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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

QIUZI HU, an individual, **EDWIN
RAMIREZ**, an individual, **IVAN
RONCERIA**, an individual, **WENZHI FEI**,
an individual, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

**JOSE M. PLEHN-DUJOWICH, a.k.a.
JOSE M. PLEHN**, an individual;
BIZQUALIFY LLC, a California limited
liability company; and **POWERLYTICS,
INC.**, a Delaware corporation,

Defendants.

Case Number: 3:18-cv-01791-EDL

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

Complaint Filed: March 22, 2018

REDACTED PUBLIC VERSION

INTRODUCTION

This Stipulation of Class Action Settlement and Release of Claims (the “Settlement Agreement,” “Settlement” or “Agreement”) is entered into between Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei (“Class Representatives”) on behalf of themselves and all class members defined herein, and Defendants Jose M. Plehn-Dujowich, also known as Jose Plehn, and BizQualify LLC (collectively, “Defendants”). Class Representatives and Defendants are at times referred to collectively as the “Parties” herein.

1 RECITALS:

1.1 WHEREAS, on March 22, 2018, Class Representatives filed their Class and Collective Action Complaint against Defendants in the United States District Court, Northern District of California, titled *Hu, et al v. Plehn-Dujowich, et al.*, Case No. 3:18-cv-01791-EDL (the “Lawsuit”), alleging various legal claims arising from, *inter alia*, Class Representatives’ enrollment in Defendants’ online course, the Global Financial Data Project (the “GFDP”), and Defendants advertising of, recruitment to, and performance during and after the same (Dkt. #1);

1.2 WHEREAS, on July 31, 2018, Class Representatives filed their operative First Amended Class and Collective Action Complaint (“FAC”) against Defendants and Powerlytics, Inc., in the Lawsuit, alleging claims for: (1) Failure to Pay Minimum Wage (29 U.S.C. § 201 *et seq.*); (2) Failure to Pay Minimum Wage (Cal. Lab. Code §§ 1182.12, 1194, 1194.2, 1197, 1197.1); (3) Failure to Provide Accurate Wage Statements (Cal. Lab. Code § 226); (4) Failure to Reimburse Required Business Expenses (Cal. Lab. Code § 2802); (5) Failure to Pay Earned Wages Upon Discharge (Cal. Lab. Code §§ 201-203); (6) False Advertising (Cal. Bus. & Prof. Code § 17500); (7) Unfair Competition (Cal. Bus. & Prof. Code § 17200); (8) Violation of Consumer Legal Remedies Act (Cal. Civ. Code § 1750, *et seq.*); (9) Fraud (Cal. Civ. Code §§ 1709, 1710); (10) Negligent Misrepresentation (Cal. Civ. Code § 1710(2)); (11) Breach of Implied Contract; (12) Quantum Meruit; and (13) Civil Theft (Cal. Pen. Code § 496) (Dkt. #40);

1.3 WHEREAS, Class Representatives brought this case as a class action under Rule 23 of the Federal Rules of Civil Procedure, on behalf of the Class and California Subclass, comprising all individuals who enrolled in the GFDP and those Class members that performed work for the

1 GFDP in California, respectively. Class Representatives also brought this case as a collective action
2 under the Fair Labor Standards Act (“FLSA”) on behalf of the FLSA Collective, comprising all
3 Class members who enrolled in the GFDP and performed work for the same within the United
4 States or its territories (Dkt. #40);

5 **1.4 WHEREAS**, Defendants were served with the complaint and summons in this
6 Action on March 31, 2018 (Dkts. #8, 9);

7 **1.5 WHEREAS**, Class Representatives and Defendants consented to proceed before
8 Magistrate Judge Elizabeth D. Laporte on April 5, 2018 and May 11, 2018, respectively (Dkts. #7,
9 13);

10 **1.6 WHEREAS**, Defendants failed to timely respond to the FAC and the Court entered
11 default against Defendants on September 13, 2018 (Dkt. #52);

12 **1.7 WHEREAS**, on February 25, 2019, upon motion by the Class Representatives, the
13 Court certified the Class and California Subclass and conditionally certified the FLSA Collective
14 (Dkt. #80);

15 **1.8 WHEREAS**, on March 5, 2019, Defendants filed a motion to set aside the defaults
16 entered against them, and to request a stay of the proceedings pending a settlement conference,
17 which motion Class Representatives opposed (Dkts. #83, 87, 88);

18 **1.9 WHEREAS**, on March 6, 2019, the Court issued an Order Rescinding Authorization
19 to Disseminate Class Notices in light of Defendants’ motion to set aside the defaults (Dkt. #84);

20 **1.10 WHEREAS**, on April 9, 2019, the Court held a hearing on Defendants’ motion to
21 set aside the defaults, took Defendants’ motion under submission, and referred this matter to Chief
22 Magistrate Judge Joseph C. Spero for a settlement conference to be held on April 23, 2019;

23 **1.11 WHEREAS**, the Parties reached terms of settlement at the April 23, 2019 settlement
24 conference, which terms are set forth herein;

25 **1.12 WHEREAS**, the Parties have engaged in formal and informal written discovery,
26 including exchanging initial disclosures, pursuant to Fed. R. Civ. P. 26. Class Representatives have
27 also served and received responses to several subpoenas for documents relating to the Lawsuit. The
28 Parties have exchanged a substantial number of documents and data through informal discovery.

1 Powerlytics, Inc. took the deposition of Class Representative Edwin Ramirez, and Class
2 Representatives took the depositions of Defendant Jose M. Plehn-Dujowich, and an executive of
3 Powerlytics, Inc.;

4 **1.13 WHEREAS**, Class Counsel represents that they have made a thorough and
5 independent investigation of the facts and law relating to the allegations in the Lawsuit, including
6 Defendants' financial ability to pay for any settlement or judgment entered by the Court. In
7 agreeing to this Settlement, Class Representatives and Class Counsel have considered: (a) the facts
8 developed during the Parties' ADR process and the law applicable thereto; (b) the attendant risks of
9 continued litigation and the uncertainty of the outcome of the claims alleged against Defendants and
10 the attendant challenges in collecting money from Defendants following entry of any judgment; and
11 (c) the desirability of consummating this Settlement according to the terms of this Settlement
12 Agreement. Class Representatives and Class Counsel have concluded that the terms of this
13 Settlement are fair, reasonable, and adequate, and that it is in the best interests of Class
14 Representatives and the Class (as defined below) to settle their claims against Defendants pursuant
15 to the terms set forth herein;

16 **1.14 WHEREAS**, as of the date of the execution of this Settlement Agreement,
17 Defendants remain in default in the Lawsuit;

18 **1.15 WHEREAS**, Defendants are entering into this Settlement Agreement solely to
19 resolve the claims against them and by entering into this Settlement Agreement do not admit
20 liability other than for purposes of entering into this Settlement Agreement and resolving this
21 litigation by a settlement;

22 **1.16 WHEREAS**, Defendants agree and acknowledge that all debts and obligations
23 arising under this Settlement Agreement and the Stipulated Judgment, should it be entered by the
24 Court, shall be fully and entirely non-dischargeable, as all such debts and obligations arise from
25 activities exempt from discharge under 11 U.S.C. § 523(a)(2)(A), and shall therefore survive any
26 liquidation proceeding, receivership proceeding, conservatorship proceeding, bankruptcy
27 proceeding and/or any other similar proceeding;
28

1 **1.17 WHEREAS**, upon final approval of this Settlement Agreement by the Court,
2 Defendants agree to sign the Joint Stipulation for Conditional Entry of Final Judgment, attached
3 here as **Exhibit 1**, which requests that the Court enter a Stipulated Judgment in the amount of
4 \$1,000,000 against Defendants, jointly and severally, in the event that (a) Defendants fail to
5 perform any obligation under this Settlement Agreement; (b) Class Representatives have given
6 Defendants written notice specifying the failure to perform; and (c) after the expiration of thirty
7 (30) calendar days following service of such written notice, Defendants have failed to cure the
8 failure to perform; and the Parties intend and agree that all factual admissions stated therein will
9 have preclusive effect in any future proceeding between either or both Defendants and the Class
10 Representatives and/or Settlement Class Members;

11 **1.18 WHEREAS**, Class Representatives shall file the executed Joint Stipulation for
12 Conditional Entry of Final Judgment only in the event that Class Representatives, or a Class
13 Representative, reasonably believe(s) Defendants, or a Defendant, have or has failed to perform any
14 obligation under this Settlement Agreement and, in conjunction with filing the Joint Stipulation,
15 shall request that the Court seal all factual admissions made by Defendants in the Joint Stipulation,
16 pursuant to the procedures established by this Court's Local Rule 79-5, until such time as the Court
17 determines that the Stipulated Judgment shall be entered;

18 **1.19 WHEREAS**, Defendant Plehn-Dujowich agrees to sign the Stock Pledge and
19 Security Agreement, attached here as **Exhibit 2**, upon final approval of this Settlement Agreement
20 by the Court, thereby pledging and collaterally assigning the collateral specified therein to the
21 Settlement Administrator, in order to secure Defendants' obligations under this Settlement
22 Agreement;

23 **1.20 WHEREAS**, the Parties recognize that notice to the Settlement Class Members of
24 the material terms of this Settlement Agreement, as well as Court approval of the terms of
25 settlement, are required to effectuate the Settlement Agreement, and that the Settlement Agreement
26 will not become operative until the Court grants final approval of it and the Settlement Agreement
27 becomes effective by its terms;
28

1 **1.21 WHEREAS**, the Parties stipulate and agree that, for settlement purposes only, the
 2 requisites for establishing collective action certification under the FLSA pursuant to 29 U.S.C. §
 3 216(b), and class certification pursuant to Fed. R. Civ. P. 23(a) and (b)(3) are met. Should this
 4 Settlement not become final, such stipulation as to both collective and class certification shall
 5 become null and void and shall have no bearing on, and shall not be admissible in connection with,
 6 the issue of whether or not certification was, is, or will be appropriate in a non-settlement context;
 7 and

8 **1.22 WHEREAS**, Class Counsel shall provide to Defendants' counsel all papers,
 9 including addressed envelopes, necessary for Defendants to provide notice of this proposed
 10 Settlement Agreement to the appropriate state and federal officials pursuant to 28 U.S.C. § 1715,
 11 which papers, within seven days of receipt, Defendants shall transmit to those officials,

12 **1.23 NOW, THEREFORE**, for good and valuable consideration provided for herein, it is
 13 agreed by, between, and among the Class Representatives, Settlement Class, and Defendants that,
 14 subject to Court approval, the Lawsuit shall be fully and completely settled according to the
 15 following terms and conditions:

16 **2 DEFINITIONS:** For purposes of this Settlement Agreement, the following terms shall have
 17 the meanings specified herein:

18 2.1 **"Action"** or **"Lawsuit"** means the action titled *Hu, et al v. Plehn-Dujowich, et al.*,
 19 Case No. 3:18-cv-01791-EDL, pending in the United States District Court for the
 20 Northern District of California.

