1	JCL LAW FIRM, APC	
2	Jean-Claude Lapuyade (State Bar #248676) Monnett De La Torre (State Bar #272884)	
	Andrea Amaya Silva (State Bar #348080)	
3	5440 Morehouse Drive, Suite 3600	FILED
,	San Diego, CA 92121	Superior Court of California County of Los Angeles
4	Telephone: (619) 599-8292	
5	Facsimile: (619) 599-8291	04/08/2024
	jlapuyade@jcl-lawfirm.com	David W. Slayton, Executive Officer / Clerk of Court
6	mdelatorre@jcl-lawfirm.com	By: I. Arellanes Deputy
7	<u>aamaya@jcl-lawfirm.com</u>	
′		
8	ZAKAY LAW GROUP, APLC	
	Shani O. Zakay (State Bar #277924)	
9	5440 Morehouse Drive, Suite 3600	
10	San Diego, CA 92121	
10	Telephone: (619) 255-9047	
11	Facsimile: (858) 404-9203	
	shani@zakaylaw.com	
12	Attorneys for Plaintiff MICHAEL ANDREWS	
13	Thursday's for Flammin When the Third Re Wis	
13	SUPERIOR COURT OF THI	E STATE OF CALIFORNIA
14		
15	IN AND FOR THE COUN	NTY OF LOS ANGELES
16	MICHAEL ANDREWS, an individual, on	Case No. 20STCV29673
10	behalf of himself and on behalf of all persons	
17	similarly situated,	[PROPOSED] ORDER GRANTING
1.0	D1-:-4:00	PRELIMINARY APPROVAL OF CLASS
18	Plaintiff,	AND PAGA ACTION SETTLEMENT
19	VS.	Date: April 4, 2024
	٧٥.	Time: 10:00 a.m.
20	EDNET CAREER INSTITUTE, a California	11110.
21	Corporation (dba Hamilton Private Security);	Judge: Hon. Kenneth R. Freeman
21	and DOES 1 through 50, inclusive,	Dept.: 14
22		
	Defendants.	
23		
24		
25		
26		
~~		
27		
20		
28		

14

15

16

17

18

19

20

21

22

23

24

25

26

27

1

of the State of California, in and for the County of Los Angeles, at 10:00 a.m. on April 4, 2024, with Jean-Claude Lapuyade, Esq., of the JCL Law Firm, APC and Shani O. Zakay, Esq. of the ZLG Law Group, APLC as counsel for Plaintiff MICHAEL ANDREWS ("Plaintiff"), and David G. Jones, Esq., of Lewitt Hackman appearing for Defendant EDNET CAREER INSTITUTE, a California Career Institute (dba Hamilton Private Security). (hereinafter "Defendant"). The Court, having carefully considered the briefs, argument of counsel and all the matters presented to the Court, and good cause appearing, hereby GRANTS Plaintiff's Motion for Preliminary Approval of Class and PAGA Action Settlement.

This matter having come before the Honorable Judge Kenneth R. Freeman of the Superior Court

IT IS HEREBY ORDERED:

- The Court preliminarily approves the Class Action and PAGA Settlement Agreement 1. ("Agreement" or "Settlement"), a true and correct copy of which is attached hereto as Exhibit "A". This is based on the Court's determination that the Settlement Agreement is within the range of possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil Procedure and California Rules of Court, rule 3.769.
- 2. This Order incorporates by reference the definitions in the Agreement, and all terms defined therein shall have the same meaning in this Order as set forth in the Agreement.
- 3. Subject to the terms of the Agreement, the Gross Settlement Amount that Defendant shall pay is Two Hundred and Twenty Thousand Dollars (\$220,000). It appears to the Court on a preliminary basis that the settlement amount and terms are fair, adequate, and reasonable as to all Class Members when balanced against the probable outcome of further litigation relating to certification, liability, and damages issues. It further appears that investigation and research have been conducted such that counsel for the Parties are able to reasonably evaluate their respective positions. It further appears to the Court that settlement at this time will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the litigation. It further appears that the Settlement has been reached as the result of intensive, serious, and non-collusive arm's-length negotiations.

- 4. The Court preliminarily finds that the Settlement appears to be within the range of reasonableness of a settlement that could ultimately be given final approval by this Court. The Court has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily finds that the monetary settlement awards made available to the Class Members are fair, adequate, and reasonable when balanced against the probable outcome of further litigation relating to certification, liability, and damages issues.
- 5. The Agreement specifies for an award of attorneys' fees and costs in the amount of upto one-third of the Gross Settlement Amount for attorneys' fees, currently estimated at Seventy-Three Thousand Dollars and Three Hundred and Thirty Three Dollars and Thirty-Three Cents (\$73,333.33) and an award of litigation expenses incurred not to exceed Twenty Thousand Dollars (\$20,000.00), and proposed Class Representative Service Award to the Class Representative, Michael Andrews, in an amount not to exceed Ten Thousand Dollars (\$10,000.00). While these awards appear to be within the range of reasonableness, the Court will not approve the Class Counsel Award or Class Representative Service Award until the Final Approval Hearing.
- 6. The Court recognizes that Plaintiff and Defendant stipulate and agree to certification of a class for settlement purposes only. This stipulation will not be deemed admissible in this or any other proceeding should this Settlement not become final. For settlement purposes only, the Court conditionally certifies the following Class or Class Members:
 - "All individuals who are or were employed by EdNet Career Institute (dba Hamilton Private Security) ("Defendant") in California as security guards and classified as a non-exempt employee at any time from August 6, 2016 through September 23, 2022."
- 7. The Court concludes that, for settlement purposes only, the Class meets the requirements for certification under section 382 of the California Code of Civil Procedure in that: (a) the Class is ascertainable and so numerous that joinder of all Class Members is impracticable; (b) common questions of law and fact predominate, and there is a well-defined community of interest amongst the Class Members with respect to the subject matter of the litigation; (c) the claims of the Class

Representative are typical of the claims of the Class Members; (d) the Class Representative will fairly and adequately protect the interests of the Class Members; (e) a class action is superior to other available methods for the efficient adjudication of this controversy; and (f) Class Counsel are qualified to act as counsel for the Class Representative in his individual capacity and as the representative of the Settlement Class Members.

- 8. The Court provisionally appoints plaintiff MICHAEL ANDREWS as the representative of the Class.
- 9. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm, A.P.C. and Shani Zakay of Zakay Law Group, APLC as Class Counsel for the Class Members.
- 10. The Court hereby approves, as to form and content, the Proposed Notice of Pendency of Class and Representative Action Settlement ("Class Notice") attached to the Agreement as **Exhibit** "B". The Court finds that the notice appears to fully and accurately inform the Class Members and Aggrieved Employees of all material elements of the proposed Settlement, including right of any Class Member to be excluded from the Class by submitting a written request for exclusion, and of each Settlement Class member's right and opportunity to object to the Settlement. The Court further finds that the distribution of the notice substantially in the manner and form set forth in the Agreement and this Order meets the requirements of due process, is the most reasonable notice under the circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of the notice by first class mail, pursuant to the terms set forth in the Agreement.
- 11. The Court hereby appoints ILYM Group, Inc. as Settlement Administrator. Within fifteen (15) business days of this Order, Defendant shall provide to the Settlement Administrator the Class Data, including information regarding Class Members that Defendant will in good faith compile from their records, including each Class Member's full name; last known address; Social Security Number; and start and end dates of employment during the Class Period and PAGA Period. Within fourteen (14) calendar days after receiving the Class Data from Defendant, the Settlement Administrator shall mail the Class Notice to all identified Class Members via first class U.S. Mail using the most current mailing address information available.

