First Addendum to Joint Stipulation of Class Action Settlement Case No. 34-2019-00255123

FIRST ADDENDUM TO JOINT STIPULATION OF

CLASS ACTION SETTLEMENT

This First Addendum to Joint Stipulation of Class Action Settlement ("Addendum") is made and entered into by and between NICHOLE VERONIE ("Veronie" or "Plaintiff") on the one hand, individually and on behalf of all others similarly situated, and POINT QUEST, INC.; POINT QUEST, EDUCATION, INC ("Defendants"), on the other hand, (collectively, the "Parties"). The Addendum is made part of the Joint Stipulation of Class Action Settlement ("the Agreement") previously entered into by the Parties settling and releasing claims made by Plaintiff against Defendants.

The purpose of this Addendum is to revise those sections of the Agreement that refer to the Class Period ending on July 4, 2021. Since entering into the Agreement, Defendants have been continuously impacted by the pandemic through increased overhead, costs, school closures, a drop in attendance, and a drop in revenue. In light of this, the Parties have agreed to extend the Class Period to November 12, 2021. To that end, this Addendum revises the Agreement to effectuate the Parties' agreement to extend the Class Period, as well as to clarify certain other terms set forth below, and to revise the exhibits to conform with those changes.

Excepting only the provisions of the Agreement that are expressly modified by this Addendum, the Agreement remains in full force and effect. By executing this Addendum, the Parties agree to be bound by its terms, as follows:

DEFINITIONS

The following definitions are applicable to this Addendum and replace the definitions of the same terms in the Agreement.

- 5. "Class Member(s)" or "Settlement Class" means all current and former hourly non-exempt behavioral aides, however titled, employed by Defendants in the State of California at any time during the period from April 24, 2015 through November 12, 2021, but excluding those former employees who have previously reached an individual settlement with Defendants that is a full general release of all claims. There are an estimated 1,463 Class Members who worked approximately 64,096 Work Weeks during the Class Period.
 - 6. "Class Period" means the period from April 24, 2015 through November 12, 2021.
- 18. "PAGA Period" means the period from April 24, 2018 to December 9, 2018, and {3301905.DOCX:}

from January 2, 2021, to November 12, 2021. The gap in the PAGA Period reflects the fact that on March 10, 2021, Judge Stephen Kaus of the Superior Court of California, County of Alameda, entered an Order approving settlement in another PAGA action, *Villanueva v. Point Quest*, Case No. RG20062255, which covered PAGA claims on behalf of the PAGA Members against Defendants for the period from December 10, 2018 through December 31, 2020.

21. "Released Claims" means all claims, rights, demands, liabilities, penalties, fines, debts and causes of action of every nature and description, under state, federal, and local law, whether known or unknown, arising from the claims and factual predicates pled in the Plaintiffs' complaints filed in the Action or that could have been pled based on the factual allegations in the Plaintiffs' original Complaint or in the Operative First Amended Class Action Complaint, including but not limited to claims for unpaid wages, including any theory of unpaid minimum wages, meal and rest period premiums, unpaid expense reimbursements, waiting time penalties, itemized wage statements, wages for unpaid time, other civil or statutory penalties and any claim based on California Labor Code sections 201, 202, 203, 204, 226, 226.2, 226.3, 226.7, 510, 512, 1174(d) 1194, 1194.2, 1197, 2699 et seq., the Private Attorneys General Act of 2004, California Code of Regulations, Title 8 Section 11000 et seq., the applicable Industrial Welfare Commission (IWC) Wage Orders, including 4-2001, Business & Professions Code section 17200-17208 or any related damages, penalties, restitution, equitable or injunctive relief, disgorgement, interest or attorneys' fees for the period from April 24, 2015 through October 1, 2021.

TERMS OF AGREEMENT

Plaintiff, on behalf of herself and the Settlement Class, and Defendants, revise the following terms of the Agreement as follows:

- 29. <u>Gross Settlement Amount.</u> For purposes of this Agreement, Defendants have agreed to pay a Gross Settlement Amount of \$325,000.00 to resolve claims of approximately 1,463 Class Members and their estimated 64,096 Work Weeks for the Class Period (April 24, 2015 through November 12, 2021). Of these Class Members, there are approximately 947 PAGA Members who worked an aggregate estimated 10,378 Pay Periods during the during the PAGA Period, from April 24, 2018 to December 9, 2018, and from January 2, 2021 to November 12, 2021.
- 34. <u>Individual Settlement Payment Calculations</u>. Each Participating Class Member {3301905.DOCX:}

