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SUPERIOR COURT OF THE STATE OF CALIFORNIA
CITY AND COUNTY OF SAN FRANCISCO

ABHINAV SHETTY, individually on behalf of
all others similarly situated,

Plaintiff,

v.

ILSC (SAN FRANCISCO), LLC, AND DOES
1-5

Defendants.

Case No. CGC19581622

- **Class Action** -

JOINT STIPULATION OF CLASS
ACTION SETTLEMENT AND RELEASE
OF CLAIMS

This Joint Stipulation of Class Action Settlement (“Joint Stipulation,” “Settlement,” or “Settlement Agreement”) is entered into by Plaintiff Abhinav Shetty as the Representative Plaintiff on behalf of himself and each of the Settlement Class Members (defined below) and defendant ILSC (San Francisco), LLC (“Defendant”) (Plaintiff and Defendant are collectively referred to as the “Parties”). Subject to this Court’s approval, this Joint Stipulation is intended by

1 the Settling Parties to fully, finally and forever resolve, discharge and settle the Released Claims
2 (defined below), upon and subject to the terms and conditions hereof.

3 I. DEFINITIONS

4 As used in the Joint Stipulation, the following terms have the meanings specified below:

5 1. **“Action”** means the litigation arising out of the Complaint filed in *Shetty v. ILSC*
6 (*San Francisco*), LLC, San Francisco Superior Court, Case No.: CGC-19-581622 (“Action”).

7 2. **“Class”** means all persons who have been engaged by Defendant as IELTS Test
8 Day Supervisor, IELTS Test Day Proctors, IELTS Test Day Examiners, IELTS Test Day
9 Invigilators, IELTS Test Day Clerical Markers, and/or similar positions related to administering
10 IELTS tests, and who were classified as “independent contractors” in California from December
11 18, 2015 to October 1, 2020, to be certified by the Court for purposes of settlement only.

12 3. **“Class Member”** means a person who falls within the definition of the Class as set
13 forth in paragraph 2 of the Definitions in this Joint Stipulation.

14 4. **“Class Counsel”** means Kuchinsky Law Office, P.C., including Alexei Kuchinsky,
15 who are counsel for and acting on behalf of the Representative Plaintiff, and subject to approval
16 and appointment by the Court, shall be counsel for and act on behalf of the Settlement Class. The
17 term “Class Counsel” shall be used synonymously with the term “Plaintiff’s Counsel.”

18 5. **“Class Notice”** means the Notice of Pendency of Class Action, Proposed
19 Settlement, and Hearing Date for Court Approval.

20 6. **“Class Period”** means the period from December 18, 2015 to October 1, 2020.

21 7. **“Complaint”** refers to the operative complaint filed in this action, filed on
22 December 18, 2019 in San Francisco Superior Court of California.

23 8. **“Court”** means San Francisco Superior Court, where the Action is pending.

24 9. **“Defendant”** means named entity ILSC (San Francisco), LLC.

25 10. **“Effective Date”** means the 15th day after the date by which the last of the
26 following has occurred: (a) all conditions of Settlement have been satisfied; (b) the Court has
27 entered and filed the Final Approval Order and Judgment; and (c) the time period for appeal of the
28 Judgment has been exhausted without any appeals having been filed, and/or all such appeals have

1 been voluntarily or involuntarily dismissed, and/or the appropriate appellate court or courts have
2 entered a final judgment affirming the Final Approval Order and Judgment of the Court and the
3 final judgment of such appellate court or courts is no longer subject to any further appellate
4 challenge or procedure.

5 11. **“Final Approval Order”** means the order to be entered by the Superior Court (1)
6 granting final approval to the class settlement described in this Agreement; and (2) entering
7 judgment in accordance with the terms of this Agreement.

8 12. **“Gross Settlement Fund” or “GSA”** means the sum of One Hundred Seventy
9 Thousand Dollars (\$170,000.00). Defendant shall have no further monetary obligation related to
10 the Settlement and shall not be required to make any other payment under any circumstances.

11 13. **“Joint Stipulation”** means this Joint Stipulation of Settlement.

12 14. **“Net Settlement Amount”** means the total amount available for payment to
13 Settlement Class Members after Class Counsel’s fees and expenses, an enhancement award to the
14 Representative Plaintiff, settlement administration fees, and civil penalties under Labor Code
15 Sections 2698, *et seq.*, Private Attorney General Act (“PAGA”) payable to the Labor and
16 Workforce Development Agency (“LWDA”). This is a non-reversionary settlement.

17 15. **“Notice Period”** means the time period commencing on the date Class Notice is
18 mailed to class Members and ending on the “Notice Completion Date.” The “Notice Completion
19 Date” shall be the date forty-five (45) days after the mailing of the Class Notice.

20 16. **“Person”** means an individual, corporation, general partnership, limited
21 partnership, association, joint-stock company, estate, legal representative, trust, unincorporated
22 association, government or any political subdivision or agency, and any business or legal entity
23 and its spouses, heirs, predecessors, successors, representatives, or assignees.

24 17. **“Preliminary Approval Order.”** The order to be entered by the Superior Court
25 granting preliminary approval to the settlement described in this Agreement following submission
26 to the Superior Court of Plaintiff’s motion for an order granting preliminary approval of the
27 Settlement, certifying the Class for settlement purposes only, authorizing the Class Notice, and
28 setting a date for the Motion for Final Approval.

1 18. **“Released Claims.”** Plaintiff and Class Members who do not validly and timely
2 request to be excluded from the Settlement shall release all claims for economic, non-economic,
3 equitable, liquidated, nominal, restitutionary, injunctive, or other relief that are based on the facts
4 stated in the Complaint filed in this Action or could have been stated based on the facts stated in
5 the Complaint filed in this Action, including all claims for wages and related penalties actually
6 alleged in the Action, by Plaintiff Shetty, on behalf of himself and the Class Members, based on
7 the facts stated in the complaint, against Defendant or any Released Person, alleging that
8 Defendant misclassified its California workers as independent contractors and committed the
9 following violations: (1) Defendant failed to pay overtime compensation in violation of California
10 Labor Code sections 510, 1194, 1194.2 and the applicable Industrial Welfare Commission Wage
11 Order; (2) Defendant failed to provide meal periods, or compensation in lieu thereof, including but
12 not limited to any violation of California Labor Code sections 226.7 and 512 and the applicable
13 Industrial Welfare Commission Wage Order; (3) Defendant failed to authorize and permit rest
14 periods, or compensation in lieu thereof, including but not limited to any violation of California
15 Labor Code section 226.7 and the applicable Industrial Welfare Commission Wage Order; (4)
16 Defendant failed to provide itemized employee wage statements, including but not limited to any
17 violation of California Labor Code sections 226, and the applicable Industrial Welfare
18 Commission Wage Order; (6) Defendant failed to timely pay wages due at termination, including
19 but not limited to any violation of California Labor Code sections 201-203 and 205; (6) Defendant
20 engaged in unlawful business practices in violation of California Business and Professions Code
21 section 17200, *et seq.*; (7) Class Members are entitled to restitutionary damages under California
22 Business & Professions Code sections 17200, *et seq.*; (8) Defendant is liable for attorneys’ fees
23 and/or costs incurred to prosecute this action on behalf of Putative Class Members, including fees
24 incurred for the services of Class Counsel; (9) Defendant violated California Labor Code Section
25 2698, *et seq.* (Private Attorneys General Act (“PAGA”)); and (10) Defendant is liable for any other
26 remedies, penalties, and interest, including but not limited to, under California Labor Code
27 sections 201, 202, 203, 226, 226.3, 226.8, 226.7, 510, 512, 558, 1194, 1198, and 2699, and the
28 applicable Industrial Welfare Commission Wage Order, through October 1, 2020.

1 19. **“Released Persons”** means Defendant and its respective agents, insurers, past,
2 present and future divisions, affiliates, predecessors, successors, shareholders, officers, directors,
3 members, employees, trustees, representatives, administrators, fiduciaries, assigns, subrogees,
4 executors, partners, subsidiaries, parents, attorneys, insurers, and/or privies.

