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Yosef Peretz (SBN 209288)
Shane Howarter (SBN 311970)
PERETZ & ASSOCIATES
22 Battery Street, Suite 200
San Francisco, CA 94111
Tel: 415.732.3777
Fax: 415.732.3791
yperetz@peretzlaw.com
showarter@peretzlaw.com

Martin M. Horowitz (SBN 79073)
Stephanie Rubinoff (SBN 98229)
HOROWITZ & RUBINOFF
1440 Broadway, Suite 607
Oakland, CA 94612
Tel: 510.444.7717
mhorowitz@h-rlegal.com
srubinoff@h-rlegal.com

Attorneys for Named Plaintiffs IRENE CLINE, LYNN CHO,
DESIREE PACHECO, and ITZEL MARLENE DIAZ

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA COUNTY**

IRENE CLINE, LYNN CHO, DESIREE
PACHECO, and ITZEL MARLENE DIAZ,
individually, on behalf of all other similarly
situated persons, on behalf of the
CALIFORNIA LABOR AND
WORKFORCE DEVELOPMENT
AGENCY, and on behalf of the STATE OF
CALIFORNIA,

Plaintiffs,

v.

SI SE PUEDE BEHAVIORAL, INC. a.k.a.
SOCIALLY SIGNIFICANT
PROGRAMMING FOR BEHAVIORS,
INC., a California corporation; FELICIA
LOPEZ, an individual; and DOES 1-20,

Defendants.

ENDORSED
FILED
ALAMEDA COUNTY
SEP 13 2021
CLERK OF THE SUPERIOR COURT
By K. Ghee Deputy

Case No. RG18911378

**SECOND SUPPLEMENTAL
DECLARATION OF YOSEF PERETZ
IN SUPPORT OF PLAINTIFFS' MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

ASSIGNED FOR ALL PURPOSES TO
JUDGE Evelio Grillo
DEPARTMENT 21

Date: September 17, 2021
Time: 10:00 a.m.
Original Reservation No.: R-2276695

Complaint Filed: July 2, 2018
Trial Date: None set

FAX FILE

1 I, Yosef Peretz, declare as follows:

2 1. I am an attorney duly licensed to practice before the Courts of the State of California.

3 2. I am the principal at Peretz & Associates and attorney of record for Plaintiffs IRENE
4 CLINE (“Cline”), LYNN CHO (“Cho”), DESIREE PACHECO (“Pacheco”), and ITZEL
5 MARLENE DIAZ (“Diaz”) (collectively, “Plaintiffs”) in this case. I have personal knowledge
6 of the matters set forth herein and if called upon to testify, I could and would do so competently.

7 3. This second supplemental declaration is submitted in support of Plaintiffs’ Motion for
8 Preliminary Approval of Class Action Settlement.

9 4. Plaintiffs submit this second supplemental declaration in support of the amended class
10 action settlement agreement submitted herewith, which includes the changes set forth in the
11 Court’s tentative ruling on preliminary approval dated August 11, 2021.

12 5. A true and correct copy of the amended and fully executed settlement is attached hereto
13 as **Exhibit 1**. To aid the Court’s review, a true and correct version which tracks the changes
14 from the previous version of the proposed settlement is attached hereto as **Exhibit 2**.

15 6. Pursuant to the Court’s tentative, the amended agreement clarifies that the PAGA waiver
16 of claims shall release all PAGA claims asserted by Named Plaintiffs on behalf of the LWDA,
17 not on behalf of class members.

18 7. The amended agreement also clarifies that the Civil Code § 1542 release applies solely
19 to the Named Plaintiffs and does not extend to absent class members.

20 8. Finally, the parties have designated Legal Aid at Work (“LAAW”) as the *cy-pres*
21 beneficiary, pursuant to Code of Civil Procedure (“CCP”) § 384. LAAW is a proper recipient of
22 *cy pres* funds in California class actions. The rules for *cy pres* funds in California are governed
23 by CCP § 384. Under this code, any nonprofit organization that provides “civil legal services to
24 the indigent” is a proper recipient of *cy pres* funds. LAAW is such a nonprofit organization.

25 9. Pursuant to CCP § 383.4, I declare that to the best of my knowledge neither the Named
26 Plaintiffs nor myself or anyone connected with my firm has any relationship with the proposed
27 beneficiary, LAAW, that could reasonably create the appearance of impropriety as between the
28 selection of the recipient of the money or thing of value and the interests of the class.

10. Plaintiffs complied with Labor Code § 2699(1)(2) by submitting the amended proposed
PAGA settlement to the LWDA via the agency’s website on September 13, 2021. A true and
correct copy of the printout showing that submission is attached hereto as **Exhibit 3**.

1 I declare under penalty of the laws of the state of California that the foregoing is true
2 and correct and that this declaration was executed on this day on 13 September 2021, in San
3 Francisco, California.



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5 _____
Yosef Peretz

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EXHIBIT 1

1 YOSEF PERETZ (SBN 209288)
yperetz@peretzlaw.com
2 SHANE HOWARTER (SBN 311970)
showarter@peretzlaw.com
3 PERETZ & ASSOCIATES
22 Battery Street, Suite 200
4 San Francisco, California 94111-3712
Telephone: (415) 732-3777
5 Facsimile: (415) 732-3791

6 Attorneys for Plaintiffs

7 JOHN F. McINTYRE, JR. (SBN 172128)
jmcintyre@sheamcintye.com
8 KEVIN R. ELLIOTT (SBN 276295)
kelliott@sheamcintye.com
9 SHEA & MCINTYRE, A P.C.
2166 The Alameda
10 San Jose, CA 95126
(408) 298-6611

11 Attorneys for Defendants

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA
14 IN AND FOR ALAMEDA COUNTY

15 IRENE CLINE, LYNN CHO, DESIREE
PACHECO, and ITZEL MARLENE DIAZ;
16 individually, and on behalf of all other
similarly situated persons, on behalf of the
17 CALIFORNIA LABOR AND
WORKFORCE DEVELOPMENT
18 AGENCY, and on behalf of the STATE OF
CALIFORNIA,

19 Plaintiffs,

20 v.

21 SI SE PUEDE BEHAVIORAL, INC. a.k.a.
22 SOCIALLY SIGNIFICANT
PROGRAMMING FOR BEHAVIORS,
23 INC., a California corporation; FELICIA
LOPEZ, an individual; and DOES 1-20,

24 Defendants.
25

Case No.: RG18911378

**JOINT STIPULATION OF AMENDED
CLASS ACTION AND PAGA
SETTLEMENT**

1 This Joint Stipulation of Amended Class Action and PAGA Settlement is entered into by
2 Plaintiffs IRENE CLINE (“Cline”), LYNN CHO (“Cho”), DESIREE PACHECO (“Pacheco”),
3 and ITZEL MARLENE DIAZ (“Diaz”) (herein collectively “Plaintiffs”), on behalf of the
4 CALIFORNIA LABOR WORKFORCE DEVELOPMENT AGENCY (“LWDA”), and on behalf
5 of THE STATE OF CALIFORNIA on the one hand, and Defendant FELICIA LOPEZ (hereinafter
6 “Lopez”) on the other hand.

7 WHEREAS, Lopez is the former owner and Executive Director of Defendant SI SE
8 PUEDE BEHAVIORAL, INC. a.k.a. SOCIALLY SIGNIFICANT PROGRAMMING FOR
9 BEHAVIORS, INC., (“SSPBI”) (Lopez and SSPBI are referred to herein collectively as
10 “Defendants”);

11 WHEREAS, Plaintiffs allege that they are former employees of Defendants, and worked
12 as hourly, non-exempt tutors while employed by Defendants;

13 WHEREAS, on or about July 2, 2018, Plaintiffs filed a complaint in an action filed with
14 the California Superior Court, in and for the County of Alameda, entitled *Irene Cine, Lynn Cho,*
15 *Desiree Pacheco, and Itzel Marlene Diaz, individually, and on behalf of all other similarly situated*
16 *persons, on behalf of the California Labor and Workforce Development Agency, and on behalf of*
17 *the State of California v. Si Se Puede Behavioral, Inc. a.k.a. Socially Significant Programming for*
18 *Behaviors, Inc., a California corporation; Felicia Lopez, an individual* Case No. RG18911378,
19 which shall be hereinafter collectively referred to as the “Action”.

20 WHEREAS, on October 13, 2020, SSPBI filed for relief under Chapter 7 of the United
21 States Bankruptcy Code as Case #20-41647-CN in the United States Bankruptcy Court for the
22 Northern District of California, Oakland Division (the “Bankruptcy Case”). Paul Mansdorf was
23 appointed as the chapter 7 trustee in the Bankruptcy Case (the “Trustee”). . On January 14, 2021,
24 Plaintiffs Lynn Cho, Irene Cline, Desiree Pacheco and Itzel Diaz each filed individual proofs of
25 claim (Proof of Claim Nos. 4-7 respectively) in the Bankruptcy Case and on January 15, 2021,
26 Lynn Cho also filed a proof of claim (Proof of Claim No. 8) on behalf of the putative class;

27 WHEREAS, Plaintiffs subsequently reached a stipulation with the Trustee in the
28 Bankruptcy Case to receive a distribution on behalf of the putative class under Proof of Claim

1 No. 8 based on an aggregate liquidated claim amount of \$275,000. The individual claims of the
2 Plaintiffs, Proofs of Claim No. 4-7, were also subordinated to the payment of all other allowed
3 creditor claims as part of that stipulation. The Trustee has now filed a proposed Final Report in
4 the Bankruptcy Case in which the total amount to be disbursed to the putative class under Proof of
5 Claim No. 8 is proposed to be \$140,250.21, said amount being the balance available after payment
6 of all other allowed creditor claims and expenses of administration according to the priorities set
7 forth in Title 11, United States Code, with no amounts to be distributed to Proofs of Claim 4-7
8 consistent with the approved stipulation in the Bankruptcy Case.

9 WHEREAS, on February 12, 2021, United States Bankruptcy Judge Charles Novack of
10 the Northern District of California approved the stipulation between the Trustee, the individual
11 Plaintiffs and the putative class in satisfaction of Plaintiffs' claims with SSPBI in this case;

12 WHEREAS, on May 12, 2021, Plaintiffs reached a tentative settlement on behalf of
13 themselves and the putative class with Lopez to fully resolve all remaining claims in this case in
14 exchange for payment by Lopez in the amount of \$30,000;

15 WHEREAS, to avoid the inherent risk and costs of litigation, the Parties want to completely
16 settle all claims that were or could have been brought in the Complaints and in the Action;

17 NOW THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE to settle all
18 such claims as follows:

19 **I. DEFINITIONS**

20 The terms defined above shall have the meanings therein given, for all purposes in this
21 Joint Stipulation of Class and PAGA settlement, including in any exhibits hereto. The following
22 defined terms used in this Joint Statement of Class and PAGA Settlement and any exhibits hereto
23 will have the meanings given them below.

24 1. Agreement. "Agreement", "Settlement", "Settlement Agreement" and "Joint
25 Stipulation" mean this Joint Stipulation of Class and PAGA Settlement.

26 2. Class. "Class", "Class Members", "Settlement Class", or "Settlement Class
27 Members" shall mean all persons employed by any of the Defendants or Released Parties in a
28 Class Position, at any time during the Class Period.

1 3. Class Administrator. “Class Administrator” means Simpluris, Inc., a third-party
2 professional class action claims administrator, jointly selected by the Parties and/or appointed by
3 the Court to perform the Class Administration Duties.

4 4. Class Administrator Declaration. “Class Administrator Declaration” shall mean a
5 declaration attesting, in detail, to the steps taken through the date of such declaration in performing
6 the Class Administration Duties, that the procedures contemplated in Sections II.5 through II.7
7 below are complete, and that the Class Administrator has all information needed to perform any
8 remaining Class Administration Duties, including calculation of the amounts of the respective
9 Eligible Class Member Shares.

10 5. Class Administration Costs. “Class Administration Costs” shall mean the fees and
11 expenses reasonably and necessarily incurred by the Class Administrator as a result of performing
12 the Class Administration Duties. Class Administration Costs shall be paid from the Global
13 Settlement Amount. Based on an estimate provided by the Class Administrator based on presently
14 and reasonably available information, the Parties stipulate that Class Administration Costs shall
15 be up to \$5,000. Should any actual Class Administration Costs turn out to be less than the projected
16 amount, the Parties agree that the savings will be allocated to the Net Settlement Amount, to be
17 distributed to Eligible Class Members in proportion to their respective numbers of Eligible Class
18 Member Workweeks. Should any actual reasonable and necessary Class Administration Costs be
19 more than the above estimate amount, the Parties stipulate that the Class Administrator should be
20 paid such amounts, the Parties will apply to the Court for an adjustment, with any additional Class
21 Administration Costs to be paid from the Global Settlement Amount, accompanied by a
22 corresponding reduction in another or other elements of the Global Settlement Amount, to be
23 approved by the Court as part of Final Approval.

24 6. Class Administration Duties. “Class Administration Duties” shall mean the duties
25 of the Class Administrator as set forth in this Agreement and as may be ordered by the Court.

26 7. Class Certification. “Class Certification” shall mean certification of the Class
27 pursuant to Cal. Code. Civ. Proc. § 382 and other applicable law, for purposes of this Settlement
28 only, without prejudice to Lopez’s ability to oppose or otherwise challenge such certification,

1 except that Lopez shall not so oppose or otherwise challenge such certification for purposes of
2 performing Lopez's duties under this Settlement, which include to make all reasonable efforts to
3 give such Settlement full force and effect.

