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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – CENTRAL DISTRICT
SPRING STREET COURTHOUSE

EMILA JORDAN-LEMUS and YAIRA
TORRES-VASQUEZ, EDWARD PEREZ,
individually, and on behalf of all others
similarly situated,

Plaintiff,

vs.

DEVELOPMENTAL PATHWAYS INC., a
California corporation; and DOES 1 through
10, inclusive,

Defendants.

Case No. 24STCV21949

ASSIGNED FOR ALL PURPOSES TO:
Hon. Elaine Lu, Dept. 9

**AMENDED CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT**

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7 DEVELOPMENTAL PATHWAYS, INC.

1 This Amended Class Action and PAGA Settlement Agreement (“Agreement”) is made by and
2 between Plaintiffs EMILIA JORDAN-LEMUS (“Jordan-Lemus”), YAIRA TORRES-
3 VASQUEZ (“Torres-Vasquez”), and EDWARD PEREZ (“Perez”) (collectively, “Plaintiffs,” or
4 individually, “Plaintiff”) and Defendant DEVELOPMENTAL PATHWAYS INC.
5 (“Defendant”). The Agreement refers to Plaintiffs and Defendant collectively as “Parties,” or
6 individually as “Party.”

7 **1. DEFINITIONS.**

8 1.1 “Action” means Plaintiffs Jordan-Lemus, Torres-Vasquez, and Perez’s lawsuit alleging
9 class and representative action wage and hour violations against Defendant captioned *Jordan-*
10 *Lemus, et al. v. Developmental Pathways Inc.*, No. 24STCV21949.

11 1.1.1 Plaintiff Jordan-Lemus filed a complaint on August 27, 2024 in Los Angeles
12 County Superior Court (“the *Jordan-Lemus* Action”). On October 28, 2024,
13 Plaintiffs Jordan-Lemus and Torres-Vasquez filed a First Amended Complaint,
14 adding Torres-Vasquez as a Plaintiff. On May 5, 2025, Plaintiffs Jordan-Lemus
15 and Torres-Vasquez filed a Second Amended Complaint, adding a cause of action
16 for civil penalties pursuant to the Labor Code Private Attorneys General Act of
17 2004 (Cal. Lab. Code §§ 2698 *et seq.*) (“PAGA”).

18 1.1.2 On February 13, 2025, Plaintiff Perez filed a separate action captioned *Edward*
19 *Perez v. Developmental Pathways Inc.*, No. 25STCV04128 in Los Angeles County
20 Superior Court (“the *Perez* Action”).

21 1.1.3 The *Jordan-Lemus* Action and the *Perez* Action involved overlapping claims
22 asserting violations of the California Labor Code and Industrial Welfare Wage
23 Orders against Defendant. On April 4, 2025, the then-assigned judge in the
24 *Jordan-Lemus* Action, Judge Stuart M. Rice, ordered the *Jordan-Lemus* and *Perez*
25 Actions related.

26 1.1.4 This Settlement Agreement contemplates the filing of the “Action,” which will
27 allege all claims from the Second Amended *Jordan-Lemus* complaint, the *Perez*
28 complaint, and the PAGA Notices.

1.2 “Administrator” means xPand Legal Consulting, LLC, the neutral entity the Parties have agreed to appoint to administer the Settlement.

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

1.4 “Aggrieved Employee” means all persons who work or worked for Defendant in California as an hourly-paid, non-exempt employee at any time during the PAGA Period.

1.5 “Class” means all persons who work or worked for Defendant in California as an hourly-paid, non-exempt employee at any time during the Class Period and who did not sign an arbitration agreement.

1.6 “Class Counsel” means John G. Yslas, William M. Pao, and Lisa B. Iturriaga of Wilshire Law Firm, PLC and Roman Otkupman and Nidah Farishta of Otkupman Law Firm, A Law Corporation.

1.7 “Class Counsel Fees Payment” means an award of attorneys’ fees granted to Class Counsel and paid from the Gross Settlement Amount. The Parties have agreed Plaintiffs will request approval from the Court of up to one-third (1/3) of the GSA (currently \$66,666.66 [sixty-six thousand six hundred sixty-six dollars and 66/100 cents]).

1.8 “Class Counsel Litigation Expenses Payment” means the amount allocated to Class Counsel for reimbursement of reasonable expenses and costs incurred to prosecute the Action in an amount not to exceed \$25,000.00 and paid from the Gross Settlement Amount.

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

1.10 “Class Member” or “Settlement Class Member” means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).

1.11 “Class Member Address Search” means the Administrator’s investigation and search for current Class Member 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.

1.12 “Class Notice” means the Court approved Notice of Settlement and hearing date for Final Approval, to be mailed to Class Members in English with a Spanish translation in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.

1.13 “Class Period” or “Class Settlement Period” means the period from August 27, 2020 through December 2, 2025 (“Settlement Class Period”).

1.14 “Class Representative” means the named Plaintiffs Emilia Jordan-Lemus, Yaira Torres-Vasquez, and Edward Perez in the Action.

1.15 “Class Representative Service Payment” or “Enhancement Award” means the payments to the Class Representatives for initiating the *Jordan-Lemus* Action, *Perez* Action, and the Action, and providing services in support thereof.