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will receive an Individual Settlement Payment, which is a pro-rata share of the Net Settlement Amount based on the Participating Class Member's aggregate number of Work Weeks worked during the Class Period, and the number of Pay Periods worked during the PAGA Period. The Individual Settlement Payment will be calculated by setting the Participating Class Member's Individual Workweeks as a ratio of the aggregate number of Work Weeks worked by all Class Members during the Class Period ("Class Workweeks") and then multiplying that ratio by the Net Settlement Amount. The formula is as follows: Jane Doe Settlement Payment = ((Jane Doe Individual Workweeks / Class Workweeks) x Net Settlement Amount) + (Jane Doe Pay Periods / PAGA Pay Periods) x \$2,500)). The Parties agree that the formula for allocating the Individual Settlement Payments to Participating Class Members and PAGA Members is reasonable and designed to provide a fair distribution based on tenure of employment with Defendants. The Individual Settlement Payments allocated to wages will be reduced by withholding and taxes as set forth in this Settlement Agreement.

- 37. Released Claims. Upon the Effective Date, and except as to such rights of claims as may be created by this Settlement, Plaintiff and each Participating Class Member who has not returned to the Administrator a valid and timely Request for Exclusion, shall fully release and discharge Defendant and Released Parties from the Released Claims. However, to the extent a Class Member who has returned a valid and timely Request for Exclusion is also a PAGA Member, that individual will still release all PAGA claims alleged in the Action because no right exists to opt out of a PAGA Settlement, and will receive a share of the 25% of the PAGA Payment allocated to PAGA Members.
 - 47. Timing of Distribution of Individual Settlement Payments. Within fifteen (15) days of receipt of the total Gross Settlement Amount and the employer-sided taxes, the Settlement Administrator will issue payments as approved by the Court, i.e., (1) Individual Settlement Payments to Participating Class Members, and to PAGA Members; (2) the Class Representative Service Payment to Plaintiff; (3) the PAGA Payment to the LWDA; (4) Attorneys' Fees and Litigation Costs to Class Counsel; and (5) the Settlement Administration Expenses the Settlement Administrator.
- 54. Release of Claims by Participating Class Members and PAGA Members. Upon the Effective Date, all Participating Class Members who do not timely submit a valid and timely {3301905.DOCX:}

COHELAN KHOURY & SINGER 605 C Street, Suite 200 San Diego, CA 92101

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Request for Exclusion, do and will be deemed to have fully, finally and forever released, settled, compromised, relinquished and discharged any and all of the Released Parties of and from any and all Released Claims accruing during the Class Period. With respect to the Released Claims, Participating Class Members and PAGA Members expressly waive any and all rights and benefits conferred upon them by the provisions of Section 1542 of the California Civil Code or similar provisions of applicable law which are as follows::

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.

The significance of this release and waiver of Civil Code section 1542 has been identified in the Class Notice, attached as Exhibit A.

- 59. Judgment and Continued Jurisdiction. Upon the grant of Final Approval of the Settlement by the Court, the Parties will present a Proposed Order Granting Final Approval of Class and Representative Action and Entering Judgment thereon in a form substantially similar to Exhibit "D". Once entered, the Order Granting Final Approval of Class and Representative Action and Entering Judgment shall be posted to the static website created and maintained by the Administrator. After entry of the Judgment, the Court will have continuing jurisdiction solely for purposes of addressing: (i) the interpretation and enforcement of the terms of the Settlement, (ii) Settlement administration matters, and (iii) such post-Judgment matters as may be appropriate under court rules or as set forth in this Agreement.
- 60. Exhibits Incorporated by Reference. The terms of this Agreement include the terms set forth in Exhibit A - Notice of Class Action Settlement; Exhibit B - Change of Address Form, Exhibit C – Proposed Order Granting Preliminary Approval, and Exhibit D – Proposed Order Granting Final Approval of Class and Representative Action and Entering Judgment, which are attached to this Addendum and incorporated by this reference as though fully set forth in this Settlement Agreement. Any Exhibits to this Agreement are an integral part of the Settlement.

COHELAN KHOURY & SINGER 605 C Street, Suite 200 San Diego, CA 92101	1	Except as expressly modified by the terms of this Addendum, all other terms of the
	2	Agreement shall remain in full force and effect. In the event of an inconsistency between the
	3	Agreement and this Addendum, the Addendum shall prevail.
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	5	Dated: Noverfiber 14, 2021
	6	Plaintiff, Nichole Veronie
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	8	Dated: November 19 2021
	9	Jason Hall, CFO
	10	Authorized Representative of Defendants POINT QUEST, INC.;
	11	POINT QUEST, EDUCATION, INC
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