

## CLASS ACTION SETTLEMENT AGREEMENT

Subject to court approval, this Class Action Settlement Agreement (“Agreement”) is made by and between Jenelle Olea and Nicole Foerst, individually and on behalf of all others similarly situated (collectively, “Plaintiffs”), and Defendants The Stepping Stones Group LLC (“SSG”); Autism Intervention Professionals, LLC; EBS Healthcare Staffing Services, Inc.<sup>1</sup>; EBS Healthcare, LLC; STAR of CA, LLC; and Behavioral Learning Center, Inc.(hereinafter “Defendants”). The Agreement refers to Plaintiffs and Defendants collectively as “Parties” or individually as a “Party.”

### 1. DEFINITIONS.

1.1. “Actions” means Plaintiffs’ lawsuits alleging wage and hour violations against Defendants captioned *Jenelle Olea et al. v. The Stepping Stones Group LLC et al.*; Case No. 37-2022-00040884-CU-OE-CTL, pending in San Diego County Superior Court (the “Olea Action”), in conjunction with *Nicole Foerst v. Autism Intervention Professionals, LLC et al.*; Case No. SCV-271936, originally filed in Sonoma County Superior Court (the “Foerst Action”). These cases, as originally filed and as may be coordinated or consolidated<sup>2</sup>, are referred to simply as the “Actions.”

1.2. “Administrator” means CPT Group.

1.3. “Administration Expenses” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its costs in accordance with the Administrator’s bid to be submitted to the Court. The Administration Expenses shall not exceed \$55,000, except for a showing of good cause and as approved by the Court.

1.4. “Class” or “Class Member(s)” means all individuals currently or formerly employed by Defendants in California as hourly, non-exempt employees during the Class Period and who have not signed release agreements as of September 7, 2023.

1.5. “Class Counsel” means Ferraro Vega Employment Lawyers, Inc. and Melmed Law Group, P.C.

1.6. “Class Counsel Attorneys’ Fees” and “Class Counsel Litigation Costs” mean the amounts allocated to Class Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Actions. Class Counsel Attorneys’ Fees shall be 33.33% of the Gross Settlement Amount and Class Counsel Litigation Costs shall not exceed \$50,000.00.

1.7. “Class Data” means Class Member identifying information in Defendants’ possession including the Class Member’s name, last-known mailing address, Social Security number, and number of Class Period Workweeks and PAGA Pay Periods.

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<sup>1</sup> EBS Healthcare Staffing Services, Inc. was converted to EBS Healthcare, LLC on February 24, 2021.

<sup>2</sup> A Joint Stipulation to file a second amended complaint that consolidates the Olea and Foerst Actions is currently pending before Judge Medel.

1.8. “Class Member Address Search” means the Administrator’s search for Class Member mailing addresses using all reasonably available sources, including but not limited to the National Change of Address database, skip traces, and direct contact by the Administrator with Class Members.

1.9. “Class Notice” means the Notice of Class Action Settlement, attached as **Attachment A** and including the Request for Exclusion, attached as **Attachment B**, to be mailed to Class Members and incorporated by reference into this Agreement.

1.10. “Class Period” means the period from April 16, 2018 through December 31, 2023.

1.11. “Class Representative(s)” refer to Jenelle Olea (“Plaintiff Olea”) and Nicole Foerst (“Plaintiff Foerst”).

1.12. “Class Representative Service Payment(s)” means the payment to the Class Representatives for initiating and providing services in support of the Actions in an amount up to \$10,000.00 each to Plaintiff Olea and Plaintiff Foerst, subject to Court approval.

1.13. “Court” means the San Diego County Superior Court.

1.14. “Defense Counsel” means captioned counsel of record from the law firm of Troutman Pepper Hamilton Sanders LLP.

1.15. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its order granting final approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day after the deadline for filing a notice of appeal from the Judgment, if no notice of appeal is filed; or (b) if a timely appeal from the Judgment is filed, or any other legal challenge to the Settlement is filed, the date the final resolution of any such appeal or challenge has been finally terminated in such a manner as to permit the Final Approval and Judgment to take effect and is no longer subject to further judicial review.

1.16. “Final Approval” means the Court’s order granting final approval of the Settlement.