5 20. **“Representative Plaintiff”** means Abhinav Shetty.

6 21. **“Request for Exclusion”** means a written request by a Class Member to be
7 excluded from the Settlement Class, as more fully described in paragraph 56.

8 22. **“Settlement Administrator”** means the party administering the settlement, Phoenix
9 Settlement Administrators, 1411 N. Batavia St., Suite 105, Orange, CA 92867.

10 23. **“Settlement Class”** means all Class Members who do not submit timely and valid
11 requests to be excluded from the Settlement.

12 24. **“Settlement Class Member”** means a Person who falls within the definition of the
13 Settlement Class as set forth in paragraph 23 of the Definitions in this Joint Stipulation.

14 25. **“Settlement Hearing”** means the hearing(s) to be held by the Court to consider
15 and determine whether the proposed settlement of the Action (defined below) as contained in this
16 Joint Stipulation should be approved as fair, reasonable, and adequate, and whether the Judgment
17 approving the settlement contained in this Joint Stipulation should be entered.

18 26. **“Settling Parties”** means Defendant and the Representative Plaintiff, on behalf of
19 himself and the Settlement Class Members.

20 **II. PARTIES**

21 27. Defendant is ILSC (San Francisco), LLC.

22 28. Plaintiff is Abhinav Shetty, individually and on behalf of all other similarly situated
23 employees of Defendant.

24 **III. PROCEDURAL BACKGROUND**

25 29. The Action was filed by Plaintiff Shetty in San Francisco Superior Court, Case No.:
26 CGC-19-581622, on December 18, 2019, as a putative class action to recover unpaid wages under
27 California Labor Code. Plaintiff alleges that because Defendant misclassified its workers as
28 independent contractors, Defendant failed to pay Plaintiff and other workers overtime wages,

1 premiums for missed meal and rest periods, and derivative damages for wage statement violations
2 and waiting time penalties. The Complaint also alleged a claim for civil penalties California Labor
3 Code Section 2698, et seq. (Private Attorneys General Act (“PAGA”) and a claim for unlawful
4 business practices in violation of California Business and Professions Code section 17200, *et seq*;
5 based on the same underlying violations of California Labor Code.

6 30. On February 7, 2020, Defendant Answered the Complaint. In its Answer,
7 Defendant denied all allegations in the Complaint, and asserted various affirmative defenses.

8 31. After Plaintiff initiated written discovery, the Parties agreed to engage in private
9 settlement discussions. To facilitate the process, the Parties informally exchange records and
10 information related to the Class Members. Defendant informally produced to Plaintiff’s Counsel
11 the Class Members’ pay records and time records for ten randomly selected months from the
12 period from January 2016 to August 2020.

13 32. From October 2020 to March 2021, the Parties unsuccessfully attempted to resolve
14 this matter directly.

15 33. After direct settlement discussions reached an impasse, in April 2021, the Parties
16 agreed to submit this matter to mediation in an effort to reach a resolution on a class and
17 individual basis without further litigation.

18 **IV. MEDIATION AND NEGOTIATIONS.**

19 34. On July 16, 2021, Plaintiff’s Counsel, Defendant, and Defendant’s Counsel
20 participated in mediation before Debra Mellinkoff via videoconference. Debra Mellinkoff is an
21 experienced and highly regarded mediator knowledgeable in wage-and-hour laws and the class,
22 and representative claims at issue in this Action. The mediation session involved robust
23 discussions of risks and rewards of continued litigation and several offers and counteroffers.

24 35. The Parties’ discussed and evaluated in depth Defendant’s financial status,
25 specifically, its ability to satisfy a large six figure settlement and a single lump sum. Prior to
26 mediation, Defendant provided Plaintiff’s Counsel with private financial documents. With
27 assistant of Mediator Mellinkoff, the Parties were able to reach a settlement.

28

1 **V. CLAIMS OF THE REPRESENTATIVE PLAINTIFF AND BENEFITS OF**
2 **SETTLEMENT**

3 36. The Representative Plaintiff contends that the claims asserted against Defendant
4 have merit. Nonetheless, after a thorough investigation of the facts and the law and Defendant's
5 ability to pay, Plaintiff recognizes and acknowledges the expense and length of the proceedings
6 necessary to prosecute the Action against Defendant through trial and through appeals. Plaintiff
7 has also taken into account the uncertain outcome and the risk of any litigation as well as the
8 difficulties and delays inherent in such litigation, including uncertainty over whether a class would
9 be certified. Plaintiff is also mindful of the inherent problems of proof and possible defenses to the
10 claims asserted by Defendant in the Action.

11 37. The Representative Plaintiff and Class Counsel believe, and the Settling Parties
12 have agreed, that the settlement set forth in this Joint Stipulation confers substantial benefits upon
13 the Settlement Class and each of the Settlement Class Members. Based on their evaluation and
14 after extensive settlement discussions, Plaintiff and Class Counsel have determined that the
15 settlement set forth in this Joint Stipulation is in the best interest of the Settlement Class and that
16 the Settlement is fair and reasonable to the Settlement Class Members.

17 **IV. DEFENDANT'S DENIAL OF WRONGDOING AND LIABILITY**

18 38. Defendant denies the claims and contentions alleged by the Representative Plaintiff
19 in his complaint. Defendant denies all charges of wrongdoing or liability against it arising out of
20 the conduct, statements, acts or omissions alleged, or that could have been alleged, in the
21 complaint or Action. Defendant also denies, *inter alia*, that the Representative Plaintiff or Class
22 Members were harmed by the conduct alleged in the Complaint. Defendant further denies that the
23 Litigation is properly maintainable as a class action. To date, the Court has not made any findings
24 that Defendant engaged in any wrongdoing or in any wrongful conduct or otherwise acted
25 improperly or in violation of any state or federal law, rule, or regulation.

26 39. Defendant has nonetheless concluded that the continued litigation of the Action
27 could be protracted and expensive and that it is desirable that it be fully and finally settled in the
28 manner and upon the terms and conditions set forth in this Joint Stipulation in order to limit

1 further expense and inconvenience and to dispose of burdensome and potentially protracted
2 litigation. Defendant also has taken into account the uncertainty and risks inherent in any
3 litigation, especially in complex cases such as this one, and has, therefore, determined that it is
4 desirable and beneficial that the Action be settled in the manner and upon the terms and conditions
5 set forth in this Joint Stipulation.

6 40. Based on the Recitals, the Parties agree, as follows:

7 **VI. TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT**

8 41. Under the terms of the proposed settlement, Defendant agrees to pay up to, but not
9 more than, the amount of One Hundred Seventy Thousand Dollars (\$170,000.00) (“Gross
10 Settlement Fund”) to settle the Action.

11 42. The parties agree that the following payments/costs will be taken from the Gross
12 Settlement Fund in order to create a “Net Settlement Fund”:

- 13 a. Plaintiffs’ attorneys’ fees, not to exceed Fifty-Six Thousand Six Hundred
14 Dollars (\$56,600) (approximately one-third of the Gross Settlement Fund), to
15 be proved up by Plaintiff and/or Class Counsel and approved by the Court. Any
16 amount of Plaintiffs’ Attorney’s Fees requested by Class Counsel but
17 unapproved by the Court shall be allocated to the Net Settlement Fund.
- 18 b. Class Counsel’s actual reasonable costs and expenses, not to exceed Six
19 Thousand Dollars (\$6,000.00) to be proved up by Class Counsel and approved
20 by the Court. Any amount of Plaintiffs’ Costs requested by Class Counsel but
21 unapproved by the Court shall be allocated to the Net Settlement Fund.
- 22 c. Representative Plaintiff will receive an amount up to Nine Thousand Dollars
23 (\$9,000.00) for payment for his time and efforts in pursuing this litigation. The
24 enhancement payment will be paid in addition to Settlement Payment, which
25 Representative Plaintiff will be entitled to receive under the Settlement;
- 26 d. Administration Costs are expected not to exceed \$8,000. Any amount of
27 Administration Costs requested by Class Counsel but unapproved by the Court
28 shall be allocated to the Net Settlement Fund;

- 1 e. A total of Ten Thousand Dollars (\$10,000.00) of the Gross Settlement Fund
2 shall be allocated to the California Labor Code § 2699 claim for civil penalties.
3 Seventy-five percent (75%) of said amount (\$7,500) shall be paid from the
4 Gross Settlement Fund to the California Labor and Workforce Development
5 Agency (“LWDA”) for penalties under the Private Attorneys General Act
6 (“PAGA”), and twenty-five percent (25%) of said amount (\$2,500) shall remain
7 a part of the Net Settlement Fund for distribution to Class on a *pro-rata* basis
8 based on the gross compensation earned during the Class Period regardless of
9 whether they opt-out; and
- 10 f. The Net Settlement Fund is estimated to be approximately \$84,225. The Net
11 Settlement Fund will be paid out to all Class Members who do not submit a
12 timely opt-out form, based on the proportionate amount of gross compensation
13 received by the Settlement Class Member during the Class Period. This is a
14 Non-Reversionary settlement.