1.16 “Court” means the Superior Court of California, County of Los Angeles.

1.17 “Defendant” means named Defendant Developmental Pathways, Inc.

1.18 “Defense Counsel” means Todd B. Scherwin and Harrison M. Thorne of Fisher Phillips LLP.

1.19 “Effective Date” means the date by which both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is 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.

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

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

1.22 “Final Judgment” means the Judgment entered by the Court upon granting Final Approval of the Settlement.

1.23 “Gross Settlement Amount” or “GSA” means two hundred thousand dollars and no cents (\$200,000.00), which is the total amount Defendant agrees to pay under the Settlement, except as provided in Paragraph 8 below.

1.24 “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount calculated according to the number of Workweeks worked during the Class Period.

1.25 “Individual PAGA Payment” means the Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.

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

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

1.28 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).

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

1.30 “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.

1.31 “Operative Complaint” means the operative Third Amended Class Action Complaint

1 adding Perez as a plaintiff to the *Jordan-Lemus* Action. The Third Amended Complaint alleges
2 all claims from the Second Amended *Jordan-Lemus* complaint, the *Perez* complaint, and the
3 PAGA Notices.

4 1.32 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee
5 worked for Defendant for at least one day during the PAGA Period.

6 1.33 “PAGA Period” means the period from November 6, 2023 through December 2, 2025.

7 1.34 “PAGA” means The Labor Code Private Attorneys General Act of 2004 (Labor Code
8 §§ 2698. et seq.).

9 1.35 “PAGA Notices” collectively refer to Plaintiff Jordan-Lemus and Plaintiff Torres-
10 Vasquez’s November 6, 2024 letter to the LWDA and Defendant, Plaintiff Perez’s December 9,
11 2024 letter to the LWDA and Defendant, and Plaintiffs’ January 6, 2026 letter to the LWDA and
12 Defendant, providing notice pursuant to Labor Code section 2699.3, subd.(a).

13 1.36 “PAGA Penalties” means the total amount of \$10,000.00 in PAGA civil penalties to be
14 paid from the Gross Settlement Amount, allocated 35% (\$3,500.00) to the Aggrieved Employees
15 and 65% (\$6,500.00) to the LWDA in settlement of PAGA claims.

16 1.37 “Participating Class Member” means a Class Member who does not submit a valid and
17 timely Request for Exclusion from the Settlement.

18 1.38 “Plaintiffs” mean Emilia Jordan-Lemus, Yaira Torres-Vasquez, and Edward Perez, the
19 named plaintiffs in the Action.

20 1.39 “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the
21 Settlement.

22 1.40 “Released Class Claims” means the claims being released as described in Paragraph 5.2
23 below.

24 1.41 “Released PAGA Claims” means the claims being released as described in Paragraph
25 5.3 below.

26 1.42 “Released Parties” means Defendant and all of its respective current and former partners,
27 parents, subsidiaries, predecessors and successors, joint employers, and their affiliated entities,
28 and each of their respective owners, officers, directors, managing agents, employees, partners,

shareholders, and agents, including but not limited to Erica Arius, and any other successors, heirs, assigns, or legal representatives, any attorneys, insurers, and claims representatives.

1.43 “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.

1.44 “Response Deadline” means forty-five (45) days after the Administrator mails Notice to Class Members and Aggrieved Employees and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice packets are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline has expired.

1.45 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.

1.46 “Workweek” means any week during which a Class Member worked for Defendant for at least one day, during the Class Period.

2. **RECITALS.**

2.1 On August 27, 2024, Plaintiff Jordan-Lemus filed a Class Action Complaint alleging causes of action against Defendant for (1) Failure to Pay Minimum and Straight Time Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Authorize and Permit Rest Periods; (5) Failure to Timely Pay Final Wages at Termination; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Indemnify Employees for Expenditures; (8) Failure to Produce Requested Employment Records; and (9) Unfair Business Practices. On October 28, 2024, Plaintiffs Jordan-Lemus and Torres-Vasquez filed a First Amended Complaint adding Torres-Vasquez as a Plaintiff.

2.2 On November 6, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiffs Jordan-Lemus and Torres-Vasquez gave notice to the LWDA and Defendant that Plaintiff intended to proceed with a representative action under PAGA (LWDA-CM-1060383-24). On May 5, 2025, after the 65-day statutory period passed, Plaintiffs Jordan-Lemus and Torres-Vasquez filed the Second Amended Complaint, adding an additional claim for civil penalties pursuant to PAGA.

1 2.3 On December 9, 2024, pursuant to Labor Code §2699.3, subd.(a), Plaintiff Perez gave
2 notice to the LWDA and Defendant that Plaintiff Perez intended to proceed with a representative
3 action under PAGA (LWDA-CM-1066183-24).