- 12. The Court hereby preliminarily approves the proposed procedure for requesting exclusion from the Settlement. Any Class Member may individually choose to opt out of and be excluded from the Settlement as provided in the Notice by following the instructions for requesting exclusion from the Settlement of the Released Claims that are set forth in the Notice. All requests for exclusion must be postmarked or received by the Response Deadline which is sixty (60) calendar days after the date the Class Notice is mailed to the Settlement Class Members or, in the case of a re-mailed Notice, not more than fourteen (14) calendar days after the original Response Deadline. Any such person who chooses to opt out of and be excluded from the Settlement will not be entitled to an Individual Settlement Payment under the Settlement and will not be bound by the Settlement except as to the Released PAGA Claims, nor will such person have any right to object, appeal or comment on the Settlement. Class Members who have not requested exclusion shall be bound by all determinations of the Court, the Agreement and Judgment. A request for exclusion may only opt out that particular individual, and any attempt to affect an opt-out of a group, class, or subclass of individuals is not permitted and will be deemed invalid.
- 13. Any Class Member who has not opted out may appear at the final approval hearing and may object or express his or her views regarding the Settlement and may present evidence and file briefs or other papers that may be proper and relevant to the issues to be heard and determined by the Court as provided in the Notice. Class Members will have sixty (60) days from the date the Settlement Administrator mails the Class Notice to postmark their written objections to the Settlement Administrator.
- 14. A final approval hearing shall be held before this Court on <u>09/26/2024</u> at <u>10:00</u> AM in Department 14 of the Los Angeles County Superior Court to determine all necessary matters concerning the Settlement, including: whether the proposed settlement of the Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable and should be finally approved by the Court; whether an Order Granting Final Approval should be entered herein; whether the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable to the Class Members; and to finally approve the Class Counsel Award, Class Representative Service

Award, and the Settlement Administration Costs. All papers in support of the motion for final approval and the motion for Attorneys' Fees and Costs and Class Representative Service Award shall be filed with the Court and served on all counsel no later than sixteen (16) court days before the hearing.

- 15. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder shall be construed as a concession or admission by Defendant in any way, and shall not be used as evidence of, or used against Defendant as, an admission or indication in any way, including with respect to any claim of any liability, wrongdoing, fault, or omission by Defendant or with respect to the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted in evidence as, received as or deemed to be evidence for any purpose adverse to the Defendant, including, but not limited to, evidence of a presumption, concession, indication or admission by Defendant of any liability, fault, wrongdoing, omission, concession or damage.
- Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to become effective for any reason, this Order shall be rendered null and void and shall be vacated, and the Parties shall revert to their respective positions as of before entering into the Agreement. In such an event, the Court's orders regarding the Settlement, including this Preliminary Approval Order, shall not be used or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of the Settlement Agreement with respect to the effect of the Settlement Agreement if it is not approved.
- 17. Pending final determination of whether the Settlement should be approved, the Class Representative and all members of the Class are barred and enjoined from filing, commencing, prosecuting, intervening in, instigating or in any way participating in the commencement or prosecution of any lawsuit, action or administrative, regulatory, arbitration or other proceeding, in any forum, asserting any claims that are, or relate in any way to, the Class Representative's Released Claims or the Released Claims or the Released PAGA Claims, unless and until they submit a timely request for exclusion pursuant to the Agreement.

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

28

a.	Deadline for Defendants to Submit Class Data to Settlement Administrator	15 days after Order granting Preliminary Approval
b.	Deadline for Settlement Administrator to Mail Class Notice to Class Members	14 days after receiving Class Data from Defendants
c.	Deadline for Class Members to Postmark Requests for Exclusion	60 days after mailing of the Notice
d.	Deadline for Receipt by Court, Settlement Administrator, and Counsel of any Objections to Settlement	60 days after mailing of the Notice
e.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, including Request for Attorneys' Fees, Costs, and Class Representative Service Payment	16 court days before the Calendared Final Approval Hearing
f.	Deadline for Settlement Administrator to file Declaration of Due Diligence and Proof of Mailing	7 days before the date by which Plaintiff is required to file the Motion for Final Approval
g.	Final Fairness Hearing and Final Approval	September 26, 2024, at 10:00am
h.	Deadline for Defendants to fund Settlement	(a) \$120,000 plus Defendant's share of payroll taxes within 45 days of entry of the final approval order or by August 24, 2023, whichever is later, and (b) \$100,000 within 12 months after the first payment in equal monthly installments of \$8,333.33.
i.	Deadline for Settlement Administrator to mail the Individual Payments and the Class Representative Service Payment, and to wire transfer the Attorneys' Fees and Costs (if Settlement is Effective)	14 days after Defendant Funds the first payment of the Gross Settlement Amount.

1	j.
2	
3	
4	19.
5	and all dat
6	jurisdiction
7	jarisaretron
8	Dated: _
9	
10	
11	
12	
13	
14	
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
26	
	I

27

28

j.	Deadline for Class Members to cash Individual Payment checks (if Settlement is Effective)	180 days after Settlement Administrator mails the Individual Payments
----	---	---

19. The Court reserves the right to adjourn or continue the date of the final approval hearing and all dates provided for in the Agreement without further notice to Settlement Class and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement.

Dated: __04/08/2024___

JUDGE OF THE SUPERIOR COURT

Kenneth R. Freeman/Judge

EXHIBIT A

AMENDED CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement ("Agreement") is made by and between plaintiff Michael Andrews ("Plaintiff) and defendant EdNet Career Institute (dba Hamilton Private Security) ("Defendant"). The Agreement refers to Plaintiff and Defendant collectively as the "Parties," or individually as "Party."

1. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- 1.1."Action" means all causes of action, claims, and allegations in the operative complaint filed in Michael Andrews v. EdNet Career Institute, Case No. 20STCV29673, initiated on August 6, 2020 and pending in Superior Court of the State of California, County of Los Angeles. The "Action" includes all claims and allegations in Plaintiffs letter dated December 19, 2019 to the Labor and Workforce Development Agency ("LWDA"), which as set forth below, will be added to the Action.
- 1.2. "Administrator" means ILYM Group, the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. "Administration Expenses Payment" means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator's "not to exceed" bid submitted to the Court in connection with Preliminary Approval, or \$15,000 whichever is less.
- 1.4. "Aggrieved Employees" or "PAGA Class Members" means all current and former employees who were 1)employed as security guards; and 2)classified as nonexempt employees by Defendant in California as at any time during the PAGA Period.
- 1.5. "Class" means all current and former employees who were 1)employed as security guards; and 2)classified as non-exempt employees by Defendant in California as at any time during the Class Period.
- 1.6. "Class Counsel" means Shani 0. Zakay of Zakay Law Group, APLC and Jean-Claude Lapuyade of the JCL Law Firm, APC.
- 1.7. "Class Counsel Fees Payment" and "Class Counsel Litigation Expenses Payment" mean the amounts to be paid to Class Counsel for fees and expenses, respectively, as approved by the Court, to compensate Class Counsel for their legal work in

connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, all post-Settlement compliance procedures, and related litigation expenses billed in connection with the Action.

