

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and between Plaintiff Adam Robinson, individually and as representative of the certified class (“Plaintiff”), the certified class (“Class”), and Defendant VR Ventures, LLC d/b/a Huntington Learning Center of Bellevue (“Defendant”) in the case entitled *Adam Robinson v. VR Ventures, LLC d/b/a Huntington Learning Center of Bellevue*, Case Number 21-2-04224-1 SEA (“Lawsuit” or “Action”) currently pending in King County Superior Court. Together, Plaintiff, the Class, and Defendant are referred to here as “the Parties.”

WHEREAS, this Lawsuit arises from allegations that Plaintiff and the Class were deprived of adequate meal and rest breaks and were not paid wages for all hours worked, including time spent working before and after scheduled tutoring sessions;

WHEREAS, Defendant denies the claims and contentions by Plaintiff and the Class and denies any wrongdoing or liability arising out of the Lawsuit;

WHEREAS, the Parties are represented by counsel, are familiar with the law and facts at issue in the Lawsuit, and have engaged in arms-length, good faith negotiations resulting in a settlement they believe to be fair, adequate, and reasonable;

WHEREAS, this Agreement memorializes the terms of settlement reached by the Parties at the conclusion of such negotiations;

NOW, THEREFORE, in consideration of the covenants and promises set forth below, the Parties agree as follows:

- 1) **Cooperation:** The Parties agree to cooperate with each other to accomplish the terms of this Agreement, including but not limited to, execution of the documents and filings necessary to do so.
- 2) **Court Approval:** The Parties understand that the terms of this Agreement are subject to approval by the King County Superior Court (the “Court”).
- 3) **Definitions:**
 - a) “Class Counsel” means the law firm of Schroeter Goldmark & Bender.
 - b) “Common Fund” means the sum of two hundred thousand dollars (\$200,000) covering all claims in this case, including claims for interest, penalties, exemplary damages, attorney’s fees and costs, settlement administration, and service awards for the Class Representative with the sole exception of the employer’s share of payroll taxes as described in paragraph 7 below.

- c) “Covered Period” means the period between March 31, 2018, through December 21, 2022.
 - d) “Complaint” means the First Amended Class Complaint filed by Plaintiff on April 6, 2021.
 - e) “Effective Date” means the date by which the Settlement is finally approved by the Court, meaning the later of: (i) thirty (30) days after entry of the Final Order dismissing the Lawsuit if no appeal of that Order is filed, or (ii) the date the Court’s Final Order becomes final and binding after final resolution of any appeals.
 - f) “Final Order” means the Court’s order approving the terms of the Parties’ settlement and dismissing the lawsuit with prejudice.
 - g) “Incentive Award” means the proposed payment specified in Section 5(b) below for Plaintiff Adam Robinson.
 - h) “Notice” means the document that will be sent to the Settlement Class following preliminary approval of the Parties’ settlement.
 - i) “Released Parties” means: Defendant VR Ventures, LLC d/b/a Huntington Learning Center of Bellevue, as well as its respective predecessors, successors, and assigns, parent companies, subsidiaries, related or affiliated companies, and each of their respective members, shareholders, owners, officers, directors, employees, agents, attorneys, and insurers, along with any other individual or entity who could be jointly or severally liable for any of the Released Claims.
 - j) “Settlement” means the compromise and settlement embodied in this Agreement.
 - k) “Class” means the class certified by the Court in the Action by Order dated April 29, 2022.
 - l) “Class Member” means any individual in the Class who did not timely request exclusion from the Class.
 - m) “TPA” or “Settlement Administrator” refers to third-party ILYM Group, Inc., who shall be responsible to establish a qualified settlement fund, issue Notice, make payments and distributions, and issue tax documents to Settlement Class Members. ILYM’s fees shall be paid out of the Common Fund.
- 4) **Qualified Settlement Fund.** Defendant agrees to deposit the Common Fund into a qualified settlement fund (the “QSF”) established by the Settlement Administrator in two installments as follows:

- a) Within forty-five (45) days of the Final Order, Defendant will deposit by wire or check a first installment of funds sufficient to cover: (i) the Individual Settlement Awards provided for under Section 5(c); and (ii) the Incentive Award provided for under Section 5(b) (the “First Installment”).
 - b) On or before December 15, 2023, Defendant will deposit by wire or check the remainder of the Common Fund, consisting of sufficient funds to cover the Attorneys’ Fees and Costs provided for under Section 5(a), which encompass the Settlement Administrator’s costs and fees (the “Second Installment”).
- 5) **Allocation of the Common Fund.** Subject to Court approval, the Common Fund shall be allocated as follows:
- a) Attorneys’ Fees and Costs. Class Counsel will apply for an award of up to twenty-five percent (25%) of the Common Fund as payment for attorneys’ fees, plus actual litigation costs and TPA fees and costs. Defendant will not oppose such request. The enforceability of this Agreement is not contingent on the amount of attorneys’ fees, litigation costs, or TPA fees and costs awarded. Any objection regarding the amount of fees or costs and/or any related appeal shall not affect the enforceability of this Agreement nor delay distribution of the Individual Settlement Payments or Incentive Award.
 - b) Incentive Award. Class Counsel will apply for an Incentive Award of two thousand, five hundred dollars (\$2,500) to Plaintiff Adam Robinson, separate and apart from any Individual Settlement Award owed to him. Defendant will not oppose such request. The enforceability of this Settlement Agreement is not contingent on the amount of any Incentive Award approved by the Court. Any objection regarding the amount of the Incentive Award and/or any related appeal shall not affect the enforceability of this Agreement nor delay distribution of the Individual Settlement Awards or Attorneys’ Fees and Costs.
 - c) Individual Settlement Awards. The remainder of the Common Fund, after deduction of any Court-approved Attorneys’ Fees and Costs and Incentive Award, shall be allocated to Individual Settlement Awards. Individual Settlement Awards will be made on a claims-paid basis, without the need for any claim forms. The amount of each Individual Settlement Award will be based on the individual’s *pro rata* share of wages (gross), exemplary damages, and interest as calculated by Plaintiff and his expert. Such calculations will be provided to the TPA within ten (10) days of the Final Order and shared with counsel for Defendant.
- 6) **Timing of Payments.** The Settlement Administrator will make two disbursements as follows:
- a) Within ten (10) days of receiving the First Installment, the Settlement Administrator will make the following payments from the QSF, in this order: (i) payment of the Individual Settlement Awards in checks made out to the Class Members; and (ii) payment of any

Court-approved Incentive Award in a check made out to “Adam Robinson” and delivered to Class Counsel. These payments shall be considered the “First Disbursement.”