1.17. “Final Approval Hearing” means the Court’s hearing on the Motion for Final Approval of the Settlement.

1.18. “Gross Settlement Amount” means **\$4,250,000.00**, which is the total amount Defendant(s) agree(s) to pay under the Settlement, subject to the terms and conditions of this Settlement.

1.19. “Individual Class Payment” means the Participating Class Member’s pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks worked during the Class Period.

1.20. “Individual PAGA Payment” means the PAGA Members’ pro rata share of the Net PAGA Payment, calculated according to the number of Pay Periods worked during the PAGA Period.

1.21. “Judgment” means the judgment entered by the Court based upon the Final Approval.

1.22. “LWDA” means the California Labor Workforce and Development Agency.

1.23. “LWDA PAGA Payment” means the 75% share of the PAGA Payment paid to the LWDA under Labor Code section 2699, subd. (i).

1.24. “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: Class Representative Service Payments, Class Counsel Attorneys’ Fees, Class Counsel Litigation Costs, the PAGA Payment (including the LWDA PAGA Payment and Individual PAGA Payments), and the Administration Expenses. The remainder is to be paid to Participating Class Members as Individual Class Payments.

1.25. “Non-Participating Class Member” means any Class Member who submits a valid and timely Request for Exclusion from the Settlement by the Response Deadline.

1.26. “Operative Complaint” means the most recently filed class action complaint, including the Second Amended Complaint, filed by Plaintiff Olea and Plaintiff Foerst, pending court approval.

1.27. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement.

1.28. “PAGA” means California’s Private Attorneys General Act of 2004.

1.29. “PAGA Members” means all Class Members who worked at any time during the PAGA Period.

1.30. “PAGA Period” means September 30, 2021 through December 31, 2023.

1.31. “PAGA Payment” means the sum of \$100,000.00, provided in exchange for a release of the PAGA claims addressed in this Settlement, which shall be allocated from the Gross Settlement Amount to pay all applicable penalties under PAGA. 75% (\$75,000.00) of the total PAGA Payment shall be paid to the LWDA, with the remaining 25% (\$25,000.00) to be distributed as Individual PAGA Payments.

1.32. “Pay Period” means any pay period during which a PAGA Member worked for Defendants during the PAGA Period, excluding any pay periods in which no work was performed.

1.33. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.

1.34. “Released Claims” means the claims being released in connection with this Settlement, as set forth in full below.

1.35. “Released Parties” means: Defendants and each former and present directors, officers, shareholders, owners, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates, including The Stepping Stones Group LLC; Autism Intervention Professionals, LLC; EBS Healthcare Staffing Services, Inc.; EBS Healthcare, LLC; STAR of CA, LLC; and Behavioral Learning Center, Inc.

1.36. “Request for Exclusion” means a Class Member’s submission of a signed written request to be excluded from the Class Settlement, including on the form provided with the Class Notice.

1.37. “Response Deadline” means 45 days after the Administrator mails Notice to Class Members and shall be the last date on which Class Members may: (a) email or mail Requests for Exclusion from the Settlement, or (b) email or mail their Objection to the Settlement. Class Members to whom the Class Notice is resent after being returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline expiry.

1.38. “Settlement” means the disposition of the Actions effected by this Agreement and the Judgment.

1.39. “Workweek” means any week during which a Class Member worked for Defendants for at least one day during the Class Period, excluding any weeks in which no work was performed.

1.40. “Workweek Estimate” means, based on a review of Defendants’ records to date, a total of 324,444 Workweeks worked by Class Members during the Class Period.

## **2. MONETARY TERMS.**

2.1. Gross Settlement Amount. Subject to all terms of this Agreement, SSG shall pay the Gross Settlement Amount in connection with this Settlement. The Gross Settlement Amount does not include any employer payroll taxes owed on the Wage Portion of the Individual Class Payments, which shall be paid separately. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members and/or PAGA Members to submit any claim as a condition of payment. The Gross Settlement Amount is non-reversionary.