4 8. Class Counsel. "Class Counsel" refers collectively to: Yosef Peretz (State Bar No.
5 209288) and Shane Howarter (State Bar No. 311970) of Peretz & Associates, 22 Battery St., Suite
6 200, San Francisco, California 94111, and Martin Horowitz (State Bar No. 79073) of Horowitz &
7 Rubinoff, 180 Grand Ave., Suite 1380, Oakland, CA 94612.

8 9. Class Counsel Fees and Costs. "Class Counsel Fees and Costs" shall mean an
9 amount of thirty-eight percent (38%) of the Global Settlement Amount subject to Court approval,
10 in addition to actual costs and expenses incurred by Class Counsel related to the Action as
11 supported by declaration. This total amount is inclusive of attorneys' fees and estimated litigation
12 costs. Class Counsel Fees and Costs shall be paid to Class Counsel from the Qualified Settlement
13 Fund by the Class Administrator. Such payment of Class Counsel Fees and Costs shall be deemed
14 to be full satisfaction of any obligations by Lopez to pay any attorneys' fees, attorney costs and/or
15 other fees or costs to Plaintiffs, Class Members, and/or Class Counsel in relation to the Action.
16 Any future adjustments to the amount of the Class Counsel Fees and Costs, including by the Court,
17 shall not constitute a basis for this Settlement being void or Void *Ab Initio*, unless such adjustment
18 shall have the effect of increasing the Global Settlement Amount, whereupon this Settlement will
19 be voidable by Lopez as provided in this Agreement.

20 10. Class Notice. "Class Notice" shall mean a notice to Class Members pursuant to
21 Rule 3.769(f) of the California Rules of Court, substantially in the form indicated in Exhibit "A"
22 hereto, and distributed by the Class Administrator in accordance with Section II.6 below.

23 11. Class Member Objection. "Class Member Objection" shall mean a Class
24 Member's objection made pursuant to the provisions of Section II.7 below.

25 12. Class Member Objector. "Class Member Objector" shall mean a Class Member
26 who submits a Class Member Objection. A Class Member Objector shall not be considered an
27 Opt-Out unless he or she submits a valid Opt-Out Request.

28 13. Class Member Work Week. "Class Member Work Week" shall mean a Work Week

1 in which a Class Member was employed by and performed work for Defendants in California in a
2 Class Position during the Class Period. The Class Administrator shall thus calculate the total
3 number of Class Member Work Weeks accordingly.

4 14. Class Period. “Class Period” shall refer to the time period from July 2, 2014 through
5 the Date of Preliminary Approval.

6 15. Class Position. “Class Position” shall mean all persons who worked for Defendants
7 as hourly, non-exempt tutors, or other similar positions, classified as an hourly non-exempt
8 employee in the State of California during the Class Period.

9 16. Complaints. “Complaints” shall mean Plaintiffs’ Complaint, and the PAGA Claim,
10 and the PAGA Notice collectively, and shall collectively be incorporated herein by reference as
11 though fully set forth.

12 17. Court. “Court” refers to the above-referenced Court, or any such further courts,
13 arbitrators, or other judicial bodies that may in the future obtain valid jurisdiction over the Action.

14 18. Date of Preliminary Approval. The “Date of Preliminary Approval” means the day
15 on which the Court signs and enters its order granting Preliminary Approval.

16 19. Defendants’ Counsel. “Defendants’ Counsel,” “Defense Counsel” or “Counsel for
17 Defendant” shall mean Lopez’ counsel, Shea & McIntyre, A P.C., 2166 The Alameda, San Jose,
18 California 95126, and the attorneys in such firm including John F. McIntyre, Jr. (State Bar No.
19 172128), and Kevin R. Elliott (State Bar No. 276295).

20 20. Effective Date. “Effective Date” shall mean the date on which all of the following
21 have occurred:

22 (a) Full execution of this Agreement by all parties, and expiration of any
23 applicable revocable periods related to such signature;

24 (b) All provisions of Rule 3.769 of the California Rules of Court have been
25 complied with;

26 (c) Entry by the Court of Preliminary Approval;

27 (d) Receipt by Lopez of written notice of such entry of Preliminary Approval
28 pursuant to the California Code of Civil Procedure and the California Rules of Court, or Lopez’s

1 express waiver of such notice;

2 (e) Completion of all those Class Administration Procedures which this
3 Settlement dictates will take place in advance of the Final Approval Hearing;

4 (f) The Court setting and conducting a Final Approval Hearing pursuant to
5 Rule 3.769(g) of the California Rules of Court;

6 (g) Entry by the Court of an order of Final Approval of the Settlement and a
7 Judgement;

8 (h) Receipt by Lopez of written notice of such entry of Final Approval and
9 Judgement, or Lopez's express waiver of such notice; and

10 (i) Final Approval has become Final. For purposes of this provision, "Final"
11 means:

12 (1) if no Class Member Objections are made and/or are made and
13 withdrawn, the date the Court enters its order granting Final Approval of the settlement and
14 Judgment pursuant to Rule 3.769(h) of the California Rules of Court;

15 (2) if any Class Member Objections are made and not withdrawn, and
16 if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of
17 Judgment;

18 (3) if rehearing, reconsideration, and/or appellate review of the
19 Judgment is sought, the day after any and all avenues of rehearing, reconsideration, and appellate
20 review have been exhausted and no further rehearing, reconsideration, or appellate review is
21 permitted, and the time for seeking such review has expired, and the Judgment has not been
22 modified, amended, or reversed in any way; or

23 (4) if a Class Member Objector appeals from any ruling by the Court
24 overruling such objection in whole or in part, the date when the Court's order of Final Approval
25 and Judgment have been affirmed on appeal.

26 21. Eligible Class Member. "Eligible Class Member" means a Class Member who is
27 not an Opt-Out.

28 22. Eligible Class Member Share. "Eligible Class Member Share" shall mean the

1 portion of the Net Settlement Amount that will be allocated to each Eligible Class Member,
2 according to the following method: first, dividing the Net Settlement Amount by the total number
3 of Eligible Work Weeks to arrive at the Eligible Work Week Rate, and then second, by multiplying
4 the resulting Eligible Work Week Rate by the total number of Eligible Work Weeks for each
5 respective Eligible Class Member. Payment of Eligible Class Member Shares shall be subject to
6 legally required withholdings, deductions, and contributions. Any unclaimed funds from the Net
7 Settlement Amount will be sent in a second round of checks to all Eligible Class Members who
8 cashed their initial check. The second round of payment will take the total unclaimed funds and
9 pro-rate the amount to each Eligible Class Member who cashed their initial check by number of
10 Eligible Work Weeks, in the same method as the first round so long as the check is no less than
11 \$25. Any unclaimed funds after the second round of payments shall be paid to Legal Aid at Work
12 (“LAAW”) as a mutually agreed upon residual beneficiary and *cy-pres* award pursuant to Cal.
13 Code. Civ. Proc. § 384. LAAW is a nonprofit legal services organization based in San Francisco
14 that is dedicated to enforcing and strengthening workers’ rights. The unclaimed funds shall not
15 revert back to Lopez. As to the Plaintiffs, the amount of their Eligible Class Member Shares is in
16 addition to any Court-approved Named Plaintiffs Enhancements.

17 23. Eligible Class Member Work Week. “Eligible Class Member Work Week” shall
18 mean a Class Member Work Week during which an Eligible Class Member worked in a Class
19 Position.

20 24. Eligible Class Member Work Week Rate. “Eligible Class Member Work Week
21 Rate” shall mean the amount calculated by the Class Administrator as due to each Eligible Class
22 Member for each Eligible Class Member Work Week.

23 25. Final Approval. “Final Approval” shall mean an order of the Court finally
24 approving this Settlement pursuant to Rule 3.769 of the California Rules of Court and granting
25 Class Certification.

26 26. Final Approval Hearing. “Final Approval Hearing” shall mean the hearing on a
27 motion for Final Approval, scheduled and conducted pursuant to Rule 3.769 of the California
28 Rules of Court.

1 27. Global Settlement Amount. “Global Settlement Amount” means the total combined
2 sum of the Lopez Settlement Amount and the SSPBI Settlement Amount, which will be
3 approximately \$170,000.

4 28. Judgment. “Judgment” means a Judgment of the Court in accordance with Rule
5 3.769(h) of the California Rules of Court.

6 29. Lopez Settlement Amount. “Lopez Settlement Amount” means the total amount of
7 Thirty Thousand United States Dollars and Zero Cents (\$30,000.00) sum Lopez shall pay as a
8 consequence of this Settlement. The Lopez Settlement Amount is the maximum amount that shall
9 be paid by Lopez. Lopez is not obligated and shall not pay any taxes or fees to any government
10 agencies and/or tax authorities in relation to any payments pursuant to this Agreement. Employer’s
11 taxes shall be paid solely from the SSPBI Settlement Amount.

12 30. LWDA. The “LWDA” shall mean the California Labor and Workforce
13 Development Agency.

14 31. LWDA Fund. “LWDA Fund” shall mean an amount payable to the LWDA, which
15 shall be Three Thousand United States Dollars (\$3,000). This amount shall be deemed to be
16 seventy-five percent (75%) of an overall amount of Two Thousand Two Hundred Fifty United
17 States Dollars (\$2,250.00) of the Global Settlement Amount which shall be allocated to PAGA
18 penalties. The remaining amount of such allocation, Seven Hundred Fifty United States Dollars
19 (\$750) shall be deemed part of the Net Settlement Amount and shall be accordingly distributed to
20 each Class Member, regardless of whether they opt-out of being an Eligible Class Member, as
21 consideration for release of the PAGA claims, proportionate to their number of Eligible Class
22 Member Workweeks. Payment to Class Members from the LWDA Fund shall be made through
23 the same method described in Paragraph 21.

24 32. LWDA Fund Remainder. “LWDA Fund Remainder” shall mean the amount of
25 Two Hundred Fifty United States Dollars (\$250) referenced in Section I.29 above.

26 33. Named Plaintiffs Enhancement. “Named Plaintiffs Enhancement” shall mean the
27 amount approved by the Court to be paid to Plaintiffs Irene Cline, Lynn Cho, Desiree Pacheco,
28 and Itzel Marlene Diaz, in addition to their individual Eligible Class Member Shares, in

1 consideration for their effort in coming forth as a class and PAGA representative, and in
2 consideration for their General Release, as defined herein. The Parties agree that such amounts
3 shall be Four Thousand United States Dollars (\$4,000) each, subject to the Court's approval.

4 34. Net Settlement Amount. "Net Settlement Amount" shall mean the Global
5 Settlement Amount minus (a) Class Administration Costs, (b) Class Counsel Fees and Costs; (c)
6 the LWDA Fund, and (d) the Named Plaintiff Enhancement.

7 35. Notice Packet: "Notice Packet" shall mean a packet mailed by the Class
8 Administrator pursuant to Section II.6 below, containing the Class Notice, and any other
9 accompanying documents required by this Settlement and/or Preliminary Approval.

10 36. Opt-Out(s). "Opt-Out(s)" refers to Class Members who have submitted an Opt-Out
11 Request.

12 37. Opt-Out Request. "Opt-Out Request" means a timely and valid written request for
13 exclusion from the Settlement by a Class Member, pursuant to the provisions of Section II.7 below.

14 38. PAGA. "PAGA" means the California Labor Code Private Attorneys General Act
15 of 2004, Cal. Lab. Code §§ 2698, *et seq.*

16 39. Party. "Party" shall mean, individually, one of the Parties, and each of them.

17 40. Parties. "Parties" shall mean Plaintiffs, Class Members and Lopez collectively.

18 41. Preliminary Approval. "Preliminary Approval" shall mean an order of the Court
19 preliminarily approving this Settlement pursuant to Rule 3.769 of the California Rules of Court,
20 granting conditional Class Certification for purposes of the Class Administration Procedures,
21 certifying Class Counsel, approving the form of Class Notice, establishing Class Administration
22 Procedures, and scheduling a Final Approval Hearing.

23 42. QSF / Qualified Settlement Fund. "QSF" or "Qualified Settlement Fund" shall
24 mean the Qualified Settlement Fund established by the Class Administrator for the payment of the
25 Settlement Payment Amount.

26 43. Released Claims. The term "Released Claims", as applied to releases by Eligible
27 Class Members, shall mean "any and all facts and claims asserted in the Action or any other
28 claims, demands, obligations, actions, causes of action, liabilities, debts, promises,

1 agreements, attorneys' fees, losses or expense, known or unknown, suspected or unsuspected,
2 filed or unfiled, that they may have or had had arising out of any known or unknown fact,
3 condition or incident occurring prior to the end of the Class Period that could have been
4 asserted based on the facts alleged in the Action, including but not limited to any and all
5 claims for failure to pay all wages earned for hours worked in violation of California Labor
6 Code §§ 204, 218.5 and 218.6 and IWC wage orders, for failure to pay all necessary
7 expenditures in violation of California Labor Code § 2802, for failure to provide meal periods
8 in violation of California Labor Code §§ 226.7, 512, and 1198, and IWC wage orders, for
9 failure to provide rest periods in violation of California Labor Code §§ 226.7, 1198, and IWC
10 wage orders, for failure to pay overtime wages in violation of §§ 510, 1194, 1198, and IWC
11 wage orders, for penalties for failure to pay earned wages upon discharge pursuant to
12 California Labor Code § 203, for penalties for failure to provide itemized wage statements
13 pursuant to California Labor Code §§ 226, 1198, and IWC wage orders, for penalties for
14 California Labor Code violations pursuant to PAGA on behalf of the LWDA, and for
15 unlawful, unfair, and fraudulent business practices in violation of California Business &
16 Professions Code §§ 17200, *et seq.* Regardless of whether Class Members opt-out of the Class
17 Settlement, this Settlement shall release all PAGA claims asserted by Named Plaintiffs on behalf
18 of the LWDA.