- b) Within five (5) days of the Settlement Administrator receiving the Second Installment, the Settlement Administrator will make a second disbursement as follows: (i) payment of any Court-approved attorneys’ fees and litigation costs in one check made out to “Schroeter Goldmark & Bender”; and (ii) payment of TPA fees. These payments shall be considered the “Second Disbursement.”
- 7) **Tax Reporting.** The Settlement Administrator will be responsible for calculating the required taxes and withholdings on the Individual Settlement Awards. The Parties agree to cooperate fully with the Settlement Administrator as necessary to facilitate such calculations, payment, and documentation. Individual Settlement Awards will be subject to payroll taxes and withholdings required by law and allocated as follows: (i) fifty percent (50%) of each Individual Settlement Award will be treated as wages, subject to payroll taxes, and reported on a Form W-2; and (ii) fifty percent (50%) of each Individual Settlement Award will be treated as interest and penalties, not subject to payroll taxes, and reported on a Form 1099-INT. The TPA will also issue Plaintiff a Form 1099-MISC for any Court-approved Incentive Award and will issue Class Counsel a Form 1099 for Attorneys’ Fees and Costs. The employer’s share of taxes on the wage payments will not be drawn from the Common Fund and will instead be calculated by the Settlement Administrator and funded separately by Defendant. Defendant will pay the employers’ share of taxes no later than the latter of: (i) 15 days after the Effective Date; or (ii) within ten (10) business days of the TPA providing Defendant with the amount needed to satisfy the employers’ share of taxes. Plaintiff, Class Members, and Defendant are each responsible for their own tax obligations arising from the payments described in this Agreement.
- 8) **Preliminary Approval.** Within thirty (30) days of the execution of this Agreement, Class Counsel shall move the Court for entry of an order (“Preliminary Approval Order”) that: (i) preliminarily approves the Parties’ Settlement; (ii) certifies the Settlement Class for purposes of settlement only; (iii) sets a date for a final fairness hearing at least ninety (90) days from the date of the Preliminary Approval Order; (iv) approves the proposed Notice; and (v) appoints a TPA to issue the Notice and administer settlement. Class Counsel shall provide Defendant’s counsel with a draft of the motion at least five (5) calendar days before filing. The Parties will attempt in good faith to agree on the form of the proposed Notice in advance. If an impasse is reached, the Parties will request that the Court resolve such dispute at the time of preliminary approval.
- 9) **Notice to Settlement Class.** Within five (5) days of entry of the Court’s Preliminary Approval Order, Defendant will provide the TPA its most current mailing addresses, emails, phone numbers, and SSNs for each Class Member in Excel format. Within fifteen (15) days of receiving such information, the TPA will then mail the Notice to all Class Members via first class regular mail and email. If any Notice is returned as undeliverable within thirty (30) days of mailing, the Settlement Administrator will attempt one trace to locate a better address

and, if found, will make a second attempt at mailing the Notice. If the Notice is again returned as undeliverable, no further attempts at delivery will be necessary. The TPA will provide the Parties regular updates regarding the Notice process, including any undeliverable notices, and the receipt of any objections, exclusions, and/or challenges to the settlement or any of its terms.

a) **Objection.** Any Class Member may object to any term of this Agreement provided that such objection is made in writing, filed with the Court, and received by Class Counsel no later than thirty (30) days after the date the Notice is mailed. Failure to comply with this requirement will be deemed a waiver of the right to object or to be heard at a final hearing.

b) **Effect of Taking No Action.** The Parties intend that payment to Class Members occur on a claims-paid basis. Thus, except for individuals who sought a timely exclusion (opt-out) from the Class, all individuals in the Class will be deemed Class Members for all purposes under this Agreement without the need to take any action. Likewise, absent a timely objection to the settlement, Class Members are deemed to waive their right to object to the settlement's fairness, reasonableness, and adequacy and waive their right to seek any form of appellate review of the Court's order approving the Parties' Settlement.

10) **Uncashed Checks and Reminder Postcards.** The sum of any checks that are returned as undeliverable or are not cashed within one hundred twenty (120) days of the First and Second Disbursements (described above in Section (6)), shall revert to Defendant. The TPA shall send one reminder postcard to Settlement Class Members who have not cashed their checks within sixty (60) days following the First Disbursement. The TPA will notify Class Counsel no later than sixty (60) days before the check-cashing deadline of the identity of any Class Members whose checks were returned as undeliverable.

11) **Release by Plaintiff and Class Members.** In exchange for the terms and conditions outlined in this Agreement, Class Members, including Plaintiff, agree to release the Released Parties from any and all past claims, demands, obligations, actions, causes of action, rights, rights of appeal, damages, costs, losses, expenses and compensation of any nature whatsoever whether based in tort, contract, common law, or other theory of recovery, in equity or in law, that were made or could have been made arising out of or in any way related to the acts or omissions alleged by the Plaintiff in the Action during the Covered Period. This Release includes but is not limited to the release of the Defendant and the Released Parties from any claims, loss, or damage sustained by Plaintiff or the Class Members based on federal, state, or local laws pertaining to alleged off-the-clock work and any alleged missed and/or non-compliant rest breaks and/or meal periods, including any attendant claims for unpaid wages, overtime payments, premium payments, interest, exemplary damages, interest, fees, costs, attorneys' fees and all other claims and allegations made or arising from the facts and circumstances alleged in the Action, or any assertion of rights relating to any of the foregoing

that arose during the Covered Period. This provision expressly excludes any claims that may not be released by law or claims that accrue after the Covered Period.

