

STIPULATION OF SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiffs Edmundo Avalos and Megan Steron (“Plaintiffs”), individually and on behalf of all members of the Settlement Classes (defined below), on one hand, and Defendants The Help Group West, The Help Group Child and Family Center, and Project Six (“Defendants”), on the other hand. Plaintiffs and Defendants are referred to herein collectively as the “Parties.” Defendant The Help Group West and Help Group Child and Family Center are collectively referred to as the “The Help Group.” Plaintiffs and the Settlement Classes are represented by Paul K. Haines, Sean M. Blakely, and Alexandra R. McIntosh of Haines Law Group, APC (collectively, “Class Counsel”). Defendants are represented by Brendan T. Sapien of Lewis Brisbois Bisgaard & Smith LLP.

On July 3, 2019, Plaintiff Avalos filed a class action complaint against Defendants The Help Group West and The Help Group Child and Family Center in Los Angeles County Superior Court titled *Edmundo Avalos v. The Help Group West, et al.*, Case No. 19STCV23086 (the “Action”). On September 10, 2019, Plaintiff Avalos filed a First Amended Class and Representative Action Complaint adding a cause of action for civil penalties under the Private Attorneys General Act (“PAGA”). On July 20, 2020, Plaintiffs filed the operative Second Amended Class and Representative Action Complaint (“the Complaint”) which added Plaintiff Steron as a named plaintiff and Defendant Project Six as a named defendant. The Complaint alleges that Defendants: (i) failed to pay all minimum wages; (ii) failed to pay all overtime wages; (iii) failed to provide all meal periods; (iv) failed to authorize and permit all rest periods; (v) failed to reimburse employees for necessary business expenditures; (vi) failed to issue accurate, itemized wage statements; (vii) failed to pay all final wages at termination; (viii) engaged in unfair business practices; and (ix) are liable for civil penalties under the Private Attorneys General Act, Labor Code § 2698 *et seq.* (“PAGA”).

On December 12, 2022, Plaintiffs and Defendants engaged in a private mediation with mutually selected mediator, Jeff Krivis. At mediation, Plaintiffs and Defendants engaged in an intensive discussion regarding their evaluation of the matter, the relevant legal arguments, as well as the potential damages and reached a settlement.

Defendants deny all of the claims and allegations as to liability, damages, and restitution asserted in the Action. Defendants have agreed to resolve this Action by this Settlement Agreement, but to the extent this Settlement Agreement is deemed void or does not take effect, Defendants do not waive, but rather expressly reserve all rights to challenge all such claims and allegations in the Action upon all procedural and factual grounds, including without limitation, the ability to challenge class treatment on any grounds or to assert any and all defenses or privileges. The Plaintiffs and their counsel agree that Defendants retain and reserve these rights. In particular, Plaintiffs and their counsel waive and agree not to argue or to present any argument that Defendants would be estopped from contesting class certification because they have entered into this Settlement Agreement. In addition, Plaintiffs and Defendants recognize and agree that under California law, which is applicable here, courts impose a lesser burden for certification for settlement classes than they do for contested classes.

Given the uncertainty of litigation, Plaintiffs and Defendants wish to settle both individually and on behalf of the Settlement Class. Accordingly, Plaintiffs and Defendants agree as follows:

1. **Settlement Classes and Aggrieved Employees Defined.** For the purposes of this Settlement Agreement only, Plaintiffs and Defendants stipulate to the certification of the following “Settlement Classes,” which shall consist of the Plaintiffs and the following two sub-classes:

The Help Group Sub-Class: All current and former non-exempt employees of Defendants Help Group West and Help Group Child and Family Center employed in the State of California during the time period of July 3, 2015 to March 12, 2023 (“Help Group Release Period.”).

Project Six Sub-Class: All current and former non-exempt employees of Defendant Project Six employed in the State of California during the time period of July 20, 2016 to March 12, 2023 (“Project Six Release Period.”).

Defendants represent there are approximately 940 Settlement Class members.