4 2.4 On February 13, 2025, after the 65-day statutory period passed, Plaintiff Perez filed a
5 Class and Representative Action Complaint alleging causes of action against Defendant for (1)
6 Failure to provide meal periods in violation of (Labor Code §§ 226.7, 512, 558); (2) Failure to
7 provide rest periods in violation of (Labor Code §§ 226.7, 512, 558); (3) Failure to pay all wages
8 in violation of (Labor Code §§ 510, 1194, 1194.2); (4) Knowing and intentional failure to comply
9 with itemized employee wage statement provisions (Labor Code § 226(a), (e)); (5) Failure to
10 timely pay wages due at termination (Labor Code §§ 201-203); (6) Failure to timely pay
11 employees in violation of (Labor Code § 204(a)(b)); (7) Failure to pay for all hours worked,
12 including overtime hours worked in violation of (Labor Code § 2802); (8) Violation of Labor
13 Code § 212(a)(2), 213; (9) Failure to pay for all hours worked, including overtime hours worked
14 in violation of (Labor Code § 210, 218); (10) Violation of Business and Professions Code §
15 17200; and (11) Penalties Pursuant to Labor Code Section 2699(f) for Violations of Labor Code
16 §§ 226.7, 512, 558, 510, 1194, 1194.2, 226(a),(e), 1174(d), 201-203, 204(a)(b), 2802, 212(a)(2),
17 213, 210, 218.

18 2.5 On April 4, 2025, the then-assigned judge in the *Jordan-Lemus* Action, Judge Stuart M.
19 Rice, ordered the *Jordan-Lemus* and *Perez* Actions related.

20 2.6 On October 2, 2025, the Parties participated in an all-day mediation with Kevin G.
21 Barnes, Esq. The Parties accepted a mediator's proposal that day and agreed on general settlement
22 terms.

23 2.7 In advance of mediation, Class Counsel conducted a thorough investigation into the facts
24 of, and applicable law to, the Action. Prior to mediation, Class Counsel obtained and analyzed a
25 representative sampling of time and payroll data for Class Members and the necessary policy
26 documents through informal discovery to properly evaluate the strengths and weakness of the
27 claims and engage in meaningful settlement discussions. Plaintiffs' investigation was sufficient
28 to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,

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

3 2.8 The Settlement Agreement calls for the filing of the Operative Complaint.

4 2.8.1 Class Counsel agrees to file a stipulation and proposed order seeking leave to file
5 the Operative Complaint within seven (7) days of the full execution of this
6 Settlement Agreement.

7 2.8.2 The Operative Complaint will be a Third Amended Complaint, adding Perez as a
8 Plaintiff to the *Jordan-Lemus* Action. The Third Amended Complaint shall allege
9 all claims from the Second Amended *Jordan-Lemus* complaint, the *Perez*
10 complaint, and the PAGA Notices.

11 2.8.3 The filing of the Third Amended Complaint is a material term of this Settlement
12 Agreement. The Settlement Agreement shall be null and void if the Third
13 Amended Complaint is not filed for any reason.

14 2.9 Defendant denies the allegations in the Action, denies any failure to comply with the
15 laws identified in the Action, and denies any and all liability for the causes of action alleged in
16 the Action.

17 2.10 The Court has not granted class certification because the Parties engaged in
18 mediation before any class certification.

19 2.11 The Parties, Class Counsel and Defense Counsel represent that they are not aware
20 of any other pending matters or actions asserting claims that will be extinguished or affected by
21 the Settlement.

22 3. **MONETARY TERMS.**

23 3.1 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below,
24 Defendant will pay two hundred thousand dollars and zero cents (\$200,000.00) to fully settle,
25 resolve, and extinguish all claims that were asserted or could have been asserted in the Action,
26 Operative Complaint, and/or the PAGA Notices. The Gross Settlement Amount is non-
27 reversionary and does not include employer payroll taxes owed on the wage portions of the
28

Individual Class Payments, which Defendant will pay separately. The Gross Settlement Amount shall be paid in a single lump sum payment following the Effective Date.

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 Plaintiffs: Class Representative Service Payments to Plaintiffs of not more than \$7,500.00 (seven thousand five hundred dollars and zero cents) to each Plaintiff in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representatives are entitled to receive as Participating Class Members or Aggrieved Employees. Defendant will not oppose Plaintiffs' request for Class Representative Service Payments that do not exceed this amount. As part of the motion for the Class Counsel Fees and Litigation Expenses Payments, Plaintiffs will seek Court approval for any Class Representative Service Payments no later than sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members and Aggrieved Employees. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. Plaintiffs assume full responsibility and liability for employee taxes owed on the Class Representative Service Payments.

3.2.2 To Class Counsel: A Class Counsel Fees Payment of not more than one-third of the Gross Settlement Amount, which is currently estimated to be sixty-six thousand six hundred sixty-six dollars and 66/100 cents (\$66,666.66) and a Class Counsel Litigation Expenses Payment for actual costs, not to exceed \$25,000.00 (twenty-five thousand dollars with zero cents). Defendant will not oppose requests for these payments. Plaintiffs and/or Class Counsel will file a motion for Class Counsel Fees and Litigation Expenses Payment no later than sixteen (16) court days prior to the Final Approval Hearing, or as otherwise ordered by the Court. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating Class Members and Aggrieved Employees.

Released Parties shall have no liability to Class Counsel or any other Plaintiffs' counsel arising from any claim to any portion of Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant and Released Parties harmless, and indemnifies Defendant and Released Parties, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.3 To the Administrator: An Administrator Costs Payment not to exceed \$10,000.00 (ten thousand dollars and zero cents) except for a showing of good cause and as approved by the Court. To the extent the Administration Costs are less or the Court approves payment of less than \$10,000.00, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members and Aggrieved Employees.

