

# EXHIBIT 1

**JOINT STIPULATION OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT  
AGREEMENT**

This Joint Stipulation of Class and Representative Action Settlement Agreement and Release (“Agreement”) is between Plaintiff Isabella Savini Merante (“Plaintiff”) and Defendant American Institute for Foreign Study, Inc. (“Defendant”) (collectively, “the Parties”). This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge and settle the “Released Claims” (as defined below) on a class and representative action basis pertaining to the “Released Parties” (as defined below) upon and subject to the terms and conditions contained in this Agreement. This Agreement, which is contingent upon Final Court approval, contains the terms of the Parties’ agreement. Plaintiff and Class Counsel believe that the settlement set forth in this Agreement confers substantial benefits upon the Class Members.

**DEFINITIONS**

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

1. “Action” means the First Amended Complaint filed on March 29, 2022 in the lawsuit entitled *Merante v. American Institute for Foreign Study, Inc.* (U.S. District Court, Northern District of California, Case No. 3:21-cv-03234-EMC).
2. “Administrator” or “Settlement Administrator” means Analytics, LLC, the third-party administrator proposed by the Parties and appointed by the Court to administer the Settlement.
3. “Class” means “all current and former au pairs for the Defendant in California at any time during the Class Period.”
4. “Class Counsel” means Nichols Kaster, LLP; Rukin Hyland & Riggin LLP; and Towards Justice.
5. “Class Counsel Fees Payment” means the amounts to be paid to Class Counsel as approved by the Court to compensate them for their legal work in connection with the Action, including their pre-filing investigation, their filing of the Action, all related litigation activities, all Settlement work, and all post-Settlement compliance procedures in an amount of up to \$250,000.
6. “Class Counsel Litigation Expenses Payment” means the amount to reimburse Class Counsel for their litigation expenses of an estimated \$3,000, subject to proof and as approved by the Court.
7. “Class Data List” means information for each Class Member that Defendant will provide to the Settlement Administrator. To the extent available, the Class Data List will contain each Class Member’s full name; last known e-mail address; and the start and end date(s) of each Class Member’s residence with a Host Family in California during the PGA Period.

8. “Class Data Supplement” means a document prepared by Defendant and containing, to the extent available, the last-known home address, mobile telephone number, and social security number of each Class Member as to whom the Settlement Administrator, after having emailed the Class Notice to Class Members pursuant to the “Notice to Class Members” paragraph herein, receives a notification that the emailed Class Notice was either (a) not opened or (b) undeliverable, meaning that the email address was unavailable and thus “bounced.”
9. “Class Members” means all current and former au pairs participating in the Defendant’s program who resided with Host Families in California during the Class Period. There are an estimated 1,349 Class Members who resided with Host Families for an estimated 67,314 Workweeks during the Class Period.
10. “Class Notice” means the Court-approved Notice of Class Action Settlement in a form substantively similar to **Exhibit A**, to be emailed to Class Members and posted on a settlement website, informing them of the settlement, their rights to request exclusion or to object to the Settlement, of the payment to be received without the need to return a claim form, and the date set for the Final Approval Hearing, among other things.
11. “Class Email Notice” means the Court-approved email Notice of Class Action Settlement in a form substantially similar to **Exhibit B**, which will be emailed to Settlement Class Members.
12. “Class Period” means the period from January 8, 2020 through the date on which the Court grants preliminary approval of this Agreement.
13. “Class Representative Service Payment” means the payment approved by the Court to be made to the Plaintiff in her capacity as Class Representative to compensate her for initiating the Action, performing work in support of the Action, undertaking the risk of liability for Defendant’s expenses in the event she failed in the prosecution of the Action, and for the general release of all claims by her as set forth herein.
14. “Court” means the United States District Court, Northern District of California.
15. “Defendant’s Counsel” means Michael J. Nader of Ogletree Deakins.
16. “Effective Date” means the date on which all of the following have occurred: (a) this Agreement is approved by the Court; and (b) the Judgment becomes Final as defined in Section 15 of this Agreement.
17. “Final” means the last of the following dates, as applicable: (a) the Court has entered a judgment granting Final Approval and the period for filing any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order has lapsed without any appeal, writ, or other appellate proceeding having been filed; or (b) Judgment is entered and a timely appeal

from the Judgment is filed, the date the Judgment is affirmed and is no longer subject to appeal.

18. “Final Approval Hearing” means the hearing to be conducted by the Court to determine whether to approve finally and implement the terms of this Agreement and enter the Judgment.
19. “Gross Settlement Amount” or “GSA” means the non-reversionary sum of one million dollars (\$1,000,000) which shall be inclusive of the Individual Class Settlement Payments to Participating Class Members, Individual PAGA Payments to PAGA Members, Administration Expenses, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment and the LWDA Payment.
20. “Host Family” is a family in the State of California that engaged Defendant for the purpose of receiving the placement of an au pair to provide services for the Host Family.
21. “Individual Class Settlement Payment” means the amount paid from the Net Settlement Amount to a Participating Class Member. Any Class Member who submits a request for exclusion pursuant to the procedures set forth herein is not a Participating Class Member and is not eligible to receive an Individual Class Settlement Payment.
22. “Individual PAGA Payment” means the pro rata share of the \$25,000 (25% of the PAGA Civil Penalty Payment) amount allocated to alleged aggrieved employees out of the PAGA Civil Penalty Payment that each PAGA Member will receive. Class Members who submit a request for exclusion are still entitled to their Individual PAGA Payment.
23. “Judgment” means the Final Approval Order and Judgment entered by the Court in a form substantively similar to **Exhibit C**.
24. “Net Settlement Amount” means the Gross Settlement Amount less the Court-approved amounts for the Class Representative Service Payment, the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the PAGA Civil Penalty Payment, and Administration Expenses. The Net Settlement Amount is the total amount that will be paid to Participating Class Members, in the form of Individual Class Settlement Payments.
25. “Non-Participating Class Member” means a Class Member who submits a valid and timely request for exclusion from the Settlement in the manner described in the Notice of Class Action Settlement.
26. “Notice” means the Class Notice and the Class Email Notice.
27. “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, Labor Code sections 2699, *et seq.*

28. “PAGA Civil Penalty Payment” means the sum of \$100,000 to be paid out of the Gross Settlement Amount, designated by the Parties as PAGA civil penalties, of which \$75,000 (75%) shall be paid pursuant to PAGA to the Labor and Workforce Development Agency (“LWDA”), (“LWDA Payment”), and the remaining \$25,000 (25%) shall be paid proportionately to all PAGA Members.
29. “PAGA Members” are those Class Members who resided with Host Families during the PAGA Period and who will be paid an Individual PAGA Payment, regardless of whether they exclude themselves from the Class Settlement.
30. “PAGA Period” means that period from January 8, 2020 through the date on which the Court grants preliminary approval of this Agreement.
31. “PAGA Release” means a release of the PAGA Released Claims. Regardless of whether any Class Member opts out of the Class Settlement, they will still be bound by the PAGA Release if they are PAGA Members. The period of the PAGA Release is the PAGA Period.
32. “Participating Class Member” means a Class Member who does not submit a valid and timely request for exclusion from the Class Settlement.
33. “Pay Period” means any workweek in which a Class Member resided with a California Host Family during the Class Period.
34. “Preliminary Approval of the Settlement” means the Court’s Order Granting Preliminary Approval of the Settlement, in a form substantively similar to **Exhibit C**.
35. “PAGA Released Claims” means any and all claims and/or causes of action under the Private Attorney Generals Act (the “PAGA”) by PAGA Members against the Released Parties that were alleged or that could have been alleged based on the facts and legal theories asserted in the First Amended Complaint and letters previously submitted by Plaintiff to the LWDA, including the following: (a) failure to pay minimum wages under sections 1194, 1194.2, 1194.5, and 1197.1 of the Labor Code, and any applicable local minimum wage ordinances, and Wage Order 15; (b) failure to pay overtime pay under sections 510, 558, 1454, 1194, 1197 and 1454 of the Labor Code and Wage Order 15; (c) failure to provide meal periods under sections 226.7 and 512 Labor Code and the Wage Order; (d) failure to timely pay wages owed under sections 98, 98.3, 201, 201.3, 202, 203, 204, 204.1, 204(a), 204(b)(1), 204.2, 204.11, 205, 205.5, 210, 210(a), 1197.1, and 1197.5 of the Labor Code and the Code of Federal Regulations; (e) making unlawful deductions and credits from wages under sections 212, 216, 221, 222, 223, 224, and 225.5 of the Labor Code, and Wage Order 15; (f) failure to provide accurate wage statements under sections 226, 226(a) and 226.3 of the Labor Code; and (g) failure to maintain records showing hours worked, breaks taken, and the value of room and board provided under sections 226, 226.7, 512, 1174 and 1174.5 of the Labor Code and Wage Order 15; all claims for civil penalties under the PAGA, Labor Code sections 2698, et seq., for failure to pay all wages,

including minimum and overtime wages; failure to provide meal periods; failure to timely pay wages owed; making illegal deductions from wages, or taking illegal credits against minimum wages, including for housing and meals; failure to maintain records showing hours worked, breaks taken, and the value of room and board provided; and failure to provide lawful wage statements; as well as any derivative claims under any applicable California Industrial Welfare Commission Wage Order; and any other derivative claims for civil penalties and any other relief provided under the PAGA. The release of these claims shall be effective for the PAGA Period upon the Effective Date of Settlement. The Released Claims expressly exclude all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and claims outside of the Class Period.

Regardless of whether any Class Member opts out of the Class Settlement, they will still be bound by the release of PAGA Released Claims.

36. "Class Member Released Claims" includes any and all claims and/or causes of action against the Released Parties that were alleged or that could have been alleged based on the facts and legal theories asserted in the First Amended Complaint for failure to provide accurate wage statements under sections 226, 226(a) and 226.3 of the Labor Code, including all claims for any alleged violation of any of the Sections in 226, including 226(a)(1)-(9), and any and all alleged penalties for such violations, including under Sections 226(e) and 226.3. The release of these class claims shall be effective for the Class Period upon the Effective Date of Settlement.

Class Members who do not exclude themselves from the Settlement will be considered to have accepted the Class Member Released Claims as against the Released Parties, and will be bound by the Judgment whether or not they negotiate their Individual Class Settlement Payment.

37. The term "Released Parties" means the named Defendant, the American Institute For Foreign Study, Inc., and its past, present and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents, representatives, attorneys, insurers, partners, investors, shareholders, administrators, parents, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers. The Released Parties shall also include all host families who hosted a Class Member in the Defendant's au pair program during the Class Period.
38. "Settlement" means the disposition of the Action and all related claims effectuated by this Agreement.
39. "Qualified Settlement Fund" or "QSF" means the account established by the Administrator for handling of the Gross Settlement Amount and distribution as provided by this Agreement and as ordered by the Court.