21 2.2 **"Claim"** or **"Claim Form"** refers to the form by which Settlement Class Members
 22 seek benefits under this Settlement Agreement.

23 2.3 **"Claims Deadline"** means the deadline for submitting Claim Forms as agreed by
 24 Parties or ordered by the Court.

25 2.4 **"Claimant"** means a Settlement Class Member who has submitted a Claim Form.

26 2.5 **"Class"** or **"Class Members"** means the Class certified by the Court as follows: All
 27 persons who enrolled in the Global Financial Data Project. Excluded from the Class
 28 are Defendants Jose M. Plehn-Dujowich, BizQualify LLC, and Powerlytics, Inc.'s

officers and directors and the immediate families of the Defendants' officers and directors. Also excluded from the Class are the Defendants' legal representatives, heirs, successors or assigns; any entity in which Defendants have or have had a controlling interest; and any putative Class Members who exclude themselves by filing a request for exclusion in accordance with the requirements set forth in the Notice. Dkt. #80.

2.6 “**Class Counsel**” or “**Plaintiffs’ Counsel**” means the law firm Dhillon Law Group Inc., located at 177 Post Street, Ste. 700, San Francisco, CA 94108.

2.7 “**Class Notice**” means the notices of proposed class action settlement that the Parties will ask the Court to approve in connection with a motion for preliminary approval of the Settlement Agreement.

2.8 “**Class Notice Date**” means the date upon which Class Notice is initially sent.

2.9 “**Class Representatives**” means Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei.

2.10 “**Court**” means the United States District Court for the Northern District of California, San Francisco Division, located at 450 Golden Gate Avenue, San Francisco, CA 94102, which is presiding over the Action.

2.11 “**Defendants**” means Jose M. Plehn-Dujowich, also known as Jose Plehn, and BizQualify LLC.

2.12 “**Defendants’ Counsel**” means Loren Kieve, Kieve Law Offices, located at 2655 Steiner Street, San Francisco, CA 94115.

2.13 “**Effective Date**” means the first business day after which all of the following events and conditions have occurred: (a) the Parties, Class Counsel, and Defendants’ Counsel have signed this Settlement Agreement; (b) the Court has entered the Final Approval Order; and (c) the Final Approval Order has become a final, non-appealable judgment approving the Settlement Agreement in all material respects and is no longer subject to review, rehearing, appeal, petition for allowance of appeal, petition for certiorari, or other review of any kind. The Effective Date shall

1 not be altered in the event the Court declines to approve, in whole or in part, the
2 payment of attorneys' fees, costs, and expenses in the amounts that Class Counsel
3 requests. Further, the Effective Date shall not be altered in the event that an appeal is
4 filed with the sole issue on appeal being the Fee and Expense Award awarded to
5 Class Counsel.

6 2.14 **"Fee and Expense Award"** means the amount awarded to Class Counsel by the
7 Court for the reasonable attorneys' fees, costs, and expenses incurred by Class
8 Representatives and the Settlement Class, which award shall be distributed by
9 Settlement Administrator to Class Counsel. The Court shall use a lodestar method
10 (reasonable hourly rate multiplied by reasonable hours expended) to determine the
11 fee amount to be awarded. The Parties and Class Counsel agree that the Fee and
12 Expense Award shall not exceed three hundred thousand dollars and no cents
13 (\$300,000). The Fee and Expense Award paid by Defendants shall constitute full
14 satisfaction of Defendants' obligations to pay amounts to any person, attorney, or
15 law firm for attorneys' fees or costs in this Action on behalf of Class Representatives
16 and all Settlement Class Members. In determining the amount of the Fee and
17 Expense Award, the Court may consider reasonable approximations of fees likely to
18 be incurred after the Final Approval Date, including for the attorney and
19 administrative resources expended by Class Counsel in its role as Settlement
20 Administrator. The Parties agree that Class Counsel shall not be separately
21 compensated in connection with its role as Settlement Administrator. However, the
22 Parties further agree that in performing its role as Settlement Administrator, Class
23 Counsel shall not be responsible for any costs associated with the issuance and
24 distribution of settlement payments to the Settlement Class Members (e.g. postage,
25 wire transfer fees, etc.), and accordingly, such costs shall either be paid for from the
26 Net Settlement Fund or, where possible, deducted from the settlement amount
27 payable to the claimant on whose behalf the cost is incurred (e.g., if a claimant
28 requests that a check be mailed to China at a cost of \$2.00, rather than sent by some

other less expensive means, that claimant shall bear the \$2.00 cost associated with that request, via deduction from his/her settlement payment).

2.15 “**Final Approval Order**” means an order and judgment issued and entered by the Court, approving this Settlement Agreement as binding upon the Parties and the Settlement Class Members and dismissing the claims against Defendants with prejudice, and setting the Fee and Expense Award. The Final Approval Order shall constitute a judgment within the meaning and for purposes of Rule 54 of the Federal Rules of Civil Procedure. In the event that the Court issues separate orders addressing the foregoing matters, then Final Approval Order shall be deemed issued as of the date of the last of such orders.

2.16 “**Joint Stipulation for Conditional Entry of Final Judgment**” or “**Joint Stipulation**” means the stipulation attached hereto as **Exhibit 1**, which is to be signed by Defendants, Defendants’ Counsel, and Class Counsel, with the original provided to Class Counsel, within ten (10) calendar days following the issuance of the Final Approval Order by the Court. Class Representatives may file the Joint Stipulation (provisionally under seal, as discussed herein) if, and only if, Class Counsel and one or more Class Representatives reasonably believe that Defendants, or a Defendant, have or has failed to perform any obligation under the Settlement Agreement. Filing of the Joint Stipulation may be done in conjunction with filing a motion requesting that the Court enter the Stipulated Judgment pursuant to the terms and conditions set forth in the Joint Stipulation. Class Representatives must follow the Court’s Local Rule 79-5 when filing the Joint Stipulation, requesting that all factual admissions made by Defendants, stated in the Joint Stipulation (including the proposed Stipulated Judgment attached thereto), be maintained under seal, provisionally, pending a Court ruling on whether the Stipulated Judgment shall issue. The Court shall enter the Stipulated Judgment only upon a showing of all of the following: (a) one or more of the Defendants failed to perform any obligation under this Settlement Agreement; (b) Class Representatives gave Defendants written

notice (which notice shall be served by e-mail and mail on Defendants' Counsel) stating that one or more of the Defendants have failed to perform and specifying such failed performance; and (c) after the expiration of thirty (30) calendar days following service of such written notice, Defendants have failed to cure said failure to perform.

2.17 **"Net Settlement Fund"** means the amount remaining in the Settlement Fund after payment of the amounts set forth in Section 3.5.1 to 3.5.2 to Class Representatives and Class Counsel.

2.18 **"Notice Program"** means the procedure by which Class Notices shall be disseminated, as set forth in Section 6.1 of this Settlement Agreement.

2.19 **"Objection Deadline"** means sixty (60) calendar days after the Class Notice Date.

2.20 **"Objector"** means any Settlement Class Member that objects to this Settlement Agreement by following the procedures set forth in Section 6.4.

2.21 **"Opt-Out Deadline"** means sixty (60) calendar days after the Class Notice Date.

2.22 **"Parties"** means the Class Representatives and Defendants.

2.23 **"Preliminary Approval"** means that the Court has entered an order preliminarily approving the terms and conditions of this Settlement Agreement, including the manner of providing and content of notice to Settlement Class Members.

2.24 **"Preliminary Approval Date"** means the date on which the Court enters an Order granting Preliminary Approval.

2.25 **"Released Claims"** means the claims released by Releasing Parties, as defined in Section 10.1 of the Settlement Agreement.

2.26 **"Released Parties"** means (a) Jose M. Plehn-Dujowich, (b) BizQualify LLC, and (c) each of their respective present and former parents, subsidiaries, divisions, affiliates, predecessors, successors, heirs, beneficiaries, and assigns, and the present and former directors, officers, executives, employees, agents, insurers, shareholders, attorneys, advisors, consultants, representatives, partners, joint venturers, independent contractors, vendors, auditors, principals.