3.2.4 To Each Participating Class Member: An Individual Class Payment is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks.

3.2.4.1 Tax Allocation of Individual Class Payments. Fifteen percent (15%) of each Participating Class Member's Individual Class Payment will be allocated to the Settlement of wage claims (the "Wage Portion"). The Wage Portion is subject to tax withholding and will be reported on an IRS W-2 Form. The remaining eighty-five percent (85%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest, reimbursement, and penalties (the "Non-Wage Portion"). 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 Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class

1 Payments. The Administrator will retain amounts equal to their Individual Class Payments in the
2 Net Settlement Amount for distribution to Participating Class Members on a pro-rata basis.

3 3.2.5 To the LWDA and Aggrieved Employees: PAGA Penalties in the amount of ten
4 thousand dollars and zero cents (\$10,000.00) to be paid from the Gross Settlement Amount, with
5 65% (\$6,500.00) allocated to the LWDA PAGA Payment and 35% (\$3,500.00) allocated to the
6 Individual PAGA Payments.

7 3.2.5.1 The Administrator will calculate each Individual PAGA Payment by (a)
8 dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties (\$3,500.00) by
9 the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the
10 PAGA Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA
11 Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on
12 their Individual PAGA Payment.

13 3.2.5.2 If the Court approves PAGA Penalties of less than the amount requested,
14 the Administrator will allocate the remainder to the Net Settlement Amount to be distributed to
15 Participating Class Members and Aggrieved Employees. The Administrator will report the
16 Individual PAGA Payments on IRS 1099 Forms.

17 4. **SETTLEMENT FUNDING AND PAYMENTS.**

18 4.1 Class Workweeks and Aggrieved Employee Pay Periods. Based on a review of its
19 records, Defendant represents there are 351 Class Members who collectively worked a total of
20 13,326 workweeks between August 27, 2020 and October 2, 2025 (the date of mediation), and
21 298 Aggrieved Employees worked a total of 5,040 PAGA Pay Periods between November 6,
22 2023 and the date of mediation.

23 4.2 Class Data. Not later than ten (10) days after the Court grants Preliminary Approval of
24 the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a
25 Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must
26 maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement
27 and for no other purpose, and restrict access to the Class Data to Administrator employees who
28 need access to the Class Data to effect and perform under this Agreement. Defendant 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 Defendant 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.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount and the amounts necessary to fully pay employer-side taxes as follows:

4.3.1 Defendant will fully fund the Gross Settlement Amount in a single lump sum payment, plus any additional amount necessary to cover employer-side taxes, to the Administrator no later than thirty (30) days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within ten (10) days after Defendant fully funds the Gross Settlement Amount (*i.e.*, after Defendant provides to the Administrator the Gross Settlement Amount and employer-side taxes), the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. No payments from the Gross Settlement Amount shall be made before the Gross Settlement Amount is fully funded.

4.4.1 The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members and Aggrieved Employees via First Class U.S. Mail. The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided ("Void Date"). The Administrator will cancel all checks not cashed by the Void Date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom the Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all

Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) days of receiving a returned check, the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the Void Date.

4.4.3 For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and canceled after the Void Date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b).

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

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the Gross Settlement Amount and all employer-side payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

5.1 **Plaintiffs' Release.** Plaintiffs and their respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences up to the date of

signature of this Agreement, including but not limited to all claims that were, or reasonably could have been, alleged, based on the facts contained in the Action, the Operative Complaint, and/or the PAGA Notices; claims under the Fair Employment and Housing Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, the California Labor Code, and all equivalent claims under federal law ("Plaintiffs' Release"). Plaintiffs' 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. Plaintiffs acknowledge that Plaintiffs may discover facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.

5.1.1 Plaintiffs' Waiver of Rights Under California Civil Code Section 1542. For purposes of Plaintiffs' Release, Plaintiffs expressly waive and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California 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 Released Class Claims: All Participating Class Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties for all claims, rights, demands, liabilities, and causes of action, alleged or which could have reasonably been alleged based on the facts alleged in the Operative Complaint, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 1194, 1194.2, 1197 and 1197.1); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 510, 1194, and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 210, 226.7, and 512, 558); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 210 and 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201-203 and

213(d)); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226, 226(a)-(e), and 226.3); (7) failure to indemnify employees for expenditures (pursuant to Cal. Labor Code §§ 2802); (8) failure to produce requested employment records (pursuant to Cal. Labor Code §§ 226, 432, and 1198.5); (9) failure to pay all wages due (pursuant to Cal. Labor Code §§ 212 and 213); (10) failure to maintain accurate records of hours worked and meal periods (pursuant to Cal. Labor Code §§ 1174 and 1174.5); (11) recordkeeping requirement violations (pursuant to Cal. Labor Code §§ 226.6, 558.1, 1174, 1174.5, 1198 and 1199); (12) willful misclassification (pursuant to Cal. Labor Code § 226.8); (13) interest on unpaid wages, attorneys' fees, and costs (pursuant to Cal. Labor Code §§ 218.5 and 218.6); (14) ability to sue directly or through assignee for wages or penalties owed (Cal. Labor Code §§ 218 and 558); (15) retaliation (pursuant to Cal. Labor Code § 1102.5); (16) failure to pay all earned wages twice per month and unlawfully withholding accrued wages (pursuant to Cal. Labor Code §§ 204 and 216); (17) unfair business practices (pursuant to Cal. Bus. & Prof. Code §§ 17200, *et seq.*); and (18) provisions of the Industrial Welfare Commission Wage Orders which set forth equivalent protections to the Labor Code sections enumerated in 5.2(1)-(16). The Released Class Claims are those that accrued during the Class Period.