**RECITALS**

40. On January 8, 2021, the Plaintiff filed a PAGA letter with the Labor and Workforce Development Agency (the “PAGA Letter”) alleging numerous wage and hour violations, including the following: failure to pay minimum wages in violation of Sections of the California Labor Code, including 1194, 1194.2, and 1194.5, and the applicable Wage Order; failure to pay overtime pay in violation of Sections 510, 1194, and 1454 of the Labor Code; failure to provide meal periods in violation of Section 512 of the Labor Code; failure to timely pay all wages owed in violation of Section 204 of the Labor Code; alleged illegal deductions from wages, or illegal credits against minimum wages, including for housing and meals, in violation of Sections 221 and 224 the Labor Code; failed to maintain records showing hours worked, breaks taken, and value of room and board provided, in violation of Sections 226, 226.7, 512, and 1174 of the Labor Code, and the applicable wage order; and failure to provide lawful wage statements in violation of Section 226 of the Labor Code and the applicable wage order (collectively the “Alleged Violations”).
41. On March 15, 2021, Plaintiff filed a Complaint, *Merante v. American Institute for Foreign Study, Inc.*, Case No. CGC-21-590398, Superior Court of the State of California, County of San Francisco). The Complaint consisted of one cause of action (the “PAGA Claim”) seeking penalties under PAGA for the Alleged Violations. The Complaint was removed subsequently to the U.S. District Court in the Northern District of California, Case No. 3:21-cv-03234-EMC.
42. On March 29, 2022, Plaintiff filed a First Amended Complaint, *Merante v. American Institute for Foreign Study, Inc.*, U.S. District Court in the Northern District of California, Case No. 3:21-cv-03234-EMC. The First Amended Complaint (“FAC”) included the PAGA Claim pled in the initial Complaint and added a claim for statutory penalties for inaccurate wage statements under section 226 of the California Labor Code.
43. Sufficient discovery was conducted prior to Settlement Conference to investigate the claims, Defendant’s liability, and Class-wide damages, which included, but not limited to the following: in August 2021, the parties exchanged initial disclosures; in September 2021, Defendant responded to Plaintiff’s document requests and interrogatories and produced several hundred pages of responsive documents; the parties met and conferred regarding Defendant’s document production, after which Defendant produced several hundred additional pages of documents, including a list of au pairs who were placed in California during the relevant time period, along with their placement dates; in October 2021, Plaintiff responded to Defendant’s requests for the production of documents; and after the first settlement conference, Defendant produced additional information discussed at that settlement conference to allow the parties to prepare for the second settlement conference.
44. On November 10, 2021 the Parties participated in a Settlement Conference with Magistrate Judge Joseph C. Spero. The matter did not settle in that



settlement conference. However, on February 9, 2022, the Parties participated in a second settlement conference with Magistrate Judge Joseph C. Spero. As a result of that Settlement Conference, the Parties reached an agreement to settle all claims pled in the PAGA Letter and the First Amended Complaint in the lawsuit entitled *Merante v. American Institute for Foreign Study, Inc.* (U.S. District Court, Northern District of California, Case No. 3:21-cv-03234-EMC). The Parties agreed to settle the Action, the general terms of which they memorialized in the form of a Memorandum of Understanding.

45. This Agreement represents a compromise and settlement of highly disputed claims. The Parties agree that nothing in this Agreement is an admission by the Defendant that the claims in the Action have merit or that Defendant bears any liability to Plaintiff or the Class on those claims or any other claims, or as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties stipulate to certification of the Class for purposes of this Settlement only. If for any reason the Settlement does not become effective, the Parties agree that this stipulation regarding class certification will become null and void, and Defendant reserves the right to contest the certification of any class for any reason and reserves all available defenses to the claims in the Action.

Based on these Recitals that are a part of this Agreement, the Parties agree as follows:

#### **SETTLEMENT TERMS AND CONDITIONS**

46. **Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Gross Settlement Amount that Defendant will pay under this Settlement is \$1,000,000, which is inclusive of all payments contemplated in this resolution. All of the Gross Settlement Amount will be disbursed pursuant to this Agreement without the need to submit a claim form and none of the Gross Settlement Amount will revert to Defendant under any circumstances.
47. **Payments from the Gross Settlement Amount.** Subject to the terms and conditions of this Agreement, the Administrator will make the following payments from the Gross Settlement Amount:
- a) **To Plaintiff:** Plaintiff will apply to the Court for an award of not more than \$5,000 in addition to her Individual Class Settlement Payment share. The Administrator will pay the Class Representative Service Payment approved by the Court. No payroll tax withholding and deductions will be taken from this payment. The Administrator shall issue an IRS Form 1099 to Plaintiff with respect to the Class Representative Service Payment. To receive the payment, the Plaintiff agrees to a Code of Civil Procedure section 1542 waiver and a general release of all claims, excluding any claims that she cannot release as a matter of law, such as claims for workers' compensation, and social security benefits.
  - b) **To Class Counsel:** Class Counsel will apply to the Court for an award of up to \$250,000 as their Class Counsel Fees Payment and an estimated \$3,000 for all costs and litigation expenses incurred, subject



to proof, as Class Counsel Litigation Expenses Payment. For these payments, the Administrator will issue one or more IRS Forms 1099.

- c) **To LWDA.** The Parties will seek approval from the Court for the PAGA Civil Penalty Payment<sup>1</sup> of \$100,000, allocated 75% (\$75,000) for the LWDA Payment as its share of the settlement of civil penalties paid under this Agreement pursuant to the PAGA and 25% (\$25,000) to be distributed to all PAGA Members based on their number of Workweeks that PAGA Members resided with Host Families during the PAGA Period, in relation to the aggregate number of Workweeks when members resided with Host Families during the PAGA Period. Because there is no right to opt out of a PAGA settlement, all PAGA Members will receive a proportionate share of the 25% portion of the PAGA Civil Penalty Payment, i.e., their Individual PAGA Payment, irrespective of a valid and timely request for exclusion from the Class Settlement.
- d) **To the Administrator.** The Administrator will pay to itself its reasonable fees and expenses documented and approved by the Court in an amount not to exceed \$24,623. (“Administration Expenses”).
- e) If the Court approves any payment described above in this section in an amount less than requested, the remainder shall be allocated to the Net Settlement Amount for distribution to Class Members.

48. **Settlement Payments to the Class.** Following the deduction of the Court-approved sums from the Gross Settlement Amount for Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class Representative Service Payment, Administration Expenses, the LWDA Payment, and the collective Individual PAGA Payments, the remaining Net Settlement Amount, estimated at \$617,377, shall be distributed to Participating Class Members based upon the number of Workweeks each resided with a Host Family during the Class Period in relation to the number of total Workweeks when all Participating Class Members resided with Host Families during the Class Period. The Net Settlement Amount is determined by deducting the anticipated Court-approved payments as follow:

<b>Gross Settlement Amount:</b>	<b>\$ 1,000,000.00</b>
• Class Representative Service Payment	\$5,000
• Class Counsel Fees Payment	\$250,000
• Class Counsel Litigation Expenses	\$3,000
• LWDA Payment	\$75,000
• Individual PAGA Payments	\$25,000
• Administration Expenses	<u>\$24,623</u>
<b>Net Settlement Amount:</b>	<b><u>\$617,377</u></b>

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<sup>1</sup> This designation is exclusively for purposes of this Agreement and without prejudice as to how Defendant may choose to characterize the substance of these payments for income tax purposes.

- a) **Individual Class Settlement Payment.** Individual Class Settlement Payments will be paid from the Net Settlement Amount and paid pursuant to the formula as follows: (i) First, using the Class Data List, the Administrator will compute the total number of Workweeks of all Participating Class Members collectively during the Class Period; this sum shall be known as the “Workweek Total;” (ii) Second, the Administrator will divide the Net Settlement Amount by the Workweek Total to determine the settlement value of each eligible Workweek; this shall be known as the “Workweek Value;” (iii) Third, the Administrator will multiply the number of Workweeks of a Participating Class Member during the Class period by the Workweek Value to determine the Participating Class Member’s Individual Class Settlement Payment.
  
- b) **Allocation of the Settlement Payment, and Tax Forms.** Class Member payments are for non-wage income and interest only. No payments are for allegedly unpaid wages. The Administrator shall allocate 100% of each Participating Class Member’s Individual Class Settlement Payment to non-wage income and interest allegedly due to employees, which shall also include the sum of the Individual PAGA Payments. The Administrator will be responsible for, and hold the parties harmless in connection with: filing any and all required federal, state, and local tax returns; filing all required federal, state, and local information returns; and ensuring compliance with all tax payment, notice, and withholding requirements with respect to settlement payments to Class Members.
  
- c) **Effect of Non-Participating Class Members.** Non-Participating Class Members are those who returned a valid and timely request for exclusion, and they will not receive an Individual Class Settlement Payment share of the Net Settlement Amount. Their exclusion from the Class will neither affect the Gross Settlement Amount nor affect the Net Settlement Amount. Their respective Individual Class Settlement Payment shares will remain a part of the Net Settlement Amount for distribution to Participating Class Members on a *pro rata* basis relative to their Workweeks when they resided with Host Families during the Class Period. However, since there is no right to opt out of a PAGA settlement, each Non-Participating Class Member who is also a PAGA Member shall receive a pro-rata share of the 25% portion of the PAGA Civil Penalty Payment allocated to them, and they will be bound to all claims for civil penalties under PAGA that are included in the PAGA Released Claims.

- 49. **Appointment of Administrator.** The Parties agree to use Analytics, LLC to serve as the Administrator, which, as a condition of appointment, will agree to follow this Agreement with respect to the performance of its duties and its compensation. The Administrator’s duties will include setting up and monitoring a settlement website that will house the Class Notice; e-mailing the Notice Packet to all Class Members; setting up a toll-free telephone number, an

e-mail address, and a post office box to receive individual communications from Class Members which include for instance, questions, disputed claims, updated contact information, requests for exclusion, and objections; providing the Parties with weekly status reports, calculating Individual Class Settlement Payments and Individual PAGA Payments; providing payment to effectuate the payments due under the Settlement; issuing the tax reports required under this Settlement; handling returned funds, providing declarations as requested by the Parties, and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administration Expenses, including the cost of disseminating the Notice Packet, will come from the Gross Settlement Amount. The Administrator will have the authority to resolve all disputes concerning the calculation of a Participating Class Member's Individual Class Settlement Payment and/or Individual PAGA Payment, after consulting with the parties. Class Counsel retains the right to challenge the Administrator's decision by submitting the dispute to the Court for determination. The Administrator shall enable Class Members to provide their electronic signature on email responses by Class Members. The Administrator shall also enable Class Members to communicate directly with the Administrator through the settlement website, but all such communication channels shall be individual and private. The Website shall not function as a "chat room" or "bulletin board" where Class Members may collectively share their thoughts on the settlement. The Administrator shall not communicate *en masse* with Class Members in a manner that would disclose to one Class Member another Class Member's identify or contact information. The Administrator shall maintain as confidential, and (except as set forth in Paragraph 51 of this Agreement) shall not disclose to Plaintiff or to anyone else, any information concerning any Class Member that is contained in the Class Data List or the Class Data Supplement provided to the Administrator pursuant to this Agreement. In addition, the Administrator (a) shall permanently destroy the Class Data List, the Class Data Supplement, and all data provided to the Administrator in the List or in the Supplement immediately upon completion of the Administrator's duties under this Agreement, (b) shall not retain any of the data provided to the Administrator in the List or in the Supplement, and (c) shall provide the Parties with a signed certification, under oath, that the Administrator as complied fully with the requirements set forth in this sentence within five (5) business days after the Administrator has completed the Administrator's duties under this Agreement.