15 43. Defendant agrees that it has reclassified all Class Members and any other IELTS
16 Test Day Supervisors, IELTS Test Day Proctors, IELTS Test Day Examiners, IELTS Test Day
17 Invigilators, IELTS Test Day Clerical Markers, and/or similar positions related to administering
18 IELTS tests, as employees as of October 1, 2020.

19 44. The Parties agree to bear their own attorneys’ fees and costs related to this Action,
20 except for the attorneys’ fees and costs set forth in Paragraph 42(a) of this Joint Stipulation and
21 approved by the Court. In the case of a dispute regarding the payment of the Gross Settlement
22 Fund or if Plaintiff or Defendant must enforce the terms of this Joint Stipulation, the prevailing
23 party shall be entitled to recover their reasonable attorneys’ fees and costs.

24 **VII. CONDITIONAL CLASS CERTIFICATION**

25 45. **Class Certification of the Class Members’ Claims.** Solely for the purposes of this
26 Settlement, the Parties stipulate and agree to certification of the claims asserted on behalf of the
27 Class Members under California Code of Civil Procedure Section 382. As such, the Parties
28 stipulate and agree that in order for this Settlement to occur, the Court must certify the class: all

1 persons who have been engaged by Defendant as IELTS Test Day Supervisor, IELTS Test Day
2 Proctors, IELTS Test Day Examiners, IELTS Test Day Invigilators, IELTS Test Day Clerical
3 Markers, and/or similar positions related to administering IELTS tests, and who were classified as
4 “independent contractors” in California from December 18, 2015, to October 1, 2020.

5 **46. Conditional Nature of Stipulation for Certification.** The Parties stipulate and
6 agree to the certification of the claims asserted on behalf of the Class Members for purposes of
7 this Settlement only. If the Settlement does not become effective, including but not limited to the
8 Judgment not becoming Final, the fact that the Parties were willing to stipulate to certification as
9 part of the Settlement shall not be admissible or used in any way in connection with, the question
10 of whether the Court should certify any claims in a non-settlement context in this Action or in any
11 other lawsuit. If the Settlement does not become effective, Defendant reserves the right to contest
12 any issues relating to class certification and liability if the settlement is not approved.

13 **47. Appointment of Class Representative.** Solely for the purposes of this Settlement,
14 the Parties stipulate and agree Abhinav Shetty shall be appointed as representative for the Class.

15 **48. Appointment of Class Counsel.** Solely for the purpose of this Settlement, the
16 Parties stipulate and agree that Kuchinsky Law Office, P.C. shall be appointed as Class Counsel
17 for the Class.

18 **49. Opt-Out Rate.** In the event that the Opt-Out rate (defined below) is ten percent
19 (10%) or higher, Defendant will have the option to withdraw from the Settlement Agreement
20 within ten (10) business days of receipt of notice of all valid Requests for Exclusion as described
21 in paragraph 56 but must pay all Administration Costs incurred as of the date of withdrawal.

22 **50.** A Participating Class Member must cash their Settlement Payment check within
23 one hundred and eighty (180) calendar days after it is mailed. If a check is returned to the
24 Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail
25 it to the Participating Class Member at their correct address. If the check remains uncashed by the
26 expiration of one hundred and eighty (180) calendar days after its issuance, the check will be
27 voided. The Settlement Administrator shall notify Class Counsel and Defendant’s Counsel of any
28 undeliverable or uncashed checks.

1 **VIII. NOTICE AND SETTLEMENT ADMINISTRATION**

2 **51.** The Settlement Administrator shall be responsible for (1) printing and
3 mailing to Class Members the Notice of Pendency of Class Action, Proposed Settlement and
4 Hearing Date for Court Approval (“Notice”) (Exhibit A); (2) notifying the Parties of the identity
5 of Settlement Class Members that opt-out or file objections in a timely fashion; (3) mailing
6 Settlement Payments checks to Participating Class Members; (5) filing any required reports with
7 the Court; and (6) for such other tasks as the Parties mutually agree or the Court orders the
8 Settlement Administrator to perform. The notice and administration process shall be anonymous
9 to the extent possible. Specifically, the Settlement Administrator shall perform the following
10 duties:

11 **52.** Within fourteen (14) calendar days of the Preliminary Approval Order, Defendant
12 will provide a mailing list of the last known addresses, social security numbers or taxpayer IDs,
13 and the gross compensation earned for each Class Member during the Settlement Period to the
14 Settlement Administrator. The Settlement Class information shall be kept confidential, including
15 from Class Counsel and Representative Plaintiff, except as required to be disclosed to the
16 applicable taxing authorities in order to carry out the purposes of this Joint Stipulation, or pursuant
17 to Defendant’s express written authorization or by order of the Court.

18 **IX. MAILING OF NOTICE.**

19 **53.** Within thirty (30) calendar days of receipt of the Defendant’s records described in
20 paragraph 52, the Settlement Administrator shall mail a copy of the Notice (Exhibit A) to all Class
21 Members by first class regular U.S. mail, using the most current mailing address information
22 possessed by Defendant (“Notice Packets”). The Settlement Administrator will engage in address
23 searches consistent with its normal practices in settlements of wage claims, including skip tracing.
24 Any returned envelopes from this mailing with forwarding addresses will be utilized by the
25 Settlement Administrator to forward the Notice Packets to the Class Members.

26 **X. RE-MAILING OF RETURNED NOTICES.**

27 **54.** Notice Packets returned to the Settlement Administrator as undelivered before the
28 Notice Completion Date shall be resent to the forwarding address, if any, on the returned

1 envelope, within no later than three (3) calendar days. A returned Notice Packet will be forwarded
2 only once per Class Member by the Settlement Administrator. Upon completion of these steps by
3 the Settlement Administrator, Defendant shall be deemed to have satisfied their obligation to
4 provide the Notice Packet to the affected member of the Class. The affected member of the Class
5 shall remain a member of the Class and shall be bound by all the terms of this Joint Stipulation
6 and the Court's Order and Final Judgment unless he or she submits a timely and valid Request for
7 Exclusion. Class Member's whose Notice Packets are re-mailed after their original Notice Packet
8 is returned as undelivered shall have the later of the Notice Completion Date or fourteen (14)
9 calendar days from the date on which the Notice Packet is re-mailed, to submit an objection.

10 **55. Weekly Status Report.** The Settlement Administrator shall provide a weekly
11 status report to the Parties. As part of its weekly status report, the Settlement Administrator will
12 inform Class Counsel and Defendant's Counsel of the number of Notices mailed, the number of
13 Notices returned as undeliverable, the number of Notices re-mailed, and the number of requests for
14 exclusion received, and the number of objections received.

