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

AMALIA LOPEZ, individually on behalf of  
herself, and on behalf of all others similarly  
situated,

Plaintiff,

v.

UNITEK COLLEGE NCP, LLC,

Defendant.

**CASE NO. BCV-19-102146**

**JOINT STIPULATION OF SETTLEMENT  
AND RELEASE OF CLASS ACTION**

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16 *Attorneys for Plaintiff and the Settlement Classes*

1 This Joint Stipulation of Settlement and Release of Class Action (“Stipulation”) is made and  
2 entered into by Plaintiff Amalia Lopez (“Plaintiff”), individually and as representatives of the Settlement  
3 Classes, as defined below, and Unitek College NCP, LLC (“Defendant” or “Unitek”) (Plaintiff and  
4 Defendant are collectively referred to herein as “the Parties”). This Stipulation is subject to the approval  
5 of the Court, pursuant to California Rules of Court, Rule 3.769(c), (d) and (e), and is made for the sole  
6 purpose of attempting to consummate settlement of the Action on a class-wide basis subject to the  
7 following terms and conditions. As detailed below, in the event the Court does not enter an order granting  
8 final approval of the Class Settlement, as defined below, or the conditions precedent are not met for any  
9 reason, this Stipulation is void and of no force or effect whatsoever.

10 **I. DEFINITIONS**

11 As used in this Stipulation, the following terms shall have the meanings specified below. To the  
12 extent terms or phrases used in this Stipulation are not specifically defined below, but are defined  
13 elsewhere in this Stipulation, they are incorporated by reference into this definition section.

14 **1. Action.** “Action” shall mean the following civil action: *Amalia Lopez, et al. v. Unitek*  
15 *College NCP, LLC*, Case No. BCV-19-102146, filed on August 1, 2019, in the Superior Court of  
16 California for the County of Kern.

17 **2. Administrative Expenses.** “Administrative Expenses” shall include all costs and  
18 expenses associated with and paid to the third-party Settlement Administrator, which are anticipated not  
19 to exceed \$12,000.00.

20 **3. Claims.** “Claims” shall mean the claims asserted in the operative Class and PAGA  
21 Representative Action Complaint filed on August 1, 2019 against Defendant: (1) Failure to Authorize and  
22 Permit Off-Duty Rest Breaks and/or Pay Missed Rest Break Premiums (Labor Code § 226.7); (2) Failure  
23 to Provide Off-Duty Meal Periods and/or Pay Missed Meal Period Premiums (Labor Code §§ 226.7, 512);  
24 (3) Failure to Provide Accurate Itemized Wage Statements (Labor Code §§ 226, 226.3); (4) Failure to Pay  
25 Wages Owed in a Timely Manner and Upon Separation (Labor Code §§ 201-203, 204, 210); (5) Violation  
26 of Unfair Competition Law (Bus. & Prof. Code §§ 17200 *et seq.*); (6) Violation of Private Attorneys  
27 General Act of 2004 (Labor Code §§ 2699 *et seq.*); (7) Violation of the Fair Credit Reporting Act (15  
28 U.S.C. § 1681b(B)(2)(A)); (8) Violation of the Investigative Consumer Reporting Agencies Act (Civil

Code § 1786 *et seq.*); And (9) Violation of the Consumer Credit Reporting Agencies Act (Civil Code § 1785 *et seq.*)

4. **Class Counsel’s Attorneys’ Fees and Expenses.** “Class Attorneys’ Fees and Expenses” shall mean Class Counsel’s attorneys’ fees and expenses incurred in connection with the Action, paid from the Gross Settlement Amount as set forth in Section IV, Paragraph 6.

5. **Class Counsel.** “Class Counsel” shall mean Jonathan Melmed of Melmed Law Group P.C. and Craig Ackermann of Ackermann & Tilajef, P.C.

6. **Class Members.** The Labor Code Class Members and Background Check Class Members, as described in the subparagraphs below, are collectively referred to as “Class Members” unless otherwise specified. Individual Class Members may be members of both the Labor Code Class and the Background Check Class.

a) **Labor Code Class or Labor Code Class Member(s).** “Labor Code Class” or “Labor Code Class Member(s)” shall mean that class to be certified for settlement purposes only consisting of: All individuals who are or were employed as hourly, non-exempt employees by Defendant in California from January 4, 2015, through August 15, 2019. Defendant represents that the Labor Code Class consists of approximately 137 Labor Code Class Members.

b) **Background Check Class or Background Check Class Member(s).** “Background Check Class” or “Background Check Class Member(s)” shall mean that class to be certified for settlement purposes only consisting of: All individuals who applied for employment with Defendant in California and who are or were required to undergo a background check as part of their application process from January 4, 2014, through August 15, 2019. Defendant represents that the Background Check Class consists of approximately 214 Background Check Class Members.

7. **Class Information.** “Class Information” shall mean the information compiled by Defendant from its records that is to be provided to the Settlement Administrator for purposes of mailing Notice Packets to Class Members. Defendant will provide a list of Class Members with the following information: full name, last known address, social security number, dates of employment, and whether the individual meets the definition of the Labor Code Class, the Background Check Class, or both Classes.

8. **Class Notice.** “Class Notice” shall mean the Notice of Proposed Class Action Settlement

1 and Hearing Date for Court Approval, as set forth in the form of **Exhibit 1** attached hereto, or as otherwise  
2 approved by the Court, which is to be mailed to Class Members along with the Share Form.

3       **9.       Class Period.** “Class Period” means (1) January 4, 2014 through August 15, 2019 for the  
4 Background Check Class; and (2) January 4, 2015, through August 15, 2019 for the Labor Code Class.

5       **10.       Class Representative.** “Class Representatives” shall mean Plaintiff Amalia Lopez.

6       **11.       Class Representative Enhancement Award.** “Class Representative Enhancement  
7 Award” shall mean the amount that the Court authorizes to be paid to Plaintiff, Amalia Lopez, in addition  
8 to her Individual Settlement Amount, in recognition of her efforts and risks in assisting with the  
9 prosecution of the Action and in exchange for her executing a general release.

10       **12.       Class Settlement.** “Class Settlement” shall mean the settlement embodied in this  
11 Stipulation, which is subject to Court approval.

12       **13.       Complaint.** “Complaint” shall mean the operative Class And PAGA Representative  
13 Action Complaint filed in Kern County Superior Court on August 1, 2019, Case No. BCV-19-102146.

14       **14.       Court.** “Court” shall mean the Superior Court of Kern County.

15       **15.       Defendant.** “Defendant” shall mean Unitek College NCP, LLC.

16       **16.       Defense Counsel.** “Defense Counsel” shall mean Mollie M. Burks, and Sat Sang S.  
17 Khalsa of Gordon & Rees Scully Mansukhani, 633 West Fifth Street, 52<sup>nd</sup> Floor, Los Angeles, California  
18 90071.

19       **17.       Effective Date.** “Effective Date” shall be the date after all of the following events have  
20 occurred: (1) the Court gives final approval to the Class Settlement; (2) the Court enters a final order and  
21 judgment certifying the Class and approving the Class Settlement; and (3) the time within which within  
22 which to appeal any final judgment has expired. In the event no objections are filed, the Effective Date  
23 shall be the date that the Court enters final approval and enters judgment.

24       **18.       Final Approval and Fairness Hearing.** “Final Approval and Fairness Hearing” shall  
25 mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the Class Settlement.

26       **19.       Gross Settlement Amount.** “Gross Settlement Amount” is the total amount Defendant  
27 Unitek College NCP, LLC is obligated to pay under the terms of this settlement, which is equal to Four  
28 Hundred and Ten Thousand Dollars and No Cents, (\$410,000.00). The Gross Settlement Amount is all-

1 inclusive, encompassing the Administration Costs, Incentive Awards, Fees and Costs Award, and all  
2 Individual Settlement Payments, including Employee Taxes, but excluding Employer Taxes on the wage  
3 component of the Individual Settlement Amounts (which shall be paid on top of the Gross Settlement  
4 Amount). The Gross Settlement Amount is non-reversionary, meaning if the settlement is approved and  
5 becomes effective, no portion thereof shall be returned to Defendant.

6 **20. Hearing on Preliminary Approval.** “Hearing on Preliminary Approval” shall mean the  
7 hearing held on the Motion for Preliminary Approval of the Class Settlement.

8 **21. Individual Settlement Amount.** “Individual Settlement Amount” shall mean the amount  
9 which is payable to each Settlement Class Member from the Net Settlement Amount if the Court should  
10 grant Approval of the Class Settlement.

11 **22. Net Settlement Amount.** “Net Settlement Amount” shall mean the Gross Settlement  
12 Amount minus Administrative Expenses, Class Counsel’s Attorneys’ Fees and Expenses, Class  
13 Representative Enhancement Award, and PAGA Payment to the California Labor and Workforce  
14 Development Agency (“LWDA”).

15 **23. Notice Packet(s).** “Notice Packet(s)” shall means the Class Notice (Notice of Proposed  
16 Class Action Settlement and Hearing Date for Court Approval as set *i.e.*, forth in the form of **Exhibit 1**),  
17 along with the Share Form (as set forth in the form of **Exhibit 2**).

18 **24. Opt-Out(s).** “Opt-Out(s)” shall mean any and all persons who timely and validly request  
19 exclusion from the Class Settlement in accordance with the terms of the Class Notice and no later than the  
20 Response Deadline.

21 **25. PAGA Payment.** “PAGA Payment” means the penalties pursuant to California Labor  
22 Code sections 2698, *et seq.*, the Labor Code Private Attorneys General Act of 2004 (“PAGA”), that the  
23 Parties have agreed is a reasonable sum to be paid in settlement of the PAGA claims included in the  
24 Action, which is \$10,000.00. The PAGA Payment is to be approved by the Court pursuant to Labor Code  
25 section 2699 and is to be distributed as follows: seventy-five percent (75%) (*i.e.*, \$7,500) to the LWDA  
26 and twenty-five percent (25%) (*i.e.*, \$2,500) to the Settlement Class Members. Class Counsel shall give  
27 timely notice of the Class Settlement to the LWDA under Labor Code section 2699(1)(2).

28 **26. Parties.** “Parties” shall mean Plaintiff and Defendant.

1           **27.     Plaintiff.** “Plaintiff” shall mean the named Plaintiff Amalia Lopez.

2           **28.     Plaintiff’s Released Claims.** “Plaintiff’s Released Claims” shall mean that in addition to  
3 the Settlement Class Members’ Released Claims, in exchange for the consideration recited in this  
4 Stipulation, including but not limited to the Class Representative Enhancement Award, Plaintiff Amalia  
5 Lopez releases, acquits, discharges, and covenants not to sue any of the Released Parties for any claim,  
6 whether known or unknown, which she has ever had, or hereafter may claim to have, arising on or before  
7 the date she signed this Stipulation, including without limitation to, any claims relating to or arising out  
8 of any aspect of her relationship with Defendant Unitek College NCP, LLC along with a General Release  
9 of Released Parties except that the Plaintiff and the Released Parties expressly retain and carve-out from  
10 this Stipulation and the release contained herein, all rights, claims and causes of action, known or  
11 unknown, relating to any claims for national origin discrimination. The specific terms and details of which  
12 are set forth in Section XI, Paragraph 2.

13           **29.     Released Parties.** “Released Parties” shall mean Unitek College NCP, LLC, and each of  
14 its past, present, and future parents, subsidiaries, divisions, affiliates, and their respective past, present,  
15 and future officers, directors, employees, partners, shareholders, investors, members, owners,  
16 consultants, agents, vendors, affiliates, insurers, legal representatives, financial advisors, and all of their  
17 successors, assigns, representatives, heirs, executors, and administrators and all other persons acting by,  
18 through, under or in concert with them that could be liable for any of the Released Claims.