5.3 Released PAGA Claims: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties for all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts and claims alleged in the Operative Complaint, and/or in the PAGA Notices, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 1194, 1194.2, 1197 and 1197.1); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 510, 1194, and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 210, 226.7, and 512); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 210 and 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201-203 and 213(d)); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226 and 226.3); (7) failure to indemnify employees for expenditures (pursuant to Cal.

1 Labor Code §§ 2802); (8) failure to produce requested employment records (pursuant to Cal.
2 Labor Code §§ 226, 432, and 1198.5); (9) failure to pay all wages due (pursuant to Cal. Labor
3 Code §§ 212 and 213); (10) failure to maintain accurate records of hours worked and meal periods
4 (pursuant to Cal. Labor Code §§ 1174 and 1174.5); (11) recordkeeping requirement violations
5 (pursuant to Cal. Labor Code §§ 226.6, 558.1, 1174, 1174.5, 1198 and 1199); (12) willful
6 misclassification (pursuant to Cal. Labor Code § 226.8); (13) interest on unpaid wages, attorneys'
7 fees, and costs (pursuant to Cal. Labor Code §§ 218.5 and 218.6); (14) ability to sue directly or
8 through assignee for wages or penalties owed (Cal. Labor Code §§ 210, 218 and 558); (15)
9 retaliation (pursuant to Cal. Labor Code § 1102.5); and (16) failure to pay all earned wages twice
10 per month and unlawfully withholding accrued wages (pursuant to Cal. Labor Code §§ 204,
11 204(a)(b), and 216). The Released PAGA Claims are those that accrued during the PAGA Period.

12 6. **MOTION FOR PRELIMINARY APPROVAL**. Plaintiffs will prepare and file a motion
13 for preliminary approval ("Motion for Preliminary Approval").

14 6.1 **Plaintiffs' Responsibilities**. Plaintiffs will prepare all documents necessary for obtaining
15 Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the
16 Motion for Preliminary Approval that includes an analysis of the Settlement under *Dunk/Kullar*
17 and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2));
18 (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement;
19 (iii) a draft proposed Class Notice; (iv) a signed declaration from Plaintiffs confirming willingness
20 and competency to serve and disclosing all facts relevant to any actual or potential conflicts of
21 interest with Class Members, and/or the Administrator; (v) a signed declaration from Class
22 Counsel attesting to its competency to represent the Class Members; its timely transmission to
23 the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section
24 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (l)(1)), this Agreement
25 (Labor Code section 2699, subd. (l)(2)); and (vi) all facts relevant to any actual or potential
26 conflict of interest with Class Members, and/or the Administrator. In their Declarations, Plaintiffs
27 and Class Counsel shall aver that they are not aware of any other pending matter or action
28 asserting claims that will be extinguished or adversely affected by the Settlement.

1 6.2 Responsibilities of Counsel. Class Counsel and Defense Counsel shall reasonably
2 cooperate with each other with the goal of obtaining settlement approval. Class Counsel will
3 obtain a prompt hearing date for the Motion for Preliminary Approval, file the Motion for
4 Preliminary Approval no later than sixteen (16) court days before the hearing, unless otherwise
5 ordered by the Court, and deliver the Court's Preliminary Approval Order to the Administrator.

6 6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for
7 Preliminary Approval and/or the supporting declarations and documents, Class Counsel and
8 Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person
9 or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant
10 Preliminary Approval or conditions Preliminary Approval on any material change to this
11 Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of
12 the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and
13 otherwise satisfy the Court's concerns.

14 **7. SETTLEMENT ADMINISTRATION.**

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

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

25 7.3 Qualified Settlement Fund. The Administrator shall establish a settlement fund that
26 meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation
27 section 468B-1 for the funding of the GSA. Any interest that accrues on the GSA sums paid into
28

the QSF prior to distribution by the Administrator will become part of the NSA for distribution to Participating Class Members.

7.4 Notice to Class Members.

7.4.1 No later than five (5) calendar days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, Aggrieved Employees, Workweeks, and Pay Periods in the Class Data.

7.4.2 Using best efforts to perform as soon as possible, and in no event later than 14 (fourteen) days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

7.4.3 Not later than five (5) calendar days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

7.4.4 The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) days beyond the forty-five (45) days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

1 7.4.5 If the Administrator, Defendant, or Class Counsel is contacted by or otherwise
2 discovers any persons who believe they should have been included in the Class Data and should
3 have received Class Notice, the Parties will expeditiously meet and confer in person or by
4 telephone, and in good faith in an effort to agree on whether to include them as Class Members.
5 If the Parties agree, such persons will be Class Members entitled to the same rights as other Class
6 Members, and the Administrator will send, via email or overnight delivery, a Class Notice
7 requiring them to exercise options under this Agreement not later than fourteen (14) days after
8 receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later.