19 The term "Released Claims" or "General Release," as applied to the Named Plaintiffs, shall
20 refer to the Named Plaintiffs' additional general release of all claims, known or unknown as
21 follows: Named Plaintiffs release Lopez, the Released Parties, and each of their respective
22 subsidiaries, affiliates, predecessors or successors in interest, officers, directors, owners,
23 managers, shareholders, employees, attorneys, agents, assigns, insurers, and re-insurers of any of
24 them, from all claims, demands, rights, liabilities and causes of action of every nature and
25 description whatsoever, known or unknown, asserted or that might have been asserted, whether in
26 tort, contract, or for violation of any state or federal statute, rule or regulation arising out of,
27 relating to, or in connection with any act or omission by or on the part of Lopez.

28 With respect to the General Release, Named Plaintiffs stipulate and agree that, upon the

1 Effective Date, Named Plaintiffs shall be deemed to have expressly waived and relinquished, to
2 the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the
3 California Civil Code, or any other similar provision under federal or state law, which provides:

4 Section 1542. [Certain Claims Not Affected By General Release.]
5 A general release does not extend to claims that the creditor or
6 releasing party does not know or suspect to exist in his or her favor
7 at the time of executing the release and that, if known by him or her
8 would have materially affected his or her settlement with the debtor
9 or released party.

10 Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be
11 other than or different from the facts now believed to be true, the release of claims contained herein
12 shall be effective as to all unknown claims. Notwithstanding the foregoing provisions, the
13 General Release by Named Plaintiffs does not constitute a waiver of any claims that cannot by law
14 be waived, including claims for workers' compensation, disability insurance, or unemployment
15 insurance. The Section 1542 release applies only to Named Plaintiffs and does not extend to absent
16 class members.

17 44. Released Parties. The term "Released Parties", shall mean Defendant Felicia Lopez
18 and her predecessors, successors, and assigns, current and former agents, heirs, executors,
19 administrators, principals, officers, directors, shareholders, employees, founders, members,
20 assigns, insurers, attorneys, and all other claiming through and by any of them.

21 45. Settlement Payment Amount. "Settlement Payment Amount" means the Global
22 Settlement Amount, consisting of several elements including, without limitation: Eligible Class
23 Member Shares, Class Administration Costs, the Named Plaintiff Enhancements, the LWDA
24 Fund, Class Counsel Fees and Costs, the Net Settlement Amount, and Eligible Class Members'
25 portion of withholdings, contributions, deductions, taxes, fees and any other amounts due to
26 government agencies and/or tax authorities in relation to any payments pursuant to this Agreement.

27 46. SSPBI Settlement Amount. "SSPBI Settlement Amount" means the amount paid
28 out to Plaintiffs and the putative class as the result of SSPBI's bankruptcy and the stipulation
29 reached between Class Counsel and the trustee for SSPBI's bankruptcy action which shall include
30 all employer's taxes, contributions, fees and any other amounts due to government agencies and/or

1 tax authorities in relation to any payments pursuant to this Agreement. The amount received as a
2 distribution from SSPBI's estate is yet to be finally determined but is estimated to be between
3 \$135,000 and \$145,000.

4 47. Void Ab Initio. "Void Ab Initio" shall mean a circumstance in which this
5 Agreement is null and void and the Parties shall be returned to conditions such that the Agreement
6 had never been entered into. Such circumstance will be deemed to exist only if any of the following
7 having occurred: (a) the Court has so ordered; (b) any of the Parties has materially breached this
8 Agreement and either such breach cannot be cured, or after reasonable notice to the breaching
9 Party and a reasonable opportunity to cure such breach to the satisfaction of the non-breaching
10 Parties, the breaching Party has failed to do so, unless (i) the non-breaching Parties have stipulated
11 in writing that such breach is non-material; or (ii) the Court has ruled that such un-cured or un-
12 curable breach is non-material; (c) conditions have become such (including, for example, that the
13 Court has refused to approve the Settlement) that the Effective Date has not occurred and cannot
14 occur in the future; (d) if more than ten percent (10%) of the putative Class Members opt out;
15 and/or (d) as otherwise specifically provided for in this Agreement.

16 48. Work Week. "Work Week" shall mean a continuous period of seven (7) calendar
17 days, commencing with Sunday at 12:00 a.m., wherein any such calendar days in such period, are
18 also within the Class Period.

19 **II. TERMS AND CONDITIONS OF SETTLEMENT**

20 In addition to the definitional elements set forth above, the terms and conditions of the
21 class settlement shall be as follows:

22 1. Contentions and Defenses: Compromise. The Parties have determined that this
23 Settlement represents a fair and reasonable compromise of disputed claims for wages and other
24 monetary and non-monetary relief, following a reasonably thorough investigation. The Parties
25 have entered into this Settlement to avoid the inherent risks and costs of further litigation. Named
26 Plaintiffs do not stipulate that this Settlement represents the maximum extent of such relief to
27 which they or the Class would be entitled if the Actions were to be further litigated. Lopez does
28 not stipulate that, should the Action be further litigated, Named Plaintiffs and/or the Class would

1 be entitled to any relief whatsoever. Neither Named Plaintiffs nor Lopez admit to any unlawful
2 conduct or wrongdoing. The Parties hereby reserve all of their rights to litigate the Action and seek
3 all available forms of relief should this Settlement not be given effect.

4 4. Preliminary Approval. As soon as possible following execution of this Agreement,
5 Class Counsel shall move the Court for Preliminary Approval. Class Counsel will submit therewith
6 a proposed order and any necessary declarations in support of Preliminary Approval. The Parties
7 shall give all reasonable cooperation necessary to obtain Preliminary Approval from the Court.

8 5. Class Administration Procedures – Class List. Within fourteen (14) days of Lopez’s
9 receipt of notice of entry of Preliminary Approval, Lopez shall cause to be delivered by email or
10 otherwise to the Class Administrator a list of the Class Members that includes their names, last
11 known home address(es), full social security numbers, and dates of employment with Defendants
12 in a Class Position during the Class Period, all of which information shall be based upon reasonably
13 available business records and/or the best reasonably available personal knowledge of Lopez.

14 6. Class Administration Procedures – Notice to Class.

15 Prior to notifying Class Members of their award, the Class Administrator will calculate the
16 estimated Eligible Class Member Shares of each respective Class Member, based upon an
17 assumption that all Class Members will become Eligible Class Members, that no Class Member
18 Objections, Opt-Out Requests, or other disputes pursuant to Section II.7 below will be submitted,
19 and that no Class Members will be added to the Class. The approximate amounts of such estimated
20 Eligible Class Member Shares will be disclosed on an individual basis in each Class Member’s
21 respective Class Notice, along with the basis of the calculation of such shares in relation to the
22 number of Class Member Work Weeks for each such Class Member.

23 Within ten (10) days after delivery of the information described in Section II.5 above, the
24 Class Administrator will mail a Notice Packet to each Class Member via email (if available to
25 Lopez) and United States Mail, first class, postage pre-paid to each Class Member’s last-known
26 address.

27 If any mailed Notice Packets are returned as undeliverable, then the Class Administrator
28 shall have forty-five (45) days from receipt of notice that a Notice Packet was undeliverable to

1 perform one “skip trace” or similar search and to re-mail the same Notice Packet (or a true and
2 correct copy thereof) to any new addresses disclosed by such search via first-class regular U.S.
3 Mail indicating on the Notice the date it was re-mailed, and including written notice that a Class
4 Member has fifteen (15) days to respond to a re-mailed Notice via either Objection or Opt-Out
5 Request.

6 If the process set forth in this paragraph and any other procedures ordered by the Court are
7 followed, the Class Notice will be deemed to have been adequately provided to all Class Members.
8 In the event the procedures in the Agreement are followed and a Class Member, nonetheless, does
9 not receive the Notice Packet, the intended recipient shall remain a Class Member, and will be
10 deemed an Eligible Class Member, unless such intended recipient submits a Class Member
11 Objection or Opt-Out Request.

12 7. Class Administration Procedures – Class Member Objections, Opt-Out Requests,
13 and Disputes Concerning Class Member Status and Number of Class Member
14 Work Weeks

15 (a) *Class Member Objections – Filing and Service:* Any member of the
16 Settlement Class who wishes to make a Class Member Objection must give written notice to the
17 Class Administrator, with such notice being received by the Class Administrator within sixty (60)
18 days of mailing of the Notice Packets to the Class Members. Such written notice shall contain the
19 relevant Class Member’s name, address, telephone number, and signature, as well as a statement
20 to the effect that the Class Member objects to the settlement, the basis and/or reason for such
21 objection. A signature by the relevant Class Member’s authorized representative, such as an
22 attorney, is sufficient. Timely Class Member Objections will not be rejected for technical reasons
23 or deficiencies.

24 (b) *Class Member Objections – Responses:* Upon receipt of any documents
25 purporting to be Class Member Objections, the Class Administrator shall forthwith forward such
26 documents to Class Counsel and Defendants’ Counsel by e-mail and United States Mail. Following
27 receipt of such documents, Class Counsel and Defendants’ Counsel shall confer regarding such
28 documents purporting to be Class Member Objections. Class Counsel shall file with the Court, in

1 a separate document along with their motion for Final Approval, a joint statement, not to exceed
2 ten (10) pages, containing the Parties' points and authorities in response to such documents
3 purporting to be Class Member Objections, along with copies of such Class Member Objections.
4 If the Parties' responses differ in any respect, the jointly-held positions shall be set forth in a
5 separately entitled section, and the differently-held positions shall be set forth in further separately-
6 entitled sections of the joint response. The Parties may attach evidence to the joint response, which
7 shall not count toward the page limit. If the volume of documents purporting to be Class Member
8 Objections is sufficiently large such that ten (10) pages is insufficient for the joint response, the
9 Parties (or any of them) may apply to the Court for an increase in the number of such pages. Should
10 the Parties receive any untimely-filed, received, or sent documents purporting to be Class Member
11 Objections (or should the Parties receive them less than ten (10) days prior to any due date for the
12 motion for Final Approval), the Parties may file a further such joint response at any time prior to
13 the Final Approval Hearing, but in any event not later than ten (10) days after receiving such
14 untimely documents.

15 (c) *Opt-Out Requests*: Any member of the Settlement Class who wishes to
16 make an Opt-Out Request must deliver written notice (to include the relevant Class Member's
17 name, address, telephone number, and signature) to such effect to the Class Administrator, with
18 such notice being received by the Class Administrator within sixty (60) days of mailing of the
19 Notice Packets to the Class Members. A signature by the relevant Class Member's authorized
20 representative, such as an attorney, is sufficient. Such written notice shall set forth a statement to
21 the effect that the Class Member does not wish to be part of, to be bound by, and/or to receive
22 funds pursuant to the Settlement. Timely Opt-Out Requests will not be rejected for technical
23 reasons or deficiencies. The Class Administrator shall give Class Counsel and Defendant's
24 Counsel no less than weekly notice of the number of Class Members who have submitted Opt-Out
25 Requests, as well as copies of any such Opt-Out Requests upon request. Should any of the Parties
26 wish to dispute the validity of any documents purporting to be Opt-Out Requests, they shall notify
27 the Class Administrator and all other Parties via e-mail and U.S. Mail within ten (10) days of
28 receiving such documents, and in so doing they shall state the factual and legal basis for such

1 dispute. Prior to the deadline for submitting its declaration described in Section II.8 below, the
2 Class Administrator shall make a determination as to the validity of the disputed Opt-Out Requests,
3 and shall set forth its determinations in such declaration. The Class Administrator's decisions in
4 such regard shall be final and binding.

5 (d) *Disputes Concerning Class Member Status:* Should any person who does
6 not receive a Class Notice directed to him or her wish to come forward purporting to be a Class
7 Member, such person shall notify the Class Administrator, no later than sixty (60) days after the
8 Class Administrator's mailing of the Class Notice Packets. The Class Administrator shall forthwith
9 send any such documents to Defendants' Counsel via email and/or United States Mail. Upon
10 receipt of such notice, Lopez shall investigate the matter, including with reference to business
11 records, and shall determine whether the person is a Class Member. Then, within ten (10) days of
12 receipt of such notice, Lopez shall notify the Class Administrator as to its determination of the
13 person's status as a Class Member. Lopez's determination in such regard shall control. If the
14 person is determined to be a Class Member, the Class Administrator shall mail that person a Notice
15 Packet, whereupon the same procedures for submitting Class Member Objections, Opt-Out
16 Requests, and Disputes Concerning Work Weeks set forth in this Agreement shall apply to such
17 person.

18 (e) *Disputes Concerning Class Member Work Weeks:* The Class Notices sent
19 to each Class Member shall separately set forth that person's estimated number of Class Member
20 Work Weeks, which will be calculated based on Defendants' records as held by Lopez. If for any
21 reason a Class Member disagrees with such estimate, such Class Member shall deliver written
22 notice to such effect to the Class Administrator, with such notice being received by the Class
23 Administrator within sixty (60) days of mailing of the Notice Packets to the Class Members. Such
24 notice shall set forth the Class Member's basis for such disagreement, including any and all
25 documents supporting such basis. Upon receipt of such notices, the Class Administrator shall
26 forthwith send it to Defendant's Counsel, via e-mail and United States Mail. Lopez shall
27 investigate the matter, including by examining SSPBI's business records, and shall, within ten (10)
28 days of receiving notice, inform the Class Administrator as to its determination regarding the Class

1 Member's number of Class Member Work Weeks. In the event that the Class Member does not
2 provide any supportive documentation, Lopez's determination shall control. In the event that the
3 Class Member does provide supportive documentation, Lopez shall, within the same ten (10) day
4 period, either notify the Class Administrator that she stipulates to the Class Member's assertions
5 regarding his or her number of Class Member Work Weeks, or shall notify them that she disputes
6 such assertions, and shall provide the Class Administrator with her proposed determination, and
7 the factual basis therefor, and any supporting documentation. The Class Administrator shall then
8 determine the Class Member's number of Class Member Workweeks, and its determinations shall
9 control.