15 **XI. CLASS MEMBERS REQUESTS FOR EXCLUSION ("OPT-OUT") FROM**
16 **SETTLEMENT.**

17 **56.** Class Members shall be given the opportunity to be excluded ("opt-out") of the
18 Settlement. Class Members may opt-out of the Settlement by mailing a written Request for
19 Exclusion to the Settlement Administrator by first class U.S. mail, or equivalent, postage paid and
20 postmarked, no later than the Notice Completion Date. To be valid, the written Request for
21 Exclusion must include the Class Member's name, address, a request for exclusion, and the Class
22 Member's signature. The date of the postmark on the return-mailing envelope shall be the
23 exclusive means used to determine whether a written objection has been timely submitted. Class
24 Members who timely and validly opt-out of the Settlement may not file objections. Requests for
25 exclusion must be exercised individually by the Class Member. Attempted collective group, class,
26 or subclass requests for exclusions shall be ineffective and disregarded by the Settlement
27 Administrator. The Settlement Administrator shall provide notice to the Parties of all valid
28 requests for exclusion no later than within ten calendar days of the Notice Completion Date.

1 Unless a Class Member submits a timely request for exclusion, he or she will be considered a
2 Participating Class Member. Plaintiff Shetty expressly agrees not to Opt-Out of the Settlement.
3 Any Class Member who opts out of the Settlement shall not receive any Settlement Payment and
4 shall not be bound by the release provisions in this Settlement Agreement.

5 **XII. OBJECTIONS TO SETTLEMENT**

6 57. In the event that a Class Member chooses to object to the Settlement provided
7 herein, he or she must mail a written objection to the Settlement Administrator by first class U.S.
8 mail, or equivalent, no later than the Notice Completion Date. The Class Member must also file
9 such objection with the Court no later than the Notice Completion Date. Class Members who
10 request exclusion may not object to the Settlement. Any Class Member who files and serves a
11 complete, timely Objection to the Settlement must not file a request for exclusion; if both a request
12 for exclusion and objection are submitted, the request for exclusion will be honored and the Class
13 Member will be barred from objecting to the Settlement, and any objection shall be void. To be
14 valid, the written objection must contain: (1) the name and case number of this lawsuit (*i.e.*, *Shetty*
15 *v. ILSC (San Francisco), LLC*, San Francisco Superior Court, Case No.: CGC-19-581622), (2) the
16 full name and current address of the Class Member making the objection; (3) the specific reasons
17 for the objection; (4) any and all evidence and supporting briefs for the Court to consider; and (5)
18 the objecting Class Members' signature, regardless of whether they are represented by counsel.
19 Objections must be exercised individually by the Class Member. Attempted collective group,
20 class, or subclass objections shall be ineffective and disregarded by the Settlement Administrator.
21 Class Members who submit an objection remain bound by this Agreement. Absent good cause
22 found by the court, Class Members who fail to make objections in the manner specified in the
23 Class Settlement Notice shall be deemed to have waived any objections and shall be foreclosed
24 from making any objection, whether by appeal or otherwise, to this Agreement.

25 **XIII. PAYMENT AND CALCULATIONS OF SETTLEMENT PAYMENTS.**

26 58. Subject to the terms and conditions of this Agreement, the Settlement
27 Administrator will pay an Individual Settlement Share from the Net Settlement Amount to each
28 Class Member who *does not submit* a valid and timely request for exclusion.

1 **59. Individual Class Settlement Share.** Each Participating Class Member will receive
2 a proportionate share of the Class Net Settlement Amount that is equal to (i) the gross
3 compensation earned during the Class Period based on the Class Data provided by Defendant,
4 divided by (ii) the total gross compensation earned by all Participating Class Members during the
5 Class Period based on the same Class Data, which is then multiplied by the Class Net Settlement
6 Amount. Therefore, the results of the Class Member's settlement value ties directly to the amount
7 of compensation earned.

8 **60. Initial Determination of Settlement Payments.** Unless a Participating Class
9 Member disputes the amounts contained on the Class Notice and presents documentation to the
10 Settlement Administrator showing that Defendant's records are incorrect no later than twenty-five
11 (25) calendar days after the Notice Period begins, then the amounts indicated on the Class Notice
12 will be used to determine the Participating Class Member's Settlement Payment. Class Member
13 disputes may be submitted to the Claims Administrator via mail, hand delivery, or facsimile. The
14 date of submission shall be the date of hand delivery, the postmark date (if mailed), or the date of
15 facsimile transmission. In the event that a Class Member disputes the amount or validity of the
16 amount of compensation listed, and the Parties cannot resolve the dispute within ten (10) calendar
17 days of receipt of the submission, the Settlement Administrator will determine, not later than the
18 Notice Completion Date, the amount of the Settlement Payment or the validity of a Class Notice
19 and the calculation of the gross compensation earned and/or Individual Settlement Payment
20 contained therein. The parties will file with the court all disputes submitted by class members as
21 well as the evidence submitted and the resolution of those disputes. The Court shall have the right
22 to review any decision made by the Settlement Administrator regarding a claim dispute.

23 **61. Proof of Mailing.** No later than sixteen (16) court days before the Final Approval
24 Hearing, the Settlement Administrator shall provide a declaration of due diligence and proof of
25 mailing with regard to mailing of the Notice of Class Action Settlement to Class Counsel and
26 Defendant's Counsel, which they shall in turn provide to the Court. The declaration must include
27 information regarding the number of notices mailed, the number of notices returned as
28 undeliverable, the number of notices remailed, the number of requests for exclusion received, the

1 number of objections received, and the number of resolved and unresolved disputes brought by
2 Class Members regarding their gross compensation stated in the notices.

3 **62. Allocating Portions of the Settlement Payments as Penalties and Other**
4 **Damages and Interest.** Class Members who receive any Individual Settlement Payment from the
5 Net Settlement Amount expressly acknowledge that their employment status is disputed and as a
6 result such payments shall be considered 50% special and general damages, and 50% penalties, the
7 entire amount for which an IRS Form 1099 will be issued, if required. Class Members who
8 receive a payment of any kind from the Net Settlement Amount agree to timely pay in full all of
9 the federal, state, and municipal income taxes owed on such payments.

10 **63. Taxation of Settlement Payments.** The Settlement Administrator shall be
11 responsible for calculating and distributing all payments to any person or entity from the
12 Settlement Fund and for communicating the information regarding the status of distribution of the
13 payments to the Parties' counsel. The Settlement Administrator shall issue an IRS Form 1099 to
14 each Participating Class Member for the Settlement Payment. The Settlement Administrator shall
15 issue an IRS Form 1099 to Plaintiff for the enhancement fee paid to Plaintiff for his role as Class
16 Representative.

17 **64. Qualified Settlement Fund.** The Settlement Administrator shall be authorized to
18 establish a Qualified Settlement Fund pursuant to IRS rules and regulations in which the
19 Settlement Fund shall be placed and from which settlement and all other required payments shall
20 be made. The Claims Administrator will calculate the gross and net amounts to be paid to the
21 Settlement Class Members in accordance with the terms and provisions of this Settlement.

22 **65. Payments to Participating Class Members Do Not Trigger Additional Benefits.**
23 Settlement payments made to Participating Class Members under this Agreement shall be deemed
24 to be paid in the year in which payment is actually received by the recipient and will not entitle the
25 recipient to any additional compensation and/or benefits under any benefit plans to which any
26 Settlement Class Member may be eligible, including, but not limited to: profit-sharing plans,
27 bonus plans, 401(k) plans, stock purchase plans, vacation, sick leave plans, PTO plans, or any
28 other benefit plan.

1 **66. Declaration Certifying Completion.** Ten (10) days after completion of
2 administration of all distributions from the Settlement Fund, the Settlement Administrator shall
3 prepare and Plaintiff’s Counsel shall file written certification of such completion with the Court
4 with copies to counsel for all Parties with a final accounting of the payments to be made to each
5 Settlement Class Member (using a unique identifier and as a result without disclosing any
6 identifying information) and other payments made from the Gross Settlement Amount.

7 **67. Disputes Regarding the Settlement Administrator’s Performance of Duties.**
8 All disputes relating to the Settlement Administrator’s performance of its duties shall be referred
9 to the Court, if necessary, which will have continuing jurisdiction over the terms and conditions of
10 this Joint Stipulation until all payments and obligations contemplated by this Joint Stipulation
11 have been fully carried out.