- 1.8. "Class Data" means the following identifying information in Defendant's possession for each Class Member: Class Member's name, last-known mailing address, Social Security number, number of Workweeks during the Class Period, and number of PAGA Pay Periods.
- 1.9. "Class Member" means a member of the Class, as either a Participating Class Member or Non-Participating Class Member (including a Non-Participating Class Member who qualifies as an Aggrieved Employee).
- 1.10. "Class Member Address Search" means the Administrator's investigation and search for current Class Member mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members by use of available email addresses, phone numbers, social security numbers, credit reports, Linkedln and Facebook.
- 1.11. "Class Notice" means the COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL, to be mailed to Class Members in English in the form, without material variation, attached as Exhibit A and incorporated by reference into this Agreement.
- 1.12. "Class Notice Packet" means the Class Notice to be provided to the Class Members by the Administrator which contains the individualized information for each Class Member. Attached herein as Exhibit A.
- 1.13. "Class Period" means the period of time from August 6, 2016 through September 23, 2022.
- 1.14. "Class Representative" means the named Plaintiff in the operative complaint in the Action seeking Court approval to serve as a Class Representative.
- 1.15. "Class Representative Service Payment" means the enhanced service payment made to the Plaintiff as Class Representative in order to compensate for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant's expenses, and for the general release of all claims by the Plaintiff. The Class Representative Service Payment shall not exceed \$10,000,

and is in addition to the payment which he is entitled as Settlement Class Member.

- 1.16. "Court" means the Superior Court of California, County of Los Angeles.
- 1.17. "Defendant" means EdNet Career Institute (dba Hamilton Private Security).
- 1.18. "Defense Counsel" means David G. Jones of Olsen & Brueggemann, a Professional Corporation.
- 1.19. "Effective Date" means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.20. "Final Approval" means the date on which the Court enters a final order approving the Settlement and authorized the entry of a final judgment.
- 1.21. "Final Approval Hearing" means the Court's hearing on the Motion for Final Approval of the Settlement to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
- 1.22. "Gross Settlement Amount" means Two Hundred and Twenty Thousand Dollars (\$220,000) which is the total amount to be paid by Defendant as provided by this Agreement except as provided in Paragraph 9 below and the terms specified in this section with respect to payroll taxes. This amount is the maximum settlement amount to be paid by or on behalf of Defendant and is all-inclusive of all payments contemplated in this Agreement including Individual Class Payments (and any applicable payroll taxes), Individual PAGA Payments, the LWDA PAGA Payment, Class Counsel Fees, Class Counsel Expenses, Class Representative Service Payment and the Administrator's Expenses. This Gross Settlement Amount is an all-in amount without any reversion to Defendant, and excludes only employer payroll taxes, if any, due on the portion of the Individual Class Payments allocated to wages which shall not be paid from the Gross Settlement and shall be the separate additional obligation of Defendant.
- 1.23. "Individual Class Payment" means the Participating Class Member's pro rata share of the Net Settlement Amount calculated according to the number of

Workweeks worked during the Class Period.

- 1.24. "Individual PAGA Payment" means the Aggrieved Employee's pro rata share of 25% of the PAGA Penalties calculated according to the number of Workweeks worked during the PAGA Period.
- 1.25. "Judgment" means the judgment entered by the Court based upon Final Approval substantially in the form attached hereto as <u>Exhibit C</u> to this Agreement and incorporated by reference into this Agreement.
- 1.26. "LWDA" means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subd. (i).
- 1.27. "LWDA PAGA Payment" means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subd. (i).
- 1.28. "Net Settlement Amount" means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Individual PAGA Payments, the LWDA PAGA Payment, Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The Net Settlement Amount is to be paid to Participating Class Members as Individual Class Payments.
- 1.29. "Non-Participating Class Member" means a Class Member who opts out of the Class Settlement by submitting a valid and timely Request for Exclusion to the Administrator.
- 1.30. "PAGA Pay Period" means any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.
- 1.31. "PAGA Aggrieved Employees" means all current and former aggrieved employees who were 1)employed as security guards; and 2)classified as non-exempt employees by Defendant in California as at any time during the PAGA Period. The PAGA Aggrieved Employees are a subset of the Class Members.
- 1.32. "PAGA Period" means the period of time from December 19, 2018 through September 23, 2022.
- 1.33. "PAGA" means the Private Attorneys General Act (Labor Code§§ 2698. et seq.).
- 1.34. "PAGA Notice" means the Plaintiffs December 19, 2019 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).

- 1.35. "PAGA Penalties" means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount, allocated 25% to the Aggrieved Employees (\$2,500) and the 75% to LWDA (\$7,500) in settlement of PAGA claims.
- 1.36. "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion.
- 1.37. "Plaintiff means Michael Andrews, the named plaintiff in the Action.
- 1.38. "Preliminary Approval" means the Court's Order Granting Preliminary Approval of the Settlement, substantially in the form attached hereto as <u>Exhibit B</u> to this Agreement and incorporated by this reference herein.
- 1.39. "Released Class Claims" means all wage and hour claims that were or could have been brought based on the facts alleged in the Complaint relating to wage and hour claims, including but not limited to alleged unpaid overtime and/or minimum wage under Labor Code sections 510, 1194, 1197, 1197.1 and 1198, failure to provide meal and rest periods pursuant to Labor Code sections 204, 226.7, 510,512, and 1198, alleged unreimbursed business expenses under Labor code section 2802, alleged failure to provide and maintain accurate records violations under Labor Code sections 226(a)/(f)/(h),, alleged failure to pay wages during employment under Labor Code sections 204, 210, alleged failure to pay wages after under employment Labor Code sections 201-203, alleged violation of California Business & Professions Code section 17200 et seq. (Unfair Competition Law) arising from the labor code violations listed hereinabove, from August 6, 2016 to September 23, 2022 (the "Class Period"), or preliminary approval, whichever is earlier. This release will be as to the Released Parties, which shall include EdNet Career Institute (dba Hamilton Private Security), and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and/or affiliates. The release shall be effective with respect to the Settlement Class Members who do not validly opt-out of the Class Settlement, who worked for Defendant during the Class Period. The release shall be effective upon final approval of the Class Settlement and funding in full of the Fund by Defendant. The release expressly excludes PAGA penalties, which are separately released hereinbelow.
- 1.40. "Released PAGA Claims" means all PAGA claims alleged in the operative complaint and Plaintiffs PAGA notice to the LDWA which occurred during the PAGA period (December 19, 2018 to September 23, 2022).
- 1.41. "Released Parties" means: EdNet Career Institute (dba Hamilton Private Security), and each of its former and present directors, officers, shareholders,

- owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and/or affiliates.
- 1.42. "Request for Exclusion" means a Class Member's submission of a written request to be excluded from the Class Settlement signed by the Class Member.
- 1.43. "Response Deadline" means 60 calendar days after the Administrator mails Class Notice Packet to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) submit Requests for Exclusion from the Settlement, or (b) submit his or her Objection to the Settlement. Class Members to whom Class Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired.
- 1.44. "Settlement" means the disposition of the Action and all related claims effectuated by this Agreement and the Judgment.
- 1.45. "Workweek" means any period wherein a Class Member worked a combined total of 40 hours. Therefore, for purposes of this Agreement, Class Members' Workweeks shall be calculated by calculating the total number of hours worked and dividing that total by 40.