10 (f) Named Plaintiffs hereby agree that they will not submit a Class Member
11 Objection or an Opt-Out Request. Any submissions by Named Plaintiffs purporting to be a Class
12 Member Objection or an Opt-Out Request shall be null and void.

13 (g) No determinations by Lopez, the Class Administrator, the Court, or any
14 other person or entity pursuant to this Section II.7 shall have the effect of increasing the amount
15 of the Lopez Settlement Amount. Rather, any additional amounts to be distributed to any Class
16 Member as a result of the resolution of such disputes shall be made in conjunction with and subject
17 to a proportionate reduction in other Eligible Class Members' Eligible Class Member Shares, with
18 specific amounts to be determined by the Class Administrator.

19 8. Class Administration Procedures – Class Administrator Declaration. Within ten
20 (10) days of the expiration of all the time periods provided for in Sections II.5 through II.7 above,
21 the Class Administrator shall provide Class Counsel and Defendants' Counsel with the Class
22 Administrator Declaration. Should the Class Administrator be unable to provide the Class
23 Administrator Declaration at such time, it shall forthwith notify Class Counsel and Defendants'
24 Counsel, who shall cooperate with the Class Administrator to forthwith remedy any such inability.

25 9. Motion for Final Approval. By the later of (a) ten (10) days of Class Counsel's
26 receipt of the declaration required of the Class Administrator by Section II.8 above; or (b) sixteen
27 (16) court days prior to the Final Approval Hearing, Class Counsel shall file and serve upon Lopez
28 and the Class Administrator a motion for Final Approval, and shall include the Class

1 Administrator's declaration with such filing. Should the date of Class Counsel's receipt of the
2 Class Administrator Declaration be less than ten (10) days prior to the court day that is sixteen
3 (16) court days prior to the Final Approval Hearing, Class Counsel shall make reasonable efforts
4 to file its motion for Final Approval not later than sixteen (16) court days prior. If Class Counsel
5 is unable to do so, or if Class Counsel otherwise believe based on other circumstances they will
6 not be able to file a timely motion for Final Approval, they shall seek *ex parte* or other emergency
7 relief from the Court in the form of shortening of the time for filing and serving the Motion for
8 Final Approval, or re-scheduling of the Final Approval Hearing. Lopez shall cooperate in the
9 seeking and obtaining of such relief.

10 10. Release. The Settlement includes a release of Released Claims against the Released
11 Parties for the Class Period. Each Eligible Class Member shall be deemed, as of the Effective Date,
12 to have provided and to be subject to the release of Released Claims against the Released Parties
13 set forth in herein. Named Plaintiffs additionally agree that as of the Effective Date, each of them
14 will be deemed to have provided and to be subject to the General Release in favor of the Released
15 Parties set forth herein. Named Plaintiffs, as agents or proxies of the LWDA, additionally agree
16 that as of the Effective Date, all claims of the LWDA under PAGA are released in favor of the
17 Released Parties.

18 11. Enforcement. This Agreement is enforceable pursuant to California Rule of Court
19 3.769(h). If any Party is required to seek relief for an alleged breach of this Agreement, the
20 prevailing party shall be awarded its reasonable attorney's fees and costs including, if necessary,
21 attorney's fees. Provided however, that the aggrieved Party shall be required to give notice to the
22 opposing Party and meet and confer regarding the alleged breach before filing any motion, or
23 application for enforcement of, this Agreement.

24 12. Taxation and Withholding; Settlement Checks.

25 (a) *Allocation.* The Parties agree that one-third (1/3) of the Net Settlement
26 Amount shall be allocated to Form W-2 wages, One-third (1/3) of the Net Settlement Amount
27 shall be allocated to interest subject to Form 1099 report, and one-third (1/3) of the Net Settlement
28 Amount be allocated to penalties (including the LWDA Fund Remainder) and other non-wages

1 subject to Form 1099 reporting, and that the same allocations shall apply to each of the Eligible
2 Class Member Shares. This allocation is for purposes of this Settlement only. The Class
3 Administrator will pay from the QSF each Eligible Class Member Share, the Eligible Class
4 Members' shares and the Employer's share of payroll taxes, deductions, contributions, and other
5 amounts required to be paid to government agencies and/or tax authorities. The payment of such
6 taxes, deductions, contributions and other amounts shall be calculated based upon Defendants'
7 reasonably available records. The Class Administrator shall provide reasonable notice to
8 Defendants' Counsel of any records required for purposes of computing taxes, deductions,
9 contributions and other amounts, and Lopez shall undertake reasonable efforts to provide the Class
10 Administrator with same. The Class Administrator shall provide, as appropriate, an IRS Form W-
11 2 and Form 1099, and any other tax documentation required by law, to each Eligible Class Member
12 payee.

13 (b) *Circular 230 Disclaimer.* Each of the Parties acknowledges and agrees that
14 (1) no provision of this Agreement, and no written communication or disclosure between or among
15 the Parties or their respective counsel and/or other advisers is or was intended to be, nor shall any
16 such communication or disclosure constitute or be construed or be relied upon as, tax advice within
17 the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended); (2) each Party
18 (a) has relied exclusively upon his, her or its own, independent legal and tax advisors for advice
19 (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement
20 based upon the recommendation of any other Party or any Counsel or advisor to any other Party,
21 and (c) is not entitled to rely upon any communication or disclosure by any other Counsel or
22 advisor to any other Party to avoid any tax penalty that may be imposed on that Party; and (3) no
23 attorney or advisor to any other Party has imposed any limitation that protects the confidentiality
24 of any such attorney's or advisor's tax strategies (regardless of whether such limitation is legally
25 binding) upon disclosure by the Party of the tax treatment or tax structure of any transaction,
26 including any transaction contemplated by this Agreement. Neither Class Counsel nor Lopez or
27 their Counsel will provide tax or financial advice, and Class Members are advised to seek
28 independent professional advice as to the tax or financial consequences of any payment they

1 receive, or may receive, as Class Members.

2 (d) *Non-Negotiated Instruments of Payment.* The expiration date of any
3 instruments of payment issued by the Class Administrator to Eligible Class Members will be one
4 hundred eighty (180) days from the date such instruments are issued and sent.

5 13. Payment of the Lopez Settlement Amount. Upon the Effective Date, the Class
6 Administrator shall forthwith establish all financial accounts necessary to establish the Qualified
7 Settlement Fund, and shall promptly notify Defendants' Counsel and Class Counsel by email that
8 such accounts have been established and of the payment details necessary to fund the Qualified
9 Settlement Fund. Within fifteen (15) business days of receipt of such notice from the Class
10 Administrator, and provided that the Effective Date has occurred, Lopez shall make payment of
11 the Lopez Settlement Amount. Within ten (10) days after all funds necessary to fully fund the
12 Qualified Settlement Fund are in the accounts established by the Class Administrator and are
13 available for disbursement, the Class Administrator shall disburse, pursuant to this Settlement and
14 other applicable law, the corresponding Eligible Class Member Shares to each Eligible Class
15 Member, as well as the LWDA Fund, the Named Plaintiffs' Enhancements, the Class
16 Administration Costs, taxes to the appropriate taxing agency and the Class Counsel Fees and Costs.
17 In disbursing the LWDA Fund, the Class Administrator shall also submit to the LWDA any
18 information or documentation required for such disbursement, such as a copy of the Court's Final
19 Approval order. The Class Administrator shall promptly notify Class Counsel and Defendants'
20 Counsel by email that such disbursements and submissions have been made.

21 14. Cooperation and Reasonable Modifications. The Parties and their respective
22 counsel will cooperate reasonably and in good faith for the purpose of achieving occurrence of the
23 conditions set forth in this Agreement, including without limitation, timely filing of all motions,
24 papers and evidence necessary to do so, and refraining from causing or encouraging directly or
25 indirectly the submission of any objection to this Agreement, the submission of any Class Member
26 Objection or Opt-Out Request, or any appeal or petition for writ proceedings seeking review of
27 any order or judgment contemplated by the Settlement. This Agreement contemplates that the
28 Court and the Parties may make reasonable modifications to the Agreement in order to effect its

1 essential terms and to obtain Preliminary Approval and Final Approval. Such modifications shall
2 not render this Agreement Void *Ab Initio*, but rather the Parties shall stipulate to such reasonable
3 modifications and take all necessary steps to give them effect.

4 15. Warranty of Authority. The undersigned each represent and warrant that each has
5 authority to enter into this Settlement, and that by doing so they are not in breach or violation of
6 any agreement with any third parties. The Parties further agree that the Actions shall be stayed in
7 all respects until the final payment called for by this Settlement is made pending the occurrence or
8 failure of the Effective Date, except for the purpose of filing motions for Preliminary Approval
9 and Final Approval.

10 16. Other Actions Enjoined. Lopez shall have the right to request, and Named Plaintiffs
11 nor their Counsel will not oppose, that the Court enter an order that pending Final Approval, Class
12 Members who do not opt-out of the Settlement are barred from instituting or prosecuting any
13 claims or actions against the Released Parties which fall within the definition of the Released
14 Claims and that any pending actions against the Released Parties, whether in court or arbitration,
15 are stayed on an interim basis only as to any claims which fall within the definition of the Released
16 Claims.

17 17. Notices to Counsel. All notices, requests, demands and other communications
18 required or permitted to be given pursuant to this Agreement shall be in writing and shall be
19 delivered personally or mailed, postage prepaid, by first-class United States mail, to the
20 undersigned persons at their respective addresses as set forth herein (and, to the extent notice by
21 email is called for, the below email addresses shall be used:

Counsel for Plaintiffs:	Counsel for Defendant:
YOSEF PERETZ, SBN 209288 yperetz@peretzlaw.com	JOHN F. MCINTYRE, JR., SBN 172128 jmcintyre@sheamcintyre.com
SHANE HOWARTER, SBN 311970 showarter@peretzlaw.com	KEVIN R. ELLIOTT, SBN 276295 kelliott@sheamcintyre.com
PERETZ & ASSOCIATES 22 Battery Street, Suite 200 San Francisco, California 94111-3712 Telephone: (415) 732-3777 Facsimile: (415) 732-3791	SHEA & MCINTYRE, A P.C. 2166 The Alameda San Jose, California 95126-1144 Telephone: (408) 298-6611 Facsimile: (408) 275-0814

1 MARTIN HOROWITZ, SBN 79073
2 mhorowitz@h-rlegal.com

3 **HOROWITZ & RUBINOFF**
4 180 Grand Avenue, Suite 1380
5 Oakland, California 94612-3750
6 Telephone: (510) 444-7717

7 18. Notice to LWDA. Class Counsel shall be responsible for giving any required notice
8 of this Settlement to the LWDA.

9 19. Entire Agreement. This Agreement embodies the entire agreement of all the Parties
10 hereto who have executed it and supersedes any and all other agreements, understandings,
11 negotiations, or discussions, either oral or in writing, express or implied, between the Parties to
12 this Agreement. The Parties to this Agreement each acknowledge that no representations,
13 inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or
14 anyone acting on their behalf, which are not embodied in this Agreement; that they have not
15 executed this Agreement in reliance on any representation, inducement, promise, agreements,
16 warranty, fact or circumstances, not expressly set forth in this Agreement; and that no
17 representation, inducement, promise, agreement or warranty not contained in this Agreement
18 including, but not limited to, any purported settlements, modifications, waivers or terminations of
19 this Agreement, shall be valid or binding, unless executed in writing by all of the Parties to this
20 Agreement. This Agreement may be amended, and any provision herein waived, but only in
21 writing, signed by the Party against whom such an amendment or waiver is sought to be enforced.

22 20. Waiver of Appeals. The Parties and Class Members agree to waive any appellate
23 rights; provided, however, that Plaintiffs may appeal any reduction in the Attorneys' Fees and/or
24 Cost award. The outcome of any proceeding related to Class Counsel's application for Attorneys'
25 Fees and Costs shall not terminate this Joint Stipulation or otherwise affect the Court's ruling on
26 the motion for Final Approval.

27 21. No Assignment. Class Counsel and Plaintiffs, on behalf of the individual Class
28 Members, represent and warrant that they have not assigned or transferred, or purported to assign
or transfer, to any person or entity, any claim or any portion thereof or interest therein, including,

1 but not limited to, any interest in the Action, or any related action.

2 22. No Admission. The Parties enter into this Agreement to resolve the dispute that has
3 arisen between them and to avoid the burden, expense and risk of continued litigation. In entering
4 into this Agreement, Defendants do not admit, and specifically deny, that they violated any federal,
5 state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
6 any other applicable laws, regulations or legal requirements; breached any contract; violated or
7 breached any duty; engaged in any misrepresentation or deception; or engaged in any other
8 unlawful conduct with respect to their employees. This Agreement is not an admission of liability
9 by Defendants or any of the Released Parties. Except as necessary in a proceeding to enforce the
10 terms of this Agreement, this Agreement and its terms and provisions will not be offered or
11 received as evidence in any action or proceeding to establish any liability or admission on the part
12 of Defendants or to establish the existence of any condition constituting a violation of, or a non-
13 compliance with, federal, state, local or other applicable law.

14 20. Counterparts. This Agreement may be executed in counterparts by way of true and
15 correct copies (including PDF's or other electronic images) of signatures, each of which shall have
16 the same force and effect as an original, and all of which together shall constitute one and the same
17 instrument.

18 Respectfully submitted,

19 Dated: 9/10, 2021

SHEA & McINTYRE, A P.C.

