator

VIA CERTIFIED U.S. MAIL

B. Daniel Shabani, Inc.
982 Artesia Blvd
Hermosa Beach, CA 90254

B. Daniel Shabani, Ph.D., Psychologist, Inc.
982 Artesia Blvd
Hermosa Beach, CA 90254

Bahram Daniel Shabani
982 Artesia Blvd
Hermosa Beach, CA 90254

Re: **PAGA Notice Pursuant to California Labor Code § 2699**

Yasmine Gonzalez on behalf of herself and all similarly situated employees of B. Daniel Shabani, Inc.

Dear Sir or Madam:

Please be advised that Yasmine Gonzalez ("Gonzalez" or "Plaintiff") has retained this office to represent her and other aggrieved individuals[1] for wage and hour claims against B. Daniel Shabani, Inc.; B. Daniel Shabani, Ph.D., Psychologist, Inc.; and Bahram Daniel Shabani (hereinafter collectively referred to as "BDS" or "Defendants").

BDS is a company that conducts business in the state of California providing, *inter alia,* function-based services to individuals, including those with developmental disabilities and behavioral issues. Assessment and treatment services are provided to children, adolescents, and adults, including without limitation assessments, consultations, day treatment services, and school-based support.

In order to provide these services, BDS utilizes numerous "Behavior Technicians" (or persons with the equivalent position, however titled, hereinafter referred to as "Behavior Technicians") including Plaintiff, who work with individuals to, *inter alia*, assist in learning new skills and

[1] "Aggrieved Individual" or "Aggrieved Employees" means any person who worked for Defendants and against whom one or more of the alleged violations was committed, including Plaintiff.

improving behavior via, *inter alia*, behavior analytic assessments and intervention strategies. Ms. Gonzalez has been employed by BDS from approximately August 2022 to February 23, 2024 as a Behavior Technician.

BDS has violated, and/or has caused to be violated, several Labor Code provisions, and is therefore liable for civil penalties under California Labor Code §§ 2698, et seq. This letter will serve as notice of these allegations pursuant to the Private Attorney Generals Act of 2004 ("PAGA"). Cal. Lab. Code § 2699.3. This notice is being provided to the California Labor & Workforce Development Agency, via online submission, and B. Daniel Shabani, Inc.; B. Daniel Shabani, Ph.D., Psychologist, Inc.; and Bahram Daniel Shabani, via certified mail.

Ms. Gonzalez is bringing this claim on behalf of herself and all other aggrieved individuals who were denied lawful meal breaks; denied lawful rest breaks; denied compensation for all hours worked, including minimum and overtime wages; denied reimbursement for work-related expenses; denied receipt of all wages earned upon the conclusion of employment; and who were not provided with accurate itemized wages statements by Defendants, in addition to all further claims and violations as outlined below.

Unlawful Failure to Pay Minimum Wage

BDS has failed to maintain a policy that compensates Behavior Technicians an amount equal to or greater than the minimum wage for all hours worked, as required by California Labor Code §§ 1194, 1197, 1197.1 and Industrial Welfare Commission Wage Orders. All hours must be paid at the statutory or agreed rate and no part of this rate may be used as a credit against a minimum wage obligation.

Plaintiff and other Aggrieved Individuals were denied compensation for time spent working off the clock, including for converting appointments—a process by which client sessions would be recorded on a third party digital platform—which included significant required data entry. BDS failed to properly record such time worked and failed to compensate Plaintiff and other Aggrieved Individuals for this off the clock work, resulting in both minimum wage and overtime violations.

BDS did not properly compensate Plaintiff and other Aggrieved Individuals for legally required meal and rest breaks. In addition, BDS failed to maintain accurate records of Plaintiff's and other Aggrieved Individuals' work hours. BDS unilaterally modified Plaintiff's and other Aggrieved Individuals' logged hours, recording meal breaks at arbitrary, preset times when in fact they were not taken by Plaintiff and other Aggrieved Individuals at said times, and/or before the fifth hour worked. In addition, BDS inaccurately, and unilaterally, created time records to Plaintiff's and other Aggrieved Individuals' detriment, recording arbitrary clock-in and clock-out times that denied Plaintiff and other Aggrieved Individuals rightfully owed minimum wages.