**50. Procedure for Approving Settlement.**

**a. Motion for Preliminary Approval of Settlement.**

- i. After execution of this Agreement, Plaintiff will file a Motion for Preliminary Approval seeking preliminary approval of the proposed Settlement, conditional class certification, approval of the Notice, and appointment of Class Counsel, Plaintiff as the Class Representative, and Analytics, LLC as the Administrator, and setting a date for the Final Approval Hearing. Class Counsel shall be responsible for preparing the Motion for Preliminary Approval, supporting declarations, and

exhibits thereto. Class Counsel agrees to provide Defendant's Counsel with drafts of the Motion for Preliminary Approval and any other documents they intend to submit in support of their Motion for Preliminary Approval at least three (3) business days in advance of the filing of such documents to allow Defendant's Counsel reasonable time to review and comment on such papers and further agree to reasonably incorporate the comments from Defendant's Counsel. The Parties agree to work diligently and cooperatively to have this Settlement presented to the Court for preliminary approval.

- ii. At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the Motion for Preliminary Approval, and submit an Order Granting Preliminary Approval of the Settlement substantially in the form evidenced by **Exhibit B** to this Agreement and incorporated by reference into this Agreement.
- iii. Should the Court decline to preliminarily approve material aspects of the Settlement (including but not limited to the scope of the Released Claims, or the binding effect of the Settlement on Participating Class Members), the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Agreement for the Court's approval.

51. **Notice to Class Members.** After the Court enters an Order Granting Preliminary Approval of the Settlement, the Notice Packet will be distributed to all members of the Class as follows:

- a. No later than twenty (20) days after the Court enters an Order Granting Preliminary Approval of the Settlement, Defendant will, to the extent possible, provide the Class Data List to the Administrator. The Administrator shall maintain the Class Data List as private and confidential and shall not disclose such data to any persons or entities other than Defendant's Counsel, except as required for Class Counsel to respond to individual inquiries from Class Members. When Class Counsel requests such individual data, Class Counsel shall copy Defendant's Counsel on all such requests made to the Settlement Administrator. The Class Data List is being supplied solely to be used for settlement notification and settlement administration purposes and shall not be used for any other purpose by the Administrator or Class Counsel. The Parties agree that the Class Data List will not be used to solicit Class Members to file any claim, charge or complaint of any kind whatsoever against Defendant or any other Released Parties and will only be used to administer the Settlement under the terms provided herein. No later than three (3) days after receipt of the Class Data List, the Administrator shall notify counsel for the Parties that the information in the Class Data List has been received.

- b. Upon receipt of the Class Data List, the Administrator will perform a review of email addresses for identifiable discrepancies or typographical errors. Using best efforts to email it as soon as possible, and in no event later than ten (10) calendar days following receipt of the Class Data List, the Administrator will email the Class Email Notice to all Class Members using the email addresses provided by Defendant, unless modified by any updated address information that the Administrator obtains in the course of administration of the Settlement, or from the Class Member, or from Class Counsel. The Administrator shall email the Class Email Notice to Class Members in such a way that the Class Members' email addresses are not visible to the email recipients. The Class Email Notice shall include a link to the settlement administration website as well as information describing the settlement.
- c. Twenty (20) days after distribution of the email notices, the Administrator shall identify which emails to Class Members have not been opened or were undeliverable. Within twenty (20) days of receiving the Administrator's identification of Class Members with unopened or undeliverable Email Notices, Defendant shall provide the Administrator with the Class Data Supplement. The Administrator shall maintain the Class Data Supplement as private and confidential and shall not disclose such data to any persons or entities other than Defendant's Counsel, except as required for Class Counsel to respond to individual inquiries from Class Members. When Class Counsel requests such individual data, Class Counsel shall copy Defense Counsel on all such requests made to the Settlement Administrator. The Class Data Supplement is being supplied solely to be used for settlement notification and settlement administration purposes and shall not be used for any other purpose by the Administrator or Class Counsel. The Parties agree that the Class Data Supplement will not be used to solicit Class Members to file any claim, charge or complaint of any kind whatsoever against Defendant or any other Released Parties and will only be used to administer the Settlement under the terms provided herein. No later than three (3) days after receipt of the Class Data Supplement, the Administrator shall notify counsel for the Parties that the information in the Class Data Supplement has been received. For all individual Class Members whose Email Notices were unopened or undeliverable, the Administrator shall send the Class Notice to Class members by texting them on their mobile cell phone numbers.
- d. In any instance where a Class Member's Email Notice is unopened or undeliverable, and the Administrator does not have a mobile cell phone number for the Class member, the Administrator shall make further, diligent efforts to identify current email addresses or cell phone numbers to re-send the Notices.
- e. As part of its weekly status report, the Administrator will inform Class Counsel and Defendant's Counsel of the number of Class Members who continue to have unopened or undeliverable Email Notice, the subset of such Class Members for whom the Administrator does not have mobile

cellphone numbers, and the number of requests for exclusions and number of disputed claims.

- f. Before the date Plaintiff will file the Motion for Final Approval of the Settlement, the Administrator will provide its declaration of due diligence setting forth its compliance with its obligations under this Agreement and detailing the requests for exclusions and disputed claims. Prior to the Final Approval Hearing, the Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.
- g. The Administrator shall use PayPal to deliver settlement payments to Class Members at the email address provided by Defendant. The Notice shall provide instructions for Class Members to provide the settlement administrator with an updated email address for receipt of their PayPal settlement funds, or to provide instructions for an ACH transfer to a bank account. All fees incurred for the payment methods used for this settlement shall be included in the total Administration Expenses that are deducted from the Gross Settlement Amount.

52. **Objections to Settlement; Disputes as to the Number of Workweeks; and Requests for Exclusion.** Class Members may submit objections as to any term of the Settlement, dispute the number of Workweeks allocated to them, and request exclusion pursuant to the following procedures:

- a. **Objections to Settlement.** The Class Notice will provide that only Participating Class Members may object to the Settlement. Participating Class Members may submit a written objection, that is signed (whether on paper or by electronic signature) to the Court no later than sixty (60) days after the Administrator emails the Notice. Written objections must be emailed, mailed, or uploaded via the settlement website, and must be signed, whether on paper or by electronic signature. All objections must be signed by the Class Member. Objections should set forth: (1) the full name and email address of the objecting Class Member; (2) the case name and number; (3) the grounds for each objection made; and (4) whether the Class Member intends to appear at the Final Approval Hearing. Any of the Parties may file a response to any objection before the Final Approval Hearing. Any Class Member who fails to submit a timely written objection shall be deemed to have waived any objections and shall be foreclosed from making any objection to the Settlement whether by appeal or otherwise.
- b. **Dispute the Number of Workweeks.** Class Members may dispute the number of Workweeks the Class Notice allocates to them during the Class Period, and they must do so no later than sixty (60) days after the Administrator emails the Notice. If there is a dispute, the Administrator shall consult with the Parties to determine whether an adjustment is warranted. In the absence of circumstances indicating fraud,



manipulation or destruction, Defendant's records will be given a rebuttable presumption of accuracy. Class Counsel retains the right to challenge the Administrator's decision resolving the dispute by submitting the dispute to the Court for determination.

- c. **Requests for Exclusion.** The Class Notice will provide that Class Members who wish to exclude themselves from the Settlement must email, upload, or mail to the Administrator a written request for exclusion no later than sixty (60) days after the Administrator emails the Notice.
  - i. To be valid, a request for exclusion must be timely and must comply with the instructions detailed in the Class Notice, including providing (1) the name and address of the Class Member requesting exclusion; (2) a statement expressing that the Class Member elects to be excluded from the Settlement; and (3) a signature by the Class Member if uploaded or mailed. If a question is raised about the authenticity of a request for exclusion, the Administrator will have the right to demand additional proof of the Class Member's identity.
  - ii. A Non-Participating Class Member will not participate in or be bound by the Class Member Released Claims and the Judgment. However, a Non-Participating Class Member who is also a PAGA Member will be bound by the PAGA Release. Defendant will remain free to contest any claim brought by the Class Member that would have been barred by this Agreement, and nothing in this Agreement will constitute or be construed as a waiver of any defense Defendant has or could assert against such a claim. However, even if a Class Member opts out of the Settlement, the Class Member will still receive a proportionate share of the PAGA Civil Penalty Payment allocated to the PAGA Members. The Administrator will determine the Individual PAGA Payment by comparing the number of Pay Periods the PAGA Member resided with Host Families during the PAGA Period to the total number of PAGA Periods all PAGA Members resided with Host Families during the PAGA Period. In this instance, any Class Member who is also a PAGA Member will only be bound by the PAGA Release.
  - iii. A Class Member who does not complete and submit a timely request for exclusion in the manner and by the deadline specified above will automatically become a Participating Class Member, will receive a Settlement Payment, and be bound by all terms and conditions of the Settlement, including the Class Member Released Claims if the Settlement is approved by the Court, and by the Judgment, regardless of whether he or she has objected to the Settlement.



- iv. Persons who submit a request for exclusion shall not be permitted to file objections to the Settlement or appear at the Final Approval Hearing to voice any objections to the Settlement because the Settlement no longer concerns them.
  - v. All Participating Class Members who do not submit a valid and timely request for exclusion will receive an Individual Class Settlement Payment without the need to file a claim form, and the terms of the Class Member Released Claims and Judgment will bind them.
  - d. **Payment Instructions.** Payments to Class Members will be made via PayPal to the email address used to distribute Notice. Class Members may request PayPal payment directed to a different email address, or may provide instructions for ACH payment, but must do so within sixty (60) days of the Administrator first emailing notice. Class Members may make this request via email or through the settlement administration website.
  - e. **Report.** No later than ten (10) days after the deadline for submission of requests for exclusions, the Administrator will provide Class Counsel and Defendant's Counsel with a complete and accurate count of Participating Class Members and Non-Participating Class Members.
53. **Right of Defendant to Reject Settlement.** If more than five percent (5%) of the Class Members return valid and timely requests for exclusion, Defendant will have the right, but not the obligation, to void the Settlement and the Parties will have no further obligations under the Settlement, including any obligation by Defendant to pay the Gross Settlement Amount, or any amounts that otherwise would have been owed under this Agreement, except that Defendant will pay the Settlement Administration Expenses incurred as of the date that Defendant exercises the right to void the Settlement. Defendant will notify Class Counsel and the Court whether it is exercising this right to void no later than ten (10) days after the Administrator notifies the Parties, for the final time, of the number of valid requests for exclusion received. If Defendant exercises this right, the Settlement will become void and unenforceable in its entirety and the Parties shall be returned to their status as if this Agreement had not been executed.
54. **No Solicitation.** The Parties and their counsel agree not to take any action to encourage any Settlement Members to opt out of and/or object to the Settlement, except as required by applicable rules of professional conduct.
55. **Additional Briefing and Final Approval.**
- a. Upon the expiration of the deadline for submission of requests for exclusions, objections, and disputes, and with the Court's permission, a Final Approval Hearing shall be conducted.