- 1 2.27 **“Releasing Parties”** means the Class Representatives and all Settlement Class
2 Members who do not timely and properly exclude themselves from the Settlement
3 Class, and each of their respective heirs, assigns, beneficiaries, and successors.
- 4 2.28 **“Reasonable Documentation”** means documentation supporting a Claim. Non-
5 exhaustive examples of Reasonable Documentation include credit card statements,
6 bank statements, invoices, telephone records, e-mail receipts, other payment records,
7 or sworn declaration or affidavit. A completed Claim Form with the name, signature,
8 and date of a Settlement Class Member on the attestation and signature page of the
9 Claim Form shall constitute a sworn declaration for purposes of Reasonable
10 Documentation as defined herein.
- 11 2.29 **“Settlement Account”** means an account with a U.S. bank opened by the Settlement
12 Administrator for the sole purpose of receiving and issuing payments in connection
13 with this Settlement Agreement.
- 14 2.30 **“Settlement Administrator”** means Class Counsel. The Parties may, by agreement,
15 substitute a different settlement administrator, subject to approval by the Court. In
16 the absence of agreement, either Class Representatives or Defendants may move the
17 Court to substitute a different settlement administrator, upon a showing that the
18 responsibilities of settlement administrator have not been adequately executed by the
19 incumbent.
- 20 2.31 **“Settlement Class”** and **“Settlement Class Members”** means: All Class Members,
21 including Class Representatives, who do not exclude themselves from the Class or
22 Settlement Class, pursuant to the procedures set forth in Section 6.3 of the
23 Settlement Agreement and the Class Notice. Class Members who do so exclude
24 themselves shall not be considered Settlement Class Members, shall not be bound by
25 this Settlement Agreement, and shall not be eligible to make a Claim for any benefit
26 under the terms of this Settlement Agreement or object thereto.
- 27 2.32 **“Settlement Fund”** means the total cash commitment of Defendants for purposes of
28 effectuating the settlement of this Action, which shall not exceed the total value of

1 six hundred, ninety-five thousand dollars and no cents (\$695,000), comprised of the
 2 following: (a) three hundred, seventy-five thousand dollars and no cents (\$375,000)
 3 in exchange for the release of all Released Claims by Releasing Parties; (b) incentive
 4 awards to Class Representatives, which shall be determined by the Court and shall
 5 not exceed a combined total of twenty thousand dollars and no cents (\$20,000); and
 6 (c) the Fee and Expense Award, which shall be determined by the Court and shall
 7 not exceed three hundred thousand dollars and no cents (\$300,000). The payment
 8 and disposition of these payments are subject to the provisions of this Settlement
 9 Agreement.

10 2.33 “**Settlement Website**” means the website that the Settlement Administrator will
 11 establish as soon as practicable following Preliminary Approval, but prior to the
 12 dissemination of the Class Notices, as a means for Settlement Class Members to
 13 obtain notice of and information about the Settlement Agreement, through and
 14 including hyperlinked access to (a) the publicly filed version of this Settlement
 15 Agreement; (b) privileged access to any unredacted version of the Settlement
 16 Agreement, provided that the Settlement Class Member wishing to review the
 17 unredacted version requests a password from the Settlement Administrator and
 18 agrees to maintain the confidentiality of all portions of this Settlement Agreement
 19 that are sealed by the Court; (c) the Class Notice; (d) the order regarding Preliminary
 20 Approval; (e) the Claim Form; (f) the operative First Amended Complaint; (g) all
 21 papers filed in connection with Class Representatives’ motion for attorneys’ fees and
 22 costs; and (h) such other documents as the Parties agree to post or that the Court
 23 orders posted on the website. These documents shall remain on the Settlement
 24 Website at least until the Final Approval Order. The Settlement Website may be
 25 hosted on Class Counsel’s website. The Settlement Website may permit Settlement
 26 Class Members to submit Claim Forms electronically via the Settlement Website.
 27 The Settlement Website shall remain operational until the date distributions become
 28 void.

2.34 “**Stipulated Judgment**” means the Stipulated Judgment in the amount of one million dollars and no cents (\$1,000,000) against Defendants, jointly and severally, in the same or substantially similar form as attached to the Joint Stipulation for Conditional Entry of Final Judgment.

2.35 “**Stock Pledge and Security Agreement**” or “**Security Agreement**” means the agreement attached hereto as **Exhibit 2**, which is to be signed by Defendant Jose M. Plehn-Dujowich, Defendants’ Counsel (as to form), and Settlement Administrator, with the original provided to Settlement Administrator, within ten (10) calendar days following Final Approval of this Settlement Agreement by the Court.

2.36 “**Valid Claim Form**” means a Claim Form submitted by a Settlement Class Member that (a) is submitted in accordance with the directions on the Claim Form and the provisions of the Settlement Agreement; (b) is substantially completed with sufficient information for the Settlement Administrator to evaluate the validity of the claim and executed by a Settlement Class Member on the initial submission; (c) is signed physically or by e-signature by a Settlement Class Member or person with authority to sign for and bind a Settlement Class Member, subject to penalty of perjury; (d) is returned via mail and post-marked by the Claims Deadline, or received by mail or on-line submission by 11:59 p.m. Pacific Standard Time on the Claims Deadline, and (e) is determined to be valid by the Settlement Administrator.

3 SETTLEMENT CONSIDERATION:

3.1 **Settlement Fund.** In consideration for the releases contained in Section 10 of this Settlement Agreement, Defendants shall establish a Settlement Fund, not to exceed six hundred, ninety-five thousand dollars and no cents (\$695,000), by making the following payments to the Settlement Administrator, to be held in the Settlement Account:

3.1.1 three hundred, seventy-five thousand dollars and no cents (\$375,000) in exchange for the release of all Released Claims by Releasing Parties;

3.1.2 an incentive payment, which shall be determined by the Court and shall not exceed twenty thousand dollars and no cents (\$20,000), which is to be

divided amongst Class Representatives in the amounts set forth below or as otherwise ordered by the Court; and

3.1.3 the Fee and Expense Award, which shall be determined by the Court using a lodestar method applicable to fee-shifting cases, and shall not exceed three hundred thousand dollars and no cents (\$300,000).

3.2 **Payment Schedule.**

3.2.1 **Initial Payment.** Defendants shall pay to the Settlement Administrator a combined sum of one hundred, fifty thousand dollars and no cents (\$150,000), within ninety (90) calendar days of the Final Approval Date (“Initial Payment”);

3.2.2 **Remaining Payments.** Defendants shall pay to the Settlement Administrator ten thousand dollars and no cents (\$10,000), on the first day of every month, commencing on the first day of the month immediately following the month in which the Initial Payment is made, and continuing thereafter until the Settlement Fund is paid in full;¹

3.2.3 **Manner of Payment.** Payment may be made by check or wire transfer in a manner directed by Settlement Administrator, or as otherwise agreed upon by the Parties and Settlement Administrator.

3.2.4 **Payments to Cure Default.** All payments made by Defendants under this Settlement Agreement shall be credited toward the most recent payment obligation that has arisen under this Settlement Agreement at the time of said payment. Accordingly, should Defendants tender any payment following a notice of default provided by Class Representatives, such payment shall be applied toward the balance of the most recent payment obligation, prior to being applied toward any outstanding obligation arisen from an earlier

¹ The final payment made pursuant to this Settlement Agreement may be less than \$10,000, if the remaining unpaid portion of the Settlement Fund is less than that amount.

missed or insufficient installment payment. The following example is intended to illustrate the effect of this provision: should Defendants fail to pay an amount owing under this Settlement Agreement (Installment A), causing Class Representatives to serve a notice of default triggering the 30-day cure period for Installment A, and should Installment B then come due, and should Defendants then pay the amount owed for Installment A, then such payment would first be applied to the obligation associated with Installment B, before any remaining portion of the payment is applied to the obligation associated with Installment A. In such a scenario, if Defendants' payment is insufficient to satisfy all obligations associated with both Installment A and Installment B, then Defendants will remain in default, and Class Representatives would be entitled to seek entry of the Stipulated Judgment, and this is the case regardless of any designation made by Defendants concerning the payment made.

3.3 **Joint Stipulation for Conditional Entry of Final Judgment.**

3.3.1 **Execution of the Joint Stipulation.** Within ten (10) calendar days of the Final Approval Date, Defendants and Class Counsel shall execute the Joint Stipulation for Conditional Entry of Final Judgment attached here as **Exhibit 1**. Defendants' Counsel shall also sign the Joint Stipulation as an indication of his approval as to form.

3.3.2 **Requesting Entry of the Stipulated Judgment.** In the event that Class Representatives, or a Class Representative, form a reasonable belief that Defendants, or either Defendant, have or has failed to fully perform under this Settlement Agreement, including by, but not limited to, failing to make full and timely payments to the Settlement Administrator under this Settlement Agreement, Class Representatives are entitled to file the Joint Stipulation and seek entry of the Stipulated Judgment. When filing the Joint Stipulation, Class Representatives shall simultaneously request that all

portions of the Joint Stipulation, and any attachments thereto, in which Defendants make factual admissions be maintained under seal, pursuant to this Court's Local Rule 79-5, pending determination by the Court on whether the Stipulated Judgment shall issue. The public, redacted version of the Joint Stipulation, and any attachments thereto, filed by Class Representatives in connection with their request for entry of the Stipulated Judgment shall be redacted in all locations corresponding to any material sealed by the Court in connection with the Parties' filing of this executed Settlement Agreement prior to preliminary approval of the same. Defendants acknowledge that pursuant to this Court's Local Rule 79-5, Defendants' failure to justify sealing of the Joint Stipulation, including by making appropriate filings in support of the request to seal, may result in the Court's denial of the request to seal the Joint Stipulation, provisionally or otherwise.

3.3.3 Issuance of the Stipulated Judgment. Pursuant to the Joint Stipulation, the Court shall, being so moved by Class Representatives, enter the Stipulated Judgment upon a showing that: (a) Defendants, or one of the Defendants, failed to comply with or fully perform under this Settlement Agreement; (b) Class Representatives have served on Defendants written notice that Defendant(s) are in default of such obligation or performance and specifying such default; and (c) after the expiration of thirty (30) calendar days following service of such written notice, Defendant(s) failed to cure such default. Any written notice of default under this provision may be mailed to Defendants' Counsel at the address set forth in this Settlement Agreement, where such notice will be deemed effective as to Defendants.