- 12) **Final Approval and Dismissal.** On the date established by the Preliminary Approval Order, Class Counsel shall file a motion and proposed Final Order that seeks: (i) final approval of the Settlement, including an order that directs the funding and disbursement of the Individual Settlement Awards, Attorneys' Fees and Costs (including TPA fees and costs), and Incentive Award and (ii) dismissal of the Lawsuit with prejudice. Class Counsel shall provide Defendant with a draft of the motion and proposed Final Order at least five (5) calendar days before filing.
- 13) **Appellate Review.** Except to the extent a member of the Settlement Class presents a timely objection to the terms of this Agreement, Class Members waive their right to seek any form of appellate review over any order issued consistent with the terms of this Settlement Agreement.
- 14) **Voiding the Settlement Agreement.** In the event the Court fails to finally approve the fairness of the Settlement or scope of the Release, this Agreement shall be rendered void and unenforceable as to all Parties. If the Settlement becomes void, this Agreement shall have no force or effect; all negotiations, statements, and proceedings related to it shall be without prejudice to the rights of any party, all of whom shall be restored to their respective positions in the Lawsuit prior to the Settlement; and neither this Settlement Agreement nor any ancillary documents, actions, or filings shall be admissible or offered into evidence in the Lawsuit.
- 15) **No Admission of Liability.** Defendant does not admit any liability or wrongdoing of any kind associated with the claims asserted in the Lawsuit.
- 16) **Authority.** Each signatory to this Agreement states that they have the authority to sign on behalf of the person or entity for which they are signing.
- 17) **Dispute Resolution.** Any dispute over any term of this Agreement, or enforcement of this Agreement, shall be brought to mediator Cliff Freed. Failing resolution at mediation, and pursuant to CR 23, the Parties agree that the Court shall have continuing jurisdiction to consider and resolve disputes that may arise. The Parties agree that the prevailing party in such action shall be entitled to reasonable attorneys' fees and costs. The laws of the State of Washington govern this Agreement.
- 18) **Modification.** This Agreement may not be changed, altered, or modified, except in writing and signed by the Parties, and, if changed after preliminary court approval, approved by the Court.

19) **Integration Clause.** This Agreement constitutes the entire understanding between the Parties relating to the settlement contemplated.

20) **No Prior Assignments.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, trustees, executors, administrators, and successors. The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth in the Agreement.

21) **Counterparts.** This Agreement may be executed in counterparts, and, when taken together with other signed counterparts, shall constitute one Agreement, which shall be binding on and effective as to all Parties. Scanned or electronic signatures shall have the same force and affect as an original ink signature.

22) **Severability.** If any term, clause, or provision of this Agreement, with the exception of Section 11, is held invalid by a court of competent jurisdiction, such invalidity will not affect the validity or operation of any other term, clause, or provision and will be deemed to be severed from the Agreement or amended so as to comply with Washington law.

The undersigned have duly executed this Settlement Agreement as of the date indicated below:

Individually:

Date: 02/15/23


Plaintiff, Adam Robinson

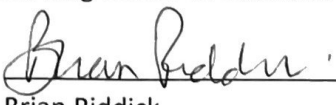
For Class Counsel:

Date: 2/16/2023


Adam Berger
Carson Phillips-Spotts
SCHROETER GOLDMARK & BENDER

For Defendant VR Ventures, LLC d/b/a Huntington Learning Center of Bellevue:

Date: 02/10/2023


Brian Riddick
VR Ventures, LLC d/b/a Huntington Learning
Center of Bellevue Representative

For Defendant's Counsel:

Date: February 21, 2023



Karin D. Jones
Christopher Wall
Mark Morgan
STOEL RIVES, LLP