- b. As directed by the Court after preliminary approval, the Plaintiff will file with the Court a Motion for Final Approval of the Settlement, that shall include Class Counsel's application for the Class Representative Service Payment, Administration Expenses and PAGA Civil Penalty Payment. Class Counsel shall also file a Motion for Approval of the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payments. Class Counsel shall be responsible for preparing these motions, and any supporting declarations, and exhibits thereto. Class Counsel agrees to provide Defendant's Counsel with drafts of all documents they intend to submit in support of the Motion for Final Approval at least seven (7) days in advance of the filing to allow Defendant's Counsel reasonable time to review and comment on such papers and further agrees to reasonably incorporate the comments from Defendant's Counsel. The Parties must meet and confer and make all reasonable efforts to agree on any modifications to this Agreement that will result in entry of the Final Approval Order, including a good faith attempt to address and/or cure any issues identified by the Court as necessary for final approval.
- c. If any opposition is filed, then no later than five (5) court days before the Final Approval Hearing, both Parties may file a reply in support of the Motion for Final Approval of the Settlement.
- d. If the Court does not grant final approval of the Settlement or grants final approval conditioned on any material change to the Settlement (including, but not limited to, the scope of the Released Claims), the Parties shall work together in good faith to address any concerns raised by the Court and propose a revised Agreement for the Court's approval. But an award by the Court of lesser amounts than those sought by Plaintiff for the Class Representative Service Payment, and Class Counsel for the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, will not constitute a material modification to the Agreement within the meaning of this paragraph.
- e. Upon final approval of the Settlement by the Court at or after the Final Approval Hearing, the Parties will present the Judgment for the Court's approval and entry. After entry of the Judgment substantially in the form attached as **Exhibit D**, the Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

56. **Waiver of Right to Appeal.** Plaintiff and Participating Class Members who did not timely submit an objection to the Settlement (to Defendant and their respective counsel) waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as, but not limited to, a motion to vacate judgment, a motion for new trial, and any extraordinary writ, except as to a reduction in attorney fees or service

payment. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings. If there is an appeal from the Judgment, it suspends the time for consummation of the Settlement (including making payments under the Settlement) until the appeal is finally resolved and the Judgment becomes final.

57. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal, a petition for review, or a petition for *certiorari*, or any other motion, petition, or application, the reviewing Court vacates, reverses, or modifies the Judgment such that there is a material modification to the Settlement (including, but not limited to, the scope of the Released Claims), and that Court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher Court, then the Parties shall work together in good faith to address any concerns raised by the reviewing Court and propose a revised Settlement for the approval of the Court no later than 21 days after the reviewing Court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Court's award of the Class Representative Service Payment or the Class Counsel Fees Payment or Class Counsel Litigation Expenses Payment will not constitute a vacation, reversal, or material modification of the Judgment within the meaning of this paragraph, provided that Defendant's obligation to make payments under this Settlement will remain limited by the Gross Settlement Amount.
58. **Funding and Other Payments.** No later than two (2) calendar days after the Judgment becomes Final as defined herein, the Administrator shall send Defendant's Counsel electronic wiring instructions for paying the Gross Settlement Amount (\$1,000,000) into the QSF. Funding of the Settlement will be completed within thirty-five (35) days after the Effective Date of this Settlement, which is the date by which the last of the following has occurred: (a) the Court has entered a judgment granting Final Approval, and no objections have been filed; or, if an objection has been filed, the period for filing any appeal, writ, or other appellate proceeding opposing the Court's Final Approval Order has lapsed without any appeal, writ, or other appellate proceeding having been filed. Within fourteen (14) days after Defendant funds the QSF, the Administrator will pay to Participating Class Members, their Individual Class Settlement Payments; to all PAGA Members, their Individual PAGA Payments; to Plaintiff, the Class Representative Service Payment; to Class Counsel, the Class Counsel Fees Payment and the Class Counsel Litigation Expenses Payment; to the LWDA, their LWDA Payment; and to the Administrator, the Settlement Administration Expenses.
59. **Unresolved Settlement Funds.** The Administrator will ensure that follow up emails are sent to any Class Member who has not accepted the transfer of funds through PayPal within ten (10) days. Any settlement payments which remain unaccepted after 30 days shall be refunded by PayPal to the Administrator. There shall be a second distribution if these un-accessed funds are sufficient to provide for average payments of at least \$10 to Class Members, after the costs of the second distribution. The second distribution shall be pro rata, excluding Class

Members whose initial settlement funds were refunded. If there is no second distribution, the un-accessed funds shall be distributed to Legal Aid at Work as *Cy Pres* recipient, subject to Court approval.

60. **Final Report by Administrator to Court.** Within ten (10) calendar days after final disbursement of all funds from the Gross Settlement Amount, the Administrator will serve on the Parties and file with the Court a declaration proving a final report on the disbursements of all funds from the Gross Settlement Amount.

61. **Released Claims.**

a. **Participating Class Members.** As of Effective Date, the Released Parties shall be entitled to a full and final accord, satisfaction, settlement, and release of the Class Member Released Claims for the Class Period from Participating Class Members, including Plaintiff.

b. **PAGA Members.** As of the Effective Date, all PAGA Members are bound by the PAGA Release.

c. **Plaintiff.** As of the Effective Date, Plaintiff hereby fully and finally releases Defendant and the Released Parties from any and all claims, losses, debts, charges, damages, demands, obligations, causes of action, lawsuits, liabilities, breaches of duty, misfeasance, malfeasance, promises, controversies, contracts, judgments, awards, penalties, costs, and expenses of every nature and description whatsoever, known or unknown, asserted or that might have been asserted, whether in tort, contract, or for violation of any local, state, or federal statute, rule, regulation, ordinance or common law, including but not limited to those claims raised in the Action and/or that could have been raised in the Action, and those arising from or related to her work with Defendant (“Plaintiff’s Released Claims”). Plaintiff’s Released Claims includes all of the Released Claims as defined herein as well as all other wage and hour claims, claims under California Business and Professions Code section 17200, claims under the Labor Code, including, but not limited to, claims under PAGA, claims under the Fair Labor Standards Act, and all claims for indemnity or reimbursement of business expenses, overtime compensation, minimum wages, penalties, liquidated damages, and interest, and all other claims under state, federal, and local laws, including, without limitation, Title VII of the Civil Rights Act of 1964, the Family Medical Leave Act, the Americans with Disabilities Act, the Fair Credit Reporting Act, the Employee Retirement Income Security Act of 1974, and all of their implementing regulations and interpretive guidelines, as well as the common law, including laws related to discrimination, harassment, or retaliation, arising from or relating to Plaintiff’s relationship, or termination of relationship, with any Released Party through the Effective Date for any type of relief. Plaintiff further covenants that she will not become a member of any other legal actions against the Released Parties, as that term is defined,

asserting any of Plaintiff's Released Claims, and will opt out of any such actions if necessary. For the avoidance of doubt, this is a complete and general release to the maximum extent by law, and this release excludes only the release of claims not permitted by law.

- d. **Plaintiff's Waiver of Rights Under California Civil Code Section 1542.** As partial consideration for the Class Representative Service Payment, Plaintiff's Released Claims shall include all such claims, whether known or unknown by the releasing party. Thus, even if Plaintiff discovers facts and/or claims in addition to or different from those that she now knows or believes to be true with respect to the subject matter of the Plaintiff's Released Claims, those claims will remain released and forever barred. Therefore, with respect to Plaintiff's Released Claims, Plaintiff expressly waives and relinquishes the provisions, rights and benefits of California Civil Code section 1542, which reads:

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

- e. **Class Counsel.** As of the Effective Date, and except as otherwise provided by this Agreement and the Judgment, Class Counsel and any counsel associated with Class Counsel waive any claim to costs and attorneys' fees and expenses against Defendant arising from or related to the Action.

- 62. **Limitation on Public Statements About Settlement.** Prior to preliminary approval, the Parties agree not to disclose the terms of this Settlement except in court papers filed to seek approval and any other disclosures agreed to by the Parties that are necessary to effectuate the Settlement. Plaintiff's counsel shall draft a proposed press release for Defendant's review and approval. After court approval of the Settlement, Towards Justice may issue a press release and post the language of its press release to its website. Towards Justice may also link to the posted language on its website from other pages on its website and in promotional materials like its newsletter. When linking to this posted language, Towards Justice may use the case name and may describe the case as "a lawsuit on behalf of California childcare workers on J-1 visas resulting in settlement that includes one million dollars in damages and important injunctive relief." Other than the language of the press release, Plaintiff and Class Counsel shall not issue any other press releases, or hold a press conference, or publish information about the settlement on any website (other than necessary information directed to Class and PAGA Members regarding the approval), or otherwise publicize the settlement. However, Plaintiff's counsel may (in future declarations submitted in Court) refer to the fact that this matter settled on a class and representative action basis for purposes detailing the experience of

counsel. Plaintiff and Plaintiff's Counsel agree not to respond to any media inquiries except to refer reporters to the papers filed with the Court.

63. **Defendant's Notifications.**

- a. Defendant will notify the California Host Families participating in Defendant's program that they "are responsible for complying with the California Labor Code, including the obligation to pay all hours worked by the au pair at the applicable state or local minimum wage."
- b. Defendant will issue CAFA notices as required.

64. Plaintiff represents that other than the instant Action, Plaintiff has no intention of asserting any other claims against Defendant in any judicial, arbitral, or administrative forum. The Parties acknowledge, understand and agree that the representations described in this paragraph are essential to the Agreement and that this Agreement would not have been entered into were it not for this representation.

65. **Miscellaneous Terms.**

- a. **No Admission of Liability or Class Certification for Other Purposes.**
  - i. Defendant and the Released Parties deny that they have engaged in any unlawful activity, have failed to comply with the law in any respect, have any liability to anyone under the claims asserted in the Action, or that but for the Settlement a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by Defendant or the Released Parties, or an admission by Plaintiff that any of the claims were non-meritorious or any defense asserted by Defendant was meritorious. This Settlement and the fact that Plaintiff and Defendant were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with effectuating the Settlement pursuant to this Agreement).
  - ii. Whether or not the Judgment becomes Final, neither the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, nor any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Plaintiff or Defendant or any of the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further



proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.