20
21 By: _____

JOHN F. McINTYRE, JR.
KEVIN R. ELLIOTT
Attorneys for Defendants
SI SE PUEDE BEHAVIORAL, INC. a.k.a.
SOCIALLY SIGNIFICANT PROGRAMMING
FOR BEHAVIORS, INC., and FELICIA LOPEZ

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Dated: 9/13, 2021

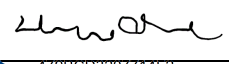
PERETZ & ASSOCIATES

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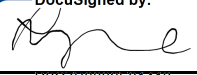
YOSEF PERETZ
SHANE HOWARTER
Attorneys for Plaintiffs
IRENE CLINE, LYNN CHO, DESIREE
PACHECO, and ITZEL MARLENE DIAZ

PLAINTIFFS

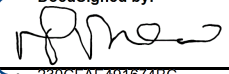
Dated: 9/10/2021

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Irene Cline

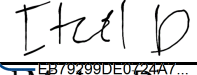
Dated: 9/10/2021

DocuSigned by:

Lynn Cho

Dated: 9/10/2021

DocuSigned by:

Desiree Pacheco

Dated: 9/10/2021

DocuSigned by:

Itzel Marlene Diaz

DEFENDANT

Dated: _____

Felicia Lopez

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Dated: _____, 2021

PERETZ & ASSOCIATES

By: _____

YOSEF PERETZ
SHANE HOWARTER
Attorneys for Plaintiffs
IRENE CLINE, LYNN CHO, DESIREE
PACHECO, and ITZEL MARLENE DIAZ

PLAINTIFFS

Dated: _____

Irene Cline

Dated: _____

Lynn Cho

Dated: _____

Desiree Pacheco

Dated: _____

Itzel Marlene Diaz

DEFENDANT

Dated: 9/10/2021

DocuSigned by:
Felicia Lopez
30EEAD22B37B464...

Felicia Lopez

EXHIBIT 2

1 YOSEF PERETZ (SBN 209288)
yperetz@peretzlaw.com
2 SHANE HOWARTER (SBN 311970)
showarter@peretzlaw.com
3 PERETZ & ASSOCIATES
22 Battery Street, Suite 200
4 San Francisco, California 94111-3712
Telephone: (415) 732-3777
5 Facsimile: (415) 732-3791

6 Attorneys for Plaintiffs

7 JOHN F. MCINTYRE, JR. (SBN 172128)
jmcintyre@sheamcintyre.com
8 KEVIN R. ELLIOTT (SBN 276295)
kelliott@sheamcintyre.com
9 SHEA & MCINTYRE, A P.C.
2166 The Alameda
10 San Jose, CA 95126
(408) 298-6611

11 Attorneys for Defendants

12
13 SUPERIOR COURT OF THE STATE OF CALIFORNIA

14 IN AND FOR ALAMEDA COUNTY

15 IRENE CLINE, LYNN CHO, DESIREE
PACHECO, and ITZEL MARLENE DIAZ;
16 individually, and on behalf of all other
similarly situated persons, on behalf of the
17 CALIFORNIA LABOR AND
WORKFORCE DEVELOPMENT
18 AGENCY, and on behalf of the STATE OF
CALIFORNIA,

19 Plaintiffs,

20 v.

21 SI SE PUEDE BEHAVIORAL, INC. a.k.a.
22 SOCIALLY SIGNIFICANT
PROGRAMMING FOR BEHAVIORS,
23 INC., a California corporation; FELICIA
LOPEZ, an individual; and DOES 1-20,

24 Defendants.
25

Case No.: RG18911378

**JOINT STIPULATION OF AMENDED
CLASS ACTION AND PAGA
SETTLEMENT**

**ASSIGNED FOR ALL PURPOSES TO
JUDGE WINIFRED Y. SMITH
DEPARTMENT 21**

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1 This Joint Stipulation of Amended Class Action and PAGA Settlement is entered into by
2 Plaintiffs IRENE CLINE (“Cline”), LYNN CHO (“Cho”), DESIREE PACHECO (“Pacheco”),
3 and ITZEL MARLENE DIAZ (“Diaz”) (herein collectively “Plaintiffs”), on behalf of the
4 CALIFORNIA LABOR WORKFORCE DEVELOPMENT AGENCY (“LWDA”), and on behalf
5 of THE STATE OF CALIFORNIA on the one hand, and Defendant FELICIA LOPEZ (hereinafter
6 “Lopez”) on the other hand.

7 WHEREAS, Lopez is the former owner and Executive Director of Defendant SI SE
8 PUEDE BEHAVIORAL, INC. a.k.a. SOCIALLY SIGNIFICANT PROGRAMMING FOR
9 BEHAVIORS, INC., (“SSPBI”) (Lopez and SSPBI are referred to herein collectively as
10 “Defendants”);

11 WHEREAS, Plaintiffs allege that they are former employees of Defendants, and worked
12 as hourly, non-exempt tutors while employed by Defendants;

13 WHEREAS, on or about July 2, 2018, Plaintiffs filed a complaint in an action filed with
14 the California Superior Court, in and for the County of Alameda, entitled *Irene Cine, Lynn Cho,*
15 *Desiree Pacheco, and Itzel Marlene Diaz, individually, and on behalf of all other similarly situated*
16 *persons, on behalf of the California Labor and Workforce Development Agency, and on behalf of*
17 *the State of California v. Si Se Puede Behavioral, Inc. a.k.a. Socially Significant Programming for*
18 *Behaviors, Inc., a California corporation; Felicia Lopez, an individual* Case No. RG18911378,
19 which shall be hereinafter collectively referred to as the “Action”.

20 WHEREAS, on October 13, 2020, SSPBI filed for relief under Chapter 7 of the United
21 States Bankruptcy Code as Case #20-41647-CN in the United States Bankruptcy Court for the
22 Northern District of California, Oakland Division (the “Bankruptcy Case”). Paul Mansdorf was
23 appointed as the chapter 7 trustee in the Bankruptcy Case (the “Trustee”). . On January 14, 2021,
24 Plaintiffs Lynn Cho, Irene Cline, Desiree Pacheco and Itzel Diaz each filed individual proofs of
25 claim (Proof of Claim Nos. 4-7 respectively) in the Bankruptcy Case and on January 15, 2021,
26 Lynn Cho also filed a proof of claim (Proof of Claim No. 8) on behalf of the putative class;

27 WHEREAS, Plaintiffs subsequently reached a stipulation with the Trustee in the
28 Bankruptcy Case to receive a distribution on behalf of the putative class under Proof of Claim

1 No.-8 based on an aggregate liquidated claim amount of \$275,000. The individual claims of the
2 Plaintiffs, Proofs of Claim No. 4-7, were also subordinated to the payment of all other allowed
3 creditor claims as part of that stipulation. The Trustee has now filed a proposed Final Report in
4 the Bankruptcy Case in which the total amount to be disbursed to the putative class under Proof of
5 Claim No. 8 is proposed to be \$140,250.21, said amount being the balance available after payment
6 of all other allowed creditor claims and expenses of administration according to the priorities set
7 forth in Title 11, United States Code, with no amounts to be distributed to Proofs of Claim 4-7
8 consistent with the approved stipulation in the Bankruptcy Case.

9 WHEREAS, on February 12, 2021, United States Bankruptcy Judge Charles Novack of
10 the Northern District of California approved the stipulation between the Trustee, the individual
11 Plaintiffs and the putative class in satisfaction of Plaintiffs' claims with SSPBI in this case;

12 WHEREAS, on May 12, 2021, Plaintiffs reached a tentative settlement on behalf of
13 themselves and the putative class with Lopez to fully resolve all remaining claims in this case in
14 exchange for payment by Lopez in the amount of \$30,000;

15 WHEREAS, to avoid the inherent risk and costs of litigation, the Parties want to completely
16 settle all claims that were or could have been brought in the Complaints and in the Action;

17 NOW THEREFORE, THE PARTIES HEREBY STIPULATE AND AGREE to settle all
18 such claims as follows:

19 **I. DEFINITIONS**

20 The terms defined above shall have the meanings therein given, for all purposes in this
21 Joint Stipulation of Class and PAGA settlement, including in any exhibits hereto. The following
22 defined terms used in this Joint Statement of Class and PAGA Settlement and any exhibits hereto
23 will have the meanings given them below.

24 1. Agreement. "Agreement", "Settlement", "Settlement Agreement" and "Joint
25 Stipulation" mean this Joint Stipulation of Class and PAGA Settlement.

26 2. Class. "Class", "Class Members", "Settlement Class", or "Settlement Class
27 Members" shall mean all persons employed by any of the Defendants or Released Parties in a
28 Class Position, at any time during the Class Period.

1 3. Class Administrator. “Class Administrator” means Simpluris, Inc., a third-party
2 professional class action claims administrator, jointly selected by the Parties and/or appointed by
3 the Court to perform the Class Administration Duties.

4 4. Class Administrator Declaration. “Class Administrator Declaration” shall mean a
5 declaration attesting, in detail, to the steps taken through the date of such declaration in performing
6 the Class Administration Duties, that the procedures contemplated in Sections II.5 through II.7
7 below are complete, and that the Class Administrator has all information needed to perform any
8 remaining Class Administration Duties, including calculation of the amounts of the respective
9 Eligible Class Member Shares.

10 5. Class Administration Costs. “Class Administration Costs” shall mean the fees and
11 expenses reasonably and necessarily incurred by the Class Administrator as a result of performing
12 the Class Administration Duties. Class Administration Costs shall be paid from the Global
13 Settlement Amount. Based on an estimate provided by the Class Administrator based on presently
14 and reasonably available information, the Parties stipulate that Class Administration Costs shall
15 be up to \$5,000. Should any actual Class Administration Costs turn out to be less than the projected
16 amount, the Parties agree that the savings will be allocated to the Net Settlement Amount, to be
17 distributed to Eligible Class Members in proportion to their respective numbers of Eligible Class
18 Member Workweeks. Should any actual reasonable and necessary Class Administration Costs be
19 more than the above estimate amount, the Parties stipulate that the Class Administrator should be
20 paid such amounts, the Parties will apply to the Court for an adjustment, with any additional Class
21 Administration Costs to be paid from the Global Settlement Amount, accompanied by a
22 corresponding reduction in another or other elements of the Global Settlement Amount, to be
23 approved by the Court as part of Final Approval.

24 6. Class Administration Duties. “Class Administration Duties” shall mean the duties
25 of the Class Administrator as set forth in this Agreement and as may be ordered by the Court.

26 7. Class Certification. “Class Certification” shall mean certification of the Class
27 pursuant to Cal. Code. Civ. Proc. § 382 and other applicable law, for purposes of this Settlement
28 only, without prejudice to Lopez’s ability to oppose or otherwise challenge such certification,

1 except that Lopez shall not so oppose or otherwise challenge such certification for purposes of
2 performing Lopez’s duties under this Settlement, which include to make all reasonable efforts to
3 give such Settlement full force and effect.

4 8. Class Counsel. “Class Counsel” refers collectively to: Yosef Peretz (State Bar No.
5 209288) and Shane Howarter (State Bar No. 311970) of Peretz & Associates, 22 Battery St., Suite
6 200, San Francisco, California 94111, and Martin Horowitz (State Bar No. 79073) of Horowitz &
7 Rubinoff, 180 Grand Ave., Suite 1380, Oakland, CA 94612.

8 9. Class Counsel Fees and Costs. “Class Counsel Fees and Costs” shall mean an
9 amount of thirty-eight percent (38%) of the Global Settlement Amount subject to Court approval,
10 in addition to actual costs and expenses incurred by Class Counsel related to the Action as
11 supported by declaration. This total amount is inclusive of attorneys’ fees and estimated litigation
12 costs. Class Counsel Fees and Costs shall be paid to Class Counsel from the Qualified Settlement
13 Fund by the Class Administrator. Such payment of Class Counsel Fees and Costs shall be deemed
14 to be full satisfaction of any obligations by Lopez to pay any attorneys’ fees, attorney costs and/or
15 other fees or costs to Plaintiffs, Class Members, and/or Class Counsel in relation to the Action.
16 Any future adjustments to the amount of the Class Counsel Fees and Costs, including by the Court,
17 shall not constitute a basis for this Settlement being void or Void *Ab Initio*, unless such adjustment
18 shall have the effect of increasing the Global Settlement Amount, whereupon this Settlement will
19 be voidable by Lopez as provided in this Agreement.

20 10. Class Notice. “Class Notice” shall mean a notice to Class Members pursuant to
21 Rule 3.769(f) of the California Rules of Court, substantially in the form indicated in Exhibit “A”
22 hereto, and distributed by the Class Administrator in accordance with Section II.6 below.

23 11. Class Member Objection. “Class Member Objection” shall mean a Class
24 Member’s objection made pursuant to the provisions of Section II.7 below.

25 12. Class Member Objector. “Class Member Objector” shall mean a Class Member
26 who submits a Class Member Objection. A Class Member Objector shall not be considered an
27 Opt-Out unless he or she submits a valid Opt-Out Request.

28 13. Class Member Work Week. “Class Member Work Week” shall mean a Work Week

1 in which a Class Member was employed by and performed work for Defendants in California in a
2 Class Position during the Class Period. The Class Administrator shall thus calculate the total
3 number of Class Member Work Weeks accordingly.

4 14. Class Period. “Class Period” shall refer to the time period from July 2, 2014 through
5 the Date of Preliminary Approval.

6 15. Class Position. “Class Position” shall mean all persons who worked for Defendants
7 as hourly, non-exempt tutors, or other similar positions, classified as an hourly non-exempt
8 employee in the State of California during the Class Period.

9 16. Complaints. “Complaints” shall mean Plaintiffs’ Complaint, and the PAGA Claim,
10 and the PAGA Notice collectively, and shall collectively be incorporated herein by reference as
11 though fully set forth.