19           **30.     Response Deadline.** “Response Deadline” shall mean the date sixty (60) days following  
20 the date on which the Settlement Administrator first mails Class Notice to the Class Members.

21           **31.     Settlement.** “Settlement” shall mean the settlement between the Parties, which is  
22 memorialized in this Stipulation and subject to approval by the Court.

23           **32.     Settlement Administrator.** “Settlement Administrator” shall mean CPT Group, Inc., and  
24 who shall be responsible for administration of the Settlement and related matters.

25           **33.     Settlement Class or Settlement Class Member(s).** The Settlement Labor Code Class  
26 Members and Settlement Background Check Class Members, as described in the subparagraphs below,  
27 are collectively referred to as “Settlement Class Members” unless otherwise specified.

28     ///

1           **a)       Settlement Labor Code Class or Settlement Labor Code Class Member(s).**  
2       “Settlement Labor Code Class” or “Settlement Labor Code Class Member(s)” shall mean all individuals  
3       who are or were employed as hourly, non-exempt employees by Defendant in California during the  
4       applicable Class Period who do not submit a timely and valid request for exclusion as provided in this  
5       Stipulation.

6           **b)       Settlement Background Check Class or Settlement Background Check Class**  
7       **Member(s).** “Settlement Background Check Class” or “Settlement Background Check Class Member(s)”  
8       shall mean all individuals who applied for employment with Defendant in California and who are or were  
9       required to undergo a background check as part of their application process during the applicable Class  
10      Period and who do not submit a timely and valid request for exclusion as provided in this Stipulation.

11           **34.       Settlement Class Members’ Released Claims.** The Settlement Labor Code Class  
12      Members’ Released Claims and Settlement Background Check Class Members’ Released Claims, as  
13      described in the subparagraphs below, are collectively referred to as “Settlement Class Members’ Release  
14      Claims” unless otherwise specified. Nothing in this Agreement shall be construed as a waiver or limit on  
15      Defendant’s ability to assert *res judicata* as to all claims that were plead or could have been plead based  
16      the facts plead in the operative Complaint.

17           **a)       Settlement Labor Code Class Members’ Released Claims.** “Settlement Labor Code  
18      Class Members’ Released Claims” shall mean all causes of action arising under the applicable IWC Wage  
19      Orders and the California Labor Code alleged in the Complaint as well as any other causes of action that  
20      could have been alleged in the Complaint, based on the specific facts alleged in the Complaint which  
21      occurred during the applicable Class Period, including but not limited to claims arising under Labor Code  
22      sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 512, 1194, and 1198, and 2699 *et. seq.* (based on the  
23      facts and theories alleged in the Complaint), as well as claims for Unfair Competition under Business &  
24      Professions Code § 17200 (based on the facts and theories alleged in the Complaint.)

25           **b)       Settlement Background Check Class Members’ Released Claims.** “Settlement  
26      Background Check Class Members’ Released Claims” shall mean all causes of action plead in the  
27      Complaint or that could have been plead in the Complaint, arising under or related to the Investigative  
28      Consumer Reporting Agencies Act (California Civil Code section 1785 *et. seq.*), the Consumer Credit



1 Reporting Act (California Labor Code section 1786 *et. seq.*), as well as Civil Code sections 1024.5,  
2 1785.20 and 1786.16, and the United States Fair Credit Reporting Act (15 U.S.C. 1681(b)(2)(A)). The  
3 Release Period shall be the applicable Class Period. No other claims are released other than those claims  
4 specifically plead in the operative Complaint. For those Background Class Members who are not also  
5 Labor Code Class Members, the Labor Code Class Members Released claims shall not be released.

6 **35. Settlement Class Member’s Taxes.** “Settlement Class Member’s Taxes” shall mean that  
7 amount paid to individual Settlement Class Members that is to be reported on IRS Form 1099s and IRS  
8 Form W-2s where required by law. Of the amounts paid to individual Settlement Class Members, ninety  
9 percent (90%) shall be designated as penalties and interest for which an IRS Form 1099 shall issue and  
10 ten percent (10%) to wages for which an IRS Form W-2 shall issue.

11 **36. Share Form.** “Share Form” shall mean the Share Form, as set forth in the form of **Exhibit**  
12 **2** attached hereto, or as otherwise approved by the Court, which is to be mailed to Class Members along  
13 with the Class Notice.

14 **37. Stipulation.** “Stipulation” shall mean this Joint Stipulation of Settlement and Release of  
15 Class Action, including any attached exhibits.

16 **II. FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

17 **1. Plaintiff’s Claims.** On August 1, 2019, Plaintiff Amalia Lopez initiated this Action in the  
18 Superior Court of the State of California, County of Kern on behalf of herself and class of similarly-  
19 situated individuals against Defendant Unitek College NCP, LLC. On behalf of the two putative class(es)  
20 - Labor Code Class and a Background Check Class - Plaintiff alleged causes of action for: (1) failure to  
21 authorize and permit off-duty rest breaks and/or pay missed rest break premiums (Labor Code § 226.7);  
22 (2) failure to provide off-duty meal periods and/or pay missed meal period premiums (Labor Code §§  
23 226.7, 512); (3) failure to provide accurate itemized wage statements (Labor Code §§ 226, 226.3); (4)  
24 failure to pay wages owed in a timely manner and upon separation (Labor Code §§ 201-203, 204, 210);  
25 (5) violation of unfair competition law (Bus. & Prof. Code §§ 17200 *et seq.*); (6) violation of Private  
26 Attorneys General Act of 2004 (Labor Code §§ 2699 *et seq.*); (7) violation of the Fair Credit Reporting  
27 Act (15 U.S.C. § 1681b(b)(2)(A)); (8) violation of the Investigative Consumer Reporting Agencies Act  
28 (Civil Code § 1786 *et seq.*); and (9) violation of the Consumer Credit Reporting Agencies (Civil Code §

1 1785 *et seq.*)

2 2. Plaintiff worked as an hourly, non-exempt employee for Defendant Unitek College NCP,  
3 LLC from June 11, 2018 through September 9, 2018. Plaintiff worked as an Admissions Representative  
4 on behalf of Defendant, and her job duties included discussing with prospective students issues related to  
5 admissions, tuition, financial aid, transfer options, and otherwise encouraging prospects in the enrollment  
6 process. The crux of Plaintiff’s allegations is that she and other hourly, non-exempt employees did not  
7 receive legally compliant meal and rest breaks (along with derivative claims arising therefrom) and also  
8 that she and other job applicants were subjected to impermissible background checks.

9 3. **Discovery, Investigation, Motion Practice and Research.** Class Counsel has conducted  
10 sufficient discovery, investigation, and exercised due-diligence in the prosecution of the Action. This  
11 discovery, investigation, and prosecution has included, among other things, (a) over a dozen telephonic  
12 conferences with Plaintiff; (b) inspection and analysis of hundreds of pages of documents and other  
13 information produced by Plaintiff and Defendant; (c) analysis of the legal positions taken by Defendant;  
14 (d) investigation into the viability of class treatment of the claims asserted in the Action; (e) analysis of  
15 potential class-wide damages, including information sufficient to understand Defendant’s potential  
16 defenses to Plaintiff’s claims; (f) research of the applicable law with respect to the claims asserted in the  
17 operative Complaint and the potential defenses thereto; and (g) assembling and analyzing of data for  
18 calculating damages. In addition, the Parties have determined that the estimated size of the Classes are  
19 approximately 351 Class Members in total (*to wit*, 137 Labor Code Class Members plus 214 Background  
20 Check Class Members).

21 The Class Representative has vigorously prosecuted this case, and Defendant has vigorously  
22 contested it. The Parties have engaged in sufficient investigation and discovery to assess the relative merits  
23 of the claims of the Class Representative and of Defendant’s defenses to them.

24 4. **Allegations of the Class Representative and Benefits of Class Settlement.** The  
25 extensive discovery conducted in this matter, as well as discussions between counsel, have been adequate  
26 to give the Class Representative and Class Counsel a sound understanding of the merits of their positions  
27 and to evaluate the worth of the claims of the Settlement Class. The discovery conducted in this Action  
28 and the information exchanged by the Parties through discovery and settlement discussions are sufficient

1 to reliably assess the merits of the Parties' respective positions and to compromise the issues on a fair and  
2 equitable basis.

3 Of particular significance, Defendant indicated that a significant portion (but not all) of the Labor  
4 Code Class Members signed purportedly enforceable arbitration agreements with a class action waiver.  
5 While Plaintiff is confident in the substantive merits of her claims, the procedural risk of individualized  
6 arbitration suggested that her PAGA claim would be the strongest candidate for recourse on behalf of  
7 other similarly-situated individuals. Moreover, Plaintiff recognizes the inherent risks in class litigation,  
8 including the risk of losing class certification, the risk of losing on the merits, and the risk of a Court  
9 decertifying a Class. Accordingly, Plaintiff included, along with her class action claims, a PAGA  
10 representative action on behalf of herself, the State of California's Labor Workforce Development Agency  
11 ("LWDA"), and similarly-situated Aggrieved Employees seeking civil penalties. Plaintiff also recognizes  
12 the challenges of proving "willfulness" in conjunction with the claims alleged in both the Labor Code  
13 Class and the Background Check Class, along with the risks of assuming that a court would award  
14 maximum penalties.

15 Plaintiff and Class Counsel believe that the claims, causes of action, allegations and contentions  
16 asserted in the Action have merit. However, Plaintiff and Class Counsel recognize and acknowledge the  
17 expense and delay of continued lengthy proceedings necessary to prosecute the Action against Defendant  
18 through trial and through appeals. Class Counsel has taken into account the uncertain outcome of the  
19 litigation, the risk of continued litigation in complex actions such as this, as well as the difficulties and  
20 delays inherent in such litigation, and the potential difficulty of obtaining certification of the Action as  
21 well as trying the claims of the class. Class Counsel is mindful of the potential problems of proof under,  
22 and possible defenses to, the claims alleged in the Action.

23 Class Counsel believes that the Settlement set forth in this Stipulation confers substantial benefits  
24 upon Plaintiff and the Class Members and that an independent review of this Stipulation by the Court in  
25 the approval process will confirm this conclusion. Based on their own independent investigation and  
26 evaluation, Class Counsel has determined that the Settlement set forth in the Stipulation is in the best  
27 interests of Plaintiff and the Class Members.

28 **5. Defendant's Denials of Wrongdoing and Liability.** Defendant has denied and continues

1 to deny each and all of the allegations, claims, and contentions alleged by Plaintiff in the Action.  
2 Defendant has expressly denied and continues to deny all charges of wrongdoing or liability against it  
3 arising out of any of the conduct, statements, acts or omissions alleged in the Action. Defendant contends  
4 that it complied in good faith with California and federal wage-and-hour and consumer privacy protection  
5 laws and has dealt legally and fairly with Plaintiff and Class Members. Defendant further denies that, for  
6 any purpose other than settling this Action, these claims are appropriate for class or representative  
7 treatment. Nonetheless, Defendant has concluded that further proceedings in the Action would be  
8 protracted and expensive and that it is desirable that the Action be fully and finally settled in the manner  
9 and upon the terms and conditions set forth in this Stipulation in order to dispose of burdensome and  
10 protracted litigation, to permit the operation of Defendant’s business without further expensive litigation  
11 and the distraction and diversion of its personnel with respect to matters at issue in the Action. Defendant  
12 has also taken into account the uncertainty and risks inherent in any litigation, especially in complex cases  
13 such as the Action. Defendant has, therefore, determined that it is desirable and beneficial to it that the  
14 Action be settled in the manner and upon the terms and conditions set forth in this Stipulation.