- iii. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings for the limited purpose of enforcing any or all terms of this Agreement or defending any claims released or barred by this Agreement.
66. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
67. **Attorney Authorization.** Class Counsel and Defendant's Counsel warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents required to effectuate the terms of this Agreement including any amendments to this Agreement. The Parties and their counsel will cooperate with each other and use their best efforts to effectuate the implementation of the Settlement. In the event the Parties are unable to reach agreement on the form or content of any document needed to implement the Agreement, or on any supplemental provisions that may become necessary to effectuate the terms of this Agreement, the Parties may seek the assistance of the Court for resolution.
68. **No Prior Assignments:** The Parties represent, covenant and warrant that they have not directly or indirectly assigned, transferred, encumbered or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged in this Settlement.
69. **No Tax Advice:** Neither Class Counsel nor Defendant's Counsel intend anything contained in this Settlement to constitute advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise. The recipients of payments pursuant to this Agreement shall be exclusively responsible for all tax obligations.
70. **Agreement Binding on Successors.** This Agreement is binding upon, and inure to the benefit of, the successors of each of the Parties. The Parties warrant they understand and have full authority to enter this Agreement, and intend it to be fully enforceable and binding on all Parties, pursuant to California Code



of Civil Procedure section 664.6, and agree it will be admissible and subject to disclosure in any proceeding to enforce its terms, notwithstanding any Settlement Conference confidentiality provisions which might otherwise apply under federal or state law.

71. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California.
72. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
73. **Fair and Reasonable Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arms-length negotiations facilitated by a United States Magistrate Judge, taking into account all relevant factors, current and potential. If this Settlement is not approved by the Court for any reason, the Parties agree to attend mediation again with Magistrate Judge Spero in an effort to reach a settlement that will gain Court approval.
74. **Use and Return of Documents and Data.** All originals, copies, and summaries of documents and data provided to Class Counsel by Defendant in connection with the Settlement Conference or other settlement negotiations in this matter may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute, or rule. Within sixty (60) days after the Judgment becomes Final, Class Counsel will return or destroy and confirm in writing to Defendant the destruction of all such documents and data, except that Plaintiffs' Counsel may each maintain one archival copy of all such documents and data to be used solely to defend against any malpractice or similar action.
75. **Exhibits and Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement. The terms of this Agreement include the terms set forth in any attached exhibits, which are incorporated by this reference as though fully set forth herein. Any exhibits to this Agreement are an integral part of the Settlement.
76. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiff and the Class:

**Nichols Kaster, LLP**  
Matthew C. Helland, Esq.  
Email: helland@nka.com

235 Montgomery Street, Suite 810  
San Francisco, CA 94104  
Tel.: (415) 277-7235 / Fax: (415) 227-7238

**Nichols Kaster, PLLP**

H. Clara Coleman, Esq.  
Email: ccoleman@nka.com  
80 S. 8<sup>th</sup> Street, Suite 4700  
Minneapolis, MN 55402  
Tel.: (612) 256-3200 / Fax: (612) 338-4878

**Rukin Hyland & Riggins LLP**

Peter Rukin, Esq.  
Email: prukin@rukinhyland.com  
1939 Harrison Street, Suite 290  
Oakland, CA 94612  
Telephone: (415) 421-1800 / Fax: (415) 321-1700

**Towards Justice**

Rachel Dempsey, Esq.  
Email: rachel@towardsjustice.org  
PO Box 371680, PMB 44465  
Denver, CO 80237-5680  
Tel.: (720) 364-2689

*To Defendant:*

**Ogletree, Deakins, Nash, Smoak & Stewart, P.C.**

Michael J. Nader, Esq.  
Email: Michael.nader@ogletree.com  
500 Capitol Mall, Suite 2500  
Sacramento, CA 95814  
Telephone: (916) 840-3150 / Fax: (916) 840-3159

**Ogletree, Deakins, Nash, Smoak & Stewart, P.C.**

Robert M. Tucker, Esq.  
Email: robert.tucker@ogletree.com  
599 Lexington Avenue, 17<sup>th</sup> Fl.  
New York, NY 10022  
Telephone: (212) 492-2510 / Fax: (212) 492-2501

77. **Execution in Counterparts.** This Agreement may be executed in one or more counterparts by facsimile, electronically or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.




78. **Stay of Litigation.** The Parties agree that upon the signing of this Agreement, the Parties agree to jointly request the Court to stay all proceedings with this Action, except for such proceedings needed to secure approval of this settlement, and the time to bring the Action to trial shall be extended pending the outcome of the settlement process.
79. **Continuing Jurisdiction.** The Court shall retain continuing jurisdiction over the Action to ensure the continuing implementation of this Agreement.
80. **Court Filings.** The Parties agree not to object to any Court filings consistent with this Settlement Agreement.
81. **Invalidity of Any Provision.** Before declaring any provision of this Agreement invalid, the Court shall first attempt to construe the provisions valid to the fullest extent possible consistent with applicable precedents so as to define all provisions of this Agreement valid and enforceable.

**EXECUTION BY PARTIES AND COUNSEL**

The Parties and their counsel hereby execute this Agreement.

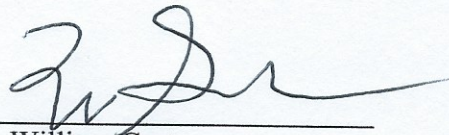
Plaintiff

Dated: 06/09/2022, 2022

By:   
Isabella Savini Merante

Defendant, American Institute For Foreign Study, Inc.

Dated: \_\_\_\_\_, 2022

By:   
William Gertz  
Chairman

APPROVED AS TO FORM:


Dated: 06/08/2022, 2022

NICHOLS KASTER

By: Matthew Helland  
Matthew C. Helland, Esq.  
H. Clara Coleman, Esq.

Dated: June 14, 2022

OGLETREE, DEAKINS, NASH, SMOAK  
& STEWART, P.C.

By:   
Michael J. Nader, Esq.

# EXHIBIT A

**UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF CALIFORNIA**

*Merante v. American Institute for Foreign Study, Inc. (d/b/a Au Pair in America),*

Case No. 3:21-cv-03234-EMC

**NOTICE OF CLASS ACTION AND PAGA SETTLEMENT**

***Please read this Notice carefully. It informs you about Your legal rights.***

***A court approved this notice. This is not an advertisement or solicitation.***

**To:** All persons who participated in Defendant Au Pair in America's au pair program and who resided with Host Families in California at any time between January 8, 2020 and [THE DATE THE COURT PRELIMINARILY APPROVES THE SETTLEMENT].

**1. What Is This Notice And Why Did I Get It?**

This Notice was sent to inform you that the United States District Court for the Northern District of California has preliminarily approved the terms of a class action and PAGA settlement in a lawsuit filed against American Institute for Foreign Study, Inc. (d/b/a Au Pair in America) by a former au pair named Isabella Savini Merante.

This notice will (1) advise you of the settlement that has been preliminarily approved by the court; (2) advise you of how your rights maybe be affected by this lawsuit; and (3) instruct you on the procedure for participating, opting out of, or objecting to the settlement.

You are receiving this notice because you were identified as a current or former au pair who participated in Au Pair in America's au pair program between January 8, 2020 and [the date the Court preliminarily approves the Settlement]. This means ***you are eligible to Participate in the settlement of this lawsuit and receive payment under the settlement.***

**2. What Is The Lawsuit About?**

Plaintiff Isabella Savini Merante filed a lawsuit against American Institute for Foreign Study, Inc (d/b/a Au Pair In America) in the United States District Court for the Northern District of California entitled *Merante v. American Institute for Foreign Study, Inc.* (the "Lawsuit"), Case No. 3:21-cv-03234-EMC). Plaintiff Merante brought a claim for civil penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") alleging that she and other au pairs were not paid as required by California law. Plaintiff also alleges that she and other au pairs did not receive accurate wage statements as required by California Labor Code Section 226.

Au Pair in America denies all of Plaintiff's allegations, and the Court has not made any decision on the merits of Plaintiff's claims. However, in order to avoid the time, expense and uncertainty of additional litigation, the parties have agreed to a settlement of the Lawsuit.



The settlement will resolve all Class Members' Released Claims (described in Section 9, below) for the time period from January 8, 2020 and [preliminary approval date]. A preliminary approval hearing was held on [date] in the United States District Court for the Northern District of California. On [date], the Court preliminarily approved the class action settlement reached by the Plaintiff and Defendant (the "Parties") and directed that you and the other Class Members receive this Notice. The Court also preliminarily appointed Plaintiff as the representative of the Class ("Class Representative").

The Court will hold a Final Approval Hearing concerning the proposed settlement on [date] at [time], in \_\_\_\_\_ of the United States District Court for the Northern District of California, the Hon. Edward M. Chen presiding, located at 450 Golden Gate Avenue, San Francisco, California, 94102.

### **3. Am I a Class Member?**

You are a Class Member if you participated in Au Pair in America's au pair program and resided with a Host Family in California at any time between January 8, 2020 and [preliminary approval date].

### **4. How Does This Class Action Settlement Work?**

In this lawsuit, Plaintiff sues on behalf of other au pairs who participated in Au Pair in America's au pair program and lived with Host Families in California between January 8, 2020 and [preliminary approval date]. For purposes of this settlement, Plaintiff and these other au pairs are deemed to comprise a "Class" and are "Class Members." The settlement of this lawsuit resolves the inaccurate wage statement claims of all Class Members, except for those who exclude themselves from the Class. Class Members who do not exclude themselves will be deemed "Settlement Class Members," and will be eligible to receive an Individual Class Settlement Payment under the settlement based on their number of Workweeks between January 8, 2020 through the date of preliminary approval.

Persons who choose to exclude themselves from the Class will not receive an Individual Class Settlement Payment, but they will receive a much smaller payment related to the settlement of Plaintiff's PAGA claim only. They will also not be bound by the release of claims under this settlement.

The Court has not decided the Action in favor of Plaintiff or Defendant, or made any determination on the merits of the Action. Instead, both sides agreed to resolve the Action with no decision or admission of who is right or wrong. By agreeing to resolve the Action, all Parties avoid the risks and cost of a trial, and the people affected will receive compensation quickly.

Plaintiff and her attorneys think the settlement is in the best interests of the Class. Defendant denies the allegations of wrongdoing and violations of law alleged and further deny any liability whatsoever to Plaintiff or the Class. Defendant is settling the Action as a compromise.

The Court file has the Settlement Agreement and Release of Claims ("Settlement Agreement") and other papers in this case, which are available for your review during the Court's normal hours of operation. You may go there in person to review the documents at the Office of the Clerk, United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102. Please confirm the office is open before coming to the court. You may also view the documents online at the website listed in Section 16 of this notice.