2.2. Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

2.2.1. To Class Representatives: The Class Representative Service Payments to the Class Representatives, in addition to any Individual Class Payment and any

Individual PAGA Payment the Class Representatives may be entitled to receive as a Participating Class Member. The Class Representative Service Payments is contingent upon the Class Representatives' execution of a full general release, including a waiver under Civil Code section 1542. If the Court approves a Class Representative Service Payments less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount. The Administrator will pay the Class Representative Service Payments using IRS Form 1099. An award of less than the requested amount for the Class Representative Service Payment will not give rise to a basis to abrogate the Settlement Agreement and the Court has authority under this Agreement to reduce (or increase) the Class Representative Service Payments, at its discretion at the final approval stage. Class Representatives assume full responsibility and liability for any taxes owed on the Class Representative Service Payments.

2.2.2. To Class Counsel: Class Counsel Attorneys' Fees and Class Counsel Litigation Costs to Class Counsel. Defendants will not oppose requests for these payments, provided the requests do not exceed these amounts. If the Court approves a Class Counsel Attorneys' Fees and/or a Class Counsel Litigation Costs less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to Class Counsel or any other Plaintiffs' Counsel arising from any claim to any portion any Class Counsel Fee Payment and/or Class Counsel Litigation Costs. The Administrator will pay the Class Counsel Attorneys' Fees and Class Counsel Expenses Payment using one or more IRS 1099 Forms.

2.2.3. To the Administrator: Administration Expenses to the Administrator. To the extent the Administration Expenses are less or the Court approves payment less than the Administration Expenses set forth in this Agreement, the Administrator will retain the remainder in the Net Settlement Amount.

2.2.4. To the LWDA and PAGA Members: Subject to Court approval, the PAGA Payment will be allocated to cover any and all claims for civil penalties associated with the Released Claims that were, or could have been, brought based on the factual allegations in the Actions or LWDA Notices submitted by Plaintiffs in connection with the Actions under PAGA, 75% of which will be paid to the LWDA (i.e., the LWDA PAGA Payment) and the remaining 25% retained in the Net Settlement Amount for distribution to PAGA Members as penalties in exchange for a full and final release of PAGA claims. The Court has authority under this Agreement to increase (or reduce) the PAGA Payment up to and including at the final approval stage, and the Parties respectfully reserve the right to increase (or reduce) the PAGA Payment up to and including at the final approval stage, which may be done only through written amendment fully executed by both Parties. If the Court approves a PAGA Payment of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will report the Individual PAGA Payments on IRS 1099 forms.

2.2.5. To Each Participating Class Member: An Individual Class Payment calculated by: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period; and (b) multiplying the result by each Participating Class Member's Workweeks.

2.2.6. Tax Allocation of Individual Class Payments. 60% of each Participating Class Member's Individual Class Payment will be allocated to settlement of wage claims (the "Wage Portion"). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. The remaining 40% of each Participating Class Member's Individual Class Payment will be allocated to settlement of claims for interest and penalties (the "Non-Wage Portion"). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Class Payment. Defendants' payment of the wages, including but not limited to the Wage Portions of the Individual Class Payments, shall not extend or alter any Class Member's period of employment for any purpose.

2.3. Effect of Non-Participating Class Members on Calculation of Individual Class Payments. Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

### **3. SETTLEMENT FUNDING AND PAYMENTS.**

3.1. Delivery of Class Data to Administrator. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, SSG will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members' privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement, and restrict access to the Class Data to Administrator employees who need access to the Class Data to effect and perform under this Agreement. The Administrator shall not provide Class Data to Plaintiffs or anyone representing Plaintiffs without express written authorization from SSG which references this section of the Agreement. SSG has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the foregoing deadline the Parties and their counsel must expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

3.2. Funding of Gross Settlement Amount. SSG shall fully fund the Gross Settlement Amount and fund the amounts necessary to fully pay its share of payroll taxes by transmitting the funds to the Administrator within 10 days after the Effective Date or upon the Administrator's notice to SSG of the amount of estimated payroll taxes due in connection with the Settlement,, whichever occurs later.

3.3. Payments from the Gross Settlement Amount. Within 10 days after SSG funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the Administration Expenses, the LWDA's portion of the PAGA Payment, Class Counsel Attorneys' Fees, Class Counsel Litigation Costs, and Class Representative Service Payments.