2. RECTTALS

- 2.1. On August 6, 2020, Plaintiff, on behalf of himself and other similarly situated individuals, commenced this Action by filing a Complaint against Defendant in the Superior Court of the State of California, County of Los Angeles. Plaintiffs Complaint asserted claims that Defendant:
 - (a) Violated California Business and Professions Code§ 17200 et seq.;
 - (b) Failed to pay minimum wages in violation of California Labor Code§§ 1194 and 1197
 - (c) Failed to pay overtime wages in violation of California Labor Code§ 510, et seq.;
 - (d) Failed to provide required meal periods in violation of California Labor Code§§ 226.7 & 512 and the applicable IWC Wage Order;
 - (e) Failed to provide required rest periods in violation of California Labor Code §§ 226.7 & 512 and the applicable IWC Wage Order;
 - (f) Failed to reimburse employees for required expenses in violation of California Labor Code§ 2802.
 - (g) Failed to provide accurate itemized wage statements in violation of California Labor Code§ 226; and,

- (h) Failed to provide wages when due in violation of California Labor Code§§ 201, 202 and 203; and.
- Violated the Private Attorney General Act, Cal. Labor Code §§ 2698, et seq. ("PAGA").
- 2.2. The August 6, 2020 Complaint is the operative complaint in the Action (the "Operative Complaint").
- 2.3. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in in the Operative Complaint and denies any and all liability for the causes of action alleged.
- 2.4. On March 8, 2021, Defendant filed an Answer to the Operative Complaint.
- 2.5. On August 24, 2022, the Parties participated in an all-day mediation presided over by Judge Brian Walsh (Ret.) a respected jurist and mediator of wage and hour representative and class actions. Following the mediation, each side, represented by its respective counsel, were able to agree to settle the Action based upon a mediator's proposal which was memorialized in the form of a Memorandum of Understanding. This Agreement replaces and supersedes the Memorandum of Understanding and any other agreements, understandings, or representations, whether oral or written, between the Parties.
- 2.6. Prior to mediation, Plaintiff obtained sufficient documents and information to sufficiently investigate the claims such that Plaintiffs investigation was sufficient to satisfy the criteria for court approval set forth in Dunk v. Foot Locker Retail, Inc. (1996) 48 Cal.App.4th 1794, 1801 and Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 129-130 ("Dunk/Kullar").
- 2.7. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by Defendant or any Released Party that the claims in the Action have merit or that Defendant bears any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendant's defenses in the Action have merit. Defendant denies each of the allegations and claims asserted in the Action. Defendant enters into this Agreement for the sole purpose of avoiding the operational burden, expense and uncertainty of continuing litigation.
- 2.8. The Parties stipulate to the conditional certification of the Class for purposes of this Settlement only. This Agreement is contingent upon the Preliminary and Final Approval and certification of the Class only for purposes of this Settlement. Should this Settlement not become final, for whatever reason or the Effective Date does not occur, the Parties' stipulation to class certification as part of this Settlement shall become null and void ab initio, and the fact that the Parties were willing to stipulate provisionally to class certification as part of this Settlement shall have no bearing on, and shall not be admissible in connection with, the issue of whether a class should be certified in a non-settlement context in the Action, and shall not be admissible for any purpose in any action, including

the Action. Nothing in this Agreement will be construed as an admission or acknowledgement of any kind that any class should be certified in the Action or in any other action or proceeding.

- Defendant expressly reserves the right and declares that it intends to oppose class certification vigorously should this Settlement not be granted Final Approval or be modified or reversed on appeal or otherwise not become final. If for any reason this Agreement does not become effective. Defendant reserves the right to contest certification of any class, including the Class, for any reason. Defendant does not concede the merits of Plaintiffs contentions regarding the suitability of the litigation for class certification under California Code of Civil Procedure, but has agreed to resolve the litigation through this Settlement in recognition of the expense and risk of continuing with the litigation and in the belief that the Settlement is fair, adequate and reasonable. Therefore, in entering into this Agreement, it is the Parties' mutual intention and agreement that if for any reason the Agreement does not become final, the conditional class certification will be vacated, Plaintiff and Defendant will retain all rights to support or oppose certification for the purposes of litigation, and any certification arising from the Court's Final Approval of this Settlement may not be used by Plaintiff or Defendant in support of any argument for or against certification of any class. Plaintiff will not be deemed to have waived, limited or affected in any way any claims, rights or remedies in the Action, and Defendant will not be deemed to have waived, limited, or affected in any way any of their claims, rights, remedies, objections or defenses in the Action. Neither the provisional certification nor, if ultimately approved, the certification of the Class to consummate this Settlement shall constitute a determination by the Court that a plaintiff class should be certified for purposes of trial or for any other purpose in any action.
- 2.10. The Parties, Class Counsel and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

3. MONETARY TERMS

- 3.1. Gross Settlement Amount. Except as otherwise provided by Paragraph 9 below, Defendant promises to pay \$220,000 and no more as the Gross Settlement Amount. This amount is all-inclusive of all payments contemplated in this resolution, excluding any employer-side payroll taxes on the portion of the Individual Class Payments allocated to wages which shall be separately paid by Defendant to the Administrator. Defendant has no obligation to pay the Gross Settlement Amount (or any payroll taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.
- 3.2. Payments from the Gross Settlement Amount. Subject to the terms and conditions of this

Agreement, the Administrator will make the following payments out of the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval.

- (a) To Plaintiff: Class Representative Service Payment to the Class Representative of not more than \$10,000 (in addition to any Individual Class Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member.) Defendant will not oppose Plaintiffs request for a Class Representative Service Payment that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Litigation Expenses Payment, Plaintiff will seek Court approval for any Class Representative Service Payments no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Representative Service Payment less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Class Representative Service Payment.
- (b) To Class Counsel: A Class Counsel Fees Payment of not more than 1/3, which is currently estimated to be \$73,333.33, and a Class Counsel Litigation Expenses Payment of not more than \$20,000. Defendant will not oppose requests for these payments provided that do not exceed these amounts. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Litigation Expenses Payment no later than 16 court days prior to the Final Approval Hearing. If the Court approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Expenses Payment. The Administrator will pay the Class Counsel Fees Payment and Class Counsel Expenses Payment using one or more IRS 1099 Forms. Class Counsel assumes full responsibility and liability for taxes owed on the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these payments.
- (c) To the Administrator: An Administrator Expenses Payment not to exceed \$15,000 and as approved by the Court. To the extent the Administration Expenses are less or the Court approves payment less than \$15,000, the Administrator will retain the remainder in the Net Settlement Amount for distribution to Participating Class Members.
- (d) To the LWDA: The Parties will seek approval from the Court for PAGA Penalties in the amount of \$10,000 to be paid from the Gross Settlement Amount, with 75% (\$7,500) allocated to the LWDA PAGA Payment and 25% (\$2,500) allocated to the Individual PAGA Payments.