12 **XIV. COOPERATION.**

13 **68.** The Settling Parties agree to do all things necessary and appropriate to obtain final
14 approval of this Joint Stipulation and entry of the Judgment.

15 **XV. FUNDING AND DISBURSEMENT OF THE GROSS SETTLEMENT**
16 **AMOUNT**

17 **69. Funding the Settlement.** Defendant agrees to pay and fund the Gross Settlement
18 Amount in nineteen installment payments according to the following schedule:

- 19 • First Installment of \$40,000 shall be deposited with the Settlement Administrator
20 within seven (7) days of entry of the Preliminary Approval Order (“Due Date”).
21 • Second through Nineteenth Installment Payments of \$7,222.22 each, except for the
22 final installment payment, shall be deposited with the Settlement Administrator on the
23 fifth day of each month, beginning thirty (30) calendar days after the First Installment
24 Payment is due (“Due Date”). The final nineteenth Installment Payment shall be in the
25 amount of \$7,222.26.

26 **70.** In the event the Settlement does not become effective, including but not limited to
27 the Court’s not approving this Settlement during the Final Approval Hearing or the Judgment not
28 becoming final, the Settlement Administrator shall return all installment payments to Defendant,

1 with the exception of the initial administrative costs, for which the Parties are equally responsible.

2 71. **Default of the Agreement.** If any installment payment of the Gross Settlement
3 Amount is not made within ten (ten) business days of the Due Date, Defendant shall be considered
4 to be in default of this Agreement (“Default of the Agreement”). In the event of the Default of the
5 Agreement, Plaintiff’s Counsel shall notify Defendant’s Counsel via email about the Default of
6 the Agreement (“Notice of Default”). Defendant may cure the Default of the Agreement within
7 ten (10) days of receipt of the Notice of Default of the Agreement by making payment in the
8 amount of the late installment payment due, as well as the next installment payment due. Should
9 this not be cured within ten (10) days of the Notice of Default, the entire remaining balance of the
10 Gross Settlement Amount will be due and accelerated and shall be immediately paid by
11 Defendant. Payment of the entire remaining balance of the Gross Settlement Amount satisfies all
12 obligations set forth in this Agreement.

13 72. **Disbursement of the Settlement.** Subject to the Superior Court finally approving
14 the Settlement, and provided the Settlement becomes effective and that there are no objections or
15 appeals to the District Court’s Final Approval Order and Judgment, the Settlement will be
16 disbursed in accordance with the following Disbursement Schedule:

- 17 • Ten (10) calendar days after either the Effective Date of this Agreement or when
18 the amount paid per the installment plan has reached \$85,000, whichever is later,
19 50% of the Gross Settlement Amount, or \$85,000, shall be disbursed. This
20 disbursement shall include 50% of the total Net Settlement Amounts, 50% of the
21 Total Attorney Fee Award, 50% of the Cost Award, 50% of the Class
22 Representative Enhancement, 100% of the Class Administration Costs, and 50% of
23 the Civil Penalties (“First Distribution”).
- 24 • Ten (10) calendar days after all remaining settlement funds are received by the
25 Settlement Administrator from Defendant, including the last installment payment,
26 the 50% remainder of the Gross Settlement Amount, or \$85,000, shall be
27 disbursed. This disbursement shall include 50% of the total Net Settlement
28 Amounts, 50% of the Total Attorney Fee Award, 50% of the Cost Award, 50% of

1 the Class Representative Enhancement, and 50% of the Civil Penalties (“Second
2 Distribution”).

3 73. **Undeliverable or Uncashed Checks.** Any settlement checks distributing
4 Individual Settlement Payments returned to the Settlement Administrator as undeliverable shall be
5 sent within 5 calendar days via First Class U.S. Mail to the forwarding address affixed thereto. If
6 no forwarding address is provided, the Settlement Administrator shall attempt to determine the
7 correct address using a single computer skip-trace search, and it shall then perform a re-mailing
8 within 5 calendar days. The amount of any Individual Settlement Payments from the Net
9 Settlement Fund that remains undeliverable or uncashed one-hundred-eighty (180) calendar days
10 after the postmarked date of the initial mailing of the settlement checks under the First
11 Distribution shall be subject to a pro rata distribution as part of the Second Distribution to all
12 Participating Class Members who cashed their initial settlement checks during the First
13 Distribution. Any administrative cost necessary for implementing the Second Distribution can be
14 taken out from the Net Settlement Fund that remains undeliverable or uncashed 180 calendar days
15 after the postmarked date of their initial mailing of the First Distribution.

16 **XVI. PRELIMINARY APPROVAL ORDER AND SETTLEMENT HEARING.**

17 74. Promptly after execution of this Joint Stipulation, the Settling Parties shall submit
18 this Joint Stipulation to the Court and Plaintiff shall apply for entry of the Preliminary Approval
19 Order preliminarily approving this Joint Stipulation and providing for mailing of the Notice
20 Packet, and shall seek the scheduling of the Final Approval Hearing.

21 **XVII. NO COMMENCEMENT OF OTHER COURT PROCEEDINGS**

22 75. From the date of preliminary approval through the date of the Final Approval
23 Hearing, Class Members who do not exclude themselves from the Settlement Class shall be
24 prohibited from initiating any other court proceedings regarding the Released Claims or from
25 seeking compensation regarding the released claims from any administrative body. This provision
26 shall not prevent any person from making any complaint or initiative any proceeding with any
27 federal or state administrative body pursuant to any law, rule, or regulation under which a claim or
28 right cannot be waived.

1 **XVIII. RELEASE OF CLAIMS.**

2 76. **Participating Class Members' Released Claims.** Upon the Effective Date, the
3 Representative Plaintiff (individually, and as class representative) and each of the Class Members,
4 who do not validly and timely request to be excluded from the Settlement shall be deemed to have,
5 and by operation of the Judgment shall have, fully, finally, and forever released, relinquished, and
6 discharged all Released Claims, as defined in paragraph 18 of this Agreement against the Released
7 Persons.

8 77. **PAGA Released Claims.** Upon the Effective Date, the Representative Plaintiff
9 (individually, and as class representatives) and each of the Class Members, regardless whether
10 they request to be excluded from the Settlement, shall be deemed to have, and by operation of the
11 Judgment shall have, fully, finally, and forever released, relinquished and discharged all PAGA
12 Claims against the Released Persons. The PAGA claims include all claims for civil penalties
13 pursuant to PAGA for any alleged violations of California Labor Code sections 201, 202, 203,
14 226, 226.3, 226.8, 226.7, 510, 512, 558, 1194, 1198, and 2699, and the applicable Industrial
15 Welfare Commission Wage Order, through October 1, 2020.

16 78. **Binding Effect of Settlement.** Although some Class Members might not receive or
17 timely submit the Notice of Class Action Settlement as provided under this Settlement and
18 Agreement, due to inability to locate their current address following the procedures set forth in this
19 Agreement, such individuals shall nonetheless be bound by all of the terms of this Settlement and
20 Judgment.

21 79. Representative Plaintiff individually only stipulates and agrees that, upon the
22 Effective Date, Representative Plaintiff shall be deemed to have, expressly waived and
23 relinquished, to the fullest extent permitted by law, the provisions, rights and benefits of Section
24 1542 of the California Civil Code, or any other similar provision under federal or state law, which
25 provides:

26
27 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE**
28 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**
 TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
 RELEASE THAT, IF KNOWN BY HIM OR HER WOULD HAVE

1 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**
2 **DEBTOR OR RELEASED PARTY.**

3 80. Plaintiff understands the statutory language of Section 1542 of the California Civil
4 Code but nonetheless elect to and hereby do release the Released Parties from all claims Plaintiff
5 may have against any of them, whether known or unknown and specifically waive any rights that
6 Plaintiff may have under said Civil Code Section. Plaintiff realizes and acknowledges that
7 Plaintiff may have sustained losses that are presently unknown and unsuspected and that such
8 losses may give rise to additional losses and expenses in the future that are not now anticipated.
9 Nevertheless, Plaintiff, being fully aware of the situation, does nevertheless intend to release,
10 acquit, and forever discharge any and all claims as described above. Accordingly, if the facts
11 relating in any manner to this Settlement are found hereafter to be other than or different from the
12 facts now believed to be true, the release of claims contained herein shall be effective as to all
13 unknown claims.