3.3.1. The Administrator will issue checks for the Individual Class Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing)

when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Class Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

3.3.2. The Administrator must conduct a Class Member Address Search for all other Class Members whose checks are returned undelivered without USPS forwarding addresses. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to Class Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Class Member whose original check was lost or misplaced, requested by the Class Member prior to the void date.

3.3.3. For any Class Member whose Individual Class Payment or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds, in the name of the Participating Class Member, to the State of California's Unclaimed Property Division.

3.3.4. The payment of Individual Class Payments shall not obligate SSG to confer any additional benefits or make any additional payments to Class Members beyond those specified in this Agreement.

3.3.5. The Administrator will send checks for Individual PAGA Payments to all PAGA Members, including Non-Participating Class Members who qualify as PAGA Members (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Class Payment and the Individual PAGA Payment.

3.4. Payments to the Responsible Tax Authorities. The Administrator will pay the Participating Class Members' portion of normal payroll withholding taxes out of each person's Individual Class Payment. The Administrator shall also pay Defendants' portion of payroll taxes as the current or former employer (including the employer's payment of applicable FICA, FUTA, and SUI contributions, etc.) to the appropriate local, state, and federal taxing authorities. The Administrator will calculate the amount of the Participating Class Members' and Defendants' portion of payroll withholding taxes and forward those amounts to the appropriate taxing authorities.

#### **4. RELEASES OF CLAIMS.**

Effective on the date when SSG fully funds the Gross Settlement Amount and all associated employer payroll taxes owed on the Wage Portion of the Individual Class Payments, the following releases of claims will take effect:

4.1. Class Representatives' General Release. Class Representatives' respective former and present spouses, representatives, agents, attorneys, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or

occurrences, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained in the Operative Complaint or ascertained during the Actions; and (b) any other claims, debts, liabilities, demands, damages, obligations, actions and causes of actions, of any nature whatsoever, whether known or unknown, or suspected or unsuspected, arising out of or in connection with their employment with Defendants, the separation of such employment, or any other act, omission or event occurring between the Parties at any time prior to the date the Class Representatives respectively execute this Agreement. This General Release includes, without limitation: (1) all claims for violation of any federal, state or local statute, ordinance or regulation relating to employment benefits, leaves of absence, or discrimination, harassment, retaliation, or whistleblowing in employment, specifically including, without limitation, the California Fair Employment and Housing Act, the California Family Rights Act, Title VII of the Civil Rights Act of 1964, the Family and Medical Leave Act, the Age Discrimination in Employment Act, the Older Workers Benefit Protection Act, the Genetic Information Nondiscrimination Act, the Americans with Disabilities Act, and the Employee Retirement Income Security Act, the Consolidated Omnibus Budget Reconciliation Act, the Securities Act, the Immigration Reform and Control Act the Worker Adjustment and Retraining Notification Act of 1988, the California Worker Adjustment and Retraining Notification Act, the Uniformed Service Employment and Reemployment Rights Act, and any regulation of any administrative agency or governmental authority relating to employment benefits or discrimination or harassment or retaliation in employment; (2) all claims for failure to pay minimum or overtime wages, failure to timely pay wages, failure to provide accurate itemized wage statements, failure to maintain accurate records, failure to reimburse business expenses, failure to provide meal periods or rest breaks, failure to provide paid sick leave, failure to post notice of paydays and time and place of payment, and any claim for violations of the California Labor Code, California's Business and Professions Code § 17200 et seq., and the applicable California Industrial Welfare Commission Wage Order; (3) any non-statutory tort or contractual claim, including all claims for breach of oral, implied or written contract, breach of implied covenant of good faith and fair dealing, negligent or intentional infliction of emotional distress, and conversion; (4) all claims for wrongful termination of employment; (5) all claims for wages, penalties and/or benefits; and (6) all claims for attorneys' fees and costs. Class Representatives' General Release does not extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability benefits, social security benefits, workers' compensation benefits that arose at any time. Class Representatives acknowledge that they may discover facts or law different from, or in addition to, the facts or law that Class Representatives now know or believe to be true but agree, nonetheless, that Class Representative's General Release shall be and remain effective in all respects, notwithstanding such different or additional facts or their discovery of them.