- i. The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$2,500) by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.
- If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.
- The payments to PAGA Aggrieved Employees from the Net PAGA Amount shall not be subject to wage withholdings and shall be reported on IRS Form 1099.
- (e) To Each Participating Class Member: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks.
 - 1. Tax Allocation of Individual Class Payments. 20% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. 80% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for non-wages, expense reimbursement, interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment.
 - 11. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. PAGA Aggrieved Employees may not opt out of the settlement and will receive the Net PAGA Amount regardless of whether or not they are Non-Participating Class Members.

4. SETTLEMENT FUNDING

- 4.1. <u>Class Workweeks and Aggrieved Employee Pay Periods</u>. Defendant represented that at the time of mediation, there are 615 Class Members who collectively worked a total of 11,500 Workweeks.
- 4.2 Class Data. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a

Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted Class Member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data

4.3. Funding of the Gross Settlement Amount. Defendant shall fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes as follows: (1) \$120,000 plus Defendant's share of payroll taxes within forty-five (45) days of entry of the final approval order or by August 24, 2023, whichever is later, and (b) \$100,000 within 12 months after the first payment in equal monthly installments of \$8,333.33.

5. PAYMENTS FROM THE GROSS SETTLEMENT AMOUNT

- 5.1. Within 14 days after Defendant funds the first payment of the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments and all Individual PAGA Payments. Within 14 days after Defendant funds the second payment of the Gross Settlement Amount the Administrator will mail checks for the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment.
- 5.2. The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. Before checks are mailed, the Administrator shall update address information through the National Change of Address database. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all Aggrieved Employees including Non-Participating Class Members who qualify as Aggrieved Employees (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database. If a Participating Class Member's or Aggrieved Employee's check is not cashed within 120 days after its last mailing to the affected

- individual, the Settlement Administrator will also send the individual a notice informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed.
- 5.3. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are retuned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.
- 5.4. For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd.
- 5.5. The payment of Individual Class Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Class Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.
- 6. RELEASE OF CLAIMS. Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Participating Class Members, Aggrieved Employees and the LWDA will release claims against all Released Parties as follows:
 - 6.1. <u>Plaintiffs Release</u>. In addition to the release in section 6.2 and 6.3, upon the Effective Date and fully funding of the Gross Settlement Amount, Plaintiff and his respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, shall fully and finally release and discharge Released Parties from all claims, transactions, or occurrences, known or unknown, accrued or unaccrued, that he may have against Defendant and Released Parties. Plaintiff acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiffs Release shall be and remain effective in all respects, notwithstanding such different or additional facts or Plaintiffs discovery of them.
 - (a) Plaintiffs Waiver of Rights Under Civil Code Section 1542. For purposes of Plaintiffs Release, Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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

- Release by Participating Class Members. Upon entry of the final judgment and funding of the Gross Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all wage and hour claims that were alleged or reasonably could have been alleged, based on the facts alleged in the Operative Complaint relating to wage and hour claims including but not limited to any and all claims involving any alleged unpaid overtime and/or minimum wage under Labor Code sections 510, 1194, 1197, 1197.1 and 1198, failure to provide meal and rest periods pursuant to Labor Code sections 204, 226.7, 510,512, and 1198, alleged unreimbursed business expenses under Labor code section 2802, alleged failure to provide and maintain accurate records violations under Labor Code sections 226(a)/(f)/(h),, alleged failure to pay wages during employment under Labor Code sections 204, 210, alleged failure to pay wages after under employment Labor Code sections 201-203, alleged violation of California Business & Professions Code section 17200 et seq. (Unfair Competition Law) arising from the labor code violations listed hereinabove from August 6, 2016 to September 23, 2022 ("Class Period"). This release will be as to the Released Parties, which shall include EdNet Career Institute (dba Hamilton Private Security), and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and/or affiliates. The release shall be effective with respect to the Settlement Class Members who do not validly opt-out of the Class Settlement, who worked for Defendant during the Class Period. The release shall be effective upon final approval of the Class Settlement and funding in full of the Fund by Defendant. Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. This release expressly excludes PAGA penalties, which are separately released hereinbelow.
- 6.3. <u>Release of PAGA Claims</u>. All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all PAGA claims alleged in the operative complaint and Plaintiffs PAGA notice to the LDWA which occurred during the PAGA period (December 19, 2018 to September 23, 2022).
- MOTION FOR PRELIMINARY APPROVAL. The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's procedures and instructions.

- 7.1. <u>Defendant's Responsibilities</u>. As soon as reasonably practicable, but in no event later than 5 days from the full execution of this Agreement and/or prior to the filing deadline for the Motion for preliminary approval, whichever comes first, Defendant will prepare and deliver to Class Counsel a signed Declaration. In the Declaration, Defendant shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement. In this Declaration, Defendant shall also aver as to the number of Class Members and the number of Workweeks for the Class during the Class Period.
- 7.2. Plaintiffs Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining Preliminary Approval, including: (i) a draft of the notice, and memorandum in support, of the Motion for Preliminary Approval that includes an analysis of the Settlement under Dunk/Kullar and a request for approval of the PAGA Settlement under Labor Code Section 2699, subd. (f)(2)); (ii) a draft proposed Order Granting Preliminary Approval and Approval of PAGA Settlement, (iii) a draft proposed Class Notice; (iv) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Class Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Class Members; and the nature and extent of any financial relationship with Plaintiff, Class Counsel or Defense Counsel; (v) a signed declaration from Plaintiff confirming willingness and competency to serve and disclosing all facts relevant to any actual or potential conflicts of interest with Class Members, and/or the Administrator; (v) a signed declaration from each Class Counsel firm attesting to its competency to represent the Class Members; its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Labor Code section 2699, subd. (1)(1)), this Agreement (Labor Code section 2699, subd. (1)(2)); (vi) a redlined version of the parties' Agreement showing all modifications made to the Model Agreement ready for filing with the Court; and (vii) all facts relevant to any actual or potential conflict of interest with Class Members and the Administrator. In their Declarations. Plaintiff and Class Counsel Declaration shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement
- 7.3. <u>Responsibilities of Counsel</u>. Class Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the Motion for Preliminary Approval; obtaining a prompt hearing date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.
- 7.4. <u>Duty to Cooperate</u>. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does

not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

8. SETTLEMENT ADMINISTRATION

- 8.1. Selection of Administrator. The Parties have jointly selected ILYM Group to serve as the Administrator and verified that, as a condition of appointment, ILYM Group agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Administrator's duties will include preparing, printing, and mailing the Class Notice Packet to all Class Members; conducting a National Change of Address search to update Class Member addresses before mailing the Class Notice Packets; re-mailing Class Notice Packets that are returned to the Class Member's new address; setting up a toll-free telephone number and email and a fax number to receive communications from Class Members; receiving and reviewing for validity completed Requests for Exclusion; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Requests for Exclusion, objections and disputes; calculating Individual Class Payments and Individual PAGA Payments; issuing the checks to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 8.2. <u>Employer Identification Number</u>. The Administrator shall have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and
- 8.3. <u>Qualified Settlement Fund</u>. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.