3.3.4 Destruction of Original Joint Stipulation. Within twenty-one (21) calendar days of Class Counsel being notified by Settlement Administrator of Settlement Administrator's receipt of the final settlement payment from Defendants pursuant to Section 3.2, Class Counsel shall destroy the original,

signed Joint Stipulation, and promptly notify Defendants' Counsel of its destruction. Class Counsel may retain a pdf copy of the signed Joint Stipulation for record-keeping purposes. In the event that Defendants, or a Defendant, fail to satisfy any obligation under this Settlement Agreement, and fail to cure the same within thirty (30) calendar days of the notice of default being served, Class Counsel is relieved of any obligation to destroy the original, signed Joint Stipulation under this Settlement Agreement.

3.4 **Execution of Stock Pledge and Security Agreement.** Within ten (10) calendar days of the Final Approval Date, Defendant Jose M. Plehn-Dujowich and Settlement Administrator shall execute the Stock Pledge and Security Agreement attached here as **Exhibit 2**. Defendants' Counsel shall also sign the Security Agreement as an indication of his approval as to form.

3.5 **Distribution of the Settlement Fund.** Subject to the Court's final approval, the Settlement Fund shall be distributed by Settlement Administrator to Class Representatives, Class Counsel, and the Settlement Class in the following order, in a reasonably prompt manner, as the funds are transferred by Defendants to Settlement Administrator:

3.5.1 **Incentive Award and Payment for General Releases to Class Representatives.**

3.5.1.1 Plaintiff Qiuzi Hu shall receive up to eight thousand, four hundred thirteen dollars and no cents (\$8,413), comprised of two parts: (1) an incentive award of up to \$6,000, in an amount to be determined and approved by the Court; and (2) a full refund of the \$2,413 course fee, unless the total recognized loss for the Claims described in Section 8.3.1.1 is equal to or exceeds the Net Settlement Fund, in which case, the refunded amount will be equal to a Claimant's pro rata share of the Net Settlement Fund under Section 8.3.2.2, in which said Claimant had a recognized loss in the amount of \$2,413.

1 3.5.1.2 Plaintiff Edwin Ramirez shall receive up to nine thousand, four
2 hundred thirteen dollars and no cents (\$9,413), comprised of two
3 parts: (1) an incentive award of up to \$7,000, in an amount to be
4 determined and approved by the Court; and (2) a full refund of the
5 \$2,413 course fee, unless the total recognized loss for the Claims
6 described in Section 8.3.1.1 is equal to or exceeds the Net Settlement
7 Fund, in which case, the refunded amount will be equal to a
8 Claimant's pro rata share of the Net Settlement Fund under Section
9 8.3.2.2, in which said Claimant had a recognized loss in the amount
10 of \$2,413.

11 3.5.1.3 Plaintiff Ivan Ronceria shall receive up to seven thousand, four
12 hundred thirteen dollars and no cents (\$7,413), comprised of two
13 parts: (1) an incentive award of up to \$5,000, in an amount to be
14 determined and approved by the Court; and (2) a full refund of the
15 \$2,413 course fee, unless the total recognized loss for the Claims
16 described in Section 8.3.1.1 is equal to or exceeds the Net Settlement
17 Fund, in which case, the refunded amount will be equal to a
18 Claimant's pro rata share of the Net Settlement Fund under Section
19 8.3.2.2, in which said Claimant had a recognized loss in the amount
20 of \$2,413.

21 3.5.1.4 Plaintiff Wenzhi Fei shall receive up to four thousand, four hundred
22 thirteen dollars and no cents (\$4,413), comprised of two parts: (1) an
23 incentive award of up to \$2,000, in an amount to be determined and
24 approved by the Court; and (2) a full refund of the \$2,413 course fee,
25 unless the total recognized loss for the Claims described in Section
26 8.3.1.1 is equal to or exceeds the Net Settlement Fund, in which case,
27 the refunded amount will be equal to a Claimant's pro rata share of
28 the Net Settlement Fund under Section 8.3.2.2, in which said

1 Claimant had a recognized loss in the amount of \$2,413.

2 **3.5.2 Attorneys' Fees and Costs.**

3 3.5.2.1 Several claims asserted by Class Representatives and the Settlement
4 Class permit the recovery of reasonable attorneys' fees and costs by
5 the prevailing party (i.e. fee-shifting statutes). Accordingly, as a part
6 of the consideration for entering into this Settlement Agreement,
7 Defendants agree to pay the reasonable attorneys' fees and costs (as
8 determined by the Court) incurred by Class Representatives and the
9 Settlement Class in this Action (the "Fee and Expense Award"),
10 subject to the limitations set forth herein.

11 3.5.2.2 Class Counsel shall receive a Fee and Expense Award of up to three
12 hundred thousand dollars and no cents (\$300,000.00), as determined
13 by the Court using a lodestar method, which will compensate Class
14 Representatives and the Settlement Class for all attorneys' fees, out of
15 pocket costs, and work performed in the Action both before and after
16 the issuance of the Final Approval Order, including but not limited to
17 documenting the Settlement, securing Court approval of the
18 Settlement, administering the Settlement as Settlement Administrator,
19 and obtaining final dismissal of the Action.

20 3.5.2.3 The Fee and Expense Award paid by Defendants pursuant to this
21 Agreement shall constitute full satisfaction of Defendants' obligations
22 to pay amounts to any person, attorney or law firm for attorneys' fees
23 or costs in this Action on behalf of Class Representatives and/or any
24 Settlement Class Member, and shall relieve Defendants from any
25 other claims or liability to any other attorney or law firm for any
26 attorneys' fees or costs to which any of them may claim to be entitled
27 on behalf of Class Representatives or any Settlement Class Member.

28 3.5.2.4 **IRS Form 1099.** By the first day of the month of February of each

year (beginning the year following the Court's issuance of the Final Approval Order and ending one year after the last payment is made by Defendants pursuant to this Settlement Agreement), Defendants shall provide to Class Counsel an IRS Form 1099 for the payments made to Class Counsel during the preceding tax year, if any such payments were made. Class Counsel shall be solely and legally responsible to pay any and all applicable taxes on the Fee and Expense Award.

3.5.3 Settlement Awards to Settlement Class.

3.5.3.1 Each Settlement Class Member shall receive their allocated share of the Net Settlement Fund, pursuant to Section 8.3.2 herein.

3.5.3.2 All payments to the Settlement Class Members shall be made in the order that the Valid Claim Forms were received by Settlement Administrator.

3.5.4 Optional Second Round Disbursement to Settlement Class. If, at the conclusion of ninety (90) calendar days after the final settlement distribution is made to the Settlement Class Members pursuant to Section 3.5.3, there are any monies remaining in the Settlement Account, Settlement Administrator may determine that a second round distribution is necessary or proper. This determination shall be made as follows: if the monies remaining in the Settlement Account are greater than seven thousand five hundred dollars (\$7,500), the Settlement Administrator shall administer a second round disbursement of the remaining monies, by allocating all such remaining funds in accordance with Section 8.3.2 herein, and distributing the funds accordingly. If the monies remaining in the Settlement Account are less than seven thousand five hundred dollars (\$7,500), Settlement Administrator has sole discretion to determine whether a second round distribution should occur. If the Settlement Administrator determines that a second round

distribution is appropriate, Settlement Administrator shall allocate all such remaining funds in accordance with Section 8.3.2 herein, and distribute the funds accordingly. For the purposes of any second round disbursement, Class Representatives shall be treated as having recognized losses in the amount of \$2,413.

3.5.5 **Cy Pres.** If, at the conclusion of one hundred eighty (180) calendar days after the final settlement distribution (including any second round disbursement, if any) is made to the Settlement Class Members, there are any monies remaining in the Settlement Account, those monies shall be paid to the Parties' agreed-upon *cy pres* recipient: UC Berkeley Extension, located at 1995 University Ave., Suite 200, Berkeley, California 94704-7000, subject to the Court's approval in the Final Approval Order. No funds are to be returned to Defendants.

3.6 None of the Releases as defined in this Settlement Agreement shall be effective until Defendants pay the entirety of the Settlement Fund.

3.7 Class Counsel shall file with the Court a motion for attorneys' fees and reimbursement of their out-of-pocket costs no later than fourteen (14) calendar days prior to the deadline for Settlement Class Members to object to the Settlement. The motion papers shall be made available on the Settlement Website.

3.8 All payments made by Defendants to the Settlement Administrator are to be held in the Settlement Account, until such time as the Settlement Administrator distributes payments to Class Representatives, Class Counsel, and the Settlement Class, in accordance with this Settlement Agreement.

3.9 Defendants are jointly and severally liable for all payment obligations under this Settlement Agreement.

4 BUSINESS PRACTICE REPRESENTATIONS AND WARRANTIES:

4.1 Defendants represent and agree that they will not operate or advertise, or assist others in operating or advertising, any educational course, online or otherwise, in a manner that is,

or is likely to, deceive Settlement Class Members or other members of the public.

5 PRELIMINARY APPROVAL:

5.1 Upon execution of this Settlement Agreement by Parties, Parties shall promptly and jointly move the Court for an order granting preliminary approval of this Settlement Agreement (“Preliminary Approval Order”). The motion for preliminary approval shall request that the Court: (a) preliminarily approve the terms of the Settlement Agreement as within the range of fair, adequate, and reasonable; (b) approve the form and content of the Class Notice and its dissemination via the Notice Program set forth below in Section 6.1; (c) approve the procedures set forth in Sections 6.3 and 6.4 for Class Members to exclude themselves from the Settlement Class or to object to the Settlement Agreement; (d) stay all proceedings in this Action unrelated to the Settlement Agreement pending final approval of the Settlement Agreement; and (e) schedule a final approval hearing for a time and date convenient for the Court, at which the Court will conduct an inquiry into the fairness of the Settlement Agreement, determine whether it was made in good faith and should be finally approved, and determine whether to approve Class Counsel’s application for attorneys’ fees, costs, and expenses (“Final Approval Hearing”).