12 17. Court. “Court” refers to the above-referenced Court, or any such further courts,
13 arbitrators, or other judicial bodies that may in the future obtain valid jurisdiction over the Action.

14 18. Date of Preliminary Approval. The “Date of Preliminary Approval” means the day
15 on which the Court signs and enters its order granting Preliminary Approval.

16 19. Defendants’ Counsel. “Defendants’ Counsel,” “Defense Counsel” or “Counsel for
17 Defendant” shall mean Lopez’ counsel, Shea & McIntyre, A P.C., 2166 The Alameda, San Jose,
18 California 95126, and the attorneys in such firm including John F. McIntyre, Jr. (State Bar No.
19 172128), and Kevin R. Elliott (State Bar No. 276295).

20 20. Effective Date. “Effective Date” shall mean the date on which all of the following
21 have occurred:

22 (a) Full execution of this Agreement by all parties, and expiration of any
23 applicable revocable periods related to such signature;

24 (b) All provisions of Rule 3.769 of the California Rules of Court have been
25 complied with;

26 (c) Entry by the Court of Preliminary Approval;

27 (d) Receipt by Lopez of written notice of such entry of Preliminary Approval
28 pursuant to the California Code of Civil Procedure and the California Rules of Court, or Lopez’s

1 express waiver of such notice;

2 (e) Completion of all those Class Administration Procedures which this
3 Settlement dictates will take place in advance of the Final Approval Hearing;

4 (f) The Court setting and conducting a Final Approval Hearing pursuant to
5 Rule 3.769(g) of the California Rules of Court;

6 (g) Entry by the Court of an order of Final Approval of the Settlement and a
7 Judgement;

8 (h) Receipt by Lopez of written notice of such entry of Final Approval and
9 Judgement, or Lopez's express waiver of such notice; and

10 (i) Final Approval has become Final. For purposes of this provision, "Final"
11 means:

12 (1) if no Class Member Objections are made and/or are made and
13 withdrawn, the date the Court enters its order granting Final Approval of the settlement and
14 Judgment pursuant to Rule 3.769(h) of the California Rules of Court;

15 (2) if any Class Member Objections are made and not withdrawn, and
16 if no appeal, review or writ is sought from the Judgment, the sixty-first (61st) day after entry of
17 Judgment;

18 (3) if rehearing, reconsideration, and/or appellate review of the
19 Judgment is sought, the day after any and all avenues of rehearing, reconsideration, and appellate
20 review have been exhausted and no further rehearing, reconsideration, or appellate review is
21 permitted, and the time for seeking such review has expired, and the Judgment has not been
22 modified, amended, or reversed in any way; or

23 (4) if a Class Member Objector appeals from any ruling by the Court
24 overruling such objection in whole or in part, the date when the Court's order of Final Approval
25 and Judgment have been affirmed on appeal.

26 21. Eligible Class Member. "Eligible Class Member" means a Class Member who is
27 not an Opt-Out.

28 22. Eligible Class Member Share. "Eligible Class Member Share" shall mean the

1 portion of the Net Settlement Amount that will be allocated to each Eligible Class Member,
2 according to the following method: first, dividing the Net Settlement Amount by the total number
3 of Eligible Work Weeks to arrive at the Eligible Work Week Rate, and then second, by multiplying
4 the resulting Eligible Work Week Rate by the total number of Eligible Work Weeks for each
5 respective Eligible Class Member. Payment of Eligible Class Member Shares shall be subject to
6 legally required withholdings, deductions, and contributions. Any unclaimed funds from the Net
7 Settlement Amount will be sent in a second round of checks to all Eligible Class Members who
8 cashed their initial check. The second round of payment will take the total unclaimed funds and
9 pro-rate the amount to each Eligible Class Member who cashed their initial check by number of
10 Eligible Work Weeks, in the same method as the first round so long as the check is no less than
11 \$25. Any unclaimed funds after the second round of payments shall be paid to Legal Aid at Work
12 (“LAAW”) as a mutually agreed upon residual beneficiary and cy-pres organization which
13 supports “projects that will benefit the class or similarly situated persons, or that promote the law
14 consistent with the objectives and purposes of the underlying cause of action, to child advocaey
15 programs, or to nonprofit organizations providing civil legal services to the indigent” award
16 pursuant to Cal. Code. Civ. Proc. § 384. LAAW is a nonprofit legal services organization based in
17 San Francisco that is dedicated to enforcing and strengthening workers’ rights. The unclaimed
18 funds shall not revert back to Lopez. As to the Plaintiffs, the amount of their Eligible Class
19 Member Shares is in addition to any Court-approved Named Plaintiffs Enhancements.

20 23. Eligible Class Member Work Week. “Eligible Class Member Work Week” shall
21 mean a Class Member Work Week during which an Eligible Class Member worked in a Class
22 Position.

23 24. Eligible Class Member Work Week Rate. “Eligible Class Member Work Week
24 Rate” shall mean the amount calculated by the Class Administrator as due to each Eligible Class
25 Member for each Eligible Class Member Work Week.

26 25. Final Approval. “Final Approval” shall mean an order of the Court finally
27 approving this Settlement pursuant to Rule 3.769 of the California Rules of Court and granting
28 Class Certification.

1 26. Final Approval Hearing. “Final Approval Hearing” shall mean the hearing on a
2 motion for Final Approval, scheduled and conducted pursuant to Rule 3.769 of the California
3 Rules of Court.

4 27. Global Settlement Amount. “Global Settlement Amount” means the total combined
5 sum of the Lopez Settlement Amount and the SSPBI Settlement Amount, which will be
6 approximately \$170,000.

7 28. Judgment. “Judgment” means a Judgment of the Court in accordance with Rule
8 3.769(h) of the California Rules of Court.

9 29. Lopez Settlement Amount. “Lopez Settlement Amount” means the total amount of
10 Thirty Thousand United States Dollars and Zero Cents (\$30,000.00) sum Lopez shall pay as a
11 consequence of this Settlement. The Lopez Settlement Amount is the maximum amount that shall
12 be paid by Lopez. Lopez is not obligated and shall not pay any taxes or fees to any government
13 agencies and/or tax authorities in relation to any payments pursuant to this Agreement. Employer’s
14 taxes shall be paid solely from the SSPBI Settlement Amount.

15 30. LWDA. The “LWDA” shall mean the California Labor and Workforce
16 Development Agency.

17 31. LWDA Fund. “LWDA Fund” shall mean an amount payable to the LWDA, which
18 shall be Three Thousand United States Dollars (\$3,000). This amount shall be deemed to be
19 seventy-five percent (75%) of an overall amount of Two Thousand Two Hundred Fifty United
20 States Dollars (\$2,250.00) of the Global Settlement Amount which shall be allocated to PAGA
21 penalties. The remaining amount of such allocation, Seven Hundred Fifty United States Dollars
22 (\$750) shall be deemed part of the Net Settlement Amount and shall be accordingly distributed to
23 each Class Member, regardless of whether they opt-out of being an Eligible Class Member, as
24 consideration for release of the PAGA claims, proportionate to their number of Eligible Class
25 Member Workweeks. Payment to Class Members from the LWDA Fund shall be made through
26 the same method described in Paragraph 21.

27 32. LWDA Fund Remainder. “LWDA Fund Remainder” shall mean the amount of
28 Two Hundred Fifty United States Dollars (\$250) referenced in Section 1.29 above.

1 33. Named Plaintiffs Enhancement. “Named Plaintiffs Enhancement” shall mean the
2 amount approved by the Court to be paid to Plaintiffs Irene Cline, Lynn Cho, Desiree Pacheco,
3 and Itzel Marlene Diaz, in addition to their individual Eligible Class Member Shares, in
4 consideration for their effort in coming forth as a class and PAGA representative, and in
5 consideration for their General Release, as defined herein. The Parties agree that such amounts
6 shall be Four Thousand United States Dollars (\$4,000) each, subject to the Court’s approval.

7 34. Net Settlement Amount. “Net Settlement Amount” shall mean the Global
8 Settlement Amount minus (a) Class Administration Costs, (b) Class Counsel Fees and Costs; (c)
9 the LWDA Fund, and (d) the Named Plaintiff Enhancement.

10 35. Notice Packet: “Notice Packet” shall mean a packet mailed by the Class
11 Administrator pursuant to Section II.6 below, containing the Class Notice, and any other
12 accompanying documents required by this Settlement and/or Preliminary Approval.

13 36. Opt-Out(s). “Opt-Out(s)” refers to Class Members who have submitted an Opt-Out
14 Request.

15 37. Opt-Out Request. “Opt-Out Request” means a timely and valid written request for
16 exclusion from the Settlement by a Class Member, pursuant to the provisions of Section II.7 below.

17 38. PAGA. “PAGA” means the California Labor Code Private Attorneys General Act
18 of 2004, Cal. Lab. Code §§ 2698, *et seq.*

19 39. Party. “Party” shall mean, individually, one of the Parties, and each of them.

20 40. Parties. “Parties” shall mean Plaintiffs, Class Members and Lopez collectively.

21 41. Preliminary Approval. “Preliminary Approval” shall mean an order of the Court
22 preliminarily approving this Settlement pursuant to Rule 3.769 of the California Rules of Court,
23 granting conditional Class Certification for purposes of the Class Administration Procedures,
24 certifying Class Counsel, approving the form of Class Notice, establishing Class Administration
25 Procedures, and scheduling a Final Approval Hearing.

26 42. QSF / Qualified Settlement Fund. “QSF” or “Qualified Settlement Fund” shall
27 mean the Qualified Settlement Fund established by the Class Administrator for the payment of the
28 Settlement Payment Amount.

1 43. Released Claims. The term “Released Claims”, as applied to releases by Eligible
2 Class Members, shall mean “any and all facts and claims asserted in the Action or any other
3 claims, demands, obligations, actions, causes of action, liabilities, debts, promises,
4 agreements, attorneys’ fees, losses or expense, known or unknown, suspected or unsuspected,
5 filed or unfiled, that they may have or had had arising out of any known or unknown fact,
6 condition or incident occurring prior to the end of the Class Period that could have been
7 asserted based on the facts alleged in the Action, including but not limited to any and all
8 claims for ~~PAGA penalties, for~~ failure to pay all wages earned for hours worked in violation
9 of California Labor Code §§ 204, 218.5 and 218.6 and IWC wage orders, for failure to pay
10 all necessary expenditures in violation of California Labor Code § 2802, for failure to provide
11 meal periods in violation of California Labor Code §§ 226.7, 512, and 1198, and IWC wage
12 orders, for failure to provide rest periods in violation of California Labor Code §§ 226.7,
13 1198, and IWC wage orders, for failure to pay overtime wages in violation of §§ 510, 1194,
14 1198, and IWC wage orders, for penalties for failure to pay earned wages upon discharge
15 pursuant to California Labor Code § 203, for penalties for failure to provide itemized wage
16 statements pursuant to California Labor Code §§ 226, 1198, and IWC wage orders, for
17 penalties for California Labor Code violations pursuant to PAGA on behalf of the LWDA,
18 and for unlawful, unfair, and fraudulent business practices in violation of California Business
19 & Professions Code §§ 17200, *et seq.* Regardless of whether Class Members opt-out of the Class
20 Settlement, this Settlement shall release all PAGA claims ~~as alleged~~asserted by Named Plaintiffs
21 on behalf of ~~all Class Members, the LWDA,~~

22 The term “Released Claims” or “General Release,” as applied to the Named Plaintiffs, shall
23 refer to the Named Plaintiffs’ additional general release of all claims, known or unknown as
24 follows: Named Plaintiffs release Lopez, the Released Parties, and each of their respective
25 subsidiaries, affiliates, predecessors or successors in interest, officers, directors, owners,
26 managers, shareholders, employees, attorneys, agents, assigns, insurers, and re-insurers of any of
27 them, from all claims, demands, rights, liabilities and causes of action of every nature and
28 description whatsoever, known or unknown, asserted or that might have been asserted, whether in

1 tort, contract, or for violation of any state or federal statute, rule or regulation arising out of,
2 relating to, or in connection with any act or omission by or on the part of Lopez.

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3 With respect to the General Release, Named Plaintiffs stipulate and agree that, upon the
4 Effective Date, Named Plaintiffs shall be deemed to have expressly waived and relinquished, to
5 the fullest extent permitted by law, the provisions, rights and benefits of Section 1542 of the
6 California Civil Code, or any other similar provision under federal or state law, which provides:

7 Section 1542. [Certain Claims Not Affected By General Release.]
8 A general release does not extend to claims that the creditor or
9 releasing party does not know or suspect to exist in his or her favor
10 at the time of executing the release and that, if known by him or her
11 would have materially affected his or her settlement with the debtor
12 or released party.

13 Accordingly, if the facts relating in any manner to this Settlement are found hereafter to be
14 other than or different from the facts now believed to be true, the release of claims contained herein
15 shall be effective as to all unknown claims. Notwithstanding the foregoing provisions, the
16 General Release by Named Plaintiffs does not constitute a waiver of any claims that cannot by law
17 be waived, including claims for workers' compensation, disability insurance, or unemployment
18 insurance. The Section 1542 release applies only to Named Plaintiffs and does not extend to absent
19 class members.

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20 44. Released Parties. The term "Released Parties", shall mean Defendant Felicia Lopez
21 and her predecessors, successors, and assigns, current and former agents, heirs, executors,
22 administrators, principals, officers, directors, shareholders, employees, founders, members,
23 assigns, insurers, attorneys, and all other claiming through and by any of them.

24 45. Settlement Payment Amount. "Settlement Payment Amount" means the Global
25 Settlement Amount, consisting of several elements including, without limitation: Eligible Class
26 Member Shares, Class Administration Costs, the Named Plaintiff Enhancements, the LWDA
27 Fund, Class Counsel Fees and Costs, the Net Settlement Amount, and Eligible Class Members'
28 portion of withholdings, contributions, deductions, taxes, fees and any other amounts due to
29 government agencies and/or tax authorities in relation to any payments pursuant to this Agreement.