15 **6. Intent of the Class Settlement.** The Class Settlement set forth herein intends to achieve  
16 the following: (1) entry of an order approving the Class Settlement; (2) entry of judgment of the Action;  
17 (3) discharge of Released Parties from liability for any and all of the Settlement Class Members’ Released  
18 Claims and Plaintiffs’ Released Claims; and (4) discharge of Plaintiff from liability for any and all claims  
19 arising out of the Action.

20 **III. CONDITIONAL CLASS CERTIFICATION AND APPOINTMENT OF CLASS**  
21 **COUNSEL**

22 **1. The Classes For Conditional Certification.** For the purposes of this Stipulation and the  
23 Class Settlement of this Action only, the Parties stipulate to conditional class certification of two Classes,  
24 the Labor Code Class and the Background Check Class, as follows:

25 **a)** The “Labor Code Class” or “Labor Code Class Member(s)” consisting of: *all individuals*  
26 *who are or were employed as hourly, non-exempt employees by Defendant in California during the Class*  
27 *Period.*

28 **b)** The “Background Check Class” or “Background Check Class Member(s)” consisting of:

1 *all individuals who applied for employment with Defendant in California and who are or were required*  
2 *to undergo a background check as part of their application process during the Class Period.*

3       2. Defendant’s counsel believes this conditional certification is appropriate because the  
4 Settlement Class Members’ Released Claims are being compromised without need to establish the  
5 elements of those claims on which liability turns.

6       3.       **Appointment of Class Counsel.** For purposes of this Stipulation and subject to the  
7 Court’s approval, the Parties hereby stipulate to the appointment of Class Counsel as counsel for both  
8 Classes and the effectuation of the Class Settlement pursuant to this Stipulation.

9       **IV. CLASS SETTLEMENT CONSIDERATION**

10       1.       **Settlement Amount.** The Parties agree to settle this Action for payment by Defendant of  
11 a Gross Settlement Amount of \$410,000.00. There shall be no reversion to Defendant. Funding of the  
12 Gross Settlement Amount by Defendant shall constitute adequate consideration for the Class Settlement,  
13 the Settlement Class Members’ Released Claims, and Plaintiff’s Released Claims as set forth *infra*. The  
14 Gross Settlement Amount includes: (a) Class Counsel’s Attorneys’ Fees and Expenses, (b) Class  
15 Representative Enhancement Award; (c) Administrative Expenses, (d) PAGA Payment to the LWDA;  
16 and (e) the Net Settlement Amount from which payments to Settlement Class Members will automatically,  
17 and without having to submit a claim form, be made subject to court approval. After the Court issues an  
18 order preliminarily approving this Class Settlement, the Settlement Administrator will distribute the Class  
19 Notice to the Class Members, which shall describe the terms of the Class Settlement and procedures to  
20 object to, or exclude themselves (opt out) from, the Class Settlement as well as the Share Form, which  
21 shall identify the Class Member and an estimated Individual Settlement Amount that said Class Member  
22 can expect to receive once the Class Settlement becomes Effective, assuming he or she does not request  
23 exclusion. To the extent applicable, Labor Code Class Members shall be given the opportunity to  
24 challenge the number of qualifying weeks worked information that is used, in part, to determine his or her  
25 estimated Individual Settlement Amount.

26       2.       **Class Representative Enhancement Award.** Defendant agrees not to oppose or object  
27 any application or motion by Plaintiff for Class Representative Enhancement Award of up to Five  
28 Thousand Dollars (\$5,000.00) from the Gross Settlement Amount in exchange for the Plaintiff’s Released

1 Claims, which includes a General Release except for any national origin discrimination claims, and for  
 2 her time and effort in bringing and prosecuting this matter. Pursuant to and after approval by the Court,  
 3 Class Representative Enhancement Award shall be paid to Plaintiff from the Gross Settlement Amount no  
 4 later than ten (10) calendar days after Defendant provides funds to the Settlement Administrator for  
 5 disbursement under this Agreement. Any portion of the requested Class Representative Enhancement  
 6 Award that is not awarded to the Class Representative shall be part of the Net Settlement Amount and  
 7 shall be distributed to Settlement Class Members as provided in this Agreement. The Settlement  
 8 Administrator shall issue an IRS Form 1099 – MISC to Plaintiff for her respective Class Representative  
 9 Enhancement Award. Plaintiff shall be solely and legally responsible to pay any and all applicable taxes  
 10 on her respective Class Representative Enhancement Award and shall hold harmless Defendant from any  
 11 claim or liability for taxes, penalties, or interest arising as a result of the Class Representative Award. The  
 12 Class Representative Enhancement Award shall be in addition to the Plaintiff’s respective Individual  
 13 Settlement Amount as a Settlement Class Member.to

14 **3. Payment to Settlement Class Members.** Each Settlement Class Member shall be eligible  
 15 to receive payment of the Individual Settlement Amount, which is a share of the Net Settlement Amount,  
 16 based on two primary factors: i) membership in the Settlement Labor Code Class and/or the Settlement  
 17 Background Check Class; and ii) his or her own pro rata share relative to the total Settlement Labor Code  
 18 Class Members and/or total Settlement Background Check Class Members. **The Individual Settlement**  
 19 **Amount for each Settlement Class Member shall be calculated in accordance with Section VII,**  
 20 **Paragraph 2.** Each Settlement Class Member, including Plaintiff, shall be responsible for the payment of  
 21 the Settlement Class Member’s Taxes with respect to his or her Individual Settlement Amount and shall  
 22 hold Defendant harmless from any and all liability with regard thereto.

23 **4. Tax Treatment and Payment.** The Parties understand that Plaintiff and Settlement Class  
 24 Members shall be solely responsible for the payment of any Settlement Class Member’s Taxes and  
 25 penalties assessed on the Individual Settlement Amount payments described herein and will hold the  
 26 Parties free and harmless from and against any claims, liabilities, costs and expenses, including attorney’s  
 27 fees, resulting in any way from personal tax treatment of the payments made pursuant to this Class  
 28 Settlement.

1           **5.       No Effect on Employee Benefit Plans.** Neither the Class Settlement nor any amounts  
2 paid under the Class Settlement will modify any previously credited hours, days, or weeks of service under  
3 any employee benefit plan, policy or bonus program sponsored by Defendant. Such amounts will not  
4 form the basis for additional contributions to, benefits under, or any other monetary entitlement under  
5 Defendant's sponsored benefit plans, policies or bonus programs. The payments made under the terms of  
6 this Stipulation shall not be applied retroactively, currently, or on a going forward basis, as salary,  
7 earnings, wages, or any other form of compensation for the purposes of any of Defendant's benefit plan,  
8 policy or bonus program. Defendant does not consider the Individual Settlement Amount payments  
9 "compensation" for purposes of determining eligibility for, or benefit accrual within, any benefit plans,  
10 policies, or bonus programs, or any other plan sponsored by Defendant.

11           **6.       Class Counsel's Attorneys' Fees and Expenses.** As part of the motion for final approval  
12 of the Class Settlement, Class Counsel may submit an application for an award of Class Counsel's  
13 Attorneys' Fees and Expenses with the fee portion not to exceed one third of the Gross Settlement Fund  
14 (*i.e.*, \$136,667.00) and the award of costs and expenses of up to an additional \$12,500.00. Defendant  
15 agrees not to object to any such fee, cost or expense application in those amounts. As a condition of this  
16 Class Settlement, Class Counsel has agreed to pursue fees only in the manner reflected by this Section.  
17 Any Class Counsel's Attorneys' Fees and Expenses awarded by the Court shall be paid from the Gross  
18 Settlement Amount in arriving at the Net Settlement Amount and shall not constitute payment to any  
19 Settlement Class Members. If Class Counsel voluntarily reduces the request for Class Counsel's  
20 Attorneys' Fees and Expenses or the Court's award of Class Counsel's Attorneys' Fees and Expenses is  
21 less than set forth above, the Net Settlement Amount shall be recalculated to reflect the actual Class  
22 Counsel's Attorneys' Fees and Expenses awarded.

23           The Class Counsel's Attorneys' Fees and Expenses approved by the Court shall encompass: (a) all  
24 work performed and costs and expenses incurred by, or at the direction of, any attorney purporting to  
25 represent Plaintiff and the Class through the date of this Stipulation; (b) all work to be performed and costs  
26 to be incurred in connection with approval by the Court of the Class Settlement; (c) all work to be  
27 performed and costs and expenses, if any, incurred in connection with administering the Class Settlement  
28 through the Effective Date and dismissal of the Action, with prejudice; and (d) may be based on statutory

1 and non-statutory theories, including the catalyst theory and/or common fund doctrine.

2 **V. SETTLEMENT ADMINISTRATION COSTS AND EXPENSES**

3 **1. The Settlement Administrator’s Costs and Expenses.** All costs and expenses due to  
4 the Settlement Administrator in connection with its administration of the Class Settlement, including, but  
5 not limited to, providing the Class Notice, locating Class Members, processing Opt-Out requests and  
6 objections, distributing the portion of the PAGA Payment payable to the LWDA, and calculating,  
7 administering and distributing Individual Settlement Amounts to the Settlement Class Members and  
8 related tax forms, shall be paid from the Gross Settlement Amount, and shall not exceed \$12,000.00.

9 **2. Settlement Funding by Defendant.** Defendant shall pay the Gross Settlement Amount  
10 of \$410,000.00 to the Settlement Administrator within thirty (30) calendar days of the Effective Date. The  
11 Effective Date shall be the date after all of the following events have occurred: (1) the Court gives final  
12 approval to the Class Settlement; (2) the Court enters a final order and judgment certifying the Class and  
13 approving the Class Settlement; and (3) the time within which within which to appeal any final judgment  
14 has expired. Notwithstanding the foregoing, if any appeal is taken, Defendant will not be required to fund  
15 the Settlement until all appellate proceedings have been resolved and the judgment is no longer subject to  
16 appeal. In the event no objections are filed, the Effective Date shall be the date that the Court enters final  
17 approval and enters judgment.

18 **VI. NOTICE TO CLASS MEMBERS AND SETTLEMENT ADMINISTRATION PROCESS**

19 **1. The Settlement Administrator.** The Settlement Administrator will be responsible for  
20 mailing the Class Notice and Share Form (**Exhibits 1 and 2**) (collectively, “Notice Packets”) to Class  
21 Members, handling inquiries from Class Members concerning the Class Notice/Share Form, determination  
22 of Individual Settlement Amounts, maintaining the settlement funds in an appropriate interest bearing  
23 account, preparing, administrating and distributing Individual Settlement Amounts to Settlement Class  
24 Members, issuing a final report and performing such other duties as the Parties may direct.

25 On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and Defense  
26 Counsel summary information updating them as to the number of validated and timely objections and  
27 requests for exclusion/Opt-Outs. The Settlement Administrator will serve on Class Counsel and Defense  
28 Counsel via e-mail date-stamped copies of the original requests for exclusion/Opt-Outs and objections no



1 later than seven (7) calendar days after their receipt. The Settlement Administrator will provide Class  
2 Counsel with proof of mailing of the Class Notice, without listing individual Class Member names which  
3 the Settlement Administrator will file with the Court at the time Class Counsel files its motion in support  
4 of the Final Approval and Fairness Hearing. No later than seven (7) calendar days prior to the deadline  
5 for Class Counsel to file its motion in support of the Final Approval and Fairness Hearing, the Settlement  
6 Administrator will compile and deliver to Class Counsel and Defense Counsel a report with summary  
7 information regarding (a) the total amount of final Individual Settlement Amounts of each Settlement  
8 Class Member (b) the number of Settlement Class Members to receive such payments, and (c) the final  
9 number of requests for exclusion/Opt-Outs and objections.