8.4. Notice to Class Members.

providing reports state and federal tax authorities.

- (a) No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Aggrieved Employees, Workweeks, and Pay Periods in the Class Data
- (b) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit

- ⚠ The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.
- (c) Not later than 7 days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- (d) The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- (e) If the Administrator, the Parties, Defense Counsel or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith. in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

Requests for Exclusion (Opt-Outs).

- (a) Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.
- (b) The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably

ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

- (c) Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases under Paragraph 6.2 of the Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.
- (d) Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment or have the right to object to the class action components of the Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.
- 8.6. Challenges to Calculation of Workweeks. Each Class Member shall have 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks and PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or Pay Periods shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination as to the challenges

8.7. Objections to Settlement.

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

- (b) Participating Class Members may send written objections to the Administrator, by fax, email, or mail. In the alternative, or in addition to a written objection, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than 45 days after the Administrator's mailing of the Class Notice (plus an additional 14 days for Class Members whose Class Notice was re-mailed).
- (c) Non-Participating Class Members have no right to object to any of the class action components of the Settlement. If a Class Member submits both a Request for Exclusion and an objection, only the Request for Exclusion will be accepted and the objection will be void.
- 8.8. <u>Administrator Duties</u>. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise
 - (a) Website, Email Address and Toll-Free Number. The Administrator will establish and maintain and use an internet website to post information of interest to Class Members including the date, time and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Motion for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and Class Representative Service Payment, the Final Approval and the Judgment. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes and emails.
 - (b) Request for Exclusion (Opt-Outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 7 days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).
 - (c) Workweek and/or Pay Period Challenges. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member challenges over the calculation of Workweeks and/or Pay Periods. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.
 - (d) Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for

Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks and/or Pay Periods received and/or resolved, and checks mailed for Individual Class Payments and Individual PAGA Payments ("Weekly Report"). The Weekly Reports must include provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

- (e) <u>Administrator's Declaration</u>. Not later than 7 days before the date by which Plaintiff is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.
- (f) Final Report by Administrator. Within 10 days after the Administrator disburses all funds of the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 7 days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court. If a second declaration attesting to the distribution of uncashed checks is required, the Administrator shall provide this second declaration at least 7 days before any deadline for a second declaration and Class Counsel shall be responsible for filing the second declaration with the Court.
- CLASS SIZE MODIFICATION AND ESCALATOR CLAUSE. Based on its records, Defendant provided figures as to the Class size as set forth in section 4.1 above. In regard hereto, Defendant is providing a declaration as set forth in section 7.1 above. In the event the number of workweeks increase by mor than 10% as of September 23, 2022, the Fund shall increase proportionately.
- 10. DEFENDANT'S RIGHT TO WITHDRAW. Defendant shall retain the right, in the exercise of its sole discretion, to nullify the settlement within ten (10) days after expiration of the Opt-Out period if more than ten percent (10%) of the class opt out of this settlement. The Parties agree that, if Defendant withdraws, the Settlement shall be void ab initio, have no force or effect whatsoever, and that neither Party will have any further obligation to perform under this Agreement; provided, however, Defendant will remain responsible for paying Settlement Administration Expenses incurred as of the date Defendant makes this election to withdraw. Defendant must notify Class Counsel and the Court of its election to withdraw not

later than 7 days after the Administrator sends the final Exclusion List to Defense Counsel. Invalid Requests for Exclusion will have no effect on this threshold for an election.

- 11. MOTION FOR FINAL APPROVAL. Unless otherwise ordered by the Court, not later than 16 court days before the calendared Final Approval Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a request for approval of the PAGA settlement under Labor Code section 2699(1), a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Plaintiff shall provide drafts of these documents to Defense Counsel not later than 7 days prior to filing the Motion for Final Approval. Class Counsel and Defense Counsel will expeditiously meet and confer and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
 - 11.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court no later than 5 court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
 - 11.2. <u>Duty to Cooperate</u>. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns. However, Defendant reserves the right to withdraw from the Settlement if it does not agree to a material modification required by the Court as a condition of granting Final Approval. The Court's decision to award less than the amounts requested for a Class Representative Service Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administrator Expenses Payment shall not constitute a material modification to the Agreement within the meaning of this paragraph.
 - 11.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement under C.C.P. section 664.6 solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
 - 11.4. Waiver of the Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment reflected set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

- 11.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope offelease to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on an equal basis, any additional Administration Expenses reasonably incurred at the time of remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Class Representative Service Payment or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Gross Settlement Amount remains unchanged.
- 12. AMENDED JUDGMENT. If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

13. ADDITIONAL PROVISIONS

- 13.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Operative Complaint have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval or Judgment pursuant to this Agreement, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 13.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant and Defense Counsel separately agree that, until the Motion for Preliminary Approval of Settlement is filed, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant and

Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, any with third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 13.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees have not and will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 13.4. <u>Integrated Agreement</u>. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.
- 13.5. <u>Attorney Authorization</u>. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 13.6. <u>Cooperation</u>. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.
- 13.7. Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.
- 13.8. <u>Tax Advice</u>. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 13.9. Modification of Agreement. This Agreement, and all parts of it, may be amended,

- modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court.
- 13.10. <u>Agreement Binding on Successors</u>. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 13.11. <u>Applicable Law</u>. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 13.12. <u>Cooperation in Drafting</u>. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 13.13. <u>Confidentiality</u>. To the extent permitted by law, all agreements made, and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 13.14. <u>Use and Return of Class Data</u>. Information provided to Class Counsel pursuant to Cal. Evid. Code §1152, and all copies and summaries of the Class Data provided to Class Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule of court. Not later than 90 days after the date when the Court discharges the Administrator's obligation to provide a Declaration confirming the final pay out of all Settlement funds, Plaintiff shall destroy, all paper and electronic versions of Class Data received from Defendant.
- 13.15. <u>Headings</u>. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 13.16. <u>Calendar Days</u>. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter
- 13.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

To Plaintiffs and the Class:

JCL LAW FIRM, APC 5440 Morehouse Drive, Suite 3600 San Diego, CA 92121 T: 619-599-8292 jlapuyade@jcl-lawfirm.com

ZAKAY LAW GROUP 5440 Morehouse Drive, Suite 3600 San Diego, CA 92121 T: 619-892-7095 F: 858-404-9203 shani@zakaylaw.com

To Defendant:

OLSEN & BRUEGGEMAN, APC

1600 Rosecrans Ave. Media Center, 4th Floor Manhattan Beach, CA 90266

T: 310-321-7807

djones@oblawapc.com

- 13.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 13.19. <u>Stay of Litigation</u>. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 to extend the date to bring a case to trial under CCP section 583.310 for the entire period of this settlement process from the mediation on August 24, 2022 until the earlier of the Effective Date or the date this Agreement shall no longer be of any force or effect.
- 13.20. <u>Fair Settlement</u>. The Parties, Class Counsel and Defense Counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations, taking into account all relevant factors, both current and potential.

14. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

Dated: 03/04/2024	Michael Andrews (Mar 4, 2024 23:63 PST) Plaintiff Michael Andrews
Dated:	
	Sandra Hamilton For Defendant BdNet Career Institute (dba Hamilton Private Security)
Dated:	Shemi O. Zaksy Zakay Law Group, APLC Attorney for Plaintiff
Deted:	Jean-Chuide Lapuyade The JCL Law Firm, APC Attorney for Plaintiff
Dated:	David G. Jones Olsen & Brueggemann, APC Attorney for Defendant

Dated;	
	Plaintiff Michael Andrews
Dated: <u>3/4/2</u> 024	Sandra Hamilton For Defendant EdNet Career Institute (dha Hamilton Private Security)
Daled:	Sharri O. Zukay Zakay Law Group, APLC Attorney for Plaintiff
Tated:	
Daled: 3/4/2024	Jean-Chaude Lapuyade The JCL Law Firm, APC Attorney for Plaintiff
Jaled: -1 // CO	David & Hones Olsen & Brueggemann APC

Attamey for Defendant

Dated:	
	Plaintiff Michael Andrews
Dated:	1
	Sandra Hamilton
	For Defendant EdNet Career Institute
	(dba Hamilton Private Security)
Dated: 3/4/24	
Dutco. JITI24	Shani O. Zakay
	Zakay Law Group, APLC
	Attorney for Plaintiff
Dated: 3/4/24	40-30-
	Jean-Claude Lapuyade
	The JCL Law Firm, APC
	Attorney for Plaintiff
Dated:	
	David G. Jones
	Olsen & Brueggemann, APC
	Attorney for Defendant

EXHIBIT A

[NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION AND HEARING DATE FOR FINAL COURT APPROVAL]

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

Michael Andrews v. Ednet Career Institute et al. Case No. 20STCV29673

The Superior Court for the State of California, County of Los Angeles authorized this Notice.

Read it carefully!

It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action lawsuit ("Action") against Ednet Career Institute dba Hamilton Private Security ("EDNET") for alleged wage and hour violations. The Action was filed by a former Ednet employee Michael Andrews ("Plaintiff") and seeks payment of unpaid overtime, unpaid minimum wages, failure to provide meal and rest breaks, failure to reimburse for business expenses, failure to provide accurate wage statements and failure to pay all wages owed upon termination for a class of persons defined as current and former employees who were 1)employed as security guards; and 2)classified as non-exempt employees by EDNET in California ("Class Members") during the Class Period (August 6, 2016 to September 23, 2022); and (2) penalties under the California Private Attorney General Act ("PAGA") for all current and former employees who were 1)employed as security guards; and 2)classified as non-exempt employees by EDNET and classified as non-exempt employees in California during the PAGA Period (December 19, 2018 to September 23, 2022) ("Aggrieved Employees").

The proposed Settlement has two main parts: (1) a Class Settlement requiring EDNET to fund Individual Class Payments, and (2) a PAGA Settlement requiring EDNET to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on EDNET's record	s, and the Parties' current assumptions, your Individual Class
Payment is estimated to be \$	(less withholding) and your Individual PAGA Payment
is estimated to be \$ The	actual amount you may receive likely will be different and will
	f no amount is stated for your Individual PAGA Payment, then
according to EDNET's records yo	ou are not eligible for an Individual PAGA Payment under the
Settlement because you didn't wor	rk during the PAGA Period.)

The above estimates are based on EDNET's records showing that you worked _____ workweeks during the Class Period and you worked _____ workweeks during the PAGA Period. If you believe that you worked more workweeks during either period, you can submit a challenge by the deadline date. See Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires EDNET to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against EDNET.

If you worked for EDNET during the Class Period and/or the PAGA Period, you have two basic options under the Settlement:

- (1) Do Nothing. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment and/or an Individual PAGA Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims and PAGA Period penalty claims against EDNET.
- (2) Opt-Out of the Class Settlement. You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against EDNET, and, if you are an Aggrieved Employee, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA portion of the proposed Settlement.

EDNET will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment and an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the wage
Settlement	claims against EDNET that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the
but not the PAGA Settlement	Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section
The Opt-out Deadline is	6 of this Notice.
	You cannot opt-out of the PAGA portion of the proposed Settlement. EDNET must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released Claims (defined below).

Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement

Written Objections Must be Submitted by All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.

You Can Participate in the Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Challenge the Calculation of Your Workweeks/Pay Periods	The amount of your Individual Class Payment and PAGA Payment (if any) depend on how many workweeks you worked at least one day during the Class Period and how many Pay Periods you worked at least one day during the PAGA Period, respectively. The number Class Period Workweeks and number of PAGA Period Pay Periods
Written Challenges Must be Submitted by	you worked according to EDNET's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by See Section 4

1. WHAT IS THE ACTION ABOUT?

of this Notice.

Plaintiff is a former EDNET employee. The Action accuses EDNET of violating California labor laws by failing to pay overtime, minimum wages, provide meal and rest breaks, reimburse for business expenses, provide accurate wage statements and pay all wages owed upon termination. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, et seq.) ("PAGA"). Plaintiff is represented by attorneys in the Action:

Jean Claude Lapuvade of JCL Law Firm, APC and Shani Zakay of Zakay Law Group, APLC ("Class Counsel.")

EDNET is represented by attorneys in this Action:

David G. Jones of Olsen & Brueggemann, APC ("Defense Counsel")

EDNET strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether EDNET or Plaintiff is correct on the merits.

In the meantime, Plaintiff and EDNET hired a retired judge in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and EDNET have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, EDNET does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) EDNET has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims, EDNET's financial ability to pay and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

- 1. EDNET Will Pay \$220,000 as the Gross Settlement Amount (Gross Settlement). EDNET has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel's attorney's fees and expenses, the Administrator's expenses, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, EDNET will fund the Gross Settlement as follows: \$120,000 plus Defendant's share of payroll taxes within forty-five (45) days of entry of the final approval order or by August 24, 2023, whichever is later, and (b)\$100,000 within 12 months after the first payment in equal monthly installments of \$8,333.33. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff
 and/or Class Counsel will ask the Court to approve the following deductions from the Gross
 Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$ 73,333.33 (33.33% of the Gross Settlement] to Class Counsel for attorneys' fees and up to \$20,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$10.000 as a Class Representative Award for filing the Action, working with Class Counsel and representing the Class. A Class Representative Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment and any Individual PAGA Payment.
 - C. Up to \$15,000.00 to the Administrator for services administering the Settlement.
 - D. Up to \$10,000.00 for PAGA Penalties, allocated 75% to the LWDA PAGA

Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their PAGA Period Pay Periods.

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

- Net Settlement Distributed to Class Members. After making the above deductions in amounts
 approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the
 "Net Settlement") by making Individual Class Payments to Participating Class Members
 based on their Class Period Workweeks.
- 4. Taxes Owed on Payments to Class Members. Plaintiff and EDNET are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages ("Wage Portion") and 80% to interest and penalties ("Non-Wage Portion). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. EDNET will separately pay employer payroll taxes it owes on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and EDNET have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property, you should consult the rules of the Fund for instructions on how to retrieve your money.
- 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than sixty calendar days after the Administrator mails the Class Notice to the Class Members and Aggrieved Employees, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the _______Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address and email address or telephone number, and a simple statement electing to be excluded from the Settlement. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against EDNET.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert PAGA claims against EDNET based on the PAGA Period facts alleged in the Action.