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure in a non-settlement context. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into the Settlement Agreement. The Settlement Agreement shall be of no force or effect whatsoever and shall not be referred to or used for any purpose whatsoever, and the negotiation, terms and entry of it shall remain subject to the provisions of California *Evidence Code* §§ 1119 and 1152.

Additionally, the “Aggrieved Employees” shall be defined as:

All current and former non-exempt employees who performed work for Defendants in the State of California from July 5, 2018 to March 12, 2023 (the “PAGA Period”).

The Settlement Agreement is intended by the Parties to result in a Judgment and to fully, finally, and forever resolve, discharge, and settle the released claims upon and subject to the terms and conditions hereof.

2. **Defendants’ Denial of Wrongdoing or Liability** Defendants deny all of the claims and contentions that the Plaintiffs allege in the Action and have asserted numerous defenses to liability, class certification, and damages. Defendants do not, by this Settlement Agreement or otherwise, admit any liability of wrongdoing of any kind. Nonetheless, Defendants have taken into account the uncertainty and risks inherent in any litigation, particularly on a class-wide basis, and have concluded that to continue the Action would be protracted and expensive. In light of the above, Defendants have determined that it is desirable and beneficial to them that the Action be fully and

finally settled in the manner and upon the terms and conditions set forth in this Settlement Agreement.

3. **Claims of Plaintiffs and Benefits of Settlement.** The Plaintiffs believe that the claims asserted in the Action have merit and that evidence developed to date supports the claims. The Plaintiffs and Class Counsel recognize and acknowledge, however, the expense and length of the type of continued proceedings necessary to prosecute the Action against Defendants through class certification, trial, and appeals. The Plaintiffs and Class Counsel have also taken into account the uncertain outcome and the risks of any litigation, especially in putative class actions such as this Action, as well as the difficulties and delays inherent in such litigation. The Plaintiffs and Class Counsel are also mindful of the inherent problems of proof in establishing and overcoming potential defenses to the claims asserted in the Action. In light of these considerations, the Plaintiffs and Class Counsel believe that the settlement set forth in the Settlement Agreement confers substantial benefits and is in the best interests of the Plaintiffs and the Class.

4. **Release by Settlement Class Members, Aggrieved Employees, and Plaintiffs.** Plaintiffs, every member of the Settlement Classes (except those who opt out), and Aggrieved Employees will release and discharge Defendants, and any direct or indirect parents, subsidiaries, divisions, and related entities of The Help Group West, The Help Group Child and Family Center, Project Six, including the dba of these entities, The Help Group, and any predecessors, successors, or assigns of any of the foregoing, and any past, present, or future employees, officers, directors, affiliates, partners, joint venturers, co-venturers, licensors, licensees, principals, members, managers, managing agents, agents, attorneys, accountants, insurers, reinsurers, shareholders, investment bankers, trusts, trustees, representatives, administrators, fiduciaries, heirs, subrogees, and executors of any of the foregoing in his, her, their, or its capacity as such (the “Released Parties”), as follows:

- A. **Release by Settlement Class Members.** Upon the occurrence of the Effective Date and the Settlement being fully funded, all Settlement Class members who do not opt-out will release and discharge the Released Parties from all claims alleged or could have been alleged in the Complaint, including violations of Labor Code sections 201, 202, 203, 204, 210, 216, 226, 226.7 510, 512, 516, 558, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2802, 2804, 2698 *et seq.*, 2699; California Business and Professions Code sections 17200, *et seq.*, and Industrial Welfare Commission Wage Order No. 4, including claims for failure to pay minimum wages and overtime wages, including any overtime wages owed on bonuses, incentive pay, or other such compensation; failure to provide meal periods; failure to pay meal period premium wages; failure to provide rest periods; failure to pay rest period premium wages; failure to reimburse for necessary business expenditures; failure to pay all wages due; failure to furnish complete, accurate, itemized wage statements; failure to pay all earned wages at least twice during each calendar month; and failure to maintain accurate records (the “Class Released Claims”). The release will be from July 3, 2015 to March 12, 2023 (“Help Group Release Period”) as to Defendants Help Group West and Help Group Child and Family Center. The release will be from July 20, 2016 to March 12, 2023 as to Defendant Project Six. The Help Group Release Period and Project Six Release Period are collectively referred to as the “Release Periods.”