14 81. This release excludes any release of any claims not permitted to be released by law.

15 82. Representative Plaintiff, by signing this Settlement, is bound by the terms herein
16 stated and further agrees not to request to be excluded and agrees not to object to any of the terms
17 of this Settlement. Any request by Plaintiff to be excluded and/or objection by Plaintiff shall be
18 void and of no force or effect.

19 **XIX. CONDITIONS OF SETTLEMENT, EFFECT OF DISAPPROVAL,**
20 **CANCELLATION OR TERMINATION.**

21 83. The Effective Date of this Joint Stipulation shall be conditioned on the occurrence
22 of all of the following events:

- 23 a. the Court has entered the Final Approval Order;
- 24 b. the Court has entered the Judgment; and
- 25 c. the Judgment has become Final.
- 26 d. If the conditions specified in paragraph 83 are not met, then this Joint Stipulation
27 shall be canceled and terminated unless Class Counsel and counsel for Defendant
28 mutually agree in writing to proceed with this Joint Stipulation.

1 84. In the event that this Joint Stipulation is not approved by the Court or the
2 Settlement set forth in this Joint Stipulation is terminated or fails to become effective in
3 accordance with its terms, the Settling Parties shall be restored to their respective positions in the
4 Action. In such event, the terms and provisions of this Joint Stipulation and any documents
5 relating to it, with the exception of Joint Stipulation paragraph 84 herein, shall have no further
6 force or effect with respect to the Settling Parties and shall not be used in the Action, or in any
7 other proceeding for any purpose and any Judgment or order entered by the Court in accordance
8 with the terms of this Joint Stipulation shall be treated as vacated, *nunc pro tunc*.

9 **XX. MISCELLANEOUS PROVISIONS.**

10 85. The Settling Parties (a) acknowledge that it is their intent to consummate this
11 settlement; (b) agree to cooperate to the extent necessary to effectuate and implement all terms and
12 conditions of the Joint Stipulation, and (c) agree to exercise their best efforts to accomplish the
13 foregoing terms and conditions of the Joint Stipulation.

14 86. The Settling Parties intend this Settlement to be a final and complete resolution of
15 all disputes between them with respect to the Action. The Settlement compromises claims that are
16 contested and shall not be deemed an admission by any Settling Party as to the merits of any claim
17 or defense.

18 87. Neither this Joint Stipulation nor any act performed or document executed pursuant
19 to or in furtherance of this Joint Stipulation or the settlement: (i) is or may be deemed to be or may
20 be used as an admission of, or evidence of, the validity of any Released Claim, or of any
21 wrongdoing or liability of Defendant, or of the propriety of litigating or maintaining the Action as
22 a class action; or (ii) is or may be deemed to be or may be used as an admission of, or evidence of,
23 any fault or omission of Defendant in any civil, criminal, or administrative proceeding in any
24 court, administrative agency or other tribunal, other than in such proceedings as may be necessary
25 to consummate or to enforce this Joint Stipulation or the Judgment, except that Defendant may file
26 this Joint Stipulation or the Judgment in any action that may be brought against it in order to
27 support a defense or counter claim based on principles of res judicata, collateral estoppel, release,
28 good faith settlement, judgment bar or reduction or any other theory of claim preclusion or similar

1 defense or counterclaim. Defendant denies and continues to deny the claims alleged in the Action.

2 88. This Joint Stipulation may be amended or modified only by a written instrument
3 signed each of the Settling Parties, or authorized counsel.

4 89. The Parties agree to stay all proceedings in this Action, except such proceedings
5 necessary to implement and complete the Settlement, pending the Final Approval Hearing to be
6 conducted by the Court.

7 90. This Joint Stipulation constitutes the entire agreement among the Settling Parties
8 hereto and no representations, warranties or inducements have been made to any party concerning
9 this Joint Stipulation other than the representations and warranties and covenants contained and
10 memorialized in such documents.

11 91. Neither Class Counsel nor Defendant's Counsel intend anything contained in this
12 Settlement or Agreement to constitute advice regarding taxes or taxability, nor shall anything in
13 this Settlement or Agreement be relied upon as such within the meaning of United States Treasury
14 Department Circular 230 (31 C.F.R. Part 10, as amended) or otherwise.

15 92. Subject to Court approval, Class Counsel, on behalf of the Settlement Class, shall
16 be expressly authorized to take all appropriate actions required or permitted to be taken by the
17 Settlement Class pursuant to this Joint Stipulation to effectuate its terms and also is expressly
18 authorized to enter into any modification or amendments to this Joint Stipulation on behalf of the
19 Settlement Class which they deem appropriate.

20 93. If for any reason any term or provision of this Settlement Agreement is held to be
21 invalid or unenforceable to any extent, then (a) such term or provision will be interpreted,
22 construed, or reformed to the extent reasonably required to render the same valid, enforceable, and
23 consistent with the original intent underlying such provision; (b) such term or provision will
24 remain in effect to the extent that it is not invalid or unenforceable; and (c) such invalidity or
25 unenforceability will not affect any other term or provision of this Settlement Agreement.

26 94. Each of the Settling Parties executing this Joint Stipulation on behalf of any party
27 hereto hereby warrants that such person has the full authority to do so.

28 95. This Joint Stipulation may be executed in one or more counterparts. All executed

1 counterparts shall be deemed to be one and the same instrument. Counsel for the Settling Parties
2 executing this Joint Stipulation shall exchange among themselves original signed counterparts and
3 a complete set of executed counterparts shall be filed with the Court. Signatures can be obtained
4 and exchanged by facsimile or electronic mail.

5 96. This Joint Stipulation shall be binding upon, and inure to the benefit of, the
6 successors and assigns of the parties hereto.

7 97. The Court shall retain jurisdiction with respect to implementation and enforcement
8 of the terms of this Joint Stipulation, and all parties hereto submit to the jurisdiction of the Court
9 for purposes of implementing and enforcing the settlement embodied in this Joint Stipulation.

10 98. This Joint Stipulation hereto shall be considered to have been negotiated, executed,
11 and delivered, and to be wholly performed, in the State of California, and the rights and
12 obligations of the parties to this Joint Stipulation shall be construed and enforced in accordance
13 with, and governed by, the internal substantive laws of the State of California without giving
14 effect to that State's choice of law principles.

15 99. Unless otherwise noted, all references to "days" in this Joint Stipulation shall be to
16 calendar days. In the event any date or deadline set forth in this Joint Stipulation falls on a
17 weekend or California court legal holiday, such date or deadline shall be on the first business day
18 thereafter.


19 100. This Agreement may be executed in one or more counterparts, including electronic
20 copies in a PDF format. All executed counterparts, and each of them, will be deemed to be on and
21 the same instrument provided that counsel for the Parties will exchange between themselves
22 original signed counterparts. Electronic signatures will be accepted. Any executed counterpart will
23 be admissible in evidence to prove the existence and contents of this agreement.

24 IN WITNESS WHEREOF, the parties hereto execute this Joint Stipulation and have
25 caused this Joint Stipulation to be executed by their duly authorized representatives. This Joint
26 Stipulation may be executed in counterparts.

27 **SO AGREED AND STIPULATED:**

28

1 Dated: 01/20/2022

2 By: 
3 Abhinav Shetty, individually and on
4 behalf of all others similarly situated
5 Plaintiff

6 Dated: January 21st 2022

7 By: 
8 ILSC (SAN FRANCISCO), LLC
9 Defendant

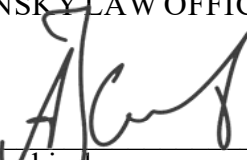
10 Print Name: Christopher Mediratta

11 Title: President & COO

12
13 AGREED ONLY TO THE TERMS WHICH IMPOSE OBLIGATIONS ON
14 PLAINTIFF'S COUNSEL:

15 Dated: January 19, 2022

KUCHINSKY LAW OFFICE, P.C.