6 CLASS NOTICE & CLAIM FORM DISSEMINATION:

6.1 **Notice Program.** The Parties shall provide Settlement Administrator with all information and/or documentation in their possession necessary for Settlement Administrator to implement the following Notice Program:

6.1.1 **By Mail.** Within thirty (30) calendar days of the Preliminary Approval Date, Settlement Administrator shall mail Court-approved Class Notices and Claim Forms to the last known physical addresses of the Class Members, to the extent known to the Parties. Approximately sixty (60) such addresses are known to the Parties as of the date of this Settlement Agreement.

6.1.2 **Email and/or WeChat Notice.** Within thirty (30) calendar days of the Preliminary Approval Date, Settlement Administrator shall email Court-approved Class Notices and Claim Forms to the Class Members to the last known email addresses of the Class Members, to the extent known to the

Parties. Where Settlement Administrator receives notification that an email failed to deliver to any particular email address, Settlement Administrator shall send, or attempt to send, a hyperlink to the Class Notice and Claim Form via WeChat, a Chinese social media and messaging platform, to the extent the Parties are aware of a WeChat address corresponding to that individual or his or her email address. The hyperlink may be a direct link to the Settlement Website.

6.1.3 **Settlement Website.** No later than the first date that Class Notice is provided, Settlement Administrator will develop, host, administer, publish, and maintain the Settlement Website in accordance with the Notice Program, which may include the ability to electronically file Claim Forms online, provided that such Claims Forms, if signed electronically, will be binding for purposes of applicable law and contain a statement to that effect. The Settlement Website shall host (a) a copy of the publicly filed version of this Settlement Agreement; (b) if the Court grants a request to seal any portion of this Settlement Agreement, an unredacted version of this Settlement Agreement, which may be accessed by Settlement Class Members by requesting a password from the Settlement Administrator and by agreeing to maintain the confidentiality of all sealed materials through a clickwrap or other enforceable agreement; (c) a copy of the Class Notice and Claim Form; and (d) the Court's order granting Preliminary Approval of this Settlement Agreement. The Settlement Website may be hosted as a separate webpage on Class Counsel's law firm website.

6.2 **The Class Notices Shall:**

6.2.1 Contain a short, plain statement of the background of the Lawsuit, the class certification, and the proposed settlement;

6.2.2 Describe the proposed settlement relief outlined in this Settlement Agreement and inform Class Members that they may review a fully

unredacted version of this Settlement Agreement by (a) contacting the Settlement Administrator to request a passcode and (b) agree to maintain the confidentiality of any material sealed by the Court;

6.2.3 Inform Class Members of their rights to: (a) exclude themselves from the Settlement Class by timely signing and mailing a valid Opt-Out Notice to the Settlement Administrator, or (b) object to the proposed Settlement Agreement by following the instruction provided in the Class Notice. Any Class Member who elects to opt out of the Settlement Class shall not be permitted to object to the Settlement Agreement. Persons falling within the definition of the Class who validly and timely request exclusion from the Settlement Class shall not be Settlement Class Members and shall not be eligible to make a Claim for any benefit under the terms of this Settlement Agreement;

6.2.4 Inform Class Members that, if they do not exclude themselves from the Settlement Class and submit a Valid Claim to the Settlement Administrator, they may be eligible to receive relief under the proposed settlement;

6.2.5 State that any relief to Settlement Class Members is contingent upon the Court's final approval of the proposed Settlement Agreement; and

6.2.6 State that Class Counsel will file a motion for the Fee and Expense Award no later than fourteen (14) calendar days prior to the Final Approval Hearing, and that such motion papers shall be made available on the Settlement Website promptly after being filed.

6.3 Request for Exclusion from Settlement Class.

6.3.1 Any Class Member may opt out of the Settlement Class by timely submitting a valid, signed Opt-Out Notice to the Settlement Administrator at the address set forth in the Class Notice. To be timely, the Opt-Out Notice must be postmarked no later than sixty (60) calendar days from Class Notice Date. A valid Opt-Out Notice must also include the following:

6.3.1.1 the case name and case number of the Lawsuit (*Hu, et al. v. Plehn-Dujowich, et al.*, Case No. 3:18-cv-01791-EDL);

6.3.1.2 the Class Member's legal name, address, telephone number, and, if available, an email address;

6.3.1.3 a statement that the Class Member wishes to exclude themselves from the Settlement Class; and

6.3.1.4 the Class Member's signature.

6.3.2 Any Opt-Out Notice that is not postmarked by the Opt-Out Deadline or that does not substantially comply with the instructions set forth in the Class Notice or Section 6.3 of this Settlement Agreement shall be deemed invalid. All Settlement Class Members who do not submit a valid Opt-Out Notice shall be bound by all proceedings, orders, and judgments in the Lawsuit, and shall be bound to the terms of this Settlement Agreement, following the Court's entry of the Final Approval Order.

6.3.3 Upon signing and mailing a valid Opt-Out Notice, the Class Member shall no longer be deemed a Settlement Class Member and shall not be entitled to receive any benefit from this Settlement Agreement.

6.4 **Objections.** Any Settlement Class Member who intends to object to the Settlement Agreement (an "Objector") must do so no later than sixty (60) calendar days after the Notice Date (the "Objection Deadline"). In order to object, the Settlement Class Member must file with the Court and provide a copy to Class Counsel and Defendants' Counsel, a hand signed document that includes:

6.4.1 the case name and case number of the Lawsuit (*Hu, et al. v. Plehn-Dujowich, et al.*, Case No. 3:18-cv-01791-EDL);

6.4.2 the legal name, address, telephone number, and email address (if any) of the person objecting, and if he/she is represented by counsel, the same contact information for his/her counsel;

6.4.3 specifically, and in writing, each objection and the grounds for each

objection, accompanied by any legal support for the objection;

6.4.4 whether he/she intends to appear at the Final Approval Hearing, either with or without counsel;

6.4.5 a statement sufficient to establish his/her membership in the Settlement Class, including all information required by the Claim Form;

6.4.6 a detailed list of any other objections submitted by the Objector, and/or his/her counsel, to any class actions submitted in any court, whether state or federal, in the United States in the previous five (5) years. If the Objector or his/her counsel has not objected to any other class action settlement in any court in the United States in the previous five (5) years, he/she shall affirmatively state so in the written materials provided in connection with the Objection to this Settlement Agreement;

6.4.7 any and all agreements that relate to the objection or the process of objecting, whether written or verbal, between Objector or Objector's counsel and any other person or entity; and

6.4.8 the Objector's signature on the written objection (an attorney's signature is not sufficient).

6.5 The proposed order granting Preliminary Approval will provide that any Settlement Class Member wishing to object and/or appear who fails to follow the procedures set forth above may, in the discretion of the Court, be precluded from doing so.

7 SETTLEMENT ADMINISTRATION:

7.1 **Responsibilities of Settlement Administrator.** The Settlement Administrator (including subcontractors, if any) shall help implement the terms of the proposed Settlement Agreement. The Settlement Administrator shall be responsible for administrative tasks, including, without limitation, (a) arranging for dissemination of Class Notices (in the form approved by the Court) and Claim Forms (in a form approved by the Court) to Class Members, in accordance with the Notice Program; (b) answering inquiries from Class Members and/or Settlement Class Members; (c) receiving and maintaining on behalf of the Court and the Parties any Class Member

1 correspondence regarding requests for exclusion from the settlement; (d) establishing the
2 Settlement Website that posts Class Notices, Claim Forms, and other related documents, including
3 privileged access to an unredacted version of this Settlement Agreement; (e) receiving and
4 processing Claims and distributing cash payments to Class Representatives, Class Counsel, and
5 Settlement Class Members; (f) informing Class Counsel of Settlement Administrator's receipt of all
6 settlement payments, and each settlement payment, from Defendants made pursuant to this
7 Settlement Agreement; and (g) otherwise assisting with implementation and administration of the
8 Settlement Agreement terms.

9 7.2 The attorneys' fees incurred in connection with Class Counsel's duties as Settlement
10 Administrator are intended to be accounted for in the Fee and Expense Award. Should another
11 person or entity replace Class Counsel as Settlement Administrator, at any point, the substituted
12 Settlement Administrator, upon conclusion of its services as Settlement Administrator, shall make a
13 motion to the Court, with notice to the Parties, for reasonable fees and costs for work performed as
14 Settlement Administrator. Defendants shall be jointly and severally liable for any amount awarded
15 by the Court to the substituted Settlement Administrator.

16 7.3 The Settlement Administrator shall provide prompt, accurate and objective responses
17 to inquiries from the Parties, their Counsel, or any designee thereof, and shall periodically report on
18 Claims, Objectors, exclusion requests, or such other information that may be reasonably requested
19 by such persons.

20 7.4 The Settlement Administrator shall, subject to the supervision of the Court,
21 administer the relief provided by this Settlement Agreement by processing Claim Forms in a
22 rational, responsive, cost-effective and timely manner. The Settlement Administrator shall maintain
23 reasonably detailed records of its activities under this Settlement Agreement. The Settlement
24 Administrator shall maintain all such records as are required by applicable law in accordance with
25 its normal business practices, and such records will be made available to Class Counsel,
26 Defendants' Counsel, and the Parties and their representatives, promptly upon request. The
27 Settlement Administrator shall also provide reports and other information to the Court as the Court
28 may require. The Settlement Administrator shall promptly provide the Parties and their counsel

1 with information concerning Class Notice, administration, and implementation of the Settlement
2 Agreement. Should the Court request or should it be reasonably advisable to do so, the Parties, in
3 conjunction with the Settlement Administrator, shall submit a timely report to the Court
4 summarizing the work performed by the Settlement Administrator.

5 7.5 The Settlement Administrator shall employ reasonable procedures to screen Claim
6 Forms for waste, fraud, and abuse, and shall reject a Claim Form, or any part of a Claim for a
7 payment reflected therein, where the Settlement Administrator determines that there is evidence of
8 fraud. The Settlement Administrator will review each Claim Form based upon the initial submission
9 by a Settlement Class Member and ensure that each is complete and properly substantiated, and,
10 based on the substantiation, the Settlement Administrator will determine the appropriate benefit to
11 be paid, if any, in accordance with the terms of this Agreement. The Settlement Administrator is
12 empowered to pay Claims determined to be valid.