9 7.5 Requests for Exclusion (Opt-Outs).

10 7.5.1 Class Members who wish to exclude themselves (opt-out of) the Class Settlement
11 must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not
12 later than forty-five (45) days after the Administrator mails the Class Notice (plus an additional
13 fourteen (14) days for Class Members whose Class Notice is re-mailed). A Request for Exclusion
14 is a letter from a Class Member or his/her representative that reasonably communicates the Class
15 Member's election to be excluded from the Settlement and includes the Class Member's name,
16 address and email address or telephone number. To be valid, a Request for Exclusion must be
17 timely faxed, emailed, or postmarked by the Response Deadline.

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

27 7.5.3 Every Class Member who does not submit a timely and valid Request for Exclusion
28 is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and

bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under paragraphs 5.2 and 5.3 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 Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6 Challenges to Calculation of Workweeks. Each Class Member shall have forty-five (45) days after the Administrator mails the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods 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. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to the calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel 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/or this Agreement, including contesting the fairness of the Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Class Representative Service Payment.

1 7.7.2 Participating Class Members may send written objections to the Administrator, by
2 fax, email, or mail. In the alternative, Participating Class Members may appear in Court (or hire
3 an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A
4 Participating Class Member who elects to send a written objection to the Administrator must do
5 so not later than forty-five (45) days after the Administrator's mailing of the Class Notice (plus
6 an additional fourteen (14) days for Class Members whose Class Notice was re-mailed).

7 7.7.3 Non-Participating Class Members have no right to object to any of the class action
8 components of the Settlement.

9 7.8 Administrator Duties. The Administrator has a duty to perform or observe all tasks to be
10 performed or observed by the Administrator contained in this Agreement or otherwise.

11 7.8.1 Email Address and Toll-Free Number. The Administrator will establish, maintain
12 and use a toll-free number to receive calls from Class Members to provide the latest information
13 pertaining to the settlement approval process and where to obtain copies of the papers filed with
14 the Court. The Administrator will also maintain and monitor an email address and a toll-free
15 telephone number to receive Class Member calls, faxes, and emails.

16 7.8.2 Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will
17 promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later
18 than five (5) days after the expiration of the deadline for submitting Requests for Exclusion, the
19 Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names
20 and other identifying information of Class Members who have timely submitted valid Requests
21 for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class
22 Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for
23 Exclusion from Settlement submitted (whether valid or invalid).

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

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

4 7.8.4 Workweek and/or Pay Period Challenges. The Administrator has the authority to
5 address and make final decisions consistent with the terms of this Agreement on all Class Member
6 challenges over the calculation of Workweeks and/or Pay Periods. The Administrator’s decision
7 shall be final and not appealable or otherwise susceptible to challenge.

8 7.8.5 Administrator’s Declaration. Not later than fourteen (14) days before the date by
9 which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the
10 Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable
11 for filing in Court attesting to its due diligence and compliance with all of its obligations under
12 this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices
13 returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the
14 total number of Requests for Exclusion from Settlement it received (both valid or invalid), the
15 number of written objections and attach the Exclusion List. The Administrator will supplement
16 its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible
17 for filing the Administrator’s declaration(s) in Court.

18 7.8.6 Final Report by Settlement Administrator. Within ten (10) days after the
19 Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide
20 Class Counsel and Defense Counsel with a final report detailing its disbursements by employee
21 identification number only of all payments made under this Agreement. At least fifteen (15) days
22 before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel
23 and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement
24 of all payments required under this Agreement. Class Counsel is responsible for filing the
25 Administrator's declaration in Court.

26 8. **CLASS SIZE ESTIMATES and ESCALATOR CLAUSE**. Based on its records,
27 Defendant represents that as of the date of mediation, there were 351 Class Members who
28 collectively worked a total of 13,326 Workweeks, and 298 Aggrieved Employees who worked a

total of 5,040 PAGA Pay Periods. Should the final number of Workweeks ultimately increase by more than 10% (i.e., more than 1,333 Workweeks, exceeding 14,659), Defendant shall, at its sole discretion, have the option to: (i) increase the GSA on a pro rata basis relative to the increase in Workweeks above 10% (for example, if the number of Workweeks increases by 11% to 14,792, the GSA shall increase by 1% to \$202,000).

8.1 To avoid any uncertainty as to the Class Period and PAGA Period end dates, Defendant and/or the Administrator shall verify the total Workweek count and confirm the end dates of the Class Period and PAGA Period prior to Plaintiffs filing their Motion for Preliminary Approval.

9. **DEFENDANT'S RIGHT TO WITHDRAW.** Defendant represents, as of the date of this Settlement Agreement, there are 351 Class Members. If the number of valid Requests for Exclusion identified in the Exclusion List is greater than 10%, Defendant may, but is not obligated to, elect to withdraw from the Settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be *void ab initio*, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying all Settlement Administration Costs incurred to that point. Defendant 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.