4.1.1. Class Representatives' Section 1542 Waiver. For purposes of Class Representatives' General Release, each Class Representative expressly waives and relinquish the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

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



4.2. Release by Participating Class Members: All Participating Class Members release Released Parties from any and all claims, damages, and penalties that were alleged or could have been alleged based on the facts alleged in the Actions and any LWDA notices that Plaintiffs submitted in connection with the Actions during the Class Period, including, without limitation, claims for: (1) Failure to Pay All Minimum Wages (Labor Code sections 1194, 1194.2, 1197), (2) Failure to Pay All Overtime Wages (Labor Code sections 204, 510, 558, 1194, 1198), (3) Failure to Provide Meal Periods and Pay Missed Meal Period Premiums (Labor Code sections 226.7, 512, 558, 1198), (4) Failure to Provide Rest Periods and Pay Missed Rest Period Premiums (Labor Code sections 226.7, 516, 668, 1198), (5) Untimely Payment of Wages (including Failure to Pay Wages Timely During Employment and Failure to Pay All Wages Earned and Unpaid at Separation) (Labor Code sections 201, 202, 203, 204, 210, 216, 218), (6) Failure to Furnish Accurate Itemized Wage Statements (Labor Code section 226), (7) Waiting Time Penalties (Labor Code sections 201, 202, 203), (8) Failure to Reimburse Business Expenses (Labor Code section 2802), (9) Failure to Maintain Accurate Employment Records (Labor Code section 1174), (10) Unfair Competition (Business and Professions Code section 17200-17210), (11) Civil Penalties Under the Private Attorneys General Act (Labor Code section 2698, et seq.) (“Released Class Claims”). Participating Class Members **do not** release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts outside of the Operative Complaint or outside the Class Period.

4.3. Release by PAGA Members: All PAGA Members and the LWDA release Released Parties from, and are forever barred from pursuing such against Released Parties for, the PAGA claims that were alleged or could have been alleged based on the facts alleged in the Actions or any LWDA notices that Plaintiffs submitted in connection with the Actions during the PAGA Period, including, without limitation penalties predicated on the underlying alleged violations of the Released Class Claims or for alleged violations of the following Labor Code sections: 201, 202, 203, 204, 210, 226, 226.3, 226.7, 256, 510, 512, 1174, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2802, 2084, and California Industrial Welfare Commission Wage Orders Wage Order 4-2001

4.4. Plaintiffs and the Settlement Class Members shall be permanently enjoined and forever barred from prosecuting any and all released claims against the Released Parties.

## **5. MOTION FOR PRELIMINARY APPROVAL.**

5.1. Preliminary Approval. Plaintiffs shall move for an order conditionally certifying the Class for settlement purposes only, granting Preliminary Approval of the Settlement, setting a date for the Final Approval Hearing, and approving the Class Notice. Defendants shall accept service of the Motion for Preliminary Approval (and any other motions, declarations, proposed orders, exhibits, or other documents filed therewith) via electronic service at the addresses set forth in this Agreement or, if an electronic service agreement is already in place, pursuant to the Parties’ electronic service agreement.

5.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Settlement or forthcoming Motion for Preliminary Approval, Class Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to resolve the disagreement.

If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together in good faith on behalf of the Parties to modify the Agreement and satisfy the Court's concerns. Should the Court decline to conditionally certify the Class or to Preliminarily Approve all material aspects of the Settlement, the Settlement will be null and void, and the Parties will have no further obligations under it, provided, however, that the amounts of the Class Counsel Attorneys' Fees, Class Counsel Litigation Costs, Administration Expense Payment, and Class Representative Service Payments may be determined by the Court, and the Court's determination on these amounts shall be final and binding.

## **6. SETTLEMENT ADMINISTRATION.**

6.1. Selection of Administrator. The Parties have jointly selected the Administrator to administer this Settlement. The Administrator agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. The Parties and their counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.

6.2. Employer Identification Number. The Administrator shall have and use its own Employer Identification Number to calculate payroll tax withholdings and report to state and federal tax authorities.

6.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund under US Treasury Regulation section 468B-1.

### 6.4. Notice to Class Members.

6.4.1. No later than 3 business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members and Workweeks in the Class Data.