13 7.6 The Settlement Administrator shall prepare a declaration attesting to compliance
14 with the Class Notice requirements set forth herein and identifying all Opt-Outs and/or objectors.
15 Such declaration shall be provided to Class Counsel and Defendants' Counsel no later than fourteen
16 (14) calendar days prior to the Final Approval Hearing.

17 7.7 The Settlement Administrator shall be responsible for distributing cash payments to
18 Settlement Class Members according to the processes and criteria set forth herein and in the Notice
19 Program. Such processes and criteria may include payment in the following forms, as selected by
20 each Settlement Class Member during the claim process: (i) mailed check; (ii) direct credit to a
21 PayPal or similar account; or (iii) electronic check emailed to the Settlement Class Member. Such
22 payment form shall be selected by each Settlement Class Member. All checks issued to Settlement
23 Class Members pursuant to this Agreement shall bear in the legend that they expire if not negotiated
24 within ninety (90) calendar days of their date of issue. To the extent that a check issued to a
25 Settlement Class Member is not cashed within ninety (90) calendar days after the date of issue, the
26 check will be void.

27 **8 CLAIMS PROCESS:**

28 8.1 Each Settlement Class Member shall be entitled to submit one Claim for a cash

1 payment pursuant to the terms of the Settlement Agreement and as set forth further below. The
 2 period for submitting such Claims shall commence upon the Class Notice Date and continue for no
 3 less than sixty (60) calendar days.

4 **8.2 Claim Form and Reasonable Documentation.** All Claims must be submitted with
 5 a Valid Claim Form and Reasonable Documentation substantiating the claim, and received by the
 6 Settlement Administrator or postmarked by the Claims Deadline, which shall be clearly set forth in
 7 the Class Notice, on the Settlement Website, and on the Claim Form. The Claim Form will be
 8 available on the Settlement Website. The Claim Form will also be mailed or emailed to any
 9 Settlement Class Member upon request by calling or writing to Class Counsel or the Settlement
 10 Administrator. Settlement Class Members may submit their completed and signed Claim Forms to
 11 the Settlement Administrator by such means as prescribed by the Class Notice on or before the
 12 Claims Deadline.

13 **8.3 Filing a Claim.** Each Settlement Class Member may file a Claim that will, if
 14 determined by the Settlement Administrator to be a valid Claim, render that Settlement Class
 15 eligible to receive a distribution from the Settlement Fund, in the manner set forth below:

16 **8.3.1 Recognized Losses:**

17 8.3.1.1 Settlement Class Members who submit a Valid Claim Form and
 18 Reasonable Documentation demonstrating that he or she paid a fee to
 19 enroll in the GFDP will have a recognized loss in the amount paid as
 20 the course fee;

21 8.3.1.2 For purposes of allocating the Net Settlement Fund, Class
 22 Representatives will be deemed to have no recognized losses, to
 23 account for earlier payments distributed to Class Representatives, as
 24 set forth in section 3.5.1.

25 **8.3.2 Payment Allocations:** All allocations of the Net Settlement Fund shall be
 26 distributed by the Settlement Administrator to the respective Settlement
 27 Class Members by making a single disbursement of monies to each such
 28 Settlement Class Member, unless the Settlement Administrator determines

1 that second round disbursement is necessary or proper as permitted by
2 Section 3.5.4. Monies for distribution to the Settlement Class Members shall
3 be allocated as follows:

4 8.3.2.1 If the total recognized loss for the Claims in Sections 8.3.1.1 is **less**
5 **than** the Net Settlement Fund, Claims made under Sections 8.3.1.1
6 will first be allocated an amount equal to their recognized loss. All
7 remaining funds in the Net Settlement fund will be allocated equally
8 amongst all Settlement Class Members who submit a Valid Claim
9 Form and Reasonable Documentation demonstrating that he or she
10 enrolled in the GFDP.

11 8.3.2.2 If total recognized loss for the Claims described in Section 8.3.1.1 **are**
12 **equal to or exceed** the Net Settlement Fund, Claims made by persons
13 with no recognized losses shall not receive any distribution of funds.
14 Claims made under Section 8.3.1.1 will receive a distribution on a pro
15 rata basis based on each Claimant's recognized loss as a proportion of
16 the total amount of recognized losses for all Claimants.

17 8.4 After all Claims have been processed, Settlement Administrator will provide
18 Defendants' Counsel with the approved Claimants list, including the distribution calculations for
19 each Claim, and details regarding any deficient Claim Forms and all Claims marked for denial.
20 Settlement Administrator will maintain a database of filed Claims, which will include all relevant
21 information captured from the Claim Form. Depending on the number of Claims Forms marked as
22 deficient, the Parties shall meet and confer to determine if a deficiency and denial process is
23 necessary. Any deadlines set forth in this Settlement Agreement shall be changed to accommodate
24 for such deficiency processes as deemed appropriate by the Parties.

25 8.5 Settlement Administrator shall be responsible for reviewing all Claims to determine
26 their validity. Settlement Administrator shall reject any Claim that does not comply in any material
27 respect with the instructions on the Claim Form, or is submitted after the Claims Deadline. The
28 Parties, Class Counsel, and Defendants' Counsel may review any Claims found to be invalid by

Settlement Administrator. If the Parties each agree that a Claim is valid, the Claim shall be paid irrespective of the original determination made by the Settlement Administrator. If either Class Counsel or Defendants' Counsel believe a Claim is valid while the other does not, such disagreements shall be resolved by the Hon. Joseph C. Spero or another third-party mediator agreed upon by the Parties. Any further mediation fees shall be paid from the Settlement Fund.

8.6 **Confidentiality of Claim Forms.** The Parties agree that all Claim Forms submitted by Settlement Class Members, and the personal information contained therein, shall be treated as strictly confidential and will not be disclosed to any person other than the Parties' counsel, the Settlement Administrator, the Court, and any other person(s) to whom disclosure is necessary to effectuate the terms of this Settlement Agreement, or required by applicable state or federal law.

8.7 **Uncleared Checks.** Those Settlement Class Members whose cash benefit checks are not cleared within ninety (90) calendar days after issuance shall be ineligible to receive a cash settlement benefit, and Settlement Administrator shall have no further obligation to make any payment to such Settlement Class Members. The Settlement Administrator shall honor requests for checks to be reissued provided said requests are made prior to the expiration of the ninety (90) calendar day clearance period, and the Settlement Class Member provides any and all necessary documentation to support a request for reissue. Reissued checks shall be valid for a term of thirty (30) calendar days from mailing or the original void date, whichever is later. Any unpaid funds from uncleared checks upon conclusion of the Settlement Fund distribution process described in Section 3.5, shall remain in the Settlement Fund, pending further order of the Court.

8.8 Each Settlement Class Member may submit only one Claim, irrespective of the number of GFDP cohorts in which he or she participated.

8.9 Settlement Administrator shall pay all costs associated with the administration and issuance of checks for cash payments to Settlement Class Members from the Settlement Fund. Where possible, the costs associated with the transfer of any settlement monies to the Settlement Class shall be deducted from the settlement payment in which the cost arises.

9 FINAL APPROVAL ORDER AND JUDGMENT:

9.1 The Parties' joint motion for preliminary approval of the Settlement Agreement will

1 include a request to the Court for a scheduled date on which the Final Approval Hearing will occur.
 2 The Final Approval Hearing shall be scheduled no earlier than ninety (90) calendar days after
 3 notices of this proposed Settlement Agreement are served on the appropriate state and federal
 4 officials as required by 28 U.S.C § 1715. Class Representatives themselves, or jointly with
 5 Defendants, shall move for entry of a Final Approval Order consistent with the terms of this
 6 Agreement and the Preliminary Approval Order, granting final approval of this Settlement
 7 Agreement and, among other things, (a) determining that the Settlement Agreement is fair,
 8 adequate, and reasonable; (b) finally certifying the Settlement Class for settlement purposes only;
 9 (c) determining that the Class Notice provided satisfied Due Process requirements; and (d)
 10 reserving the Court's continuing and exclusive jurisdiction over Defendants and all Settlement
 11 Class Members (including all Objectors) to administer, supervise, construe, and enforce this
 12 Agreement in accordance with its terms.

13 9.2 Upon issuance of the Final Approval Order: (i) the Settlement Agreement shall be
 14 the exclusive remedy for any and all Settlement Class Members; (ii) Defendants shall not be subject
 15 to liability or expense of any kind to any Settlement Class Member except as set forth herein; and
 16 (iii) Settlement Class Members shall be permanently barred from initiating, asserting, or
 17 prosecuting any and all Released Claims against Defendants in any federal or state court in the
 18 United States or any other tribunal.

19 9.3 The Court shall retain jurisdiction with respect to the interpretation, implementation,
 20 and enforcement of the terms of this Settlement and all orders and judgments entered in connection
 21 therewith, and the Parties and their Counsel hereby submit to the exclusive jurisdiction of the Court
 22 for this purpose.

23 **10 RELEASE:**

24 10.1 **Release by Settlement Class Members.** As of the Effective Date, the Releasing
 25 Parties, each on behalf of himself or herself and on behalf of his or her respective heirs, assigns,
 26 beneficiaries, and successors, shall automatically be deemed to have fully and irrevocably released
 27 and forever discharged the Released Parties of and from any and all liabilities, rights, claims,
 28 actions, causes of action, demands, lawsuits, arbitrations, damages, penalties, costs, attorneys' fees,

1 losses, and remedies, whether known or unknown, existing or potential, suspected or unsuspected,
 2 liquidated or unliquidated, legal, statutory, or equitable, that result from, arise out of, are based
 3 upon, or relate to in any way any of the allegations, acts, transactions, facts, events, matters,
 4 occurrences, representations or omissions involved, set forth, alleged or referred to in this Action,
 5 or which could have been alleged in this Action, including, without limitation, all liabilities, rights,
 6 claims, actions, causes of action, demands, lawsuits, arbitrations, damages, penalties, costs,
 7 attorneys' fees, losses, and remedies, or remedies relating to, based upon, resulting from, or arising
 8 out of the facts and circumstances giving rise to the Lawsuit, as set forth in the First Amended
 9 Complaint in the Action ("Released Claims").