10 Administrative Expenses are not anticipated to exceed \$12,000.00. Prior to the calculation and  
11 distribution of the Individual Settlement Amounts, the Settlement Administrator shall calculate the total  
12 Administrative Expenses through the conclusion of their services and such actual amount will be deducted  
13 from the Gross Settlement Amount prior to the final calculation of the Individual Settlement Amounts.

14 **2. Notice to Class Members.** Notice shall be provided to Class Members in the following  
15 manner: Within thirty (30) calendar days after the Court grants preliminary approval of this Class  
16 Settlement, Defendant shall provide the Settlement Administrator with Class Information for purposes of  
17 mailing Notice Packets to Class Members. Defendant will in good faith compile from its records and  
18 provide to the Settlement Administrator, a list of Class Members with the following information: full  
19 name, last known address, social security number, dates of employment, and whether the individual meets  
20 the definition of the Labor Code Class, the Background Check Class, or both Classes.

21 The Settlement Administrator will keep the list confidential and use it only for the purposes  
22 described herein. Class Counsel shall not receive a copy of this list.

23 Upon receipt of the Class Information, the Settlement Administrator will perform a search based  
24 on the National Change of Address database (“NCOA”) to update and correct any known or identifiable  
25 address changes. Within fourteen (14) calendar days after receiving the Class Information from Defendant  
26 as provided herein, the Settlement Administrator shall mail copies of the Notice Packet, containing the  
27 Class Notice and the individualized populated Share Form, to all Class Members via regular First Class  
28 U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current mailing

1 address for each Class Member. The address identified by the Settlement Administrator as the current  
2 mailing address shall be presumed to be the best mailing address for each Class Member.

3 The Class Notice shall contain an easily understood statement alerting the Class Members that,  
4 unless they elect to Opt-Out of the Class Settlement, the Class Member is releasing and waiving all  
5 Settlement Class Members' Released Claims against the Released Parties.

6 The Class Notice will inform Class Members of his/her estimated share of the settlement and, for  
7 those individuals who are Labor Code Class Members, the number of qualifying weeks he/she worked  
8 during the Class Period. Class Members may dispute their weeks worked if they believe they worked more  
9 weeks in the Class Period than Defendant's records show by submitting information to the Settlement  
10 Administrator no later than sixty (60) days after being mailed the Class Notice and Share Form by the  
11 Settlement Administrator, which is the defined Response Deadline. The Settlement Administrator will  
12 jointly work with Plaintiff and Defendant to resolve the dispute in good faith. If Plaintiff and Defendant  
13 cannot agree over the work weeks to be credited, the Settlement Administrator shall make the final  
14 decision based on the information presented by the Settlement Class Member and Defendant.

15 **3. Opt-Out Procedure.** Class Members who do not timely Opt-Out of the Class Settlement  
16 will be deemed to participate in the Class Settlement and shall become a Settlement Class Member without  
17 having to submit a claim form or take any other action. In order to Opt-Out of the Class Settlement, the  
18 Settlement Class Member must submit a letter or postcard to the Settlement Administrator by the Response  
19 Deadline. The Opt-Out request must state the Settlement Class Member's name, address, telephone  
20 number, and signature. The Opt-Out request should state to the effect of: "I WISH TO BE EXCLUDED  
21 FROM THE SETTLEMENT CLASS IN THE LOPEZ V. UNITEK COLLEGE NCP, LLC LAWSUIT.  
22 I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL  
23 NOT RECEIVE ANY MONEY FROM THE CLASS SETTLEMENT OF THIS LAWSUIT AND WILL  
24 NOT BE RELEASING ANY CLAIMS I MIGHT HAVE." Any Opt-Out request that is not postmarked  
25 within sixty (60) days of mailing will be invalid. In the event that, prior to the Response Deadline, any  
26 Notice Packet mailed to a Class Member is returned as having been undelivered by the U.S. Postal Service,  
27 the Settlement Administrator shall perform a skip trace search and seek an address correction for such  
28 Class Member(s), and a second Notice Packet will be sent to any new or different address obtained. Such

1 Class Member(s) shall have an additional fourteen (14) days in which to Opt-Out.

2 It will be presumed that, if an envelope containing the Class Notice has not been returned within  
3 twenty-eight (28) days of the mailing, the Settlement Class Member received the Class Notice. At least  
4 ten (10) days prior to the deadline for Class Counsel to file its motion in support of Final Approval and  
5 Fairness Hearing, the Settlement Administrator shall provide Class Counsel and Defense Counsel with a  
6 Declaration of Due Diligence and Proof of Mailing with regard to the mailing of the Notice Packets and  
7 its attempts to locate Class Members. The declaration shall specify the number of Class Members to whom  
8 Class Notices were sent and the number of Class Members to whom Class Notices were not delivered, as  
9 well as information relating to the number of Opt-Outs and objectors. Class Counsel shall file this  
10 declaration with the Court.

11 If the Settlement Administrator determines that an Opt-Out request returned by a Class Member  
12 before the Response Deadline is deficient, then the Settlement Administrator shall mail a deficiency letter  
13 to that Class Member identifying the problem. If a Class Member submits both a dispute and an Opt-Out  
14 request, the Settlement Administrator shall make reasonable attempts to clarify as if the Opt-Out request  
15 were deficient. If the Class Member fails to cure the deficiency, the Opt-Out request shall be disregarded  
16 and the claim will be paid, and the Class Member will become bound by the judgment.

17 Those Class Members who do not timely Opt-Out will be bound by the release of Settlement Class  
18 Members' Released Claims set forth in Section I, Paragraph 34 of this Stipulation.

19 **4. Objections.** The Class Notice shall inform the Class Members of their right to object to  
20 the Class Settlement. Any Settlement Class Member who wishes to object to the Class Settlement must  
21 submit a written objection to the Settlement Administrator no later than the Response Deadline. The  
22 objection must include the case name and number and must set forth, in clear and concise terms, a  
23 statement of the reasons why the objector believes that the Court should find that the proposed Class  
24 Settlement is not in the best interest of the Settlement Class and the reasons why the Class Settlement  
25 should not be approved, including the legal and factual arguments supporting the objection. If an objector  
26 also wishes to appear at the Final Approval and Fairness Hearing, in person or through an attorney, he or  
27 she **must also** file a notice of intention to appear at the same time as the objection is filed. The Settlement  
28 Administrator will promptly serve copies of any objection or notice of intention to appear on Class

Counsel and Defense Counsel. Unless otherwise ordered by the Court, Settlement Class Members shall not be entitled to appear and or object at the Final Approval and Fairness Hearing unless they have submitted a timely written objection and notice of intention to appear pursuant to this Section. Settlement Class Members who have properly and timely submitted objections may appear at the Final Approval and Fairness Hearing, either in person or through a lawyer retained at their own expense.

**VII. CLASS SETTLEMENT FUNDING AND DISTRIBUTION**

**1. Allocation of the Gross Settlement Amount.** The claims of all Settlement Class Members are settled for the Gross Settlement Amount of \$410,000.00, which will be allocated as follows:

- a. The Administrative Expenses, not to exceed \$12,000.00;
- b. The Class Counsel’s Attorneys’ Fees and Expenses not to exceed \$136,667.00 in fees and expenses not to exceed \$12,500.00;
- c. The Class Representative’s Enhancement Award, not to exceed \$5,000.00; and
- d. PAGA Payment of \$10,000.00, of which \$7,500.00 shall be paid to the LWDA.

For purposes of calculating the estimated Individual Settlement Amounts, the Settlement Administrator shall calculate the estimated Net Settlement Amount (“NSA”) based on the estimated values in Section 1(a-d) prior to sending Notice to the Class Members. Prior to final distribution, the Settlement Administrator shall calculate the final Net Settlement Amount based on the actual values in Section 1 (a-d).

**2. Calculation of the Individual Settlement Amounts.** Individual Settlement Amounts to be paid to Settlement Class Members shall be paid from the Net Settlement Amount. The portion of the Net Settlement Amount payable to each Settlement Class Member will be calculated as follows:

The Settlement Administrator shall divide the Net Settlement Amount into two separate allocations - i) the Labor Code Class Members NSA Allocation and ii) the Background Check Class Members NSA Allocation, as follows: Each Background Check Class Member shall receive a payment in the amount of \$100.00. The remaining funds of the NSA shall be distributed to the Labor Code Class Members based on a *pro rata* distribution based on the total number of weeks worked. Specifically, for Labor Code Class Members, the Settlement Administrator shall divide the Labor Code Class Members NSA Allocation by the total number of work weeks participating Settlement Labor Code Class Members worked during the

1 Class Period, in order to determine the amount each Settlement Labor Code Class Member is entitled to  
2 for each work week that he or she worked for Defendant (the “Weekly Amount”). The Settlement  
3 Administrator will then multiply the Weekly Amount by the total number of work weeks that each  
4 Settlement Labor Code Class Member worked to arrive at the Individual Settlement Amount for that  
5 Settlement Labor Code Class Member.

6 In the event a Background Check Class Member is also a Labor Code Class Member, his or her  
7 Individual Settlement Amount will be sum total of his or her individual distributions as calculated by the  
8 formulas set forth in both the Background Check Class Members NSA Allocation and the Labor Code  
9 Class Members NSA Allocation. Such payment shall be provided as two separate checks.

10 Defendant will provide the Settlement Administrator with any information reasonably necessary  
11 to perform the calculation of number of work weeks for each Settlement Class Member, and any other  
12 reasonably required information the Settlement Administrator requests to perform the calculations  
13 required under this Stipulation. Defendant shall have no responsibility for deciding the validity of the  
14 Individual Settlement Amounts or any other payments made pursuant to this Stipulation. Moreover,  
15 Plaintiff and Settlement Class Members represent and understand that they shall be solely responsible for  
16 any and all tax obligation associated with their respective Individual Settlement Amounts.

17 **3. Time for Payment of Class Counsel’s Attorneys’ Fees and Expenses.** The Settlement  
18 Administrator shall distribute to Class Counsel any attorneys’ fees and expenses due to them and  
19 approved by the Court no later than ten (10) calendar days after Defendant provides funds to the  
20 Settlement Administrator for disbursement under this Agreement.

21 **4. Time for Payment of PAGA Payment to the LWDA.** The Settlement Administrator  
22 shall distribute to the LWDA the portion of the PAGA Payment due to it and approved by the Court not  
23 later than ten (10) calendar days after Defendant provides funds to the Settlement Administrator for  
24 disbursement under this Agreement.

25 **5. Time for Payment of Individual Settlement Amounts.** The Settlement Administrator  
26 shall mail the Individual Settlement Amounts to each Settlement Class Member, by first-class U.S. mail,  
27 to the last-known address within fifteen (15) calendar days after Defendant provides funds to the  
28 Settlement Administrator for disbursement under this Stipulation. If the Settlement Administrator is not

1 able to do so within the time period set forth above, it shall so inform Class Counsel and Defense Counsel  
2 and provide an approximate date by which the Individual Settlement Amounts will be mailed. Under no  
3 circumstances shall the Settlement Administrator distribute checks to Settlement Class Members until all  
4 Individual Settlement Amounts have been considered, calculated, and accounted for, and the all of the  
5 remaining monetary obligations have been calculated and accounted for. Within 120 days of the payment  
6 of Individual Settlement Amounts to Settlement Class Members, the Settlement Administrator shall file  
7 with the Court and provide to Class Counsel and Defense Counsel a declaration of payment. In the event  
8 that any Settlement Class Member is deceased, payment shall be made payable to the estate of that  
9 Settlement Class Member and delivered to the executor or administrator of that estate, unless the  
10 Settlement Administrator has received an affidavit or declaration pursuant to Cal. Probate Code § 13101,  
11 in which case payment shall be made to the affiant(s) or declarant(s).