- B. Release by Aggrieved Employees. Upon the occurrence of the Effective Date and the Settlement being fully funded, Plaintiffs and all Aggrieved Employees release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 against the Released Parties arising out of or based on the facts alleged in Plaintiff Avalos’s letter to the Labor & Workforce Development Agency (“LWDA”) dated July 5, 2019 and the operative Complaint (“PAGA Released Claims”), including but not limited to failure to pay minimum wages for all hours worked in violation of Labor Code §§ 558, 1182.12, 1194, 1194.2, and 1197, failure to pay all earned overtime compensation in violation of Labor Code §§ 204, 510, 558, 1194, and 1198, failure to prove all legally required meal periods and failure to pay meal period premium wages at the regular rate of compensation in violation of Labor Code §§ 226.7, 512, and 558, failure to authorize and permit all legally required rest periods and failure to pay rest period premium wages at the regular rate of compensation in violation of Labor Code §§ 226.7 and 558, failure to reimburse for all necessary work expenses incurred in violation of Labor Code §§ 2802 and 2804, failure to furnish complete, accurate, itemized wage statements in violation of Labor Code § 226, failure to timely pay all final wages and compensation earned at the time of separation in violation of Labor Code §§ 201, 202, and 203, failure to pay non-exempt employees all earned wages at least twice during each calendar month in violation of Labor Code § 204, and failure to maintain accurate records in violation of Labor Code §§ 558 and 1174. The PAGA Period and the time period of the PAGA Released Claims is defined as July 5, 2018 through March 12, 2023 (“PAGA Period”).
- C. In light of Plaintiffs’ Class Representative Enhancement Payments, Plaintiffs have agreed to release, as individuals and in addition to the Class Released Claims and PAGA Release described above, all claims, whether known or unknown, under federal law or state law against Defendants (“Plaintiffs’ Released Claims”). The Parties understand and agree that Plaintiffs’ Released Claims do not include any claims for or related to workers compensation, unemployment insurance, or any other claims that cannot be released as a matter of law. Plaintiffs understand that this release includes unknown claims and that Plaintiffs are, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

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

Nothing contained herein shall be construed to exclude the filing of an administrative charge or complaint with the Equal Employment Opportunity Commission or National Labor Relations Board, or participation in an administrative investigation or proceeding.

The Plaintiffs may hereafter discover facts in addition to or different from those which they now know or believe to be true with respect to the subject matter of the Released Claims, but the Plaintiffs, upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which then exist, or previously have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. The Plaintiffs acknowledge that the foregoing waiver was separately bargained for and a key element of the settlement of which this release is a part.

5. **Effective Date.** The term “Effective Date” means: (i) the date on which the Settlement Agreement has received Final Approval by the Court and there were no timely objections or intervener requests filed, or that any timely objections and/or interveners have been withdrawn; or (ii) in the event that one or more timely objections or interventions has/have been filed and not withdrawn, the date immediately following the passage of the applicable date for an objector or intervener to seek appellate review of the Court’s order of Final Approval, without a timely appeal having been filed; or (iii) in the event that a timely appeal of the Court’s order of Final Approval has been filed, then the Effective Date shall occur when the applicable appellate court has rendered a final decision or opinion affirming the Court’s Final Approval order without material modification, and the applicable date for seeking further appellate review has passed, or the date that any such appeal has been either dismissed or withdrawn by the appellant.

6. **Gross Settlement Amount.** As consideration, Defendants agree to pay a non-reversionary “Gross Settlement Amount” of One Million Nine Hundred Fifty Thousand Dollars and Zero Cents (\$1,950,000.00) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the “Settlement Administrator” to administer this Settlement. The actions of the Settlement Administrator shall be governed by the terms of this Settlement Agreement.
- B. Defendants will deposit the Gross Settlement Amount within sixty (60) days of the Effective Date.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class members;
 - (2) All costs of the Settlement Administrator which are anticipated to be no greater than Seventeen Thousand Dollars and Zero Cents (\$17,000.00);
 - (3) Up to Ten Thousand Dollars (\$10,000.00) each for Plaintiffs’ Class Representative Enhancement Payments, for a total of Twenty Thousand Dollars and Zero Cents (\$20,000.00) in recognition for Plaintiffs’ contributions to the Action and Plaintiffs’ service to the Settlement Class. In the event that the Court reduces or does not approve the requested Class