6.4.2. Using best efforts to perform as soon as possible, and no later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Attachment A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment payable to the Class Member, and the number of Workweeks used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

6.4.3. Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to

make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.

6.4.4. The deadlines for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the time otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.

6.4.5. If the Administrator, Defendants, Defense Counsel, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in a good-faith effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, which ever are later.

#### 6.5. Requests for Exclusion (Opt-Outs).

6.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by fax, email, or mail, a signed written Request for Exclusion not later than 45 days after the Administrator mails the Class Notice (plus an additional 14 days for Class Members whose Class Notice is re-mailed). A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Settlement and includes the Class Member's name, address and email address or telephone number. To be valid, a Request for Exclusion must be timely faxed, emailed, or postmarked by the Response Deadline.

6.5.2. The Administrator may not reject a Request for Exclusion as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.

6.5.3. Every Class Member who does not submit a timely and valid Request for Exclusion is deemed to be a Participating Class Member under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' Releases paragraph of this Agreement, regardless of whether the Participating Class Member actually receives the Class Notice or objects to the Settlement.

6.5.4. Every Class Member who submits a valid and timely Request for Exclusion is a Non-Participating Class Member and shall not receive an Individual Class Payment,

nor shall they have the right to object to the class action components of the Settlement. Non-Participating Class Members who are also deemed PAGA Members will still receive an Individual PAGA Payment and be bound by the Release in paragraph 4.3 of this Agreement.

6.6. Challenges to Calculation of Workweeks. Each Class Member shall have until the Response Deadline (plus an additional 14 days for Class Members whose Class Notice is re-mailed) to challenge the number of Class Workweeks allocated to the Class Member in the Class Notice. The Class Member may challenge the allocation by communicating with the Administrator via fax, email, or mail. The Administrator must encourage the challenging Class Member to submit supporting documentation. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks shall be final and not appealable or otherwise susceptible to challenge. The Administrator shall promptly provide copies of all challenges to calculation of Workweeks to Defense Counsel and Class Counsel and the Administrator's determination of the challenges.

6.7. Objections to Settlement.

6.7.1. Only Participating Class Members may object to the Settlement, including contesting the fairness of the Settlement.

6.7.2. Participating Class Members may send written objections to the Administrator, by email or mail. Alternatively, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline (plus an additional 14 days for Class Members whose Class Notice was re-mailed).

6.7.3. Non-Participating Class Members have no right to object to any of the class action components of the Settlement.

6.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be performed or observed by the Administrator contained in this Agreement or otherwise.

6.8.1. Website, Email Address and Toll-Free Number. The Administrator will establish, maintain, and use an internet website with their contact information included so that Class Members may find the Administrator on the World Wide Web. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls, faxes, and emails.

6.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than 5 days after the Response Deadline, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion ("Exclusion List"); (b) the names and other identifying information of Class Members who have submitted invalid

Requests for Exclusion; (c) copies of all Requests for Exclusion from Settlement submitted (whether valid or invalid).

6.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion (whether valid or invalid) received, objections received, challenges to Workweeks received and/or resolved, and checks mailed for Individual Class Payments. The Weekly Reports must provide the Administrator's assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.

6.8.4. Workweek Challenges. The Administrator has the authority to address and make final decisions, consistent with the terms of this Agreement, on all Class Member challenges over the calculation of Workweeks. The Administrator's decision shall be final and not appealable or otherwise susceptible to challenge.

6.8.5. Administrator's Declaration. Not later than 14 days before the date by which Plaintiffs are required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received (both valid or invalid), the number of written objections and attach the Exclusion List. The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

6.8.6. Final Report by Settlement Administrator. Within 10 days after the Administrator disburses all funds in the Gross Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least 15 days before any deadline set by the Court, if applicable and if requested by either Party, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement.

**7. CLASS SIZE ESTIMATES AND ESCALATION CLAUSE.** Based on its records, Defendants have provided a Workweek Estimate. In the event the total Workweeks set forth in the Workweek Estimate is incorrect by more than 10% (i.e., more than 356,888 Workweeks) through the Class Period, the Parties agree that the Gross Settlement Amount shall be increased proportionately for each Workweek above 356,888. However, at their option, Defendants may elect to shorten the release period so that the release covers only up to 356,888 workweeks in order to avoid any further increase to the Gross Settlement Amount by virtue of this provision.