10. **MOTION FOR FINAL APPROVAL.** Not later than sixteen (16) court days before the calendared Final Approval Hearing, unless otherwise scheduled by the Court, Plaintiffs will file in Court, a Motion for Final Approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699, subd. (l); a Proposed Final Approval Order; and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiffs shall provide drafts of these documents to Defense Counsel prior to 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.

1 10.1 Response to Objections. Each Party retains the right to respond to any objection raised
2 by a Participating Class Member, including the right to file responsive documents in Court no
3 later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or
4 accepted by the Court.

5 10.2 Duty to Cooperate. If the Court does not grant Final Approval or conditions Final
6 Approval on any material change to the Settlement (including, but not limited to, the scope of
7 release to be granted by Class Members and/or Aggrieved Employees), the Parties will
8 expeditiously work together in good faith to address the Court's concerns by revising the
9 Agreement as necessary to obtain Final Approval. The Court's decision to award less than the
10 amounts requested for the Class Representative Service Payment, Class Counsel Fees Payment,
11 Class Counsel Litigation Expenses Payment, and/or Administrator Costs Payment shall not
12 constitute a material modification to the Agreement within the meaning of this paragraph.

13 10.3 Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the
14 Court will retain jurisdiction over the Parties, the Action, and the Settlement solely for purposes
15 of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration
16 matters, and (iii) addressing such post-Judgment matters as are permitted by law.

17 10.4 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and
18 conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class
19 Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective
20 counsel, and all Participating Class Members who did not object to the Settlement as provided in
21 this Agreement, waive all rights to appeal from the Judgment, including all rights to post-
22 judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new
23 trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the
24 right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties'
25 obligations to perform under this Agreement will be suspended until such time as the appeal is
26 finally resolved and the Judgment becomes final, except as to matters that do not affect the amount
27 of the Net Settlement Amount.

1 10.5 Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the
2 reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material
3 modification of this Agreement (including, but not limited to, the scope of release to be granted
4 by Class Members and/or Aggrieved Employees), this Agreement shall be null and void. The
5 Parties shall nevertheless expeditiously work together in good faith to address the appellate
6 court's concerns and to obtain Final Approval and Entry of Judgment, sharing, on a 50-50 basis,
7 any additional Administration Costs reasonably incurred after remittitur. An appellate decision to
8 vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any
9 payments to Class Counsel shall not constitute a material modification of the Judgment within
10 the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.

11 11. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil
12 Procedure §384, the Parties will work together in good faith to jointly submit a proposed amended
13 judgment.

14 12. **ADDITIONAL PROVISIONS.**

15 12.1 No Admission of Liability, Class Certification or Representative Manageability for
16 Other Purposes. This Agreement represents a compromise and settlement of highly disputed
17 claims. Nothing in this Agreement is intended or should be construed as an admission by
18 Defendant or Released Parties that any of the allegations in the Operative Complaint have merit
19 or that Defendant or Released Parties has any liability for any claims asserted; nor should it be
20 intended or construed as an admission by Plaintiffs that Defendant's defenses in the Action have
21 merit. The Parties agree that class certification and representative treatment is for purposes of this
22 Settlement only. If, for any reason, the Court does not grant Preliminary Approval, Final
23 Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for
24 any reason, Defendant reserves all available defenses to the claims in the Action, and Plaintiffs
25 reserve the right to move for class certification on any grounds available and to contest
26 Defendant's defenses. The Settlement, this Agreement, and the Parties' willingness to settle the
27 Action will have no bearing on, and will not be admissible in connection with, any litigation
28 (except for proceedings to enforce or effectuate the Settlement and this Agreement).

1 12.2 Confidentiality Prior to Preliminary Approval. Plaintiffs, Class Counsel, Defendant, and
2 Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement
3 is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit
4 another person to disclose, disseminate or publicize, any of the terms of the Agreement directly
5 or indirectly, specifically or generally, to any person, corporation, association, government
6 agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom
7 will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the
8 extent necessary to report income to appropriate taxing authorities; (4) in response to a court order
9 or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government
10 agency. Each Party agrees to immediately notify the other Party of any judicial or agency order,
11 inquiry, or subpoena seeking such information. Plaintiffs, Class Counsel, Defendant, and Defense
12 Counsel separately agree not to, directly or indirectly, initiate any conversation or other
13 communication, before the filing of the Motion for Preliminary Approval, with any third party
14 regarding this Agreement or the matters giving rise to this Agreement except to respond only that
15 "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's
16 communications with Class Members in accordance with Class Counsel's ethical obligations
17 owed to Class Members.

18 12.3 No Solicitation. The Parties separately agree that they and their respective counsel and
19 employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal
20 from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability
21 to communicate with Class Members in accordance with Defense Counsel's and Class Counsel's
22 ethical obligations and Class Counsel's fiduciary duties owed to Class Members.

23 12.4 Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement
24 together with its attached exhibits shall constitute the entire agreement between the Parties
25 relating to the Settlement, superseding any and all oral representations, warranties, covenants, or
26 inducements made to or by any Party.