30 46. SSPBI Settlement Amount. "SSPBI Settlement Amount" means the amount paid

1 out to Plaintiffs and the putative class as the result of SSPBI's bankruptcy and the stipulation
2 reached between Class Counsel and the trustee for SSPBI's bankruptcy action which shall include
3 all employer's taxes, contributions, fees and any other amounts due to government agencies and/or
4 tax authorities in relation to any payments pursuant to this Agreement. The amount received as a
5 distribution from SSPBI's estate is yet to be finally determined but is estimated to be between
6 \$135,000 and \$145,000.

7 47. Void Ab Initio. "Void Ab Initio" shall mean a circumstance in which this
8 Agreement is null and void and the Parties shall be returned to conditions such that the Agreement
9 had never been entered into. Such circumstance will be deemed to exist only if any of the following
10 having occurred: (a) the Court has so ordered; (b) any of the Parties has materially breached this
11 Agreement and either such breach cannot be cured, or after reasonable notice to the breaching
12 Party and a reasonable opportunity to cure such breach to the satisfaction of the non-breaching
13 Parties, the breaching Party has failed to do so, unless (i) the non-breaching Parties have stipulated
14 in writing that such breach is non-material; or (ii) the Court has ruled that such un-cured or un-
15 curable breach is non-material; (c) conditions have become such (including, for example, that the
16 Court has refused to approve the Settlement) that the Effective Date has not occurred and cannot
17 occur in the future; (d) if more than ten percent (10%) of the putative Class Members opt out;
18 and/or (d) as otherwise specifically provided for in this Agreement.

19 48. Work Week. "Work Week" shall mean a continuous period of seven (7) calendar
20 days, commencing with Sunday at 12:00 a.m., wherein any such calendar days in such period, are
21 also within the Class Period.

22 **II. TERMS AND CONDITIONS OF SETTLEMENT**

23 In addition to the definitional elements set forth above, the terms and conditions of the
24 class settlement shall be as follows:

25 1. Contentions and Defenses: Compromise. The Parties have determined that this
26 Settlement represents a fair and reasonable compromise of disputed claims for wages and other
27 monetary and non-monetary relief, following a reasonably thorough investigation. The Parties
28 have entered into this Settlement to avoid the inherent risks and costs of further litigation. Named

1 Plaintiffs do not stipulate that this Settlement represents the maximum extent of such relief to
2 which they or the Class would be entitled if the Actions were to be further litigated. Lopez does
3 not stipulate that, should the Action be further litigated, Named Plaintiffs and/or the Class would
4 be entitled to any relief whatsoever. Neither Named Plaintiffs nor Lopez admit to any unlawful
5 conduct or wrongdoing. The Parties hereby reserve all of their rights to litigate the Action and seek
6 all available forms of relief should this Settlement not be given effect.

7 4. Preliminary Approval. As soon as possible following execution of this Agreement,
8 Class Counsel shall move the Court for Preliminary Approval. Class Counsel will submit therewith
9 a proposed order and any necessary declarations in support of Preliminary Approval. The Parties
10 shall give all reasonable cooperation necessary to obtain Preliminary Approval from the Court.

11 5. Class Administration Procedures – Class List. Within fourteen (14) days of Lopez’s
12 receipt of notice of entry of Preliminary Approval, Lopez shall cause to be delivered by email or
13 otherwise to the Class Administrator a list of the Class Members that includes their names, last
14 known home address(es), full social security numbers, and dates of employment with Defendants
15 in a Class Position during the Class Period, all of which information shall be based upon reasonably
16 available business records and/or the best reasonably available personal knowledge of Lopez.

17 6. Class Administration Procedures – Notice to Class.

18 Prior to notifying Class Members of their award, the Class Administrator will calculate the
19 estimated Eligible Class Member Shares of each respective Class Member, based upon an
20 assumption that all Class Members will become Eligible Class Members, that no Class Member
21 Objections, Opt-Out Requests, or other disputes pursuant to Section II.7 below will be submitted,
22 and that no Class Members will be added to the Class. The approximate amounts of such estimated
23 Eligible Class Member Shares will be disclosed on an individual basis in each Class Member’s
24 respective Class Notice, along with the basis of the calculation of such shares in relation to the
25 number of Class Member Work Weeks for each such Class Member.

26 Within ten (10) days after delivery of the information described in Section II.5 above, the
27 Class Administrator will mail a Notice Packet to each Class Member via email (if available to
28 Lopez) and United States Mail, first class, postage pre-paid to each Class Member’s last-known

1 address.

2 If any mailed Notice Packets are returned as undeliverable, then the Class Administrator
3 shall have forty-five (45) days from receipt of notice that a Notice Packet was undeliverable to
4 perform one “skip trace” or similar search and to re-mail the same Notice Packet (or a true and
5 correct copy thereof) to any new addresses disclosed by such search via first-class regular U.S.
6 Mail indicating on the Notice the date it was re-mailed, and including written notice that a Class
7 Member has fifteen (15) days to respond to a re-mailed Notice via either Objection or Opt-Out
8 Request.

9 If the process set forth in this paragraph and any other procedures ordered by the Court are
10 followed, the Class Notice will be deemed to have been adequately provided to all Class Members.
11 In the event the procedures in the Agreement are followed and a Class Member, nonetheless, does
12 not receive the Notice Packet, the intended recipient shall remain a Class Member, and will be
13 deemed an Eligible Class Member, unless such intended recipient submits a Class Member
14 Objection or Opt-Out Request.

15 7. Class Administration Procedures – Class Member Objections, Opt-Out Requests,
16 and Disputes Concerning Class Member Status and Number of Class Member
17 Work Weeks

18 (a) *Class Member Objections – Filing and Service:* Any member of the
19 Settlement Class who wishes to make a Class Member Objection must give written notice to the
20 Class Administrator, with such notice being received by the Class Administrator within sixty (60)
21 days of mailing of the Notice Packets to the Class Members. Such written notice shall contain the
22 relevant Class Member’s name, address, telephone number, and signature, as well as a statement
23 to the effect that the Class Member objects to the settlement, the basis and/or reason for such
24 objection. A signature by the relevant Class Member’s authorized representative, such as an
25 attorney, is sufficient. Timely Class Member Objections will not be rejected for technical reasons
26 or deficiencies.

27 (b) *Class Member Objections – Responses:* Upon receipt of any documents
28 purporting to be Class Member Objections, the Class Administrator shall forthwith forward such

1 documents to Class Counsel and Defendants' Counsel by e-mail and United States Mail. Following
2 receipt of such documents, Class Counsel and Defendants' Counsel shall confer regarding such
3 documents purporting to be Class Member Objections. Class Counsel shall file with the Court, in
4 a separate document along with their motion for Final Approval, a joint statement, not to exceed
5 ten (10) pages, containing the Parties' points and authorities in response to such documents
6 purporting to be Class Member Objections, along with copies of such Class Member Objections.
7 If the Parties' responses differ in any respect, the jointly-held positions shall be set forth in a
8 separately entitled section, and the differently-held positions shall be set forth in further separately-
9 entitled sections of the joint response. The Parties may attach evidence to the joint response, which
10 shall not count toward the page limit. If the volume of documents purporting to be Class Member
11 Objections is sufficiently large such that ten (10) pages is insufficient for the joint response, the
12 Parties (or any of them) may apply to the Court for an increase in the number of such pages. Should
13 the Parties receive any untimely-filed, received, or sent documents purporting to be Class Member
14 Objections (or should the Parties receive them less than ten (10) days prior to any due date for the
15 motion for Final Approval), the Parties may file a further such joint response at any time prior to
16 the Final Approval Hearing, but in any event not later than ten (10) days after receiving such
17 untimely documents.

18 (c) *Opt-Out Requests*: Any member of the Settlement Class who wishes to
19 make an Opt-Out Request must deliver written notice (to include the relevant Class Member's
20 name, address, telephone number, and signature) to such effect to the Class Administrator, with
21 such notice being received by the Class Administrator within sixty (60) days of mailing of the
22 Notice Packets to the Class Members. A signature by the relevant Class Member's authorized
23 representative, such as an attorney, is sufficient. Such written notice shall set forth a statement to
24 the effect that the Class Member does not wish to be part of, to be bound by, and/or to receive
25 funds pursuant to the Settlement. Timely Opt-Out Requests will not be rejected for technical
26 reasons or deficiencies. The Class Administrator shall give Class Counsel and Defendant's
27 Counsel no less than weekly notice of the number of Class Members who have submitted Opt-Out
28 Requests, as well as copies of any such Opt-Out Requests upon request. Should any of the Parties

1 wish to dispute the validity of any documents purporting to be Opt-Out Requests, they shall notify
2 the Class Administrator and all other Parties via e-mail and U.S. Mail within ten (10) days of
3 receiving such documents, and in so doing they shall state the factual and legal basis for such
4 dispute. Prior to the deadline for submitting its declaration described in Section II.8 below, the
5 Class Administrator shall make a determination as to the validity of the disputed Opt-Out Requests,
6 and shall set forth its determinations in such declaration. The Class Administrator's decisions in
7 such regard shall be final and binding.

8 (d) *Disputes Concerning Class Member Status:* Should any person who does
9 not receive a Class Notice directed to him or her wish to come forward purporting to be a Class
10 Member, such person shall notify the Class Administrator, no later than sixty (60) days after the
11 Class Administrator's mailing of the Class Notice Packets. The Class Administrator shall forthwith
12 send any such documents to Defendants' Counsel via email and/or United States Mail. Upon
13 receipt of such notice, Lopez shall investigate the matter, including with reference to business
14 records, and shall determine whether the person is a Class Member. Then, within ten (10) days of
15 receipt of such notice, Lopez shall notify the Class Administrator as to its determination of the
16 person's status as a Class Member. Lopez's determination in such regard shall control. If the
17 person is determined to be a Class Member, the Class Administrator shall mail that person a Notice
18 Packet, whereupon the same procedures for submitting Class Member Objections, Opt-Out
19 Requests, and Disputes Concerning Work Weeks set forth in this Agreement shall apply to such
20 person.

21 (e) *Disputes Concerning Class Member Work Weeks:* The Class Notices sent
22 to each Class Member shall separately set forth that person's estimated number of Class Member
23 Work Weeks, which will be calculated based on Defendants' records as held by Lopez. If for any
24 reason a Class Member disagrees with such estimate, such Class Member shall deliver written
25 notice to such effect to the Class Administrator, with such notice being received by the Class
26 Administrator within sixty (60) days of mailing of the Notice Packets to the Class Members. Such
27 notice shall set forth the Class Member's basis for such disagreement, including any and all
28 documents supporting such basis. Upon receipt of such notices, the Class Administrator shall

1 forthwith send it to Defendant's Counsel, via e-mail and United States Mail. Lopez shall
2 investigate the matter, including by examining SSPBI's business records, and shall, within ten (10)
3 days of receiving notice, inform the Class Administrator as to its determination regarding the Class
4 Member's number of Class Member Work Weeks. In the event that the Class Member does not
5 provide any supportive documentation, Lopez's determination shall control. In the event that the
6 Class Member does provide supportive documentation, Lopez shall, within the same ten (10) day
7 period, either notify the Class Administrator that she stipulates to the Class Member's assertions
8 regarding his or her number of Class Member Work Weeks, or shall notify them that she disputes
9 such assertions, and shall provide the Class Administrator with her proposed determination, and
10 the factual basis therefor, and any supporting documentation. The Class Administrator shall then
11 determine the Class Member's number of Class Member Workweeks, and its determinations shall
12 control.

13 (f) Named Plaintiffs hereby agree that they will not submit a Class Member
14 Objection or an Opt-Out Request. Any submissions by Named Plaintiffs purporting to be a Class
15 Member Objection or an Opt-Out Request shall be null and void.

16 (g) No determinations by Lopez, the Class Administrator, the Court, or any
17 other person or entity pursuant to this Section II.7 shall have the effect of increasing the amount
18 of the Lopez Settlement Amount. Rather, any additional amounts to be distributed to any Class
19 Member as a result of the resolution of such disputes shall be made in conjunction with and subject
20 to a proportionate reduction in other Eligible Class Members' Eligible Class Member Shares, with
21 specific amounts to be determined by the Class Administrator.

22 8. Class Administration Procedures – Class Administrator Declaration. Within ten
23 (10) days of the expiration of all the time periods provided for in Sections II.5 through II.7 above,
24 the Class Administrator shall provide Class Counsel and Defendants' Counsel with the Class
25 Administrator Declaration. Should the Class Administrator be unable to provide the Class
26 Administrator Declaration at such time, it shall forthwith notify Class Counsel and Defendants'
27 Counsel, who shall cooperate with the Class Administrator to forthwith remedy any such inability.

28 9. Motion for Final Approval. By the later of (a) ten (10) days of Class Counsel's

1 receipt of the declaration required of the Class Administrator by Section II.8 above; or (b) sixteen
2 (16) court days prior to the Final Approval Hearing, Class Counsel shall file and serve upon Lopez
3 and the Class Administrator a motion for Final Approval, and shall include the Class
4 Administrator's declaration with such filing. Should the date of Class Counsel's receipt of the
5 Class Administrator Declaration be less than ten (10) days prior to the court day that is sixteen
6 (16) court days prior to the Final Approval Hearing, Class Counsel shall make reasonable efforts
7 to file its motion for Final Approval not later than sixteen (16) court days prior. If Class Counsel
8 is unable to do so, or if Class Counsel otherwise believe based on other circumstances they will
9 not be able to file a timely motion for Final Approval, they shall seek *ex parte* or other emergency
10 relief from the Court in the form of shortening of the time for filing and serving the Motion for
11 Final Approval, or re-scheduling of the Final Approval Hearing. Lopez shall cooperate in the
12 seeking and obtaining of such relief.