As a result of violations of California Labor Code §§ 1194, 1197, 1197.1 and Industrial Welfare Commission Wage Orders for failure to pay minimum wage, BDS is liable for civil penalties pursuant to California Labor Code §§ 558, 1197.1, and 2698 *et seq.*

Unlawful Failure to Pay Overtime

BDS has failed to maintain a policy that compensates Plaintiff and other Aggrieved Individuals for all hours worked, including overtime. BDS failed to maintain accurate records of Plaintiff's and other Aggrieved Individuals' work hours and BDS unilaterally modified Plaintiff's and other Aggrieved Individuals' logged hours, recording meal breaks at arbitrary, preset times when in fact they were not taken by Plaintiff and other Aggrieved Individuals at said times, and/or before the fifth hour worked. In addition, BDS inaccurately, and unilaterally, created time records to Plaintiff's and other Aggrieved Individuals' detriment, recording arbitrary clock-in and clock-out times that denied Plaintiff and other Aggrieved Individuals rightfully owed minimum wages and overtime compensation. Plaintiff and other Aggrieved Individuals were denied compensation for time spent working off the clock, including for converting appointments—a process by which client sessions would be recorded on a third-party digital platform—which included significant required data entry. BDS failed to properly record such time worked and failed to compensate Plaintiff and other Aggrieved Individuals for this off the clock work, resulting in both minimum wage and overtime violations.

Plaintiff and other and other Aggrieved Individuals routinely worked over eight (8) hours per day and/or forty (40) hours per week but were not paid one and one half their regular rate of pay for overtime worked. As a result of violations of California Labor Code §§ 510, 1194, and Industrial Welfare Commission Wage Orders ("Wage Orders") for failure to pay overtime, BDS is liable for civil penalties pursuant to California Labor Code §§ 558 and 2698 *et seq.* In addition, pursuant to California Labor Code section 1199, Defendants are subject to the civil penalty of $50.00 for the initial violation wherein, Defendants underpaid Plaintiff and other Aggrieved Individuals, and $100.00 for each subsequent pay period during which the Plaintiff and other Aggrieved Individuals were underpaid. Also, pursuant to California Labor Code section 1197.1, Defendants are subject to the civil penalty of $100.00 for the initial violation wherein, Defendants underpaid Plaintiff and other Aggrieved Individuals, and $250.00 for each subsequent pay period during which the Plaintiff and other Aggrieved Individuals were underpaid.

Unlawful Failure to Provide Uninterrupted Off-Duty Meal Periods

BDS failed to provide Plaintiff and BDS Behavior Technicians with off-duty meal periods as required by California law. Plaintiff and similarly situated individuals regularly worked in excess of five (5) hours a day without being provided meal periods before the end of the fifth hour of work, as required by Labor Code §§ 226.7, 512, and Industrial Welfare Commission Wage Orders. BDS does not compensate Plaintiff and BDS Behavior Technicians for their failure to relieve Plaintiff and other Aggrieved Individuals of all duties before the end of the fifth hour worked. BDS unilaterally modified Plaintiff's and other Aggrieved Individuals' logged hours,

recording meal breaks at arbitrary, preset times when in fact they were not taken by Plaintiff and other Aggrieved Individuals at said times, and/or before the fifth hour worked, resulting in meal period violations along with uncompensated work hours. BDS failed to pay Behavior Technicians the premium compensation mandated by Labor Code § 226.7(b) for these non-compliant meal periods. As a result of violations of California Labor Code §§ 226.7 and 512 and Wage Orders, BDS is liable for civil penalties pursuant to California Labor Code §§ 558 and 2698, *et seq.*

Unlawful Failure to Provide Uninterrupted Off-Duty Rest Periods

BDS failed to authorize and permit Plaintiff and BDS Behavior Technicians to take off-duty rest periods as required by California law. Plaintiff and similarly situated individuals regularly worked in excess of four hours without being authorized and permitted at least a ten-minute rest period in which they were relieved of all duties, as required by Labor Code §§ 226.7, 512 and Industrial Welfare Commission Wage Orders. During her employment, Plaintiff and other Aggrieved Individuals were not, and are not, permitted and/or afforded an opportunity to take uninterrupted, off-duty, 10-minute rest periods for every four (4) hours worked or major fraction thereof. BDS failed to pay BDS Behavior Technicians the premium compensation mandated by Labor Code § 226.7(b) for these missed rest periods. As a result of violations of California Labor Code §§ 226.7, 512 and Wage Orders, BDS is liable for civil penalties pursuant to California Labor Code §§ 558 and 2698 *et seq.*

Unlawful Failure to Reimburse Expenses

BDS has failed to indemnify Plaintiff and other Aggrieved Individuals for all necessary expenditures or losses incurred by Plaintiff and other Aggrieved Individuals in direct consequence of the execution of their job duties. BDS did not reimburse Plaintif and other Aggrieved Individuals at all times for their personal cell phone usage. In addition, BDS did not reimburse Plaintiff and other Aggrieved Individuals at all times for mileage owed due to the use of personal vehicles driving to and from clients for Defendants. California Labor Code § 2802 requires the employer to indemnify employees for all necessary expenditures or losses incurred by employees in direct consequence of the discharge their duties. As a result of violations of California Labor Code § 2802, BDS is liable for civil penalties pursuant to California Labor Code Labor Code §§ 558, 2802 and 2698 *et seq.*