The Court must review the terms of the settlement and make a final determination as to whether it is fair, adequate and reasonable.

A hearing will be held ("Final Approval Hearing"), at which time the Court will decide these issues. See Section 15 below for more information

## 5. What Are My Options?

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are explained below.

**STAY IN THE CLASS:** If you do not request to be excluded from the Settlement Class, you will remain a member of the Settlement Class, and if the Court grants final approval of the settlement, you will receive an Individual Class Settlement Payment based on the number of weeks you participated in Au Pair in America's program and resided with a Host Family in California between January 8, 2020 through [preliminary approval. In exchange, you give up the right to sue Defendant for the Class Member Released Claims, which are defined in Section 9, below. To ensure you receive your Individual Class Settlement Payment, all you need to do is keep the Settlement Administrator informed of your current email address. If the Court grants final approval of the Settlement, the Administrator will email your payment to the email address on file for you via PayPal (or ACH transfer, if requested). **You will have 30 days from receipt of the PayPal email to claim your funds.**

**ASK TO BE EXCLUDED:** Except as otherwise noted, if you ask to be excluded or "opt out" of the Settlement Class within 60 days of the date of this Notice, and



if the Court grants final approval of the settlement, you will not receive any payment under the settlement (except for your share (if there is one) of the Settlement attributable to the PAGA claim), but you will retain any rights you might have to sue Defendant for the claims resolved through this settlement.

**OBJECT:**

You may object to the proposed settlement. Only Class Members who do not request to be excluded from the settlement (i.e., Settlement Class Members) may object to the settlement. You will have 60 days from the date of this Notice to object. If your objection is overruled by the Court, you will still receive a Settlement Share, and you will be bound by the terms of this settlement. **While you can ask the Court to deny approval by filing an objection, you CANNOT ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.**

## 6. What Are The Terms Of The settlement?

Under the proposed settlement, Defendant will pay One Million Dollars (\$1,000,000.00) to fully and finally resolve all claims in the Action. Of that amount, the sum of \$100,000 will be allocated to the settlement of the PAGA claim (the "PAGA Civil Penalty Payment"). Three Quarters of the PAGA Civil Penalty Payment (\$75,000) shall be paid to the State of California, while one quarter of the PAGA Civil Penalty Payment (\$25,000) shall be available for distribution to eligible Class Members.

The \$1,000,000.00 payment is referenced as the "Gross Settlement Amount." The amount to be distributed to Class Members who do not exclude themselves from the settlement is called the "Net Settlement Amount." The Net Settlement Amount is determined by taking the Gross Settlement Amount and deducting the following court-approved amounts: Class Representative Service Payment, the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the PAGA Civil Penalty Payment, and Administration Expenses. The Net Settlement Amount is the total amount that will be paid to Participating Class Members, in the form of Individual Class Settlement Payments. **The Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Class Representative Service Payment, Administration Expenses, and LWDA Civil Penalty Payment are all subject to Court approval.**

## 7. How Much Will My Settlement Share Be?

Each Class Member's estimated Settlement Share is calculated as follows. First, the Administrator will compute the total number of Workweeks of all Participating Class Members collectively during the Class Period; this sum shall be known as the "Workweek Total." Second, the Administrator will divide the Net Settlement Amount by the Workweek Total to determine the settlement value of each eligible Workweek; this shall be known as the "Workweek Value." Third, the Administrator will multiply the number of Workweeks of a Participating Class Member during the Class period by the Workweek Value to determine the Participating Class Member's Individual Class Settlement Payment.

The amount of your estimated settlement share should have been included in your personalized email notice and can be further accessed by reaching out to the Settlement Administrator. If the Settlement is approved, you will also receive an Individual PAGA Payment. Your Individual PAGA Payment will be calculated by multiplying your settlement share fraction by \$25,000 (the portion of the PAGA Civil Penalty Payment allocated for payment to PAGA Members).

You are solely responsible for any and all tax consequences arising from your receipt of an Individual Class Settlement Payment and PAGA Payment. No opinion regarding the tax consequences of this Settlement to any individual Class Member is being given, or will be given, by Defendant, counsel for Defendant, any Released Party, or Class Counsel. Class Members should consult their own tax advisors regarding the tax consequences of this Settlement, including but not limited to any payments provided or tax reporting obligations.

If you believe that the number of Workweeks credited to you, or the amount of debt owed by you to Defendant, as stated in your email notice is not correct, please see Section 8, below.

## **8. What If I Believe My Workweeks Are Inaccurate?**

If you believe your number of Workweeks is inaccurate, you may dispute it by emailing [name and address of Administrator] no later than 60 days after the Administrator emailed you a Notice Packet. If there is a dispute, the Administrator shall consult with the Parties to determine whether an adjustment is warranted.

## **9. How Does This Settlement Affect My Rights?**

If you do not exclude yourself from the Settlement, and the Settlement is approved by the Court, you will release the claims resolved by the Settlement. This means you will not be able to sue, continue to sue, or be part of any other lawsuit against Defendant that involves the same legal claims as those resolved through this Settlement. Specifically, you will be giving up or "releasing" the "Class Member Released Claims" described below:

Any and all claims and/or causes of action against the Released Parties that were alleged or that could have been alleged based on the facts and legal theories asserted in the First Amended Complaint for failure to provide accurate wage statements under sections 226, 226(a) and 226.3 of the Labor Code, including all claims for any alleged violation of any of the Sections in 226, including 226(a)(1)-(9), and any and all alleged penalties for such violations, including under Sections 226(e) and 226.3.

## 10. How Do I Exclude Myself From This Settlement?

If you want to exclude yourself from the settlement, you must email, upload, or mail to the Administrator a written request for exclusion no later than sixty (60) days after the Administrator emails the Notice. To be valid, your written request for exclusion must include your name and address, a statement expressing that you elect to be excluded from the Settlement, and your signature (if uploaded or mailed).

If you send a Request for Exclusion to the Administrator which complies with the above requirements, then: (a) you will not be a member of the Class; (b) you will not receive an Individual Class Settlement Payment, and (c) the only payment you receive will be your Individual PAGA Payment. By excluding yourself from the Settlement, you will retain whatever rights or claims you may have against Defendant (with the exception of the release as to Plaintiff's PAGA claim, which shall remain binding), and you will be free to pursue them, at your own cost, if you choose to do so.

## 11. How Do I Object To The Settlement?

If you are a member of the Class who does not exclude yourself from the Class, you may object to the Settlement or any aspect of the Settlement. You can ask the Court to deny approval of the settlement by filing an objection. **You can't ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.**

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. All written objections and supporting papers must (a) clearly identify the case name and number (*Merante v. American Institute for Foreign Study, Inc., d/b/a Au Pair in America*, Case No. 3:21-cv-03234-EMC), (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Northern District of California, United States District Court for the Northern District of California,

450 Golden Gate Avenue, San Francisco, California, 94102, or by filing them in person at any location of the United States District Court for the Northern District of California, (c) state the grounds for objection and whether you intend to appear at the final approval hearing and (d) be filed or postmarked no later than 60 days after Notice is emailed by the Administrator.

Objecting to the settlement will not remove you from the Settlement Class. A Settlement Class Member who submits an objection remains bound by the settlement. To remove yourself from the Settlement Class, you must exclude yourself from the settlement by following the instructions for exclusion above. If you opt out of the settlement, you may not object to the settlement.

## **12. How Do I Make Sure I Receive My Settlement Payment?**

If the Settlement is approved, and you have not excluded yourself from the Settlement, you will receive your settlement payment via an email from PayPal. Alternatively, you may choose to receive your settlement payment via ACH transfer to your bank.

If you received email notification of this Settlement and you would like to receive your settlement payment via PayPal, you do not need to do anything. However, if your email changes, or you prefer to receive the PayPal payment at a different email address, you must contact the Administrator to provide an updated email address.

If you prefer to receive your settlement payment via ACH transfer, you must contact the Administrator to make the necessary arrangements. If you do not do so, your payment will be sent to you by email using PayPal.

You may contact the Administrator via email [EMAIL ADDRESS] or through the Administrator's website [WEBSITE ADDRESS WITH LINK]. If emailing, be sure to provide the name of this case (*Merante v. American Institute for Foreign Study, Inc. (d/b/a Au Pair in America)*), Case No. 3:21-cv-03234-EMC), your full name, and the specifics of your request. The Administrator will require additional information from you in order to verify your identity.

Any request for changes to the payment method must be made no later than [DATE sixty (60) after Administrator first emailed notice].

**If you receive your settlement payment via PayPal, it will only be available to you for 30 days. You must open the email from PayPal and accept the settlement funds within 30 days of receiving the email.**

## **13. Who Are the Attorneys Representing the Class?**

If you have any questions about this Notice, you can contact [NOTICE ADMINISTRATOR]

The lawyers for the Plaintiff and Class are:

**LAWYERS WHO SEEK TO REPRESENT WORKERS:**

NICHOLS KASTER LLP  
 Matthew Helland  
[helland@nka.com](mailto:helland@nka.com)  
 235 Montgomery Street  
 Suite 810  
 San Francisco, CA 94104  
 Telephone: 877-448-0492  
 Fax: 415-277-7238

RUKIN HYLAND & RIGGIN LLP  
 Peter Rukin  
[prukin@rukinhyland.com](mailto:prukin@rukinhyland.com)  
 1939 Harrison Street, Suite 290  
 Oakland, California 94612  
 415-421-1800  
 Telephone: (415) 421-1800  
 Fax: (415) 421-1700

The Court has appointed the law firms of Nichols Kaster, LLP; Rukin Hyland & Riggin LLP; and Towards Justice, to represent the Settlement Class. These law firms are referred to as "Class Counsel." You do not need to hire your own attorney because Class Counsel are working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

**14. How Will Class Counsel Be Paid?**

Class Counsel will be paid from the Gross Settlement Amount. Class Counsel will ask for up to 25% of the Gross Settlement Amount as attorneys' fees (or \$250,000 in attorney's fees) and for reimbursement of actual litigation costs and expenses in the amount of \$3,000. The actual amounts awarded shall be determined by the Court.

Class Counsel will also request that the Court approve a service payment to the Class Representative of up to \$5,000 to be paid from the Gross Settlement Amount, for her service on behalf of the Class. Class Counsel will petition the Court for an award of attorneys' fees by motion to be filed with the Court within \_\_ days after the mailing of this Notice and will be available at that time at the website listed in Section 16, below.

**15. Notice of hearing on Final Approval and Objections to Class Action Settlement**

You are hereby notified that a Final Approval Hearing will be held on \_\_\_\_\_, 2022 at \_\_\_\_\_m., in the United States District Court for the Northern District of California, the Hon. Edward M. Chen presiding, located at 450 Golden Gate Avenue, San Francisco, California, 94102, to determine whether the proposed Settlement is fair, reasonable, and adequate, and should be finally approved by the Court. The Court may change the date and time of the Final Approval Hearing without further notice to the Class Members. Class Members are advised to check the settlement website or the Court's Public Access to Court Electronic Records (PACER) site to confirm that the date has not been changed.