Representative Enhancement Payments, Plaintiffs shall not have the right to revoke the Settlement Agreement for that reason, and the Settlement will remain binding. Since it is the intent of the Parties that the Class Representative Enhancement Payments to Plaintiffs are for their service to the Class Members, and not wages, the Settlement Administrator will not withhold any taxes from the Class Representative Enhancement Payments. The Settlement Administrator will report the Class Representative Enhancement Payments on Form 1099s, which the Settlement Administrator will provide to Plaintiffs and the pertinent taxing authorities.

- (4) Up to **one-third** of the Gross Settlement Amount in Class Counsel's attorneys' fees (currently estimated **at \$650,000.00**), plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than One Hundred Fifty Thousand Dollars and Zero Cents (**\$150,000.00**). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees or costs, Class Counsel shall not have the right to revoke the Settlement Agreement based on that reason, and the Settlement will remain binding; and
- (5) Fifty Thousand Dollars and Zero Cents (**\$50,000.00**) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties, or Thirty-Seven Thousand Five Hundred Dollars and Zero Cents (**\$37,500.00**), will be payable to the California Labor & Workforce Development Agency ("LWDA"), and the remaining 25%, or Twelve Thousand Five Hundred Dollars and Zero Cents (**\$12,500.00**), will be payable to the Aggrieved Employees as the "PAGA Amount," as described below.
- D. Any reduction by the Court of these requests will revert to the Net Settlement Amount for distribution to the Settlement Class members who do not opt-out.
- E. **Escalator Clause.** Defendants represent that Settlement Class members worked 93,000 workweeks during the Release Periods. If at preliminary approval, the number of workweeks has increased by 10% or more (i.e., there are more than 102,300 workweeks), Defendants agree to increase the Gross Settlement Amount on a proportional basis (i.e., if there was a 12% increase in the number of workweeks, Defendants shall increase the Gross Settlement Amount by 12%).
- F. **Employer Payroll Taxes.** The Gross Settlement Amount does not include employer-side payroll taxes, which shall be **paid by Defendants separately**, and in addition to, the Gross Settlement Amount. The Settlement Administrator shall be responsible for calculating, reporting and paying the employers' payroll taxes (e.g. UI, ETT, Social Security and Medicare taxes) which Defendants shall fund separate and apart from the Gross Settlement Amount. Defendants, through the Settlement Administrator, will report each payment made from the Gross Settlement Amount to government authorities including the Internal Revenue Service as required by

law, and shall make all required deductions and/or withholdings. Defendants, through the Settlement Administrator, will also retain the amount due for payroll taxes and will pay those amounts to the pertinent government authorities in the manner and the time prescribed by law. Defendants, through the Settlement Administrator, shall report the wage payments to the Internal Revenue Service (and other relevant government agencies) as wage income in the year of payment on a Form W-2 or similar form issued to the participating Settlement Class Members in question. Defendants, through the Settlement Administrator, shall report payments for penalties and interest to the Internal Revenue Service (and other relevant governmental agencies) as non-wage income in the year of payment on a Form 1099, or similar form issued to the participating Settlement Class Members in question.

The Parties agree that nothing contained herein is intended to constitute legal advice regarding the taxability of any amount paid hereunder, nor shall it be relied upon as such. The tax issues for each participating Settlement Class Member are unique, and each participating Settlement Class Member is advised to obtain tax advice from his or her own tax advisor with respect to any payments resulting from this settlement. The Parties make no representations as to the tax treatment or legal effect of the payments called for hereunder, and Settlement Class Members are not relying on any statement or representation by the Parties, Class Counsel and Defense Counsel in this regard. Settlement Class Members understand and agree that they will be responsible for the payment of any employee taxes and penalties assessed on the Individual Settlement Payments described herein and will hold the Parties, Class Counsel and Defense Counsel free and harmless from and against any claims, liabilities, costs and expenses, including attorney's fees, resulting in any way from personal tax treatment of the payments made pursuant to this Agreement.