10 10.2 This release is intended to have the broadest possible application and includes, but is
 11 not limited to, any tort, contract, common law, constitutional or other statutory claims, including,
 12 but not limited to alleged violations of the California Labor Code (except for the provisions relating
 13 to workers' compensation and Section 2802) or Business and Professions Code (*e.g.*, 17200 *et*
 14 *seq.*), or the federal Fair Labor Standards Act, and the Private Attorney General Act ("PAGA")
 15 (Labor Code Section 2699 *et seq.*), all wage claims, and all claims for attorneys' fees, costs and
 16 expenses. The Releasing Parties expressly waive their rights to recovery of any type, including
 17 damages, in any administrative or court action, whether state or federal, and whether brought by
 18 any Party or on its behalf, related in any way to the matters released herein.

19 10.3 With respect to the Released Claims, each Settlement Class Member shall be
 20 deemed to have waived and relinquished, to the fullest extent permitted by law, the provisions,
 21 rights and benefits of California Civil Code Section 1542 (and equivalent, comparable, or
 22 analogous provisions of the laws of the United States of America or any state or territory thereof, or
 23 of the common law or civil law). Section 1542 provides that:

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

28 10.4 By failing to opt-out of the settlement, Settlement Class Members acknowledge and

1 agree that all of the claims for wage and hour and payroll practice violations in the Action are
 2 disputed, and that the Settlement Class members' Settlement Awards constitute payment in full of
 3 any and all amounts allegedly due to them. In light of the foregoing, Settlement Class Members
 4 shall be deemed to have acknowledged and agreed that California Labor Code Section 206.5 is not
 5 applicable to the Parties hereto. That section provides in pertinent part as follows:

6 An employer shall not require the execution of a release of a claim or right on account
 7 of wages due, or to become due, or made as an advance on wages to be earned, unless
 8 payment of those wages has been made.

9 **10.5 Excluded Claims.** This release does not extend to claims which by law cannot be
 10 released by private agreement, such as claims for worker's compensation or unemployment
 11 benefits.

12 **10.6** Upon entry of the Final Approval Order, the Settlement Class Members shall be
 13 enjoined from prosecuting any claim they have released in the preceding paragraphs in any
 14 proceeding against any of the Released Parties, or based on any actions taken by any of the
 15 Released Parties that are authorized or required by this Agreement or by the Final Approval Order.
 16 It is further agreed that the Settlement Agreement may be pleaded as a complete defense to any
 17 proceeding subject to this section.

18 **10.7** None of the above releases include releases of claims pursuant to the Settlement
 19 Agreement, or otherwise affect the Parties' rights to enforce the terms of the Settlement Agreement.

20 **11 ATTORNEYS' FEES AND SERVICE AWARDS:**

21 **11.1** No later than fourteen (14) calendar days prior to the expiration of the Objection
 22 Deadline, Class Counsel will petition the Court for an award of attorneys' fees, costs, and expenses
 23 (the Fee and Expense Award) in an amount not to exceed three hundred thousand dollars and no
 24 cents (\$300,000). Such fees, costs, and expenses, if approved by the Court, shall be payable within
 25 fifteen (15) calendar days of the entry of the Final Approval Order, or such later date as required by
 26 the Court, subject to the provision of reasonable and adequate security, and Class Counsel's
 27 provision of all payment routing information and the tax I.D. numbers for Class Counsel. In the
 28 event the Final Approval Order is reversed or vacated by the U.S. Court of Appeals for the Ninth

1 Circuit or the U.S. Supreme Court, Class Counsel shall refund all fees, costs, and expenses paid by
2 Defendants within thirty (30) calendar days of the order vacating or reversing the Final Approval
3 Order. Defendants agree that the attorney fee award is a matter to be determined by the Court, and
4 Defendants will take no position regarding the attorney fee award. The Fee and Expense Award
5 shall be the total obligation of Defendants to pay for attorneys' fees, costs and/or expenses of any
6 kind (including, but not limited to, travel, filing fees, court reporter and videographer expenses,
7 expert fees and costs, and document review and production costs related to this Action or any
8 claims asserted in the Action). Any disputes regarding the distribution of fees or the reasonableness
9 or adequacy of the security to be provided by counsel shall be mediated by the Hon. Joseph C.
10 Spero and decided by the Court. Class Counsel agrees that the denial of, reduction or downward
11 modification of, or failure to grant any application for attorneys' fees, costs, or expenses shall not
12 constitute grounds for modification or termination of this Settlement Agreement, including the
13 releases provided for herein.

14 11.2 Class Counsel will also petition the Court for approval of, and Defendants will not
15 oppose, incentive awards not to exceed the amounts set forth in Section 3.5.1 for each Class
16 Representative, which are intended to compensate such individuals for their efforts in the litigation
17 and commitment on behalf of the Settlement Class ("Incentive Awards"). Incentive Awards will be
18 in addition to any claim which the Class Representative may be entitled to under the claims process
19 set forth in Section 8 of this agreement. Any Incentive Awards approved will be paid from the
20 Settlement Fund. Neither Class Counsel's application for, nor any individual's entitlement to, an
21 Incentive Award shall be conditioned in any way upon such individual's support for this Settlement
22 Agreement.

23 11.3 All papers filed in connection with Class Counsel's petition for the Fee and Expense
24 Award and Incentive Awards shall be made available on the Settlement Website promptly after
25 their being filed with the Court.

26 11.4 Except as otherwise provided in this Settlement Agreement, each party to this
27 Settlement Agreement shall bear his, her or its own costs of the Lawsuit.
28

1 **12 TERMINATION:**

2 12.1 **Effect If Settlement Not Approved.** This Settlement Agreement was entered into
3 only for purposes of settlement, subject to and without waiver of the Parties' respective rights. If the
4 Court does not enter the order granting Preliminary Approval or the Final Approval Order, or if the
5 Effective Date does not occur, Class Counsel and Defendants' Counsel shall endeavor, consistent
6 with the Settlement Agreement, to cure any defect identified by the Court; provided, however, that
7 Defendants shall not be obligated to accept such cure if it increases the cost or burden of the
8 Settlement Agreement to Defendants or reduces or otherwise affects the scope of the releases
9 provided by this Settlement Agreement.

10 12.2 This Settlement Agreement may be terminated by either the Class Representatives or
11 Defendants by serving on counsel for the opposing Party and filing with the Court a written notice
12 of termination within fourteen (14) calendar days (or such longer time as may be agreed in a writing
13 signed by both Class Counsel and Defendants' Counsel) after any of the following occurrences: (a)
14 Class Counsel and Defendants' Counsel mutually agree in writing to termination before the
15 Effective Date; (b) the Court rejects, materially modifies, materially amends or changes, or declines
16 to preliminarily or finally approve the Settlement Agreement; (c) an appellate court reverses the
17 Final Approval Order, and on remand, the Court does not reinstate and finally approve the
18 Settlement Agreement without material change; (d) the Court or any reviewing appellate court
19 incorporates material terms or provisions into, or deletes or strikes material terms or provisions
20 from, or materially modifies, amends, or changes, the Preliminary Approval Order, the proposed
21 Final Approval Order, or the Settlement Agreement; or (e) the Effective Date does not occur.

22 12.3 If the Settlement Agreement is terminated for any reason, the Final Approval Order
23 is not entered for any reason, or the Effective Date does not occur, then no term or condition of the
24 Settlement Agreement, or any draft thereof, or any discussion, negotiation, documentation, or other
25 part or aspect of the Parties' settlement discussions shall have any effect, nor shall any such matter
26 be admissible in evidence for any purpose in the Action, or in any other proceeding, and the Parties
27 shall be restored to their respective positions in effect immediately preceding execution of this
28 Settlement Agreement.

13 STIPULATED JUDGMENT IN THE EVENT OF DEFAULT:

13.1 This Settlement Agreement reflects, among other things, the compromise and settlement of disputed claims among the parties. The terms of this Settlement Agreement are not to be construed as an admission by Defendants of any liability, except as provided below, upon signing of the Joint Stipulation following the Court's Final Approval of this Settlement.

13.2 Within ten (10) calendar days of the Final Approval of this Settlement Agreement by the Court, Defendants, Defendants' Counsel, and Class Counsel shall sign the Joint Stipulation for Conditional Entry of Final Judgment, attached hereto as **Exhibit 1**, with the original, signed copy to be maintained by Class Counsel. Defendants acknowledge that upon signing the Joint Stipulation, they thereby admit all factual representations made therein and in the proposed Stipulated Judgment attached thereto. Accordingly, the Parties intend and agree that all such factual representations will have preclusive effect in any future proceeding between the Parties.

13.3 Pursuant to the Joint Stipulation, if Class Counsel and Class Representatives (or a Class Representative) reasonably believe that Defendants (or a Defendant) have (or has) failed to perform any obligation under this Settlement Agreement, Class Representatives may file a motion with the Court, along with the signed Joint Stipulation, requesting that the Court enter the Stipulated Judgment in the same, or substantially similar, form as attached to the Joint Stipulation. Class Representatives shall, in accordance with this Court's Local Rule 79-5, request that all factual admissions made by Defendants in the executed Joint Stipulation be maintained under seal pending the Court's determination on whether the Stipulated Judgment shall issue. Any public, redacted version of the Joint Stipulation filed by Class Representatives should redact only those portions of the Joint Stipulation which the Court sealed (if any) following the filing of this Settlement Agreement in connection preliminary approval of the same. Pursuant to Local Rule 79-5(e), within four (4) days of Class Representatives' filing of the administrative motion to seal the Joint Stipulation, Defendants may file materials in support of the administrative motion to seal. Defendants acknowledge that failure to file such supporting materials may be grounds for the Court to deny the administrative motion to seal the Joint Stipulation, provisionally or otherwise.