13 10. Release. The Settlement includes a release of Released Claims against the Released
14 Parties for the Class Period. Each Eligible Class Member shall be deemed, as of the Effective Date,
15 to have provided and to be subject to the release of Released Claims against the Released Parties
16 set forth in herein. Named Plaintiffs additionally agree that as of the Effective Date, each of them
17 will be deemed to have provided and to be subject to the General Release in favor of the Released
18 Parties set forth herein. Named Plaintiffs, as agents or proxies of the LWDA, additionally agree
19 that as of the Effective Date, all claims of the LWDA under PAGA are released in favor of the
20 Released Parties.

21 11. Enforcement. This Agreement is enforceable pursuant to California Rule of Court
22 3.769(h). If any Party is required to seek relief for an alleged breach of this Agreement, the
23 prevailing party shall be awarded its reasonable attorney's fees and costs including, if necessary,
24 attorney's fees. Provided however, that the aggrieved Party shall be required to give notice to the
25 opposing Party and meet and confer regarding the alleged breach before filing any motion, or
26 application for enforcement of, this Agreement.

27 12. Taxation and Withholding; Settlement Checks.

28 (a) *Allocation.* The Parties agree that one-third (1/3) of the Net Settlement

1 Amount shall be allocated to Form W-2 wages, One-third (1/3) of the Net Settlement Amount
2 shall be allocated to interest subject to Form 1099 report, and one-third (1/3) of the Net Settlement
3 Amount be allocated to penalties (including the LWDA Fund Remainder) and other non-wages
4 subject to Form 1099 reporting, and that the same allocations shall apply to each of the Eligible
5 Class Member Shares. This allocation is for purposes of this Settlement only. The Class
6 Administrator will pay from the QSF each Eligible Class Member Share, the Eligible Class
7 Members' shares and the Employer's share of payroll taxes, deductions, contributions, and other
8 amounts required to be paid to government agencies and/or tax authorities. The payment of such
9 taxes, deductions, contributions and other amounts shall be calculated based upon Defendants'
10 reasonably available records. The Class Administrator shall provide reasonable notice to
11 Defendants' Counsel of any records required for purposes of computing taxes, deductions,
12 contributions and other amounts, and Lopez shall undertake reasonable efforts to provide the Class
13 Administrator with same. The Class Administrator shall provide, as appropriate, an IRS Form W-
14 2 and Form 1099, and any other tax documentation required by law, to each Eligible Class Member
15 payee.

16 (b) *Circular 230 Disclaimer.* Each of the Parties acknowledges and agrees that
17 (1) no provision of this Agreement, and no written communication or disclosure between or among
18 the Parties or their respective counsel and/or other advisers is or was intended to be, nor shall any
19 such communication or disclosure constitute or be construed or be relied upon as, tax advice within
20 the meaning of United States Treasury Circular 230 (31 CFR part 10, as amended); (2) each Party
21 (a) has relied exclusively upon his, her or its own, independent legal and tax advisors for advice
22 (including tax advice) in connection with this Agreement, (b) has not entered into this Agreement
23 based upon the recommendation of any other Party or any Counsel or advisor to any other Party,
24 and (c) is not entitled to rely upon any communication or disclosure by any other Counsel or
25 advisor to any other Party to avoid any tax penalty that may be imposed on that Party; and (3) no
26 attorney or advisor to any other Party has imposed any limitation that protects the confidentiality
27 of any such attorney's or advisor's tax strategies (regardless of whether such limitation is legally
28 binding) upon disclosure by the Party of the tax treatment or tax structure of any transaction,

1 including any transaction contemplated by this Agreement. Neither Class Counsel nor Lopez or
2 their Counsel will provide tax or financial advice, and Class Members are advised to seek
3 independent professional advice as to the tax or financial consequences of any payment they
4 receive, or may receive, as Class Members.

5 (d) *Non-Negotiated Instruments of Payment.* The expiration date of any
6 instruments of payment issued by the Class Administrator to Eligible Class Members will be one
7 hundred eighty (180) days from the date such instruments are issued and sent.

8 13. Payment of the Lopez Settlement Amount. Upon the Effective Date, the Class
9 Administrator shall forthwith establish all financial accounts necessary to establish the Qualified
10 Settlement Fund, and shall promptly notify Defendants' Counsel and Class Counsel by email that
11 such accounts have been established and of the payment details necessary to fund the Qualified
12 Settlement Fund. Within fifteen (15) business days of receipt of such notice from the Class
13 Administrator, and provided that the Effective Date has occurred, Lopez shall make payment of
14 the Lopez Settlement Amount. Within ten (10) days after all funds necessary to fully fund the
15 Qualified Settlement Fund are in the accounts established by the Class Administrator and are
16 available for disbursement, the Class Administrator shall disburse, pursuant to this Settlement and
17 other applicable law, the corresponding Eligible Class Member Shares to each Eligible Class
18 Member, as well as the LWDA Fund, the Named Plaintiffs' Enhancements, the Class
19 Administration Costs, taxes to the appropriate taxing agency and the Class Counsel Fees and Costs.
20 In disbursing the LWDA Fund, the Class Administrator shall also submit to the LWDA any
21 information or documentation required for such disbursement, such as a copy of the Court's Final
22 Approval order. The Class Administrator shall promptly notify Class Counsel and Defendants'
23 Counsel by email that such disbursements and submissions have been made.

24 14. Cooperation and Reasonable Modifications. The Parties and their respective
25 counsel will cooperate reasonably and in good faith for the purpose of achieving occurrence of the
26 conditions set forth in this Agreement, including without limitation, timely filing of all motions,
27 papers and evidence necessary to do so, and refraining from causing or encouraging directly or
28 indirectly the submission of any objection to this Agreement, the submission of any Class Member

1 Objection or Opt-Out Request, or any appeal or petition for writ proceedings seeking review of
2 any order or judgment contemplated by the Settlement. This Agreement contemplates that the
3 Court and the Parties may make reasonable modifications to the Agreement in order to effect its
4 essential terms and to obtain Preliminary Approval and Final Approval. Such modifications shall
5 not render this Agreement Void *Ab Initio*, but rather the Parties shall stipulate to such reasonable
6 modifications and take all necessary steps to give them effect.

7 15. Warranty of Authority. The undersigned each represent and warrant that each has
8 authority to enter into this Settlement, and that by doing so they are not in breach or violation of
9 any agreement with any third parties. The Parties further agree that the Actions shall be stayed in
10 all respects until the final payment called for by this Settlement is made pending the occurrence or
11 failure of the Effective Date, except for the purpose of filing motions for Preliminary Approval
12 and Final Approval.

13 16. Other Actions Enjoined. Lopez shall have the right to request, and Named Plaintiffs
14 nor their Counsel will not oppose, that the Court enter an order that pending Final Approval, Class
15 Members who do not opt-out of the Settlement are barred from instituting or prosecuting any
16 claims or actions against the Released Parties which fall within the definition of the Released
17 Claims and that any pending actions against the Released Parties, whether in court or arbitration,
18 are stayed on an interim basis only as to any claims which fall within the definition of the Released
19 Claims.

20 17. Notices to Counsel. All notices, requests, demands and other communications
21 required or permitted to be given pursuant to this Agreement shall be in writing and shall be
22 delivered personally or mailed, postage prepaid, by first-class United States mail, to the
23 undersigned persons at their respective addresses as set forth herein (and, to the extent notice by
24 email is called for, the below email addresses shall be used:

Counsel for Plaintiffs:	Counsel for Defendant:
YOSEF PERETZ, SBN 209288 yperetz@peretzlaw.com	JOHN F. MCINTYRE, JR., SBN 172128 jmcintyre@sheamcintyre.com

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1 SHANE HOWARTER, SBN 311970
showarter@peretzlaw.com

KEVIN R. ELLIOTT, SBN 276295
kelliott@sheamcintyre.com

2 **PERETZ & ASSOCIATES**
22 Battery Street, Suite 200
3 San Francisco, California 94111-3712
4 Telephone: (415) 732-3777
Facsimile: (415) 732-3791

SHEA & MCINTYRE, A P.C.
2166 The Alameda
San Jose, California 95126-1144
Telephone: (408) 298-6611
Facsimile: (408) 275-0814

5 MARTIN HOROWITZ, SBN 79073
mhorowitz@h-legal.com

6 **HOROWITZ & RUBINOFF**
7 180 Grand Avenue, Suite 1380
8 Oakland, California 94612-3750
Telephone: (510) 444-7717

9
10 18. Notice to LWDA. Class Counsel shall be responsible for giving any required notice
11 of this Settlement to the LWDA.

12 19. Entire Agreement. This Agreement embodies the entire agreement of all the Parties
13 hereto who have executed it and supersedes any and all other agreements, understandings,
14 negotiations, or discussions, either oral or in writing, express or implied, between the Parties to
15 this Agreement. The Parties to this Agreement each acknowledge that no representations,
16 inducements, promises, agreements or warranties, oral or otherwise, have been made by them, or
17 anyone acting on their behalf, which are not embodied in this Agreement; that they have not
18 executed this Agreement in reliance on any representation, inducement, promise, agreements,
19 warranty, fact or circumstances, not expressly set forth in this Agreement; and that no
20 representation, inducement, promise, agreement or warranty not contained in this Agreement
21 including, but not limited to, any purported settlements, modifications, waivers or terminations of
22 this Agreement, shall be valid or binding, unless executed in writing by all of the Parties to this
23 Agreement. This Agreement may be amended, and any provision herein waived, but only in
24 writing, signed by the Party against whom such an amendment or waiver is sought to be enforced.

25 20. Waiver of Appeals. The Parties and Class Members agree to waive any appellate
26 rights; provided, however, that Plaintiffs may appeal any reduction in the Attorneys' Fees and/or
27 Cost award. The outcome of any proceeding related to Class Counsel's application for Attorneys'
28 Fees and Costs shall not terminate this Joint Stipulation or otherwise affect the Court's ruling on

1 the motion for Final Approval.

2 21. No Assignment. Class Counsel and Plaintiffs, on behalf of the individual Class
3 Members, represent and warrant that they have not assigned or transferred, or purported to assign
4 or transfer, to any person or entity, any claim or any portion thereof or interest therein, including,
5 but not limited to, any interest in the Action, or any related action.

6 22. No Admission. The Parties enter into this Agreement to resolve the dispute that has
7 arisen between them and to avoid the burden, expense and risk of continued litigation. In entering
8 into this Agreement, Defendants do not admit, and specifically deny, that they violated any federal,
9 state, or local law; violated any regulations or guidelines promulgated pursuant to any statute or
10 any other applicable laws, regulations or legal requirements; breached any contract; violated or
11 breached any duty; engaged in any misrepresentation or deception; or engaged in any other
12 unlawful conduct with respect to their employees. This Agreement is not an admission of liability
13 by Defendants or any of the Released Parties. Except as necessary in a proceeding to enforce the
14 terms of this Agreement, this Agreement and its terms and provisions will not be offered or
15 received as evidence in any action or proceeding to establish any liability or admission on the part
16 of Defendants or to establish the existence of any condition constituting a violation of, or a non-
17 compliance with, federal, state, local or other applicable law.

18 20. Counterparts. This Agreement may be executed in counterparts by way of true and
19 correct copies (including PDF's or other electronic images) of signatures, each of which shall have
20 the same force and effect as an original, and all of which together shall constitute one and the same
21 instrument.

22 Respectfully submitted,
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Dated: _____, 2021 SHEA & McINTYRE, A P.C.

By: _____
JOHN F. McINTYRE, JR.
KEVIN R. ELLIOTT
Attorneys for Defendants
SI SE PUEDE BEHAVIORAL, INC. a.k.a.
SOCIALLY SIGNIFICANT PROGRAMMING
FOR BEHAVIORS, INC., and FELICIA LOPEZ

Dated: _____, 2021 PERETZ & ASSOCIATES

By: _____
YOSEF PERETZ
SHANE HOWARTER
Attorneys for Plaintiffs
IRENE CLINE, LYNN CHO, DESIREE
PACHECO, and ITZEL MARLENE DIAZ

PLAINTIFFS

Dated: _____
Irene Cline

Dated: _____
Lynn Cho

Dated: _____
Desiree Pacheco

Dated: _____
Itzel Marlene Diaz

DEFENDANT

Dated: _____
Felicia Lopez

EXHIBIT 3

PAGA NOTICE PUBLIC SEARCH - CASE DETAIL

Case Information

Case Number: LWDA-CM-593945-18
Plaintiff for PAGA Case: Irene Cline, Lynn Cho, Desiree Pacheco, Itzel Marlene Diaz
Filer/Attorney for PAGA Case: Shane Howarter
Law Firm for PAGA Plaintiff: Peretz & Associates
Employer: Si Se Puede Behavioral, Inc.
Date Case Received:
Filer for Employer:
Employer Filer Firm:
Court Type:
Court Name: Alameda Superior Court
PAGA Court Case Number:
Violation Type:
Related BOFE Case:

Attachments

Attachment Name	Description	Date Submitted	Type
Proposed Settlement Submitted on 07/22/2021 10:42:42 AM by Yosef Peretz	Cline Class Action and PAGA Settlement - FULLY EXECUTED.pdf	7/22/2021 5:42 PM	Proposed Settlement
Proposed Settlement Submitted on 09/13/2021 11:55:49 AM by Yosef Peretz	Cline Amended Class Action and PAGA Settlement - FULLY EXECUTED 9.13.21.pdf	9/13/2021 6:55 PM	Proposed Settlement