12 **VIII. NON-CASHED SETTLEMENT CHECKS.** Any funds associated with checks that have not  
13 been cashed within 180 days from date of issuance, will become void and the Individual Settlement  
14 Amount associated with the un-cashed check shall be paid to Bet Tzedek Legal Services as the *cy pres*  
15 beneficiary, pursuant to CCP Section 384, and subject to approval by the Court.

16 **IX. NULLIFICATION OF THIS STIPULATION**

17 **1. Non-Approval of the Stipulation.** If (a) the Court should for any reason fail to approve  
18 this Stipulation in the form agreed to by the Parties, or (b) the Court should for any reason fail to enter a  
19 judgment with prejudice of the Action, or (c) the approval of the Class Settlement and judgment is  
20 reversed, modified or declared or rendered void, then the Class Settlement and conditional class  
21 certification shall be considered null and void, and neither the Class Settlement, conditional class  
22 certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and all  
23 Parties to the Class Settlement shall stand in the same position, without prejudice, as if the Class  
24 Settlement had been neither entered into nor filed with the Court. Notwithstanding the foregoing, the  
25 Parties may attempt in good faith to cure any perceived defects in the Stipulation to facilitate approval.

26 **2. Parties' Rights to Void Class Settlement.** If ten percent (10%) or more of the Class  
27 Members timely Opt-Out, Defendant shall have the right (but not the obligation) to void this Class  
28 Settlement. Neither Party, nor their attorneys shall encourage any Class Member to opt out of the

1 Settlement.

2 3. In the event that the class list increases by more than ten percent above the 147 Labor  
3 Code Class Members and/or more than 225 Background Check Class Members, then the Gross  
4 Settlement Amount shall be increased proportionate to the additional work-weeks represented by the  
5 share for the most recently included members of the respective Class. for the corresponding additional  
6 Class Member over 147 and/or 225 respectively. Should Defendant choose to void the Class Settlement  
7 under this paragraph, it shall be responsible for all Settlement Administrator fees and costs actually  
8 incurred.

9 4. **Invalidation.** Invalidation of any material portion of the Class Settlement shall invalidate  
10 the Class Settlement in its entirety, unless the Parties shall subsequently agree in writing that the remaining  
11 provisions of the Class Settlement are to remain in full force and effect.

12 5. **Stay Upon Appeal.** In the event of a timely appeal from the approval of the Class  
13 Settlement and judgment, the judgment shall be stayed, and Defendant shall not be obligated to fund the  
14 Gross Settlement Amount or take any other actions required by this Stipulation until all appeal rights have  
15 been exhausted by operation of law.

16 **X. MOTION FOR COURT APPROVAL**

17 1. **Preliminary Approval.** Class Counsel will submit this Stipulation to the Court along  
18 with a Motion for Preliminary Approval of the Class Settlement. Each party shall cooperate to present the  
19 Class Settlement to the Court for preliminary approval in a timely fashion.

20 2. **Final Approval.** The Final Approval and Fairness Hearing shall be held before the Court.  
21 At the Final Approval and Fairness Hearing, Plaintiff shall move the Court for the entry of the final order  
22 certifying the Labor Code Class and Background Check Class for settlement purposes only and approving  
23 the Class Settlement as being fair, reasonable and adequate to the Settlement Class Members within the  
24 meaning of California Rules of Court, Rule 3.769(c), (d) and (e) and for the entry of a final judgment of  
25 the Action consistent with the terms of the Class Settlement and California Rule of Court 3.769(h). Class  
26 Counsel and Defense Counsel shall submit to the Court such pleadings and/or evidence as may be required  
27 for the Court's determination.

28 ///

1 **XI. RELEASES AND WAIVERS**

2 **1. Settlement Class Members’ Released Claims.** Upon the Effective Date, each Class  
3 Member who has not submitted a timely request for exclusion/Opt-Out, and Plaintiff, each releases the  
4 Released Parties, and each of them, of and from any and all Settlement Class Members’ Released Claims,  
5 defined as the Settlement Labor Code Class Members’ Released Claims and/or the Settlement  
6 Background Check Class Members’ Released Claims during the Class Period.

7 It is the desire of the Parties and the Settlement Class Members to fully, finally, and forever settle,  
8 compromise, and discharge the Settlement Class Members’ Released Claims.

9 Each Settlement Class Member (defined as Class Members who do not timely request  
10 exclusion/Opt-Out) will be bound to the release of Settlement Class Members’ Released Claims as a result  
11 of the Class Settlement and to the terms of the final judgment and the satisfaction of such judgment.

12 Settlement Class Members will be deemed to have acknowledged and agreed that their claims for  
13 wages and/or penalties in the Action are disputed, and that their Individual Settlement Amount constitutes  
14 payment of all sums allegedly due to them. Settlement Class Members will be deemed to have  
15 acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the Individual  
16 Settlement Amount. That section provides in pertinent part as follows:

17 **“An employer shall not require the execution of a release of a claim or  
18 right on account of wages due, or to become due, or made as an advance  
19 on wages to be earned, unless payment of those wages has been made.”**

20 **2. Plaintiff’s Released Claims.** In addition to the Settlement Class Members’ Released  
21 Claims described above, in exchange for the consideration recited in this Stipulation, including but not  
22 limited to the Class Representative Enhancement Award, Plaintiff Amalia Lopez releases, acquits,  
23 discharges, and covenants not to sue any of the Released Parties for any claim, whether known or  
24 unknown, which she has ever had, or hereafter may claim to have, arising on or before the date she signs  
25 this Stipulation, including without limitation to, any claims relating to or arising out of any aspect of their  
26 relationship with Defendant Unitek College NCP, LLC, or the termination of that relationship, any claims  
27 for unpaid compensation, wages, reimbursement for business expenses, penalties, or waiting time  
28 penalties under the California Labor Code, the California Business and Professions Code, the federal Fair  
Labor Standards Act, 29 U.S.C. section 201, *et seq.*, or any state, county or city law or ordinance



1 regarding wages or compensation; any claims for employee benefits including without limitation, any  
2 claims under the Employment Retirement Income Security Act of 1974. However, claims of employment  
3 discrimination and claims arising from national origin discrimination are expressly excluded from this  
4 release. Specifically, the Parties expressly retain, and carve-out from this Stipulation and the release  
5 contained herein, all rights, claims and causes of action, known or unknown, relating to any claims by  
6 Plaintiff Amalia Lopez for national origin discrimination, whether said claims are based on federal, state,  
7 or local laws, of any of the Released Parties arising from or related to any English-only policy or practice  
8 of Defendant Unitek College NCP, LLC. Nothing in this Stipulation, therefore, shall be understood to  
9 waive, release, apply to or limit Plaintiff’s rights, claims, or causes of action against any of the Released  
10 Parties with respect to any national origin discrimination claims, including but not limited to California  
11 Government Code section 12951 and 29 Code of Federal Regulation section 1606.7(a), as a result of  
12 Defendant’s English-only policy or practice.

13 Notwithstanding the foregoing, Plaintiff Amalia Lopez expressly waives any rights or benefits  
14 available to her under the provisions of Section 1542 of the California Civil Code, which provides as  
15 follows:

16 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE**  
17 **CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT**  
18 **TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE**  
19 **RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE**  
20 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE**  
21 **DEBTOR OR RELEASING PARTY.**

22 Plaintiff Amalia Lopez understands fully the statutory language of Civil Code Section 1542 and, with  
23 this understanding, nevertheless elects to, and does, assume all risks for claims that have arisen, whether  
24 known or unknown, which she ever had, or hereafter may claim to have, arising on or before the date of  
25 her respective signature to this Stipulation, and specifically waives all rights she may have under the  
26 California Civil Code Section 1542.

27 **XII. DUTIES OF THE PARTIES**

28 **1. Mutual Full Cooperation.** The Parties agree to cooperate fully with one another to  
accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be limited  
to, execution of such other documents and the taking of such other actions as may reasonably be necessary

1 to fulfill the terms of this Class Settlement. The Parties shall use their best efforts, including all efforts  
2 contemplated by this Stipulation and any other efforts that may become necessary by court order or  
3 otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as practicable after  
4 execution of this Stipulation, Class Counsel, with the cooperation of Defendant and Defense Counsel,  
5 shall take all necessary and reasonable steps to secure the Court's final approval of this Stipulation.

6 **2. Duty to Support and Defend the Class Settlement.** The Parties agree to abide by all of  
7 the terms of the Class Settlement in good faith and to support the Class Settlement fully and to use their  
8 best efforts to defend this Class Settlement from any legal challenge, whether by appeal or collateral  
9 attack.

10 **3. Duties Prior to Court Approval.** Class Counsel shall promptly submit this Stipulation  
11 to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and  
12 reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court for  
13 the entry of a preliminary order and request the scheduling of a Final Approval and Fairness Hearing on  
14 the question of whether the proposed Class Settlement should be approved as fair, reasonable, and  
15 adequate as to the Class Members, approving as to form and content the proposed Class Notice and Share  
16 Form attached hereto as **Exhibit 1** and **Exhibit 2**, respectively, and directing the mailing of the Class  
17 Notice to Class Members. While Defendant can reserve its right to object to facts or assertions made in  
18 the moving papers, Defense Counsel shall file a notice of non-opposition to the granting of the motion for  
19 preliminary approval or join in the motion.

20 **XIII. MISCELLANEOUS PROVISIONS**

21 **1. Voiding the Stipulation.** Pending Court approval and other than as provided in Section  
22 IX herein, if any of the conditions set forth in this Stipulation are not met and satisfied, this Stipulation  
23 shall, at the option of either Plaintiff or Defendant, be ineffective, void, and of no further force and effect,  
24 and shall not be used or be admissible in any subsequent proceeding, either in this Court or in any other  
25 court or forum. If either Party decides to void the Settlement, then the Settlement and conditional class  
26 certification shall be considered void, and neither the Stipulation, conditional class certification, nor any  
27 of the related negotiations or proceedings, shall be of any force or effect, and the Parties shall stand in the  
28 same position, without prejudice, as if this Stipulation had been neither entered into nor filed with the

1 Court. Should either Party choose to void the Class Settlement under this paragraph, such Party shall be  
2 responsible for all Settlement Administrator fees and costs actually incurred.

3       **2. Different Facts.** The Parties hereto, and each of them, acknowledge that, except for  
4 matters expressly represented herein, the facts in relation to the dispute and all claims released by the  
5 terms of this Stipulation may turn out to be other than or different from the facts now known by each party  
6 and/or its counsel, or believed by such Party or counsel to be true, and each Party therefore expressly  
7 assumes the risk of the existence of different or presently unknown facts, and agrees that this Stipulation  
8 shall be in all respects effective and binding despite such difference.

9       **3. No Prior Assignments.** The Parties represent, covenant, and warrant that they have not  
10 directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to  
11 any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein  
12 released and discharged except as set forth herein.

13       **4. Non-Admission.** Nothing in this Stipulation shall be construed as or deemed to be an  
14 admission by any Party of any liability, culpability, negligence, or wrongdoing toward any other Party, or  
15 any other person, and the Parties specifically disclaim any liability, culpability, negligence, or wrongdoing  
16 toward the each other or any other person. Each of the Parties has entered into this Stipulation with the  
17 intention to avoid further disputes and litigation with the attendant inconvenience, expenses, and  
18 contingencies. Nothing herein shall constitute any admission by Defendant of wrongdoing or liability, or  
19 of the truth of any factual allegations in the Action. Nothing herein shall constitute any admission by  
20 Defendant regarding the merits of the Claims in this Action, including but not limited to claims for unpaid  
21 wages and/or for violation of consumer privacy protections under California and/or federal law. Nothing  
22 herein shall constitute an admission by Defendant that the Action was properly brought as a class or  
23 representative action other than for settlement purposes. To the contrary, Defendant has denied and  
24 continues to deny each and every material factual allegation and all Claims. To this end, the Class  
25 Settlement of the Action, the negotiation and execution of this Stipulation, and all acts performed or  
26 documents executed pursuant to or in furtherance of this Stipulation or the Class Settlement are not, shall  
27 not be deemed to be, and may not be used as, an admission or evidence of any wrongdoing or liability on  
28 the part of Defendant or of the truth of any of the factual allegations in the Complaint in the Action; and

1 are not, shall not be deemed to be, and may not be used as, an admission or evidence of any fault or  
2 omission on the part of Defendant in any civil, criminal or administrative proceeding in any court,  
3 administrative agency or other tribunal.