- 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiffs and EDNET have agreed that, in either case, the Settlement will be void: EDNET will not pay any money and Class Members will not release any claims against EDNET.
- 8. <u>Administrator</u>. The Court has appointed a neutral company, ILYM Group (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Participating Class Members' Release. After the Judgment is final and EDNET has fully funded the Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against EDNET or related entities for wages based on the Class Period facts and PAGA penalties based on PAGA Period facts, as alleged in the Action, and resolved by this Settlement.

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

Upon entry of the final judgment and funding of the Gross Settlement Amount. all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all wage and hour claims that were alleged or reasonably could have been alleged, based on the facts alleged in the Operative Complaint relating to wage and hour claims including but not limited to any and all claims involving any alleged unpaid overtime and/or minimum wage under Labor Code sections 510, 1194, 1197, 1197.1 and 1198, failure to provide meal and rest periods pursuant to Labor Code sections 204, 226.7, 510,512, and 1198, alleged unreimbursed business expenses under Labor code section 2802, alleged failure to provide and maintain accurate records violations under Labor Code sections 226(a)/(f)/(h),, alleged failure to pay wages during employment under Labor Code sections 204, 210, alleged failure to pay wages after under employment Labor Code sections 201-203, alleged violation of California Business & Professions Code section 17200 et seq. (Unfair Competition Law) arising from the labor code violations listed hereinabove from August 6, 2016 to September 23, 2022 ("Class Period"). This release will be as to the Released Parties, which shall include EdNet Career Institute (dba Hamilton Private Security), and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries and/or affiliates. The release shall be effective with respect to the Settlement Class Members who do not validly opt-out of the Class Settlement, who worked for Defendant during the Class Period. The release shall be effective upon final approval of the Class Settlement and funding in full of the Fund by Defendant. Except as set forth in Section 6.3 of this

Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. This release expressly excludes PAGA penalties, which are separately released hereinbelow.

10. <u>Aggrieved Employees' PAGA Release</u>. After the Court's judgment is final, and EDNET has paid the Gross Settlement and separately paid the employer-side payroll taxes, all Aggrieved Employees will be barred from asserting PAGA claims against EDNET, whether or not they exclude themselves from the Settlement. This means that all Aggrieved Employees, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against EDNET or its related entities based on the PAGA Period facts alleged in the Action and resolved by this Settlement.

The Aggrieved Employees' Releases for Participating and Non-Participating Class Members are as follows:

All Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties, from all PAGA claims alleged in the operative complaint and Plaintiff's PAGA notice to the LDWA which occurred during the PAGA period (December 19, 2018 to September 23, 2022).

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

- Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.
- Individual PAGA Payments. The Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500 by the total number of PAGA Pay Periods worked by all Aggrieved Employees and (b) multiplying the result by the number of PAGA Period Pay Periods worked by each individual Aggrieved Employee.
- 3. Workweek/Pay Period Challenges. The number of Class Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in EDNET's records, are stated in the first page of this Notice. You have 45 days after the Administrator mails the Class Notice to challenge the number of Workweeks and/or Pay Periods credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.
- 4. You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept EDNET's calculation of Workweeks and/or Pay Periods based on EDNET's records as accurate unless you send copies of records containing contrary information. You should send copies rather than

originals because the documents will not be returned to you. The Administrator will resolve Workweek and/or Pay Period challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and EDNET's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

- Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as Aggrieved Employees. The single check will combine the Individual Class Payment and the Individual PAGA Payment.
- Non-Participating Class Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee who opts out of the Class Settlement (i.e., every Non-Participating Class Member).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as <u>Michael Andrews v. Ednet Career Institute et al. Case No. 20STCV29673</u>, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. The Administrator must be sent your request to be excluded by <u>no later than 60 days after the Administrator mails the Class Notice</u>, or it will be invalid. Section 9 of the Notice has the Administrator's contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and EDNET are asking the Court to approve. At least 16 days before the _ Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as a Class Representative Service Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website www.ilymgroup.com/EdnetCareer.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class

Counsel or Plaintiff are too high or too low. The deadline for sending written objections to the Administrator is no later than 60 days after the Administrator's mailing of the Class Notice. Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action <u>Michael Andrews v. Ednet Career Institute et al.</u>

Case No. 20STCV29673 and include your name, current address, telephone number, and approximate dates of employment for EDNET and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on _______ at _______ at _______ in Department 14 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (https://www.lacourt.org/lacc/.) Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www.ilymgroup.com/EdnetCareer beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything EDNET and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to LYM's website a t www.ilymgroup.com/EdnetCareer. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. 20STCV39673. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

JCL LAW FIRM, APC Jean-Claude Lapuyade (State Bar #248676) Monnett De La Torre (State Bar #272884) 5440 Morehouse Drive, Suite 3600

San Diego, CA 92121 Telephone: (619) 599-8292 Facsimile: (619) 599-8291 jlapuyade@jcl-lawfirm.com mdelatorre@jcl-lawfirm.com

ZAKAY LAW GROUP, APLC

Shani O. Zakay (State Bar #277924) Jackland K. Hom (State Bar #327243) 5440 Morehouse Drive, Suite 3600 San Diego, CA 92121 Telephone: (619) 255-9047 Facsimile: (858) 404-9203

shani@zakaylaw.com jackland@zakaylaw.com

Defense Counsel:

OLSEN & BRUEGGEMANN, APC

David G. Jones 1600 Rosecrans Ave. Media Center, 4th Floor Manhattan Beach, CA 90266 Telephone: (310)321-7807 dgj@oblawapc.com

Settlement Administrator:

ILYM Group, Inc.
14751 Plaza Dr. Ste J
Tustin, CA 92780
T: 888.250.6810
F: 888.845.6185
www.ilymgroupclassaction.com
www.ilymgroup.com/EdnetCareer

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds

11. WHAT IF I CHANGE MY ADDRESS?

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

_

¹ This Model Class Action and PAGA Settlement Agreement has been approved by the Court, the Complex litigation judges, and a 2022 Ad Hoc Wage and Hour Committee co-chaired by Judge David Cumningham and Judge Amy Hogue and comprised of 16 attorneys who regularly represent plaintiffs and defendants in wage and hour case. It is written for settlements of single plaintiff wage and hour actions asserting class claims and PAGA claims against a single employer (EDNET). The parties will need to revise this form if there are multiple plaintiffs or multiple defendants. For settlements of wage and hour class actions that do not include PAGA claims, please use the Model Class Action Settlement Agreement and Class Notice. THE COURT ASKS ALL COUNSEL USING THIS MODEL AGREEMENT TO ATTACH A REDLINED VERSION TO THEIR MOTIONS FOR APPROVAL SO THAT THE COURT CAN EASILY SEE EXACTLY HOW THE PARTIES HAVE MODIFIED THIS MODEL AGREEMENT.