16
17
18 BY 
19 Alexei Kuchinsky
20 Attorneys for Plaintiff and Proposed
21 Class
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APPROVED ONLY AS TO FORM, WITHOUT IMPOSING ANY OBLIGATIONS ON
DEFENDANT'S COUNSEL, AND NOT INTENDED AS AN EXPRESS OR IMPLIED
ACCEPTANCE OF ANY TERMS HEREIN:

Dated: January 24, 2022

LITTLER MENDELSON, P.C.

By: 

Noah Woods,
Attorney for Defendant ILSC (San
Francisco), LLC

Exhibit A

A COURT AUTHORIZED LEGAL NOTICE

Shetty v. ILSC (San Francisco), LLC,
San Francisco Superior Court, Case No.: CGC-19-581622

If you were engaged by ILSC (San Francisco), LLC in California, as an independent contractor from December 18, 2015 through October 1, 2020, this class action settlement will affect your rights

- Abhinav Shetty (“Plaintiff”), on behalf of himself and all other similarly situated individuals, has sued ILSC (San Francisco), LLC (“ILSC”) to recover unpaid wages because he claims ILSC misclassified him and other individuals as independent contractors instead of employees during the period from December 18, 2015 to October 1, 2020 (“Lawsuit”).
- These claims have been settled and the Court has preliminarily approved the settlement.
- The Settlement provides for \$170,000 to resolve this Lawsuit and all claims for the period from December 18, 2015 to October 1, 2020 (Class Period).
- If you qualify as a Class Member, you could receive money from the settlement.
- Your legal rights are affected whether you act or don’t act. Read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will receive your share of the settlement and you will give up any rights to sue for the Released Claims (defined below).
DISPUTE THE AMOUNT OF COMPENSATION STATED IN THIS NOTICE	If you believe the amount of compensation earned by you during the Class Period, as listed in this Notice, is not accurate, you may submit your own records to dispute your compensation earned. Once your compensation dispute is resolved, you will receive a settlement share and will give up any rights to sue for the Released Claims.
EXCLUDE YOURSELF	Waive all rights, including money, from the settlement, except you will still be subject to the release in relation to PAGA claims. You would retain all rights you may have against ILSC, as explained below.
OBJECT	Tell or write to the Court about why you don’t agree with the settlement. The Court may or may not agree with your objection. If the court overrules your objection, you will still receive your share of the settlement and be bound by its terms.

HOW MUCH CAN I GET?	Look at Section 8 of this Notice.
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- Your rights and options – and the deadlines to exercise them – are explained in this Notice.
- The Court in charge of this case still must decide whether to finally approve the settlement. Payments will be made if the Court gives the settlement final approval and after any appeals are resolved.

1. Why Did I Get This Notice?

You are not being sued. Plaintiff sued ILSC in a class and representative action on behalf of similarly situated individuals like you.

ILSCs’ records show that you were engaged by ILSC in California at some point from December 18, 2015 through October 1, 2020, and you were classified as an independent contractor.

You received this Notice because you have a right to know about a proposed settlement of a class action lawsuit and about your options, before the Court decides whether to provide final approval of this settlement. If the Court provides final approval of the settlement, and after any objections and appeals are resolved, a Settlement Administrator appointed by the Court will make the payments that the settlement allows.

This Notice explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them and how to get them.

2. What Is This Lawsuit About?

Plaintiff Shetty sought to represent in this class action, individuals who are or have been engaged by ILSC as IELTS Test Day Supervisor, IELTS Test Day Proctors, IELTS Test Day Examiners, IELTS Test Day Invigilators, IELTS Test Day Clerical Markers, and/or similar positions related to administering IELTS tests, and who were classified as “independent contractors” in California at any time from December 18, 2015 to October 1, 2020, (“Class”). Plaintiff also sought to represent these same individuals as “aggrieved employees” under the Private Attorney’s General Act (“PAGA”). The Court has preliminarily approved Plaintiff Shetty to represent the Class.

The lawsuit alleges that ILSCs violated California’s labor laws by failing to (1) pay

overtime; (2) provide meal and rest breaks (2) timely furnish accurate itemized wage statements; (4) pay all wages earned upon separation. The lawsuit also seeks penalties pursuant to Labor Code § 2699 (PAGA).

ILSC denies any liability whatsoever and denies that wages, compensation, damages, or penalties are owed, or that it acted contrary to California or federal law.

3. Do I Need to Hire an Attorney?

You do not need to hire your own attorney. You are already represented by Class Counsel (see Section 16 for contact information). However, you may hire your own attorney at your own expense if you choose to do so.

4. What Is ILSC's Position?

ILSC denies and continues to deny each of the claims and contentions. ILSC has concluded that any further defense of this litigation would be protracted and expensive for all Parties. ILSC has already spent substantial amounts of time, energy and resources defending this case and, unless this settlement is agreed to, will have to continue to devote time, energy and resources to the defense of the claims asserted by the Plaintiff and the Class. ILSC has also considered the risks of further litigation in reaching its decision. ILSC has therefore, agreed to settle in the manner and upon the terms set forth in the Settlement Agreement to put to rest the claims as set forth in the Action.

5. Why Is There a Settlement?

The Court did not decide in favor of Plaintiff or ILSC. After a thorough investigation into the facts of this lawsuit, both sides agreed to a settlement after mediating with a neutral third-party mediator. The class claims were settled because Class Counsel and Plaintiff believe that the amount of the settlement is fair and reasonable in light of the strength and weaknesses of the claims and other factors.

6. How Do I Know If I Am Part of the Settlement?

You are a member of the Class if you were engaged by ILSC in any position in California related to administering IELTS tests and were classified as independent contractor at any time from December 18, 2015 through October 1, 2020.

7. What Does the Settlement Provide?

Class Members who do not timely submit a signed and valid request for exclusion will receive a payment from the Net Settlement Amount. The Net Settlement Amount is the portion of the Class Settlement available for distribution to Class Members who do not timely submit a signed and valid request for exclusion after deduction of the Court-approved Class Representative Incentive Payment, Class Counsel's Attorneys' Fees and Costs, Settlement Administration Costs, and the State of California's portion of the PAGA Payment.

The Settlement provides for \$170,000 to resolve this Lawsuit. Class Counsel will ask the Court to award attorneys' fees in the amount of up to \$56,600, which represents thirty-three and one third (33.33%) of the Class Settlement Amount, and litigation costs in the amount of up to \$6,000 from the Class Settlement Amount. In addition, Class Counsel will ask the Court to authorize a Representative Incentive Payment from the Class Settlement Amount in the amount of \$9,000 to Plaintiff Abhinav Shetty to compensate for the risks, time and expense of Plaintiff's involvement in this Action. This payment is in addition to whatever payment named Plaintiff is otherwise entitled to as a Class Member. The Settlement Administrator will also be reimbursed for the expense of notifying the Class Members of the settlement, processing claims and requests for exclusions submitted by Class Members and distributing Individual Settlement Payments. Settlement Administration Costs are estimated at \$6,675. Finally, Class Counsel will ask the Court to approve a PAGA Payment in the amount of \$10,000 for claims under the Private Attorneys General Act of 2004, Labor Code §§ 2698, *et seq.*, of which \$7,500 will be awarded to the State of California Labor and Workforce Development Agency, and \$2,500 will be awarded to PAGA Members.

8. What Can I Get From the Settlement?

ILSC's records indicate that you earned approximately _____ in compensation between December 18, 2015 and October 1, 2020.

Based on these records, your estimated payment would be \$____. **The actual amount of any payment may vary.**

Class Members who do not opt-out will be paid out of the Net Settlement Amount. If you do not timely submit a valid request for exclusion by the Response Deadline, you will receive your share of the Net Settlement Amount after the Court approves the settlement.