4 **5. Media or Press.** Plaintiff and Defendant, and their respective counsel, recognize, and  
5 accept that the Parties to this Stipulation desire that the terms of this Stipulation, the fact of the Class  
6 Settlement embodied in this Stipulation, the disposition of the Action, the Action, and all matters relating  
7 to the litigation of the Action, including discovery proceedings therein, and evidence obtained during the  
8 course of the Action, shall not be discussed with or presented to the media or press.

9 **6. Non-Retaliation.** Defendant understands and acknowledge that it has a legal obligation  
10 not to retaliate against any Settlement Class Member who elects to participate in the Class Settlement or  
11 elects to Opt-Out of the Class Settlement. Defendant will refer any inquiries regarding this Class  
12 Settlement to the Settlement Administrator or Class Counsel and will not discourage Settlement Class  
13 Members, directly or indirectly, from participating in, opting out, or objecting to the Class Settlement.

14 **7. Construction.** The Parties hereto agree that the terms and conditions of this Stipulation  
15 are the result of lengthy, intensive, arms-length non-collusive negotiations between the Parties and that  
16 this Stipulation is not to be construed in favor of or against any party by reason of the extent to which any  
17 party or its counsel participated in the drafting of this Stipulation. If any of the dates in the Stipulation fall  
18 on a weekend, bank or court holiday, the time to act shall be extended to the next business day.

19 **8. Governing Law.** This Stipulation is intended to and shall be governed by the laws of the  
20 State of California, without regard to conflict of law principles, in all respects, including execution,  
21 interpretation, performance, and enforcement.

22 **9. Notices.** Except for Class Member notices required to be made by the Settlement  
23 Administrator, any and all notices or other communications required or permitted under this Stipulation  
24 shall be in writing and shall be sufficiently given if delivered in person to the party or their counsel by  
25 U.S. certified mail, postage prepaid, e-mail, facsimile, or overnight delivery addressed to the address of  
26 the party appearing in this Stipulation.

27 **10. Captions and Interpretations.** Section titles or captions contained herein are inserted as  
28 a matter of convenience and for reference only and in no way define, limit, extend, or describe the scope

1 of this Stipulation or any provision thereof.

2           **11.     Modification.** This Stipulation may not be changed, altered, or modified, except in  
3 writing signed by the Parties and approved by the Court. This Stipulation may not be discharged except  
4 by performance in accordance with its terms or by a writing signed by the Parties.

5           **12.     Integration Clause.** This Stipulation contains the entire agreement between the Parties  
6 relating to the Class Settlement of the Action and the transactions contemplated thereby, and all prior or  
7 contemporaneous agreements, understandings, representations, and statements, whether oral or written,  
8 and whether by a party or such party's legal counsel, are hereby superseded. No rights under this  
9 Stipulation may be waived except in writing as provided above.

10           **13.     Successors and Assigns.** This Stipulation shall be binding upon and inure to the benefit  
11 of the Parties and Class Members (excluding only persons who timely Opt-Out) and their respective  
12 present and former heirs, trustees, executors, administrators, representatives, officers, directors,  
13 shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors, consultants, pension  
14 and welfare benefit plans, fiduciaries, parent companies, subsidiaries, affiliates, related companies, joint  
15 ventures, predecessors, successors, and assigns.

16           **14.     Corporate Signatories.** Any person executing this Stipulation or any such related  
17 document on behalf of a corporate signatory or on behalf of a partnership hereby warrants and promises,  
18 for the benefit of all Parties hereto, that such person has been duly authorized by such corporation or  
19 partnership to execute this Stipulation or any such related document.

20           **15.     Execution in Counterparts.** This Stipulation shall become effective upon its execution  
21 by all of the undersigned. The Parties may execute this Stipulation in counterparts, and execution of  
22 counterparts shall have the same force and effect as if all Settling Parties had signed the same instrument.

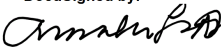
23           **16.     Attorney Fees, Costs and Expenses.** Except as otherwise specifically provided for  
24 herein, each Party shall bear his or its own attorney fees, costs and expenses, taxable or otherwise, incurred  
25 by them in or arising out of the Action and shall not seek reimbursement thereof from any other party to  
26 this Stipulation.

27           **17.     Action to Enforce Agreement.** In any suit or court action to enforce the terms of this  
28 Agreement, the prevailing party shall be entitled to recover his or its attorney fees and costs.

**IN WITNESS WHEREOF**, the Parties and their counsel have executed this Stipulation on the date below their signatures or the signature of their representatives. The date of the Stipulation shall be the date of the latest signature.

Amalia Lopez

Unitek College NCP, LLC

DocuSigned by:  
  
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12/6/2019

Dated: \_\_\_\_\_

Printed: \_\_\_\_\_

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

Dated: \_\_\_\_\_

**APPROVED AS TO FORM AND CONTENT**

MELMED LAW GROUP P.C.


GORDON & REESE  
SCULLY MANSUKHANI LLP

By:   
Jonathan Melmed, Esq.

By: \_\_\_\_\_  
Mollie M. Burks  
Sat Sang S. Khalsa  
Attorney for Defendant Unitek College NCP, LLC

Attorney for Plaintiff and the  
and the putative Classes

ACKERMANN & TILAJEF, P.C.

By:   
Craig J. Ackermann, Esq.


Attorney for Plaintiff  
and the putative Classes

1           **IN WITNESS WHEREOF**, the Parties and their counsel have executed this Stipulation on the  
2 date below their signatures or the signature of their representatives. The date of the Stipulation shall be  
3 the date of the latest signature.

4  
5 Amalia Lopez

Unitek College NCP, LLC

6  
7 \_\_\_\_\_  
8 Dated: \_\_\_\_\_

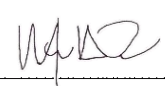
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Printed: Janis Paulson  
Title: CEO  
Dated: 12/10/19

**APPROVED AS TO FORM AND CONTENT**

13  
14 MELMED LAW GROUP P.C.

GORDON & REESE  
SCULLY MANSUKHANI LLP

15  
16  
17 By: \_\_\_\_\_  
Jonathan Melmed, Esq.  
18  
19 Attorney for Plaintiff and the  
and the putative Classes

By:   
Mollie M. Burks  
Sat Sang S. Khalsa  
Attorney for Defendant Unitek College NCP, LLC

20 ACKERMANN & TILAJEF, P.C.

21  
22 By: \_\_\_\_\_  
Craig J. Ackermann, Esq.  
23 Attorney for Plaintiff  
24 and the putative Classes

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

AMALIA LOPEZ, individually on behalf of herself, and on behalf of all others individually situated,

Plaintiffs,

vs.

UNITEK COLLEGE NCP, LLC,

Defendant.

Case No. \_\_\_\_\_

**NOTICE OF PROPOSED CLASS ACTION  
SETTLEMENT AND HEARING DATE  
FOR COURT APPROVAL**

Complaint Filed: August 1, 2019

**TO ALL CLASS MEMBERS DEFINED AS:**

1. All individuals who are or were employed as hourly, non-exempt employees by Defendant in California during the Class Period (“Labor Code Class Members”); and/or

2. All individuals who applied for employment with Defendant in California during the Class Period (“Background Check Class Members”).

The Labor Code Class Members and Background Check Class Members together are termed “Class Members” unless otherwise specified.

**YOU ARE ELIGIBLE TO RECEIVE A SETTLEMENT PAYMENT. PLEASE READ  
THIS NOTICE CAREFULLY.**

The settlement involves claims against Unitek College NCP, LLC (“Defendant”) alleging Defendant’s: (1) failure to authorize and permit off-duty rest breaks and/or pay missed rest break premiums (Labor Code § 226.7); (2) failure to provide off-duty meal periods and/or pay missed meal period premiums (Labor Code §§ 226.7, 512); (3) failure to provide accurate itemized wage statements (Labor Code §§ 226, 226.3); (4) failure to pay wages owed in a timely manner and upon separation (Labor Code §§ 201-203, 204, 210); (5) violation of unfair competition law (Bus. & Prof. Code §§ 17200 et seq.); (6) violation of Private Attorneys General Act of 2004 (Labor Code §§ 2699 et seq.); (7) violation of the Fair Credit Reporting Act (15 U.S.C. § 1681b(b)(2)(A)); (8) violation of the Investigative Consumer Reporting Agencies Act (Civil Code § 1786 et seq.); and (9) violation of the Consumer Credit Reporting Agencies (Civil Code § 1785 et seq.)

**NO ACTION NEEDS TO BE TAKEN TO RECEIVE MONEY UNDER THE SETTLEMENT:** If you are a Class Member (as defined above) and received this Notice, you are automatically included in the Settlement and do not need to take any further action to receive a payment. If you accept your settlement amount, you will release the claims described in Section V below.



**I. INTRODUCTION**

This “Notice of Proposed Class Action Settlement And Hearing Date For Court Approval” (“Notice”) is to inform you that Defendant has agreed to settle a class action lawsuit on behalf of all Class Members which claimed, among other things, that Defendant violated various wage-and-hour laws by failing to provide off-duty rest and meal breaks and/or pay missed rest and meal break premiums, failing to provide accurate itemized wage statements, and failing to pay wages owed in a timely manner and upon separation, thereby engaging in unfair business practices under California Bus. & Prof. Code Section 17200 and accruing penalties under California Labor Code provisions forming the basis for a PAGA claim for derivative civil penalties.

Further, Defendant has also agreed to settle claims that it violated various federal and state consumer privacy protection laws – violations of the Fair Credit Reporting Act (15 U.S.C. § 1681b(b)(2)(A), the Investigative Consumer Reporting Agencies Act (Civil Code § 1786 et seq.), and the Consumer Credit Reporting Agencies (Civil Code § 1785 et seq.) - by impermissibly procuring consumer reports/background checks on its job applicants and employees.

The Court has granted preliminary approval of the Settlement and the Court ordered this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

**II. DESCRIPTION OF THE LAWSUIT**

**Plaintiff’s Claims.** On August 1, 2019, Plaintiff Amalia Lopez initiated this Action in the Superior Court of the State of California, County of Kern on behalf of herself and class of similarly-situated individuals against Defendant Unitek College NCP, LLC. On behalf of the two putative class(es) – a Labor Code Class and a Background Check Class - Plaintiff alleged causes of action for: (1) failure to authorize and permit off-duty rest breaks and/or pay missed rest break premiums (Labor Code § 226.7); (2) failure to provide off-duty meal periods and/or pay missed meal period premiums (Labor Code §§ 226.7, 512); (3) failure to provide accurate itemized wage statements (Labor Code §§ 226, 226.3); (4) failure to pay wages owed in a timely manner and upon separation (Labor Code §§ 201-203, 204, 210); (5) violation of unfair competition law (Bus. & Prof. Code §§ 17200 et seq.); (6) violation of Private Attorneys General Act of 2004 (Labor Code §§ 2699 et seq.); (7) violation of the Fair Credit Reporting Act (15 U.S.C. § 1681b(b)(2)(A)); (8) violation of the Investigative Consumer Reporting Agencies Act (Civil Code § 1786 et seq.); and (9) violation of the Consumer Credit Reporting Agencies (Civil Code § 1785 et seq.) (collectively, “Claims”).