Unlawful Failure to Furnish Accurate Itemized Wage Statements

BDS has violated California Labor Code § 226(a) by willfully failing to furnish its Behavior Technicians with accurate, itemized wage statements showing the actual amount earned by Plaintiff and the Aggrieved Individuals. When BDS compensated Plaintiff and other Aggrieved Individuals, it failed to properly record on their wage statements, and compensate Aggrieved Individuals with, one additional hour of pay for each day during which Plaintiff and other Aggrieved Individuals were denied lawful meal break; failed to properly record on the wage statement, and compensate Aggrieved Individuals with, one additional hour of pay for each day

during which Plaintiff and other Aggrieved Individuals were denied a lawful rest break; failed to properly record on the wage statement all hours worked, and as a result, failed to compensate them with all minimum and overtime wages. As a result of violations of California Labor Code § 226(a), BDS is liable for civil penalties pursuant to California Labor Code Labor Code §§ 226.3 and 2698 *et seq*.

Unlawful Failure to Keep Accurate Payroll Records of Daily Hours Worked

As outlined above, BDS has failed to keep accurate payroll records showing total hours worked and earned wages for Plaintiff and other Aggrieved Individuals. Under California Labor Code § 1174(d), employers must keep "payroll records showing the hours worked daily by and the wages paid to ... employees [...]." Because, as noted above, BDS did not keep accurate time records reflecting hours worked for BDS Behavior Technicians, it is liable for civil penalties pursuant to California Labor Code § 2698, *et seq.* To the extent that BDS's failure to keep accurate payroll records was willful, it is liable for civil penalties under California Labor Code § 1174.5.

Unlawful Violation of California Labor Code § 1199

Under California Labor Code §§ 1199(b) and (c) and 2699.5 *et seq.,* an employer who pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission or violates or refuses or neglects to comply with any provision of the Labor Code regarding employees' wages, hours, and working conditions, is subject to PAGA penalties. As described above, BDS has violated numerous provisions of the Labor Code pertaining to employee wages (rest break premiums; meal break premiums; and minimum wages;) and wage statements (thereby violating § l 199(b) and (c)). Accordingly, BDS is liable for civil penalties pursuant to California Labor Code § 2698, *et seq*.

Unlawful Failure to Pay Wages due Upon Termination

BDS has violated California Labor Code §§ 201 and 202 by willfully failing to pay all compensation due and owing to all former Behavior Technicians at the time employment was terminated. BDS willfully failed to pay Behavior Technicians who are no longer employed by it all compensation due upon termination of employment as required under California Labor Code §§ 201 and 202, including premium compensation for meal and rest breaks wrongfully denied by BDS, along with compensation for all hours worked, including minimum wages and overtime wages as described above. Pursuant to §§ 203 and 256 of the Labor Code, all formerly employed Aggrieved Employees are now also entitled to recover up to thirty (30) days of wages due to Defendants' "willful" failure to comply with the statutory requirements of sections 201 and 202 of the Labor Code. Additionally, because BDS violated California Labor Code §§ 201, 201 and 203 of the Labor Code, BDS is liable for civil penalties pursuant to California Labor Code §§ 2698 *et seq*.

February 26, 2024
PAGA Notice
LWDA
B. Daniel Shabani, Inc, et al.

Personal Liability

Labor Code § 558.1 states:

a. "**Any employer or other person acting on behalf of an employer**, who violates, or causes to be violated, any provision regulating minimum wages or hours and days of work in any order of the Industrial Welfare Commission, or violates, or causes to be violated, Sections 203, 226, 226.7, 1193.6, 1194, or 2802, may be held liable as the employer for such violation.

b. For purposes of this section, the term **"other person acting on behalf of an employer" is limited to a natural person who is an owner, director, officer, or managing agent of the employer**, and the term "managing agent" has the same meaning as in subdivision (b) of Section 3294 of the Civil Code.

c. Nothing in this section shall be construed to limit the definition of employer under existing law."

According to BDS 2023 Statements of Information filed with the California Secretary of State, Mr. Bahram Daniel Shabani is the Secretary, Chief Financial Officer, and Chief Executive Officer of B. Daniel Shabani, Inc. and, on information and belief, for B. Daniel Shabani, Ph.D., Psychologist, Inc. throughout the period in question. Therefore, Mr. Bahram Daniel Shabani is personally liable for BDS' Labor Code violations.

Thank you for your assistance on this issue. Should you have any questions or comments, please do not hesitate to contact the undersigned.

Very Truly Yours,

Azad M. Marvazy, Esq.