If final approval is granted by the Court, the Court will enter judgment pursuant to the Settlement, and all Class Members who have not requested exclusion from the Settlement Class will be deemed to have waived and released the Released Claims against the Released Parties, as defined in Section 9, above.

## **16. How Do I Get More Information?**

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please see the settlement agreement available at [www.\\_\\_\\_\\_\\_.com](http://www._____.com), or contact Class Counsel at \_\_\_\_\_ or access the Court docket in this case, for a fee, through the Court's PACER system at <https://ecf.cand.uscourts.gov>, or visit the office of the Clerk of the Court for the United States District Court for the Northern District of California, 450 Golden Gate Avenue, San Francisco, California, 94102, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. Please confirm the court is open before visiting.

If you have any additional questions about the settlement, you may also contact the Administrator:

***Merante v. American Institute for Foreign Study, Inc., Class Action Settlement***

**c/o [Administrator Name and Address]**

**Toll-Free Telephone Number: 1 (800) \_\_\_\_\_.**

**PLEASE DO NOT TELEPHONE OR EMAIL THE COURT OR CLERK'S OFFICE FOR INFORMATION ABOUT THIS SETTLEMENT.**

# EXHIBIT B



## LEGAL NOTICE

**If you participated in Au Pair in America's au pair program and resided with a Host Family in California at any time between January 8, 2020 and [DATE], you are entitled to receive a settlement payment.**

***A United States federal district court authorized this notice. This is not a solicitation from a lawyer.***

***Your legal rights are affected whether you act or don't act.  
Read this notice carefully.***

[READ THE FULL NOTICE](#)

A Settlement has been proposed to resolve litigation against Defendant American Institute for Foreign Study, Inc (d/b/a Au Pair In America), brought by Plaintiff Isabella Savini Merante, a former participant in Defendant's au pair program.

This Notice was sent to inform you that the United States District Court for the Northern District of California, the Honorable Edward M. Chen presiding, has preliminarily approved the terms of the Settlement, and to let you know about your options with respect to the Settlement. If you want to participate in the settlement and receive a settlement payment, you do not need to do anything. Alternatively, you may choose to exclude yourself from the settlement. Finally, you may object to the Settlement.

### **Who Is Included?**

You are a member of the Settlement Class if you participated in Au Pair in America's au pair program and resided with a Host Family in California at any time between January 8, 2020 and [DATE].

### **What is this case about?**

Plaintiff Isabella Savini Merante filed a lawsuit against American Institute for Foreign Study, Inc (d/b/a Au Pair In America) in the United States District Court for the Northern District of California entitled *Merante v. American Institute for Foreign Study, Inc.* (the "Lawsuit"), Case No. 3:21-cv-03234-EMC). Plaintiff Merante brought a claim for civil penalties under the California Labor Code Private Attorneys General Act of 2004 ("PAGA") alleging that she and other au pairs were not paid as required by California law. Plaintiff also alleges that she and other au pairs did not receive accurate wage statements as required by California Labor Code Section 226.

Au Pair in America denies all of Plaintiff's allegations, and the Court has not made any decision on the merits of Plaintiff's claims. However, in order to avoid the time, expense and uncertainty of additional litigation, the parties have agreed to a settlement of the Lawsuit.

### **What does the Settlement provide?**

If the Settlement is approved, Defendant will pay \$1,000,000.00 to fully and finally resolve all claims in the Action. After deduction of certain payments and expenses (service payment to the Plaintiff,

attorneys' fees and costs, PAGA civil penalties to the LWDA, and costs of settlement administration) the remaining amount (called the Net Settlement Amount) will be paid to Participating Class Members proportional to the number of workweeks they spent as members of the Class.

**According to Defendants' records, you participated in Defendant's au pair program and resided with a Host Family in California for: (a) \_\_ weeks during the time period from January 8, 2020 through [preliminary approval]. Based on the above criteria, your estimated Individual Class Settlement Payment is \$\_\_\_\_\_.**

If the Settlement is approved, you will also receive an Individual PAGA Payment. Your Individual PAGA Payment will be calculated by multiplying the above-referenced resulting fraction by \$25,000 (the portion of the PAGA Civil Penalty Payment allocated for payment to PAGA Members). You will receive this PAGA payment even if you exclude yourself from the Class.

### **How do I receive a class settlement payment?**

If you received this Email Notice and want to receive a class settlement payment, you do not need to do anything. You will remain a member of the Settlement Class, and if the Court grants final approval of the settlement, you will receive an Individual Class Settlement Payment based on the number of weeks you participated in Au Pair in America's program and resided with a Host Family in California between January 8, 2020 through [preliminary approval]. In exchange, you give up the right to sue Defendant for the Class Member Released Claims, which are defined in Section \_\_, below. To ensure you receive your Individual Class Settlement Payment, all you need to do is keep the Settlement Administrator informed of your current email address. If the Court grants final approval of the Settlement, the Administrator will email your payment to the email address on file for you via PayPal.

**You will have only 30 days from receipt of the PayPal email to claim your funds.**

If you want to receive your payment via ACH transfer rather than PayPal, [click here](#). You will be asked to provide the Administrator with your bank information.

### **What are my other options?**

If you do not want to be legally bound by the Settlement, you must exclude yourself by [DATE] or you will not be able to sue, or continue to sue, Au Pair in America for any of the claims resolved by the Settlement. To exclude yourself, you must provide all required information. If you exclude yourself, you cannot get money from this Settlement. If you stay in the Settlement Class but wish to object, you must do so by [DATE]. Details for excluding yourself or objecting to the Settlement can be found in the Settlement Notice available on the Settlement Website, [WEBSITE ADDRESS].

The Court will hold a hearing in this case on [DATE], to consider whether to approve the Settlement. At the hearing, the Court will also consider a request by the lawyers representing all Settlement Class Members for attorneys' fees, costs, and expenses for investigating the facts, litigating the case, and negotiating the Settlement, as well as for a Service Award to the Class Representative for her time participating in the case. You may ask to appear at the hearing, but you do not have to.

### **Want More Information?**

For more information, including to read the Class Notice, please visit the Settlement Administration website at [WEBSITE ADDRESS].

# EXHIBIT C

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Denver, CO 80207  
Telephone: (720) 441-2236

Attorneys for Plaintiff

**UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA**

ISABELLA SAVINI MERANTE,  
individually and on behalf of all others  
similarly situated,

Plaintiff,

v.

AMERICAN INSTITUTE FOR  
FOREIGN STUDY, INC, a Connecticut  
Company,

Defendant.

**CASE NO.: 21-cv-03234-EMC**

**[PROPOSED] FINAL APPROVAL ORDER  
AND JUDGMENT**

## **INTRODUCTION**

This matter comes before the court on Plaintiff's Motion for Final Approval of a Class Action and Private Attorney General Act ("PAGA") settlement and Motion for Order Approving Attorneys' Fees, Costs, and Representative Service Payment. This Court previously granted preliminary approval of the settlement, and now, having considered the arguments of counsel at the final approval hearing and the evidence submitted in support of Plaintiffs' motions, the Court hereby grants Plaintiffs' motions and orders as follows.

## **TERMS OF THE SETTLEMENT**

The terms of the settlement are memorialized in the Settlement Agreement ("Agreement" or "Settlement") filed contemporaneously with Plaintiff's motion. A summary of the terms of the Settlement is as follow:

### **A. Monetary and Non-Monetary Relief**

As part of the Agreement, Defendant will pay \$1,000,000, known as the "Gross Settlement Amount," inclusive of the following: (a) payments to participating Class Members; (b) Class Counsel's attorneys' fees of \$250,000; (c) Class Counsel's litigation costs and associated expenses of \$3,000; (d) PAGA Allocations of \$100,000 total, with \$75,000 to be distributed to California's Labor Workforce Development Agency ("LWDA") and the remaining \$25,000 to be paid proportionately to all PAGA; (d) administration costs not to exceed \$24,623; and (e) the Class Representative Service Payment of \$5,000 to Named Plaintiff Isabella Savini Merante. The participating Rule 23 Class Members will receive an average net payment of \$XX.

As part of the Agreement, Defendant further agrees to notify the host families in California who participate in Defendant's program that they: "are responsible for complying with the California Labor Code, including the obligation to pay all hours worked by the au pair at the applicable state or local minimum wage." (*See* Agreement § 61(a)).

### **B. Definition of PAGA Group and Rule 23 Class**

PAGA Members are defined as those Class Members who resided with a family in the State of California that engaged Defendant for the purpose of receiving the placement of an au

1 pair to provide services for the Host Family from January 8, 2020 through the date on which this  
2 Court previously granted preliminary approval of this Agreement. (*Id.* at §§ 19, 28, 29). There are  
3 a total of [X] PAGA Members.

4 The proposed Rule 23 class consists of all current and former au pairs participating in the  
5 Defendant's program who resided with Host Families in California from January 8, 2020 through  
6 the date on which this Court granted preliminary approval of this Agreement. (*Id.* at § 8, 11).  
7 There were a total of [X] Class Members and there is a total of [X] Participating Class Members.

### 8 **C. Release of Claims**

9 Pursuant to the Agreement, the Released Parties include: the named Defendant, the  
10 American Institute For Foreign Study, Inc., and its past, present and/or future, direct and/or  
11 indirect, officers, directors, members, managers, employees, agents, representatives, attorneys,  
12 insurers, partners, investors, shareholders, administrators, parents, subsidiaries, affiliates,  
13 divisions, predecessors, successors, assigns, and joint venturers. The Released Parties further  
14 includes all host families who hosted a Class Member in the Defendant's au pair program during  
15 the Class Period.

16 The Rule 23 Class release extends to the alleged violations of Labor Code Section 226 for  
17 failure to provide accurate wage statements and any related claims under Section 226 that could  
18 have been alleged based on the facts and legal theories asserted in the First Amended Complaint.  
19 (Agreement § 35). The release covers the period from January 8, 2020 through the date on which  
20 this Court granted preliminary approval of this Agreement. (*Id.*) The PAGA release extends to the  
21 PAGA claims that were alleged in the complaint, and any related PAGA claims that could have  
22 been asserted based on the same or similar factual allegations. (*Id.* at § 34). The PAGA release  
23 expressly excludes all other claims. (*Id.*). The release covers the period from January 8, 2020  
24 through the date on which the Court granted preliminary approval of this Agreement. Any Class  
25 Member who opts out of the Class Settlement will still be bound by the PAGA Release if they are  
26 PAGA Members. (*Id.* at § 30).