**Defendant has denied liability, has denied the allegations in the Complaint, and has raised various defenses to these claims.** Defendant contends that it complied in good faith with California and federal wage-and-hour and consumer privacy protection laws and has dealt legally and fairly with Plaintiff and Class Members. Defendant further denies that, for any purpose other than settling this Action, these claims are appropriate for class or representative treatment. Defendant wishes to settle this case, however, to avoid costly, disruptive, and time-consuming litigation and does not admit to any wrongdoing or liability.

The Court has not ruled on the merits of Plaintiff’s claims. By approving the Settlement and issuing this Notice, the Court is not suggesting which side would win or lose this case if it went to trial. However, to avoid additional expense, inconvenience, and risks of continued litigation, Defendant

1 and Plaintiff have concluded that it is in their respective best interests and the interests of the Class  
2 Members to settle the Action on the terms summarized in this Notice. After Defendant provided  
3 extensive discovery and information to counsel for the Class Members, the Settlement was reached  
4 after arms-length non-collusive negotiations between the parties, including a full day of mediation  
5 with a highly-respected mediator in California. In these negotiations, both sides recognized the  
6 substantial risk of the Court deciding against them at trial and determined that the Settlement was  
7 a fair, reasonable and adequate way to resolve the disputed claims.

8 The Plaintiff and Class Counsel support this Settlement. Among the reasons for support are the  
9 defenses to liability potentially available to Defendant, the risk of denial of class certification, the  
10 inherent risk of trial on the merits, and the delays and uncertainties associated with litigation.

11 Under this settlement, the following two (2) **Settlement Classes** – the Labor Code Class and the  
12 Background Check Class - will be certified under California law:

13 1. **Labor Code Class:** All individuals who are or were employed as hourly, non-exempt  
14 employees by Defendant in California during the Class Period; and/or

15 2. **Background Check Class:** All individuals who applied for employment with Defendant  
16 in California during the Class Period.

17 Plaintiff Amalia Lopez, and her counsel, Jonathan Melmed, Esq. of Melmed Law Group, P.C. and  
18 Craig J. Ackermann, Esq. of Ackermann & Tilajef, P.C. (“Class Counsel”), believe that the  
19 settlement described below is fair, adequate, reasonable and in the best interests of Plaintiffs and  
20 the Class.

21 On *[insert date of preliminary approval]*, the Court preliminarily approved the settlement and  
22 conditionally certified the above Classes for settlement purposes only. This Notice is being sent to  
23 you because Defendant’s records indicate that you are a Class Member.

24 **IF YOU STILL WORK FOR DEFENDANT, PARTICIPATION IN THIS SETTLEMENT**  
25 **WILL NOT AFFECT, NOR DISRUPT YOUR WORK IN ANY MANNER.**

26 **CALIFORNIA LAW STRICTLY PROHIBITS RETALIATION.** Further, Defendant is  
27 prohibited by law from taking any adverse action against or otherwise target, retaliate, or  
28 discriminate against any Class Member because of the Class Member’s participation or decision  
not to participate in this Settlement.

29 **III. TERMS OF THE SETTLEMENT**

30 Defendant has agreed to pay \$410,000.00 (the “Settlement Amount”) to resolve claims in the  
31 operative Complaint, including all Labor Code Class Members’ claims under Labor Code sections  
32 201, 202, 203, 204, 210, 226, 226.3, 226.7, 512, along with Industrial Welfare Commission Wage  
33 Order No. 4-2001 sections 22 and 12,, and claims for restitution and equitable relief under sections  
34 17200 to 17204 of the California Business and Professions Code based on the foregoing, as well as  
35 any civil penalty claims predicated on the claims alleged in the Complaint under PAGA (Labor  
36 Code § 2699 *et seq.*) Further, Defendant has also agreed to settle all Background Check Class  
37 Members’ claims under Labor Code section 1024.5, 15 U.S.C. 1681(b)(2)(A), and claims under  
38 California Civil Code sections 1785.20.5, 1786.2, and 1786.16.

The Parties agreed to the following payments from the Settlement Amount:

Settlement Administration Costs. The Court has approved CPT Group, Inc., to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. Under the Settlement, up to \$12,000.00 will be paid from the Settlement Amount to pay the Settlement Administration Costs.

Class Counsel’s Attorneys’ Fees and Expenses. Class Counsel – which includes attorneys from two separate law firms that have been prosecuting the Lawsuit on behalf of the Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. To date, the parties have aggressively litigated many aspects of the case including settlement efforts and a full day mediation session. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Settlement Amount. Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will collectively ask for fees of one third (*i.e.*, \$136,667.00) of the Settlement Amount as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit. Class Counsel also will ask for reimbursement of up to \$12,500.00 for the costs Class Counsel incurred in connection with the Lawsuit.

Enhancement Award to Named Plaintiff and Class Representative. Plaintiff Amalia Lopez will seek an Enhancement Award of \$5,000.00 for her service to the Class Members.

PAGA Payment. The Parties have agreed on a reasonable sum to be paid in settlement of the PAGA claims included in the Action, which is \$10,000. The PAGA Payment is to be approved by the Court pursuant to Labor Code section 2699 and is to be distributed as follows: seventy-five percent (75%) (*i.e.*, \$7,500) to the LWDA and twenty-five percent (25%) (*i.e.*, \$2,500) to the Class Members. Class Counsel shall give timely notice of the Class Settlement to the LWDA under Labor Code section 2699(1)(2).

Net Settlement Amount. After deducting the amounts above, the balance of the Settlement Amount will form the Net Settlement Amount for distribution to the Class Members.

You can view the Settlement Agreement and other Court documents related to this case by visiting [www.xxxxxxxx](http://www.xxxxxxxx).

**IV. YOUR INDIVIDUAL SHARE OF THE SETTLEMENT AMOUNT**

The Individual Settlement Amount for each Settlement Class Member (a Class Member that does not opt-out of the Settlement) will be paid from the Net Settlement Amount and will be calculated as follows: The Settlement Administrator shall divide the Net Settlement Amount into two separate allocations - i) the Labor Code Class Members NSA Allocation and ii) the Background Check Class Members NSA Allocation, as follows:

Each Background Check Class Member shall receive a payment in the amount of \$100.00. The remaining funds of the NSA shall be distributed to the Labor Code Class Members based on a *pro rata* distribution based on the total number of weeks worked. Specifically, for Labor Code Class Members, the Settlement Administrator shall divide the Labor Code Class Members NSA Allocation by the total number of work weeks participating Settlement Labor Code Class Members worked during the Class Period, in order to determine the amount each Settlement Labor Code Class Member is entitled to for each work week that he or she worked for Defendant (the “Weekly

1 Amount”). The Settlement Administrator will then multiply the Weekly Amount by the total  
2 number of work weeks that each Settlement Labor Code Class Member worked to arrive at the  
Individual Settlement Amount for that Settlement Labor Code Class Member.

3 In the event a Background Check Class Member is also a Labor Code Class Member, his or her  
4 Individual Settlement Amount will be sum total of his or her individual distributions as calculated  
5 by the formulas set forth in both the Background Check Class Members NSA Allocation and the  
6 Labor Code Class Members NSA Allocation. Such payment shall be provided as two separate  
7 checks.

8 All Individual Settlement Amounts paid to individual Settlement Class Members are to be reported  
9 as income on IRS Form 1099 and IRS Form W-2s where required by law.

10 Of the amounts paid to Background Check Class Members, 100% shall be designated as penalties  
11 and interest for which an IRS Form 1099 shall issue.

12 Of the amounts paid to Labor Code Class Members, ninety percent (90%) shall be designated as  
13 penalties and interest for which an IRS Form 1099 shall issue and ten percent (10%) to wages for  
14 which an IRS Form W-2 shall issue. Settlement Class Members are responsible for the proper  
15 income tax treatment of the Individual Settlement Amounts received. The Settlement  
16 Administrator, Defendant and their counsel, and Class Counsel cannot provide tax advice.  
17 Accordingly, Settlement Class Members should consult with their tax advisors concerning the tax  
18 consequences and treatment of payments they receive under the Settlement.

19 The workweeks you worked as a qualifying Labor Code Class Member in California for Defendant  
20 during the Class Period will be calculated based on Defendant’s records. If you feel that you were  
21 not credited with the correct number of workweeks worked during the Class Period, you may submit  
22 evidence to the Settlement Administrator on or before [insert date] with documentation to establish  
23 the number of work weeks you claim to have actually worked during the Class Period.  
24 **DOCUMENTATION SENT TO THE SETTLEMENT ADMINSTRATOR WILL NOT BE  
25 RETURNED OR PRESERVED; DO NOT SEND ORIGINALS.** The Parties and Settlement  
26 Administrator will promptly evaluate the evidence submitted and discuss in good faith how many  
27 workweeks should be credited. The Settlement Administrator will make the final decision as to  
28 how many weeks are credited, and report the outcome to you. If you are unsatisfied with the  
decision, you may submit an Objection, as discussed below.

The Individual Settlement Amount payments will be made by the Settlement Administrator  
pursuant to the disbursement plan subject to court-approval as follows: *first*, Defendant shall pay  
the Gross Settlement Fund amount of \$410,000.00 to the Settlement Administrator within five (5)  
calendar days of the Effective Date. The Effective Date shall be the date after all of the following  
events have occurred: (1) the Court gives final approval to the Class Settlement; (2) the Court enters  
a final order and judgment certifying the Class and approving the Class Settlement; and (3) the time  
within which within which to appeal any final judgment has expired; *second*, the Settlement  
Administrator shall mail the Individual Settlement Amounts to each Settlement Class Member, by  
first-class U.S. mail, to the last-known address within fifteen (15) calendar days after Defendant  
provides funds to the Settlement Administrator for disbursement under this Stipulation. If the  
Settlement Administrator is not able to do so within the time period set forth above, it shall so  
inform Class Counsel and Defense Counsel and provide an approximate date by which the  
Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement

1 Administrator distribute checks to Settlement Class Members until all Individual Settlement  
2 Amounts have been considered, calculated, and accounted for, and the all of the remaining  
monetary obligations have been calculated and accounted for.

3 You can view the final approval order and final judgment and payment schedule at [www.xxxxxxx](http://www.xxxxxxx).

4 **V. THE RELEASE OF CLAIMS**

5  
6 If the Court approves the Settlement, the Court will enter judgment and the Settlement Agreement  
7 will bind all members of the Settlement Class who have not opted out of the Settlement, and will  
8 bar all Settlement Class Members from bringing certain claims against Defendant as described  
below.

9 The Settlement includes a release by Settlement Class Members (defined as those Class Members  
10 who do not submit a timely request to be excluded/Opt-Out) of Unitek College NCP, LLC, and all  
11 of its subsidiaries, affiliates, shareholders, members, agents, predecessors, successors, and assigns  
12 (the “Released Parties”), and each of them, of and from any and all Settlement Class Members’  
Released Claims, defined as the “Settlement Labor Code Class Members’ Released Claims” and/or  
the “Settlement Background Check Class Members’ Released Claims” during the Class Period as  
set forth below:

13 1) The Settlement Labor Code Class Members’ Released Claims: All causes of action arising under  
14 the applicable IWC Wage Orders and the California Labor Code alleged in the Complaint as well  
15 as any other causes of action that could have been alleged in the Complaint, based on the specific  
16 facts alleged in the Complaint which occurred during the applicable Class Period, including but not  
17 limited to claims arising under Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7,  
512, 1194, and 1198, and 2699 et. seq. (based on the facts and theories alleged in the Complaint),  
as well as claims for Unfair Competition under Business & Professions Code § 17200 (based on  
the facts and theories alleged in the Complaint.)