7. **Circular 230 Disclaimer.** Each Party to this Agreement (for purposes of this section, the "acknowledging party" and each Party to this Agreement other than the acknowledging party, an "other party") acknowledges and agrees that: (1) no provision of this Agreement, and no written communication or disclosure between or among the Parties or their attorneys and other advisers, is or was intended to be, nor shall any such communication or disclosure constitute or be construed or be relied upon as, tax advice within the meaning of United States Treasury Department circular 230 (31 CFR part 10, as amended); (2) the acknowledging party (a) has relied exclusively upon his, her or its own, independent legal and tax counsel for advice (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement based upon the recommendation of any other Party or any attorney or advisor to any other Party, and (c) is not entitled to rely upon any communication or disclosure by any attorney or advisor to any other party to avoid any tax penalty that may be imposed on the acknowledging party, and (3) no attorney or advisor to any other Party has imposed any limitation that protects the confidentiality of any such attorney's or adviser's tax strategies (regardless of whether such limitation is legally binding) upon disclosure by the acknowledging party of the tax treatment or tax structure of any transaction, including any transaction contemplated by this Agreement.

8. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment (“Settlement Award”) from the Settlement. Individual Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel’s attorneys’ fees, Class Counsel’s costs and expenses, the Class Representative Enhancement Payments, the Settlement Administrator’s fees and expenses for administration, and the total amount designated as PAGA civil penalties. The remaining amount shall be known as the “Net Settlement Amount” or “NSA.”
- B. **Calculation of Settlement Awards.** The Settlement Administrator will calculate each Settlement Class member’s Settlement Award based on the following formula:
- i. The Net Settlement Amount shall be allocated among Settlement Class members (except those who submit a timely and valid Request for Exclusion) who worked during the Release Periods, as follows: each participating Settlement Class member shall receive a proportionate settlement share of the Net Settlement Amount based upon the number of workweeks he/she worked as a non-exempt employee during the Release Periods, the numerator of which is the Settlement Class member’s total workweeks worked as a non-exempt employee during the Release Periods, and the denominator of which is the total workweeks worked as non-exempt employees by all Settlement Class members (who do not request exclusion from or “opt out” of the Settlement Class) who worked during the Release Periods.
 - ii. **Payments from PAGA Amount.** In addition to the NSA, 25% of the amount set aside as PAGA civil penalties (i.e., \$12,500.00) has been set aside as the “PAGA Amount,” as mentioned above. The PAGA Amount shall be paid to all Aggrieved Employees (regardless whether they opt out), based on their proportional number of pay periods worked for Defendants in California during the PAGA Period. Specifically, each Aggrieved Employee’s payment from the PAGA Amount will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Aggrieved Employee’s number of pay periods worked during the PAGA Period, and the denominator of which is the total pay periods worked by all Aggrieved Employees during the PAGA Period.
- C. Within five (5) business days following Defendants’ deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate each Settlement Class member’s Settlement Awards as well as the employer-side taxes on the wage portion of the Settlement Awards, and obtain approval from the Parties’ counsel of its calculations. Within seven (7) business days of the Settlement Administrator providing this information to the Parties’ counsel, Defendants will deposit the employer-side taxes with the Settlement Administrator. Within five (5) business days of the receipt of the

employer-side taxes, the Settlement Administrator will prepare and mail Settlement Awards to Settlement Class members, less applicable taxes and withholdings. The Settlement Administrator shall send the Court-approved amounts for attorneys' fees and costs to Class Counsel, Class Representative Enhancement Payments to Plaintiffs, and the LWDA's portion of PAGA civil penalties to the LWDA, at the same time as it mails Settlement Awards to Settlement Class members.