**8. DEFENDANTS' RIGHT TO WITHDRAW.** Defendants have the sole right to withdraw from and void the settlement if more than twenty (20) employees opt out. This 20-employee opt out cap does not include Chelsea Parada or Kristina Dubberke who have pending

litigating against Defendants and may elect to opt out in connection with their pending suits. If Defendants exercise their right to withdraw from the Settlement, Defendants will notify Class Counsel and the Court within seven (7) business days after receiving the opt-out list from the Administrator and will remain responsible for paying the Administration Expenses incurred to that point.

**9. MOTION FOR FINAL APPROVAL.** Not later than 16 court days before the Final Approval Hearing, Class Representatives will file in Court a motion for final approval of the Settlement that includes a Proposed Final Approval Order and a proposed Judgment, which shall include a request for approval of the PAGA settlement under Labor Code § 2699, subd. (l) (collectively “Motion for Final Approval”). Class Counsel will provide drafts of these documents to Defense Counsel in advance of filing for Defense Counsel’s review. Defendants shall accept service of the Motion for Final Approval (and any other motions, declarations, proposed orders, exhibits, or other documents filed therewith) via electronic service at the addresses set forth in this Agreement or, if an electronic service agreement is already in place, pursuant to the Parties’ electronic service agreement.

9.1. Response to Objections. Each Party retains the right to respond to any objection raised by a Participating Class Member, including the right to file responsive documents in Court prior to the Final Approval Hearing, or as otherwise by the Court.

9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court’s concerns by revising the Agreement as necessary to obtain Final Approval.

9.3. Continuing Jurisdiction of the Court. The Parties agree, after entry of Judgment, the Court will retain jurisdiction over the Parties, Actions, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.

9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the Class Counsel Attorneys’ Fees and Class Counsel Litigation Costs set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals.

9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall agree to expeditiously work together in good faith to address the appellate court’s concerns and to obtain

Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Expenses reasonably incurred after remittitur.

**10. AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit a proposed amended judgment.

**11. ADDITIONAL PROVISIONS.**

11.1. No Admission of Liability, Class Certification or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by the Parties that any of the allegations or the defenses in the Operative Complaint have merit or that there is any liability for any claims asserted. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does grant Preliminary Approval, Final Approval, or enter Judgment, all Parties reserve the right to prosecute and/or contest certification of any class for any reason, reserve all available claims and defenses in the Actions, among reservation of all other relevant rights. The Settlement, this Agreement, and the Parties' willingness to settle the Actions will have no bearing on, and will not be admissible in connection with, any litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

11.2. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

11.3. Return of Defendants' Information. Within ten (30) days after the Final Accounting Hearing and dismissal of this Action, Plaintiffs and Class Counsel agree to return all records and information provided by Defendants regarding Defendants that Plaintiffs do not have a legal right to retain such as their personnel and payroll records, or, in the alternative, to destroy all such records and information, and to provide written certification of their compliance with this provision, under penalty of perjury, including that they no longer have possession, custody or control of any such information.

11.4. No Publicity. Plaintiffs and Class Counsel agree that they shall not discuss, answer questions about, promote, or publicize the Settlement, this Agreement and its terms, or the negotiations leading to this Agreement with anyone other than the Court or those individuals necessary to effectuate the terms of the Agreement. Notwithstanding this provision, Class Counsel is permitted to disclose the terms of this Agreement to the extent necessary when responding to inquiries by class members and is permitted to disclose information regarding this Settlement in connection with any future court filings intended to establish class counsels' adequacy.