18 2) The Settlement Background Check Class Members’ Released Claims: all causes of action plead  
19 in the Complaint or that could have been plead in the Complaint, arising under or related to the  
20 Investigative Consumer Reporting Agencies Act (California Civil Code section 1785 et. seq.), the  
21 Consumer Credit Reporting Act (California Labor Code section 1786 et. seq.), as well as Civil Code  
22 sections 1024.5, 1785.20 and 1786.16, and the United States Fair Credit Reporting Act (15 U.S.C.  
1681(b)(2)(A)). The Release Period shall be the applicable Class Period. For those Background  
23 Class Members who are not also Labor Code Class Members, the Labor Code Class Members  
Released claims shall not be released.

24 The Class Representative further agrees to a general release of all claims – except and excluding  
25 those claims related to nation origin discrimination that were specifically carved-out pursuant to  
the terms of the Stipulation - against Defendant during the Class Period, and agree to waive their  
rights under Civil Code Section 1542 (“Plaintiff’s Released Claims”).

26 The Settlement does not release any person, party or entity from claims, if any, by Settlement Class  
27 Members for workers compensation, unemployment, or disability benefits of any nature, nor does  
28 it release any claims, actions, or causes of action which may be possessed by Settlement Class  
Members under state or federal discrimination statutes, including, without limitation, the Cal. Fair

1 Employment and Housing Act, the Cal. Government Code § 12940, *et seq.*; the Unruh Civil Rights  
2 Act, the Cal. Civil Code §51, *et seq.*; the California Constitution; Title VII of the Civil Rights Act  
3 of 1964, 42 U.S.C. § 2000, *et seq.*; the Americans with Disabilities Act, as amended, 42 U.S.C.  
§ 12101, *et seq.*; the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C.  
§ 1001 *et seq.*; and all of their implementing regulations and interpretive guidelines.

4 Settlement Class Members will be deemed to have acknowledged and agreed that their claims for  
5 wages and/or penalties in the Action are disputed, and that the Individual Settlement Amounts  
6 constitute payment of all sums allegedly due to them. Settlement Class Members will be deemed to  
7 have acknowledged and agreed that California Labor Code Section 206.5 is not applicable to the  
8 Individual Settlement Amounts. That section provides in pertinent part as follows:

9 **“An employer shall not require the execution of a release of a claim or right on  
10 account of wages due, or to become due, or made as an advance on wages to be  
11 earned, unless payment of those wages has been made.”**

12 **VI. WHAT ARE YOUR OPTIONS?**

13 **A. Do Nothing and Receive Your Portion of the Settlement**

14 You are automatically included as a Settlement Class Member and will receive a settlement  
15 payment and do not have to take any further action to receive your settlement payment. It is the  
16 responsibility of all Settlement Class Members to ensure that the Settlement Administrator has your  
17 current address on file, or you may not receive important information or a settlement payment. The  
18 estimated amount of your settlement payment if you do nothing is included on the attached Share  
19 Form.

20 **B. Opt-Out and Be Excluded from the Class and the Settlement**

21 If you **do not** wish to take part in the Settlement, you may exclude yourself (i.e., opt-out) by sending  
22 to the Settlement Administrator a “Request for exclusion/Opt-Out from the Class Action  
23 Settlement” letter/card postmarked no later than [insert date], with your name, address, telephone  
24 number, and signature. The request for exclusion/Opt-Out should state:

25 **“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE LOPEZ V. UNITEK  
26 COLLEGE NCP, LLC LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED  
27 FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE  
28 CLASS SETTLEMENT OF THIS LAWSUIT AND WILL NOT BE RELEASING ANY CLAIMS  
I MIGHT HAVE.”**

Send the request for exclusion/Opt-Out directly to the Settlement Administrator at the  
following address **by no later than [Insert opt-out date]:**

[Insert ADDRESS]

Any person who submits a timely request for exclusion/Opt-Out from the Class Action Settlement  
shall, upon receipt, no longer be a Settlement Class Member, shall be barred from participating in  
any portion of the Settlement, and shall receive no benefits from the Settlement. If you want



confirmation of receipt of your request for exclusion/Opt-Out, please send it by U.S. certified mail, return receipt requested and/or contact the Settlement Administrator.

**C. Object to the Settlement**

You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the proposed Settlement, or any portion of it, you must file with the Settlement Administrator a written objection stating: your name, address, and telephone number; dates of work as an hourly non-exempt employee in California with Defendant, if applicable; the case name and number; each specific reason in support of your objection; and any legal support for each objection. Objections must be in writing and must be mailed to the Settlement Administrator, [Insert ADDRESS], by no later than [Insert deadline] for your objection to be considered. **OBJECTIONS THAT DO NOT INCLUDE ALL REQUIRED INFORMATION, OR THAT ARE NOT SUBMITTED TIMELY, MAY NOT BE CONSIDERED BY THE COURT.**

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will receive payment and be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object. Any Settlement Class Member who does not object in the manner provided above shall have waived any objection to the Settlement, whether by appeal or otherwise.

**D. Your Right to Appear at the Final Approval and Fairness Hearing Through an Attorney or In Person**

If you choose to object to the Settlement, you may also appear at the Final Approval and Fairness Hearing scheduled for [Insert DATE], at [Insert TIME am/p.m.] in Department X of the Kern Superior Court, located at \_\_\_\_\_, Kern, California \_\_\_\_\_. You have the right to appear either in person or through your own attorney at this hearing. Objections not previously filed in writing in a timely manner as described above will not be considered by the Court. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before [Insert DATE 45 Days After Mailing]. All objections or other correspondence must state the name and number of the case, which is *Lopez, et al. v. Unitek College NCP, LLC*, Case No. XXX.

**VII. UPDATE FOR YOUR CHANGE OF ADDRESS**

If you move after receiving this Notice or if it was misaddressed, please complete the Change of Address portion of the Share Form and mail it to the Settlement Administrator, ??? at ???, as soon as possible. **THIS IS IMPORTANT SO THAT FUTURE NOTICES AND/OR THE SETTLEMENT PAYMENT REACH YOU.**

**VIII. IF THE STIPULATION OF SETTLEMENT AND RELEASE OF CLASS ACTION IS NOT APPROVED**

If the Stipulation is not approved by the Court, or if any of its conditions are not satisfied, the conditional settlement will be voided, no money will be paid, and the case will return to litigation. If that happens, there is no assurance: (1) that the Class will be certified; (2) that any

1 decision at trial would be in favor of Class Members; (3) that a trial decision, if any, would be as  
2 favorable to the Class Members as this settlement; or (4) that any favorable trial decision would be  
upheld if an appeal was filed.

3 **IX. QUESTIONS OR COMMENTS?**

4 **PLEASE DO NOT CALL OR CONTACT THE COURT.** If you have any questions  
5 about the settlement, you may contact the Settlement Administrator at: **????** or by e-mail at  
6 **\_\_\_\_\_**. You may also contact Class Counsel at the address or phone number listed  
below.

7 THE ATTORNEYS REPRESENTING THE CLASS MEMBERS ARE:

8 MELMED LAW GROUP P.C.  
9 Jonathan Melmed, Esq.  
10 jm@melmedlaw.com  
11 1180 South Beverly Drive, Suite 610  
12 Los Angeles, California 90035  
Telephone: (310) 824-3828  
Facsimile: (310) 862-6851

13 ACKERMANN & TILAJEF, P.C.  
14 Craig J. Ackermann, Esq.  
15 cja@acjermanntilajef.com  
16 1180 South Beverly Drive, Suite 610  
17 Los Angeles, California 90035  
18 Telephone: (310) 277-0614  
19 Facsimile: (310) 277-0635  
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**Share Form**

*Lopez, et al. v. Unitek College NCP, LLC*  
Case No. **XXX**, Superior Court of the State of California, County of Kern

**TO ALL CLASS MEMBERS DEFINED AS:**

1. All individuals who are or were employed as hourly, non-exempt employees by Defendant in California during the Class Period (“Labor Code Class Members”); and/or

2. All individuals who applied for employment with Defendant in California during the Class Period (“Background Check Class Members”).

The Class Period is January 4, 2014 through August 15, 2019. The Labor Code Class Members and Background Check Class Members together are termed “Class Members” unless otherwise specified.

**YOUR ESTIMATED PAYMENT:**

**The Background Check Class.** You **have/have not** been identified as a Background Check Class Member. Therefore you **are/are not** eligible to receive payment of \$100.00.

**The Labor Code Class.** You **have/have not** been identified as a Labor Code Class Member. If you are a Labor Code Class Member, your pro-rata percentage is further dependent on your individual Weeks Worked as a percentage of all of the Settlement Labor Code Class Members’ Weeks Worked during the Class Period. “Weeks Worked” means the number of weeks you worked as an hourly, non-exempt employee for Defendant in California during the Class Period according to Unitek College NCP, LLC’s payroll records. Unitek College NCP, LLC’s payroll records show that during the Class Period (between January 4, 2014 through August 15, 2019 you had a total number of Weeks Worked of **\_\_\_\_\_**. Your estimated pro-rata share of the Net Settlement Amount (as defined in the accompanying Notice) is: \_\_\_\_%. Your estimated pro-rata share may increase depending on factors such as, but not limited to, the number of Class Members who effectively exclude themselves from the Settlement. The Net Settlement Amount to be distributed to all Class Members who do not opt-out of the settlement is currently estimated to be \$\_\_\_\_\_. Your total Individual Settlement Amount is currently estimated at \$\_\_\_\_\_.

**YOU DO NOT NEED TO DO ANYTHING IN ORDER TO RECEIVE MONEY UNDER THE SETTLEMENT.**

**If you believe the total number of your Weeks Worked during the Class Period (listed above) is accurate, you do not need to take any further action in order to receive your payment.**

**TO CHALLENGE THE NUMBER OF YOUR WEEKS WORKED AS AN HOULRY, NON-EXEMPT WORKING FOR UNITECK COLLEGE NCP, LLC IN CALIFORNIA DURING THE CLASS PERIOD, THE SHARE FORM AND THE CHALLENGE PORTION OF THE FORM BELOW MUST BE SIGNED AND POSTMARKED NO LATER THAN [DATE].**

**CHALLENGE FORM – FOR LABOR CODE CLASS MEMBER USE ONLY**

**Important:**

1. You do NOT have to complete this part of the Share Form if the total number of your Weeks Worked as a Labor Code Class Member in California for Unitek College NCP, LLC during the Class Period as stated above is accurate.
2. If you do submit this form, it is strongly recommended that you keep proof of timely mailing of this form until receipt of your settlement payment.
3. If you change your mailing address, please provide your new mailing address to the Settlement Administrator. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your settlement payment.

*Check the box below ONLY if you wish to challenge the total number of your Work Weeks as stated above. All fields on this Challenge Form must be complete for your challenge to be accepted:*

- I wish to challenge the total number of my Work Weeks. I have included a written statement detailing what I believe to be the correct number of weeks that I worked as an hourly, non-exempt employee in California during the Class Period (between January 4, 2014 through August 15, 2019). I have also included information and/or documentary evidence that support my challenge. I understand that by submitting this challenge I authorize the Settlement Administrator to review Unitek College NCP, LLC’s records and determine the validity of my challenge.

\_\_\_\_\_  
Signature

Name of Class Member \_\_\_\_\_ **[preprinted]**

Class Member ID Number (from address label): \_\_\_\_\_ **[preprinted]**

I believe that the correct number of weeks that I worked as an hourly, non-exempt employee for Unitek College NCP, LLC in California during the Class Period between January 4, 2014 through August 15, 2019 is: \_\_\_\_\_

The following is a statement of my reasons and documentation to support this number of Weeks Worked:

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**[Attach documentation and use separate page(s) as necessary]**

Mail to:  
insert address