- D. For purposes of calculating applicable taxes and withholdings, each Settlement Award shall be allocated as follows: for amounts paid from the PAGA Amount, 100% penalties; for amounts paid from the Net Settlement Amount, 20% wages, and 80% penalties and interest. The Settlement Administrator will be responsible for issuing to Settlement Class members IRS Forms W-2 (for amounts paid as wages) and an IRS Forms 1099 (for amounts paid as penalties and interest). As stated above, Defendants are responsible for the employer's share of payroll taxes on the wage portion of Settlement Awards, and such taxes will not be deducted from the Gross Settlement Amount.
- E. Each member of the Settlement Class who is mailed a Settlement Award check must cash that check within 180 days from the date the Settlement Administrator mails it. Any check that is not cashed within 180 days of mailing to a Settlement Class member shall escheat to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code § 1500 *et seq.*, in the name of the Settlement Class member to whom the check was issued, until such time that they claim their property.
- F. Neither Plaintiffs nor Defendants shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.
9. **Attorneys' Fees and Costs.** Defendants will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be Six Hundred Fifty Thousand Dollars and Zero Cents (\$650,000.00). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00) from the Gross Settlement Amount. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator for the fee award approved by the Court.
10. **Class Representative Enhancement Payments.** Defendants will not object to a request for Class Representative Enhancement Payments of \$10,000.00 to each Plaintiff (for a total of \$20,000.00) for Plaintiffs' time in prosecuting this case and Plaintiffs' service to the Settlement Class. These awards will be in addition to each Plaintiff's Settlement Award as a Settlement Class member, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator.

11. **Settlement Administrator.** Defendants will not object to the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendants will not object to Plaintiffs seeking approval to pay up to Seventeen Thousand Dollars and Zero Cents (\$17,000.00) for the administration services from the Gross Settlement Amount, including but not limited to all the duties set forth above, all tax document preparation, custodial fees and accounting fees, all costs and fees associated with computing, reviewing, and paying distributions from the Gross Settlement Amount, all costs and fees associated with preparing any tax returns and any other filings required by any governmental taxing authority or agency, all costs and fees associated with preparing any other notices, reports, or filings to be prepared in the course of administering disbursements from the Gross Settlement Amount, and any other costs and fees incurred and/or charged by the Settlement Administrator in connection with the execution of its duties under this Settlement Agreement. The Settlement Administrator shall be responsible for depositing into an account and holding the various payments from Defendants comprising the Gross Settlement Amount, sending Notice Packets to the Settlement Class members, calculating individual Settlement Awards and preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount only after Settlement Awards have been mailed to all participating Settlement Class members. The Settlement Administrator shall also give notice of final judgment by posting the final judgment to its website.

12. **Preliminary Approval.** Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiffs shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for settlement purposes only;
- B. Appointing Paul K. Haines, Sean M. Blakely, and Alexandra McIntosh of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiffs Edmundo Avalos and Megan Steron as Class Representatives for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (comprised of the Class Notice and Notice of Estimated Settlement Award, attached hereto as Exhibits A and B, respectively), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

Failure of the Court to enter the Preliminary Approval Order in its entirety or in a substantially similar form will be grounds for Defendants to terminate the settlement and the terms of this Stipulation. The Parties are to take all reasonable steps to cure any deficiencies so as to avoid any termination of the settlement.

In the event that the settlement set forth in this Settlement Agreement shall not be approved in its entirety by the Court, or in the event that the Effective Date does not occur, the Parties shall have the option to void the settlement, and in such case, no payments shall be made by Defendants to anyone in accordance with the terms of this Settlement Agreement, and this Settlement Agreement shall be deemed null and void with no effect on the Action whatsoever. Notwithstanding this provision, the Parties agree to take all reasonable steps to cure any deficiencies cited by the Court as reason(s) for non-approval of any matter(s) filed with the Court for approval. If the Court changes the dates or deadlines of hearings provided for in this Settlement Agreement by fewer than five (5) months, this shall not be deemed a substantial change necessitating termination of the settlement, provided that the Parties agree to move other dates and deadlines in the Stipulation accordingly. In the event the Court reduces any of the amounts requested for the Plaintiffs, the Class Counsel's fees or costs, or the Settlement Administrator, the difference shall become part of the Net Settlement Amount. In the event that more than five percent (5%) of Class Members Opt-Out of the settlement in the manner provided by this Stipulation and Class Notice, Defendants shall have the right to terminate and void this settlement and Stipulation; however, Defendants must notify Class Counsel of their intention to nullify the settlement and Settlement Agreement within ten (10) calendar days after the expiration of the Opt-Out Deadline. In the event that Defendants elect this option, they shall be solely responsible for any fees/costs incurred by the Settlement Administrator.