27 12.5 Attorney Authorization. Class Counsel and Defense Counsel separately warrant and
28 represent that they are authorized by Plaintiffs and Defendant, respectively, to take all appropriate

1 action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate
2 its terms, and to execute any other documents reasonably required to effectuate the terms of this
3 Agreement including any amendments to this Agreement.

4 12.6 Cooperation. The Parties and their counsel will cooperate with each other and use their
5 best efforts, in good faith, to implement the Settlement by, among other things, modifying the
6 Settlement Agreement, submitting supplemental evidence and supplementing points and
7 authorities as requested by the Court. In the event the Parties are unable to agree upon the form
8 or content of any document necessary to implement the Settlement, or on any modification of the
9 Agreement that may become necessary to implement the Settlement, the Parties will seek the
10 assistance of a mediator and/or the Court for resolution.

11 12.7 No Prior Assignments. The Parties separately represent and warrant that they have not
12 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or
13 encumber to any person or entity and portion of any liability, claim, demand, action, cause of
14 action, or right released and discharged by the Party in this Settlement.

15 12.8 No Tax Advice. Neither Plaintiffs, Class Counsel, Defendant nor Defense Counsel are
16 providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied
17 upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR
18 Part 10, as amended) or otherwise.

19 12.9 Modification of Agreement. This Agreement, and all parts of it, may be amended,
20 modified, changed, or waived only by an express written instrument signed by all Parties or their
21 representatives, and approved by the Court.

22 12.10 Agreement Binding on Successors. This Agreement will be binding upon, and inure
23 to the benefit of, the successors of each of the Parties.

24 12.11 Applicable Law. All terms and conditions of this Agreement and its exhibits will be
25 governed by and interpreted according to the internal laws of the state of California, without
26 regard to conflict of law principles.

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

12.13 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 execution of this Agreement.

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

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

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

To Plaintiff:

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Attorney for Plaintiff,
Edward Perez, on behalf of himself and
all others similarly situated, and on behalf
of the general public

12.17 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or by 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.

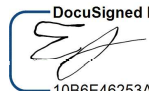
12.18 Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement pursuant to CCP section 583.330 to extend the date to bring a case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

12.19 Binding Agreement. The Parties intend that this Agreement shall be fully enforceable and binding upon all Parties within the provisions of Cal. Civil Proc. § 664.6, and that it shall be admissible and subject to disclosure in any proceeding to enforce its terms pursuant to Cal. Evid. Code §§ 1122(a)(1) and 1123(b), notwithstanding the confidentiality provisions that otherwise might apply under federal or state law. The Parties further agree and intend that the Los Angeles County Superior Court may enforce this Agreement pursuant to Code of Civil Procedure § 664.6.

IT IS SO AGREED.

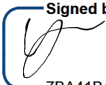
By the Parties:

DATED: 9/22/2026

DocuSigned by:

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Plaintiff Emilia Jordan-Lemus

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3 DATED: 9/23/2026

Signed by:

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4 Plaintiff Yaira Torres-Vasquez

5
6 DATED: _____

7 Plaintiff Edward Perez

8
9
10 DATED: _____

11 Defendant Developmental Pathways Inc.

12 By: _____

13 Position: _____

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16 Approved by counsel:

17
18 DATED: 9/23/2026

WILSHIRE LAW FIRM, PLC

19
20 BY: 

John G. Yslas

William M. Pao

Lucy H. Nguyen

Counsel for Plaintiff Emilia Jordan-Lemus and

Yaira Torres-Vasquez

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23
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25 DATED:

FISHER & PHILLIPS LLP

26
27 BY: _____

Todd B. Scherwin

28 Harrison M. Thorne

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DATED:

OTKUPMAN LAW FIRM, ALC

BY: _____
Roman Otkupman
Nidah Farishta

1 **OTKUPMAN LAW FIRM, A LAW**
2 **CORPORATION**

3 5743 Corsa Ave., Suite 123,
4 Westlake Village, CA 91362
5 Telephone: (818) 293-5623
6 Facsimile: (888) 850-1310

7 Attorney for Plaintiff,
8 Edward Perez, on behalf of himself and
9 all others similarly situated, and on behalf
10 of the general public

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27 IT IS SO AGREED.

28 By the Parties:

DATED: _____

Plaintiff Emilia Jordan-Lemus

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3 DATED: _____

Plaintiff Yaira Torres-Vasquez

5
6 DATED: 09 / 22 / 2026

Edward Perez

Plaintiff Edward Perez

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9
10 DATED: 09/22/2026

George Ghazarian

George Ghazarian (Sep 22, 2026 16:35:37 PDT)

Defendant Developmental Pathways Inc.

By: George Ghazarian

Position: CFO

14
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16 Approved by counsel:

17
18 DATED:

WILSHIRE LAW FIRM, PLC

19
20 BY: _____

John G. Yslas

William M. Pao

Lucy H. Nguyen

Counsel for Plaintiff Emilia Jordan-Lemus and

Yaira Torres-Vasquez

24
25 DATED: 09/22/2026

FISHER & PHILLIPS LLP

26
27 BY: 

Todd B. Scherwin

Harrison M. Thorne

1 DATED: 09 / 22 / 2026

2 OTKUPMAN LAW FIRM, ALC

3 BY: Roman Otkupman

4 Roman Otkupman
5 Nidah Farishta
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