**D. Distribution of Funds**

After this Court's entry of judgment becomes final, as defined by the Agreement. Defendant shall fund the Qualified Settlement Fund ("QSF") with the Gross Settlement Amount within thirty-five (35) calendar days (Agreement § 56). All PAGA Members and Class Members will receive a pro rata allocation as detailed in the Parties' Agreement. Within fourteen (14) days after Defendant funds the QSF, the Administrator will issue payments to PAGA Members and Participating Class Members via PayPal to the email address used to distribute Notice. (*Id.*). Class Members may request PayPal payment directed to a different email address, or may provide instructions for ACH payment, but must do so within sixty (60) days of the Administrator first emailing notice. (*Id.* § 49(g)).

**ANALYSIS**

**A. The Rule 23 Class is Finally Certified for Settlement Purposes**

This Court preliminarily certified the below Rule 23 class for settlement purposes: All current and former au pairs participating in the Defendant's program who resided with Host Families in California from January 8, 2020 through the date on which the Court grants preliminary approval of this Agreement.

Having considered the proposed Settlement Class and Plaintiff's final approval briefing on the matter, this Court hereby affirms that finding and finally certifies the above-defined Class for settlement purposes. Rule 23(a) is satisfied because this proposed Class is so numerous that joinder of all Class Members is impracticable, there are questions of law or fact common to the Class, the claims of Plaintiff are typical of the claims of the Class; and Plaintiff will fairly and adequately protect the interests of the Class. Moreover, the requirements of Rule 23(b) are satisfied because questions of law or fact common to Class Members predominate over any questions affecting only individual Class Members.

**B. Appointment of Class Counsel and Named Representative**

This Court confirms its appointment, for settlement purposes only, of Named Plaintiff Merante as Class Representative and of Matthew Helland and H. Clara Coleman of Nichols Kaster, LLP, Peter Rukin of Rukin Hyland & Riggin LLP, and Rachel Dempsey of Towards

1 Justice as Class Counsel. I find Plaintiff Merante has been dedicated to the case throughout and  
2 adequately represents the Class, and that the attorneys extensive experience in representing  
3 employees in class action suits qualifies them to act as Class Counsel for settlement purposes.

4 **C. Notice to Class Members**

5 The Court has reviewed Plaintiff's briefing on the notice process and the reviewed the  
6 Administrator's declaration of due diligence setting forth its compliance with its obligations  
7 under the Agreement and detailing the requests for exclusions and disputed claims. The Court  
8 confirms its preliminary finding that that the Parties' proposed notice plan is constitutionally  
9 sound and that the Class Notice adequately informs the Class of their rights. The Court hereby  
10 finds that the notice was issued in accordance with due process.

11 **D. The Settlement is Fair, Adequate, and Reasonable**

12 The Court confirms its preliminary finding that the proposed settlement is fair, reasonable  
13 and adequate. In deciding whether to approve a proposed class action settlement, the Court must  
14 determine whether a proposed settlement is "fair, adequate and reasonable." *Officers for Justice v.*  
15 *Civil Serv. Comm'n*, 688 F.2d 615, 625 (9th Cir. 1982); *see also* Fed. R. Civ. P. 23(e)(1)(C).  
16 Moreover, federal district courts reviewing PAGA settlements have also drawn on factors utilized  
17 by the Ninth Circuit in evaluating whether a class action settlement is "fundamentally fair,  
18 adequate, and reasonable." *See O'Connor v. Uber Techs.*, 201 F. Supp. 3d. 1110, 1134 (N.D. Cal.  
19 2016); *see also Hanlon v. Chrysler Corp.*, 150 F.3d 1011 (9th Cir. 1998).

20 The Court restates its finding that the settlement reflects the informed views of  
21 experienced counsel and is the product of serious, arms-length negotiations conducted after  
22 investigation and discovery. Moreover, the Court finally finds that the settlement is fair given the  
23 strength of Plaintiff's case and the risk, expense, and complexity of further litigation. The  
24 monetary and non-monetary terms are reasonable given the risks inherent in the pending U.S.  
25 Supreme Court *Viking River* decision and other substantial risks Plaintiff faced in proving their  
26 allegations, as described in detail in Plaintiff's motion.

27 **E. Class Counsel's Requested Fees and Costs Are Reasonable**

1           The United States Supreme Court “has recognized consistently that a litigant or a lawyer  
 2 who recovers a common fund ... is entitled to a reasonable attorney’s fee from the fund as a  
 3 whole.” *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980). “The case law construing what is a  
 4 reasonable fee applies uniformly to all federal fee-shifting statutes.” *Haworth v. State of Nevada*,  
 5 56 F.3d 1048, 1051 (9th Cir. 1995). The Ninth Circuit’s benchmark for presumptively reasonable  
 6 fees in the common fund context is twenty-five (25) percent of the gross settlement amount. *See*  
 7 *In re Bluetooth Headset Products Liability Litigation*, 654 F.3d 935, 942 (9th Cir. 2011); *Six (6)*  
 8 *Mexican Workers v. Arizona Citrus Growers*, 904 F.2d 1301, 1311 (9th Cir. 1990)

9           Here, Plaintiff asks for a fee that is 25% of the settlement, or \$250,000. The Court finds  
 10 this to be reasonable. The Court finds that Class Counsel employed their years of wage and hour  
 11 class and collective action experience and skill to streamline the litigation and optimize the  
 12 results. As a result, they were able to obtain significant economic and non-economic relief under  
 13 difficult circumstances. Furthermore, Plaintiff retained Counsel on a contingency basis, agreeing  
 14 that attorneys’ fees and reimbursement of costs would only be realized if there was recovery.  
 15 Class Counsel thus invested their hours with no guarantee of payment. Finally, the fee requested  
 16 and results obtained here compare favorably with other court-approved fee awards. *See, e.g., In re*  
 17 *Pac. Enterprises Sec. Litig.*, 47 F.3d 373, 378-79 (9th Cir. 1995) (affirming fee award of one-  
 18 third of settlement); *Singer v. Becton Dickinson & Co.*, No. 08-821 IEG, 2010 WL 2196104 at  
 19 \*8-9 (S.D. Cal. Jun. 1, 2010) (33.33% of wage and hour settlement “falls within the typical range  
 20 ... in similar cases”; citing awards of 33.33%-40%); *Barbosa v. Cargill Meat Sols. Corp.*, 297  
 21 F.R.D. 431, 449 (E.D. Cal. 2013) (awarding one-third percent in wage and hour class action);  
 22 *Stuart v. Radioshack Corp.*, C-07-4499 EMC, 2010 WL 3155645, at \*6 (N.D. Cal. Aug. 9, 2010)  
 23 (awarding one-third of settlement fund in wage-and-hour class action and noting that “[t]his is  
 24 well within the range of percentages which courts have upheld as reasonable in other class action  
 25 lawsuits”). A lodestar crosscheck further supports the fees requested. Class Counsel’s requested  
 26 rates are reasonable. Specifically, the Court approves the following hourly rates:

27           Matthew Helland: \$ [XXX]

28           H. Clara Coleman: \$[XXX]

1 Peter Rukin: \$ [XXX]

2 Rachel Dempsey: \$[XXX]

3 The Court also finds that the amount of time billed by Counsel, a total of \_\_\_\_ hours is reasonable  
 4 and was necessary for successful resolution of the case. Class Counsel's lodestar is \_\_\_\_\_.  
 5 Given the significant result obtained in this early settlement, a \_\_ multiplier on the lodestar  
 6 crosscheck is reasonable. Thus, I hereby find Class Counsel's fee request of \$250,000 is  
 7 reasonable.

8 Class Counsel further seeks payment of \$3,000 in out-of-pocket litigation costs. Counsel  
 9 represents the costs incurred include electronic research charges, document retention database  
 10 charges, and filing fees. The Court finds these costs reasonable and necessary for successful  
 11 prosecution of the case. Plaintiff also seeks administration costs totaling [XXXXX]. The Court  
 12 finds this amount to be fair and reasonable for purposes of effectuating the settlement and hereby  
 13 approves the request.

14 **F. The Requested Service Payment is Reasonable**

15 Service awards for representatives "are intended to compensate class representatives for  
 16 work done on behalf of the class, to make up for financial and reputational risk undertaken in  
 17 bringing the action and [ ] to recognize their willingness to act as a private attorney general" and  
 18 are "fairly typical in class action cases." *Rodriguez v. West Publishing Corp.*, 563 F.3d 948, 958-  
 19 59 (9th Cir. 2009). "[I]n this district, a \$5,000 incentive award is presumptively reasonable." *In re*  
 20 *Linkedin User Privacy Litig.*, 309 F.R.D. 573, 592 (N.D. Cal. 2015) (citing *Chao v. Aurora Loan*  
 21 *Services, LLC*, 2014 WL 4421308, at \*4 (N.D. Cal. Sept 5, 2014)).

22 Here, Plaintiff requests the Court's final approval of a Class Representative Service  
 23 Payment in the amount of \$5,000 to Named Plaintiff Isabella Merante to be paid to her in addition  
 24 to her Individual Class Settlement payment. Counsel represents that Plaintiff Merante initiated  
 25 this case and performed substantial work in support of the case – including attending two lengthy  
 26 settlement conferences. The Court finds the service award sought here is well within the range  
 27 that federal judges award in class, collective, and representative actions, and is thus approved as  
 28 reasonable.

**CONCLUSION**

In conclusion, the Court **GRANTS** Plaintiff's Motion. The Court hereby enters Judgement approving the terms of the Settlement Agreement, and it is hereby **ORDERED** that:

- (a) Based on the papers filed with the Court and the presentations made to the Court by the Parties at the final approval hearing, the Court now grants final approval to the Settlement and finds that the Settlement Agreement is fair, adequate and reasonable, and is the product of arm's-length and informed negotiations because: Therefore, the Settlement is **FINALLY APPROVED**;
- (b) The Court, having considered the materials submitted by Class Counsel in support of approval of the Settlement and their request for attorneys' fees, costs, and expenses, finds the award of attorneys' fees and costs, appropriate and reasonable. Therefore, Class Counsel's request for payment of \$250,000 in attorneys' fees and \$3,000 in costs is **FINALLY APPROVED**;
- (c) A payment to the settlement administrator in an amount not to exceed \$24,623 from the settlement as full payment for its services in administering the settlement through completion is **FINALLY APPROVED**;
- (d) A Class Representative Service payment of a \$5,000 to Named Plaintiff Merante for her vital role in achieving a settlement that provides a significant payout and substantial non-monetary relief is **FINALLY APPROVED**; and
- (e) Plaintiff's claims are hereby **DISMISSED WITH PREJUDICE**; with this Court retaining jurisdiction solely for purposes of (i) enforcing this Agreement, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

**IT IS SO ORDERED. LET JUDGMENT BE ENTERED ACCORDINGLY.**

DATED: \_\_\_\_\_, 2022

\_\_\_\_\_  
Hon. Edward M. Chen  
United States District Court Judge