9. How Was My Share Calculated?

Your share of the Net Settlement Amount will be proportionally based on the amount of

compensation you earned during the Class Period. Specifically, the Settlement Administrator will use the information provided by ILSC to calculate the total amount of compensation earned by you (“Individual Compensation earned”) and the total amount of all compensation earned by all Class Members (“Class Compensation earned”) during the Class Period. To determine each Class Member’s Individual Settlement Payment, the Settlement Administrator used the following formula: Individual Settlement Payment = (Individual Compensation Earned ÷ Class Compensation earned) × Net Settlement Amount.

10. How Can I Get Payment?

You do not need to take any action to qualify for payment. However, if you dispute the number of compensation earned to which you have been credited, as provided in this Notice, or the amount of your Individual Settlement Payment, you must contact the Settlement Administrator to register your dispute. You must mail or fax the Settlement Administrator with the details of your dispute and documentary evidence (for example, your invoices). The deadline for this is [45 days after mailing]. If you do nothing, you will receive your Individual Settlement Payment and be bound by the terms of the settlement (including the Released Claims described in Section 12 below).

California law protects Class Members from retaliation based on their decision to participate in a class action settlement.

11. When Would I Get My Payment?

If the Court approves the settlement, your settlement share will be mailed to you in two separate settlement checks. The first check is estimated to be mailed approximately 85 days from the date of final judgment and the second check is estimated to be mailed approximately 10 months from the date the first check was mailed unless there are objections, appeals, or other challenges to the final judgment. It is always uncertain when these issues can be resolved and resolving them can take time.

12. What Rights Do I Give Up If I Participate or Do Nothing?

Unless you exclude yourself, you will remain a Class Member, and you will be bound by the terms of the settlement, including releasing the Released Claims described below. That means that you will be unable to sue, or to continue to sue, or be part of any other lawsuit about the Released Claims. It also means that all of the Court’s orders will apply to you and legally bind you.

Released Claims

As of the date of the Order Granting Final Approval, Class Members and each of their respective executors, administrators, representatives, agents, heirs, successors, assigns, trustees, spouses, or guardians, will release each of the Released Parties of and from any and all claims, rights, demands, penalties, interest, wages, compensation, premium pay, guarantee, costs, expenses, attorney's fees, damages, charges, complaints, causes of action, obligations, or liability of any and every kind, contingent or accrued, between December 18, 2015 and the date of Preliminary Approval of the Settlement that were or could have been asserted in the complaint filed in this Action that are based on or arise out of the facts alleged in any version of the complaints filed in this Action, including those for: (1) failure to pay overtime under the Labor Code Sections 510, 558, 1194, 1194.2, and 1198 and the applicable Wage Order; (2) for failure to provide meal and rest periods or pay premiums under the Labor Code Sections 226.7, 512, and 558 and the applicable Wage Order; (3) failure to provide accurate and itemized wage statements or maintain records under the Labor Code Sections 226, 226.3 and 1174 and the applicable Wage Order; and (4) failure to timely pay all wages owed upon termination of employment under the Labor Code Sections 201-203; (5) for misclassification of workers as independent contractors under the Labor Code section 226.8; (6) for civil penalties under the Labor Code sections 558, 226.3, 226.8, 2699; and (7) unfair competition in violation of Business and Professions Code section 17200 based on the underlying violation of California Labor Code as alleged in the Complaint.

13. How Do I Exclude Myself from the Settlement?

If you do not wish to participate in the settlement, you may exclude yourself ("opt out") by submitting a written opt-out request to the Settlement Administrator.

In order to opt-out, you must mail a written signed statement indicating that you wish to opt out from the Settlement; (2) state your name (and former names, if any), current address, current telephone number and the last four digits of your Social Security number; and (3) ensure that your signed statement is postmarked no later than [DATE3} (45 days after first mailing of Notice) ("Response Deadline").

You must sign the request for exclusion personally and may not have someone sign for you (including an attorney), nor may you submit a request for exclusion on behalf anyone else, or jointly with anyone else. Your request for exclusion must be signed and returned via fax or mail, and postmarked no later than the Response Deadline to:

Claims Admin Name

Claims Admin Address

If you submit a timely and valid request for exclusion, then upon its receipt (1) you shall no longer be a member of the Class, (2) you will not receive any portion of the settlement, except for the portion of the settlement relating to PAGA, (3) you may not object, and (4) you shall receive no benefits from the settlement, except for the portion of the settlement relating to PAGA. If you wish, you may pursue, at your own expense, any claims you may have against ILSC. If you do not submit a complete and timely written request for exclusion, you will be included in the Class, and be bound by the terms of the settlement (including the Released Claims described in Section 12 herein).

Do not submit both an objection and request for exclusion. If you submit both, the request for exclusion will be valid, you will be excluded from the Class, and your objection will not be considered by the Court.

Regardless of whether you request to be excluded from the Settlement, you shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever released, relinquished and discharged all PAGA claims against ILSC and the released parties.

14. When Is the Final Approval and Fairness Hearing?

On ____ at ____ a.m./p.m., or such other, later date as the Court may authorize, the Court will hold a Final Approval Hearing in Department 302 of San Francisco Superior Court at 400 McAllister Ave, San Francisco, CA 94102, to determine whether the settlement is fair, reasonable, and adequate; and if there are objections, the Court will consider them. The Court will also be asked to approve named Plaintiff's Class Representative Incentive Payment, Class Counsel's request for Attorneys' Fees and Costs, the Settlement Administration Costs, and the PAGA Payment.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at this hearing unless you have timely filed an objection or notice of intention to appear with the Court. Notice of the Settlement documents and the final judgment will be posted on the Settlement Administrator's website at www.XXXX.com.

15. How Do I Object to the Settlement and Appear at the Final Approval and Fairness Hearing?

You may object to the terms of the settlement before the Final Approval Hearing. You can

ask the Court to deny approval by filing an objection. You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object. You may do so by objecting to the terms of the settlement either by mail in writing or orally in person at the Final Approval Hearing. However, if the Court rejects your objection, you will still be bound by the terms of the settlement.

To object in writing, you must mail a written objection to the Settlement Administrator (at the address in Section 13 herein). Any written objection must contain the case name, a statement of your objection to this settlement, accompanied by legal support or documents, if any. Your objection must be individual (not part of any group or joint objection) contain your full name, current address, and personal signature (not that of an attorney or other representative). To be valid and effective, any objections to approval of the settlement must be postmarked no later than the Response Deadline of [DATE: 45 days from mailing]. **DO NOT TELEPHONE THE COURT.**

You may also object to the Settlement orally by appearing in person at the Fairness Hearing. If you intend to appear and be heard at the Fairness Hearing, you shall be required to state your full name, specific reason(s) for the objection; and if applicable, present any and all evidence in connection with their objections.

You do not have to attend the hearing, but you may do so at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

If the Court approves the settlement despite any objections, you will receive your settlement proceeds and will be bound by the terms of the settlement (including the Released Claims described in section 12 herein).

16. How Do I Get Additional Information?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you should consult the detailed Stipulation And Settlement Of Class And Representative Action (“Settlement Agreement”) between Plaintiff and ILSC, which is posted on the Settlement Administrator’s website at www.XXXX.com.

You may also refer to the pleadings, the Stipulation and Settlement, and other papers filed in the Action, which may be inspected at the Office of the Clerk for the Superior Court of

California, County of San Francisco, located at 400 McAllister Street, Room 103, San Francisco, California, during the Court's business hours. The pleadings, orders, papers, and files related to this case can be accessed online free of charge at <https://sfsuperiorcourt.org/online-services> using the case number: CGC-19-581622.

Class Counsel

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**PLEASE DO NOT WRITE OR TELEPHONE THE COURT OR THE
OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS
SETTLEMENT OR THE CLAIM PROCESS.**

**If you have any questions, you can call the Settlement Administrator
at _____ or Class Counsel at (415) 930-9072.**

**BY ORDER OF SUPERIOR COURT OF CALIFORNIA, CITY
AND COUNTY OF SAN FRANCISCO**