13. **Notice to Settlement Class.** Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Agreement, Defendants will provide the Settlement Administrator with the names, last known addresses, social security numbers, dates of employment, and workweek and pay period data for the Settlement Administrator to use to determine the number of workweeks worked by each Settlement Class member during the Release Periods and the number of pay periods worked during the PAGA Period.
- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall (i) run the names of all Settlement Class members through the National Change of Address ("NCOA") database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Settlement Award for each Settlement Class member; and (iv) mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the class portion of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) calendar days of the date of the initial mailing of the Notice Packets (the "Response Deadline").
 - i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the class portion of the Settlement must submit a

Request for Exclusion by the Response Deadline. The Request for Exclusion is a letter or postcard prepared by the Settlement Class member that must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class member's telephone number and/or last four digits of the Social Security number will still be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the class portion of the Settlement will not be entitled to any recovery from the class portion of this Settlement Agreement and will not be bound by the terms of the class portion of the Settlement or have any right to object, appeal or comment thereon. No Aggrieved Employee may opt out of the PAGA portion of the Settlement. All Aggrieved Employees, regardless whether they opt out of the class portion of the Settlement, shall be mailed a portion of the PAGA Amount and shall release the claims encompassed by the PAGA Release.

- ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the Settlement or opt-out of the Settlement Class, or encourage any Settlement Class member to appeal from the final judgment.

D. Objections. Members of the Settlement Class who do not opt-out may object to the class portion of this Settlement Agreement as explained in the Class Notice by either submitting a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendants' counsel, who shall file all such objections with the Court) within the Response Deadline, and/or appear at the Final Approval Hearing to orally object. Defendants' counsel and Class Counsel shall file any responses to written objections no later than five (5) days prior to the Final Approval Hearing. Any written objection should: (1) contain the full name, address, phone number, and e-mail address of the objecting Settlement Class member, as well as the contact information for any attorney representing the objecting Settlement Class member of purposes of the objection; (2) include all objections and the factual and legal bases for same, as well as any and all briefs, written evidence, declarations, and/or other evidence supporting the objection; and (3) be postmarked on or before the Response Deadline. Any Settlement Class member who wishes to may appear in person or through their own counsel and raise an objection at the Final Approval Hearing. A Settlement Class member need not submit a written objection in order to object orally at the Final Approval Hearing.

- E. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Award as well as the information that was used to calculate the estimated Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendants' records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. However, if the Settlement Administrator and the Parties cannot agree on a resolution, the Parties will submit the dispute to the Court for a final determination.

- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within five (5) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed after having been returned as undeliverable to the Settlement Administrator shall have until fourteen (14) calendar days after re-mailing, or until the Response Deadline, whichever is later, to opt-out, object, or dispute their estimated Settlement Award. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet shall not be mailed.

14. **Final Approval.** Following preliminary approval and the close of the period for filing requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiffs shall apply to the Court for entry of an Order:

- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;

- B. Approving Plaintiffs' and Class Counsel's application for attorneys' fees and costs, Class Representative Enhancement Payments, settlement administration costs, and payment to the LWDA for its share of PAGA civil penalties; and

- C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the Settlement Administrator's website.

15. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

16. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by counsel for all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

17. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and/or by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiffs: Paul K. Haines of Haines Law Group, APC
2155 Campus Drive, Suite 180, El Segundo, CA 90245
phaines@haineslawgroup.com

if to Defendants: Brendan T. Sapien of Lewis Brisbois Bisgaard & Smith LLP
633 W. 5th Street, Suite 4000, Los Angeles, CA 90071
brendan.sapien@lewisbrisbois.com

18. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

19. **Construction.** The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arm's-length negotiations between the Parties and that this Settlement Agreement is not to be construed in favor of or against any party by reason of the extent to which any party or its counsel participated in the drafting of this Settlement Agreement. If any of the dates in the Settlement Agreement fall on a weekend or Court holiday, the time to act shall be extended to the next day that is not a weekend or Court holiday.

20. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

21. **Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Settlement Agreement. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms of this Class Settlement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by court order or otherwise, to effectuate this Settlement Agreement and the terms set forth herein.

22. **Enforcement and Continuing Jurisdiction of the Court.** Except as otherwise specifically provided for herein, the Court shall retain jurisdiction to construe, interpret, and enforce this Settlement Agreement, to supervise all notices, the administration of the Settlement Agreement, and to hear and adjudicate any dispute arising from or related to the Settlement Agreement. The Parties agree that the Court has jurisdiction over the Settlement Agreement pursuant to California Code of Civil Procedure, Section 664.6. In the event that one more of the Parties institutes any legal action or other proceeding against any other Party or Parties to enforce the provisions of this Settlement or to declare rights and/or obligations under this Settlement, the successful Party or Parties will be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

23. **Confidentiality** The Parties and their attorneys agree to keep the Settlement confidential through preliminary approval. The Parties further agree that no party shall issue any press release to the news media, communicate in any way with any news media, or publish any statement or comment on social media concerning the Settlement or the Action.

[SIGNATURES ON FOLLOWING PAGE]

DATED: April 12, 2023

DEFENDANT THE HELP GROUP WEST

By: DocuSigned by:
Sherri Zahedi
Name: Sherri Zahedi
Title: Senior Risk Magmt Officer

DATED: April 12, 2023

DEFENDANT THE HELP GROUP CHILD AND FAMILY CENTER

By: DocuSigned by:
Sherri Zahedi
Name: Sherri Zahedi
Title: Senior Risk Magmt Officer

DATED: April 12, 2023

DEFENDANT PROJECT SIX

By: DocuSigned by:
Sherri Zahedi
Name: Sherri Zahedi
Title: Senior Risk Magmt Officer

DATED:

PLAINTIFF EDMUNDO AVALOS

By: _____
Plaintiff and Settlement Class Representative

DATED:

PLAINTIFF MEGAN STERON

By: _____
Plaintiff and Settlement Class Representative

DATED:

DEFENDANT THE HELP GROUP WEST

By: _____
Name: _____
Title: _____

DATED:

DEFENDANT THE HELP GROUP CHILD AND FAMILY CENTER

By: _____
Name: _____
Title: _____

DATED:

DEFENDANT PROJECT SIX

By: _____
Name: _____
Title: _____

DATED: Apr 9, 2023

PLAINTIFF EDMUNDO AVALOS

By:  _____
Edmundo Orea Avalos (Apr 9, 2023 21:25 PDT)
Plaintiff and Settlement Class Representative

DATED:

PLAINTIFF MEGAN STERON

By: _____
Plaintiff and Settlement Class Representative

DATED:

DEFENDANT THE HELP GROUP WEST

By: _____
Name: _____
Title: _____

DATED:

DEFENDANT THE HELP GROUP CHILD AND FAMILY CENTER

By: _____
Name: _____
Title: _____

DATED:

DEFENDANT PROJECT SIX

By: _____
Name: _____
Title: _____


DATED:

PLAINTIFF EDMUNDO AVALOS

By: _____
Plaintiff and Settlement Class Representative

DATED: Apr 6, 2023


PLAINTIFF MEGAN STERON

By:  _____
Megan Steron (Apr 6, 2023 23:02 EDT)
Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: April 17, 2023

LEWIS BRIBOIS BISGAARD & SMITH LLP

By: 

Brendan T. Sapien
Attorneys for Defendants

DATED:

HAINES LAW GROUP, APC

By: _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs

APPROVED AS TO FORM:


DATED:

LEWIS BRIBOIS BISGAARD & SMITH LLP

By: _____
Brendan T. Sapien
Attorneys for Defendants

DATED:

HAINES LAW GROUP, APC

By:  _____
Paul K. Haines
Sean M. Blakely
Attorneys for Plaintiffs