11.1. Plaintiffs and Class Counsel further agree that the terms of this Agreement, the negotiations leading to the execution of this Agreement, and this Agreement itself shall not at any time, both prior to and after Final Approval, be discussed with or publicized or promoted to

the media (including without limitation, any newspapers, magazines, radio programs, social media, or Internet news sites or blogs), legal community (including, without limitation, legal periodicals and publications, or the public at large), or anyone else without the advance written consent of Defendant. This prohibition includes, but is not limited to: (a) publications on any website of the amount or terms of the Settlement, with or without identifying information; and (b) the submission of information to any publication that summarizes the results of verdicts and settlements. Notwithstanding the foregoing, nothing in this section shall prohibit Class Counsel from disclosing information regarding this Settlement in connection with any future court filings intended to establish class counsels' adequacy. The Parties intend this Section to prohibit Plaintiffs and Class Counsel from discussing, answering questions about, promoting or publicizing the Settlement, this Agreement and its terms, or the negotiations leading to this Agreement with anyone other than the Court, Class Members as outlined above, or those individuals necessary to effectuate the terms of this Agreement. Waiver. Upon entry of final Judgment, Plaintiffs and Defendants, and each of them, waive any and all claims for fees, costs, indemnity or contribution against Plaintiff, any Class Member, Class Counsel in the Actions, Defendants, or Defense Counsel in the Actions other than as provided herein.

11.2. Integrated Agreement. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

11.3. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by the Parties, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.

11.4. Cooperation. The Parties and their counsel will cooperate and use their best efforts, in good faith, to implement the Settlement by modifying the Settlement Agreement, submitting supplemental evidence, and supplementing points and authorities as requested by the Court, among other things. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of a mediator and/or the Court for resolution.

11.5. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

11.6. No Tax Advice. Neither the Parties, Class Counsel, nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.



11.7. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or Class Counsel and Defense Counsel, as their legal representatives.

11.8. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.

11.9. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the state of California, without regard to conflict of law principles.

11.10. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.

11.11. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.

11.12. Calendar Days. Unless otherwise noted, all reference to “days” in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.

11.13. Notice. All notices or other communications between the Parties required in connection with this Agreement shall be in writing and shall be deemed to have been duly given as of the 3<sup>rd</sup> business day after mailing by U.S. Mail or the same day if sent by email, addressed as follows:

To Plaintiffs:

***Ferraro Vega Employment Lawyers, Inc.***

Attn: Nicholas J. Ferraro

3160 Camino del Rio South, Suite 308

San Diego, CA 92108 USA

[nick@ferrarovega.com](mailto:nick@ferrarovega.com) / [classactions@ferrarovega.com](mailto:classactions@ferrarovega.com)

[www.ferrarovega.com](http://www.ferrarovega.com)

***Melmed Law Group, P.C.***

Attn: Meghan Higday  
1801 Century Park East, Suite 850  
Los Angeles, CA 92614 USA  
mh@melmedlaw.com  
www.melmedlaw.com

To Defendants:

***Troutman Pepper Hamilton Sanders LLP***

Attn: Mark J. Payne  
5 Park Plaza, Suite 1400  
Irvine, CA 92614  
mark.payne@troutman.com

11.14. Execution in Counterparts. This Agreement may be executed using physical and/or electronic signatures (i.e. DocuSign, SignRequest, Adobe Sign, etc.), which shall be accepted as originals for purposes of this Agreement. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

**SIGNATURES**

*I have read this Agreement and agree to its terms.*

***Plaintiff Jenelle Olea***

Date: Nov 3, 2023

*Jenelle Olea*

Jenelle Olea

***Plaintiff Nicole Foerst***

Date: \_\_\_\_\_

\_\_\_\_\_

Nicole Foerst

***Defendants The Stepping Stones Group LLC; Autism Intervention Professionals, LLC; EBS Healthcare Staffing Services, Inc.; EBS Healthcare, LLC; STAR of CA, LLC; and Behavioral Learning Center, Inc.***

Date: Nov 8, 2023

*Timothy R. Murphy*

Name: Timothy R. Murphy

Title: Chief Executive Officer

**SIGNATURES**

*I have read this Agreement and agree to its terms.*

***Plaintiff Jenelle Olea***

Date: \_\_\_\_\_

Jenelle Olea

***Plaintiff Nicole Foerst***

Date: 11/3/2023

DocuSigned by:  
*Nicole Foerst*  
AE45E3C727A048D...

Nicole Foerst

***Defendants The Stepping Stones Group LLC; Autism Intervention Professionals, LLC; EBS Healthcare Staffing Services, Inc.; EBS Healthcare, LLC; STAR of CA, LLC; and Behavioral Learning Center, Inc.***

Date: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_