13.4 Pursuant to the Joint Stipulation, the Court shall enter the Stipulated Judgment upon

a showing by Class Representatives that: (a) Defendants, or a Defendant, failed to perform any obligation required by this Settlement Agreement, including, but not limited to, failing to tender payments in accordance with Section 3 of this Settlement Agreement; (b) Class Representatives gave Defendants written notice that Defendants are in default of such obligation or performance and specifying such default; and (c) after the expiration of thirty (30) calendar days following service of such written notice (which service may be directed to Defendants' Counsel at the address listed in this Settlement Agreement), Defendants have failed to cure such default.

13.5 Within twenty-one (21) calendar days of Class Counsel being notified by Settlement Administrator of Settlement Administrator's receipt of the final settlement payment from Defendants pursuant to Section 3.2, Class Counsel shall destroy the original, signed Joint Stipulation, and promptly notify Defendants' Counsel of its destruction. Class Counsel may retain a pdf copy of the signed Joint Stipulation for record-keeping purposes. In the event that Defendants, or a Defendant, fail to satisfy any obligation under this Settlement Agreement, and fail to cure the same within thirty (30) calendar days of the notice of default being served, Class Counsel is relieved of any obligation to destroy the original, signed Joint Stipulation under this Settlement Agreement.

14 EFFECT OF CLASS CERTIFICATION:

14.1 The Parties agree, for settlement purposes only, that this Action shall be certified and proceed as a class action under Federal Rule of Civil Procedure 23(b)(3), with a class consisting of all Settlement Class Members, Plaintiffs Qiuzi Hu, Edwin Ramirez, Ivan Ronceria, and Wenzhi Fei as Class Representatives, and Class Counsel as counsel for the Settlement Class Members.

14.2 Any certification of a conditional, preliminary or final settlement class pursuant to the terms of this Settlement Agreement shall not constitute, and shall not be construed as, an admission on the part of Defendants that this Action, or any other proposed or certified class action, is appropriate for trial class treatment pursuant to Federal Rule of Civil Procedure or any similar state or federal class action statute or rule. This Settlement Agreement shall be without prejudice to the rights of Defendants to: (a) move to dismiss or stay this Action on any applicable basis, should this Settlement Agreement not be approved or implemented for any reason; (b) oppose certification

1 or seek decertification in this Action, should this Settlement Agreement not be approved or
 2 implemented for any reason; or (c) oppose certification in any other proposed or certified class
 3 action.

4 **15 MISCELLANEOUS PROVISIONS:**

5 15.1 **Defendants' Legal Fees.** Defendants' legal fees and expenses in this Action shall be
 6 borne solely by Defendants.

7 15.2 **Computation of Time.** For purposes of this Settlement Agreement, if the prescribed
 8 time period in which to complete any required or permitted action expires on a Saturday, Sunday, or
 9 legal holiday (as defined by FED. R. CIV. P. 6(a)(6)), such time period shall be continued to the
 10 following business day.

11 15.3 **Interim Stay of Proceedings.** The Parties agree to hold in abeyance all proceedings
 12 in the Action, except such proceedings necessary to implement and complete the Settlement.

13 15.4 **Amendment or Modification.** This Settlement Agreement may be amended or
 14 modified only by a written instrument signed by counsel for all Parties or their successors in interest
 15 and approved by the Court. This Settlement Agreement may not be discharged except by
 16 performance in accordance with its terms or by a writing signed by counsel for the Parties hereto
 17 and approved by the Court.

18 15.5 **Entire Agreement.** This Settlement Agreement constitutes the entire agreement
 19 among the Parties, and no oral or written representations, warranties or inducements have been
 20 made to any Party concerning this Settlement Agreement other than the representations, warranties,
 21 and covenants contained and memorialized in the Settlement Agreement. All prior or
 22 contemporaneous negotiations, memoranda, agreements, understandings, and representations,
 23 whether written or oral, are expressly superseded hereby and are of no further force and effect. Each
 24 of the Parties acknowledges that they have not relied on any promise, representation or warranty,
 25 express or implied, not contained in this Settlement Agreement. No rights hereunder may be waived
 26 except in writing.

27 15.6 **Authorization to Enter Into Settlement Agreement.** Class Counsel, who are
 28 signatories hereof, represent and warrant that they have the authority, on behalf of Class

1 Representatives and Class Counsel, to execute, deliver, and perform this Settlement Agreement and
2 to consummate all of the transactions contemplated hereby. This Settlement Agreement has been
3 duly and validly executed and delivered by Class Counsel and Class Representatives and constitutes
4 their legal, valid and binding obligation. Defendants' Counsel, who are signatories hereof, represent
5 and warrant that they have the authority, on behalf of their clients, to execute, deliver, and perform
6 this Settlement Agreement and to consummate all of the transactions contemplated hereby. The
7 execution, delivery and performance by Defendants of this Settlement Agreement and the
8 consummation by it of the actions contemplated hereby have been duly authorized by Defendants.
9 This Settlement Agreement has been duly and validly executed and delivered by Defendants and
10 constitutes their legal, valid, and binding obligation.

11 **15.7 Binding on Successors and Assigns.** This Settlement Agreement shall be binding
12 upon, and inure to the benefit of, Class Representatives, Defendants, the Settlement Class Members,
13 and their respective heirs, beneficiaries, executors, administrators, successors, transferees,
14 successors, assigns, or any corporation or any entity with which any party may merge, consolidate
15 or reorganize. Class Representatives and Defendants hereto represent, covenant and warrant that
16 they have not directly or indirectly assigned, transferred, encumbered or purported to assign,
17 transfer or encumber to any person or entity, any portion of any liability, claim, demand, action,
18 cause of action or rights herein released and discharged except as set forth herein.

19 **15.8 Counterparts.** This Settlement Agreement may be executed in one or more
20 counterparts, including by facsimile, DocuSign, or email. All executed counterparts and each of
21 them shall be deemed to be one and the same instrument. All executed copies of this Settlement
22 Agreement, and photocopies thereof (including facsimile and/or emailed copies of the signature
23 pages), shall have the same force and effect, and shall be as legally binding and enforceable, as the
24 original.

25 **15.9 No Signature Required by Settlement Class Members.** Only the Class
26 Representatives and Defendants will be required to execute this Settlement Agreement. The Class
27 Notice will advise all Settlement Class Members of the Settlement Agreement, including binding
28 nature of the release, and such shall have the same force and effect as if this Settlement Agreement

1 were executed by each Settlement Class Member.

2 **15.10 Cooperation and Drafting.** The Parties have cooperated in the drafting and
3 preparation of this Agreement; hence the drafting of this Agreement shall not be construed against
4 any of the Parties. The Parties agree that the terms and conditions of this Agreement were
5 negotiated at arm's length and in good faith by the Parties, and reflect a settlement that was reached
6 voluntarily based upon adequate information and sufficient discovery and after consultation with
7 experienced legal counsel.


8 **15.11 Governing Law.** All terms of this Settlement Agreement and the exhibits hereto
9 shall be governed by and interpreted according to the laws of the State of California and the United
10 States of America, where applicable.

11 **15.12 Jurisdiction of the Court.** The Court shall retain jurisdiction with respect to the
12 interpretation, implementation, and enforcement of the terms of this Settlement and all orders and
13 judgments entered in connection therewith, and the Parties and their Counsel hereby submit to the
14 exclusive jurisdiction of the Court for this purpose.

15 **15.13 No Waiver.** The waiver by any party of any provision or breach of this Settlement
16 Agreement shall not be deemed a waiver of any other provision or breach of this Settlement
17 Agreement.

18 IN WITNESS HEREOF, the Parties hereby execute and cause this Settlement Agreement to
19 be executed, by their duly authorized representatives, as of the date(s) indicated on the lines below.

20
21 Dated: 7/19/2019

22 
23 Qiuzi Hu
24 Class Representative

25 Dated: _____

26 Edwin Ramirez
27 Class Representative

28 *[signatures continue onto next page]*

1 were executed by each Settlement Class Member.

2 **15.10 Cooperation and Drafting.** The Parties have cooperated in the drafting and
3 preparation of this Agreement; hence the drafting of this Agreement shall not be construed against
4 any of the Parties. The Parties agree that the terms and conditions of this Agreement were
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7 experienced legal counsel.

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10 States of America, where applicable.

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12 interpretation, implementation, and enforcement of the terms of this Settlement and all orders and
13 judgments entered in connection therewith, and the Parties and their Counsel hereby submit to the
14 exclusive jurisdiction of the Court for this purpose.

15 **15.13 No Waiver.** The waiver by any party of any provision or breach of this Settlement
16 Agreement shall not be deemed a waiver of any other provision or breach of this Settlement
17 Agreement.

18 IN WITNESS HEREOF, the Parties hereby execute and cause this Settlement Agreement to
19 be executed, by their duly authorized representatives, as of the date(s) indicated on the lines below.

20
21 Dated: _____

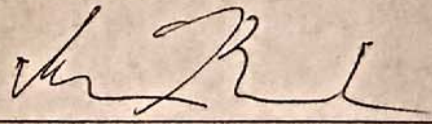
22 _____
23 Qiuzi Hu
24 Class Representative

25 Dated: 07/24/17

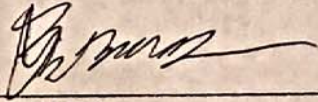
26 
27 _____
28 Edwin Ramirez
Class Representative

[signatures continue onto next page]

1
2 Dated: 7-19-19


Ivan Ronceria
Class Representative

3
4
5
6 Dated: 7-21-19


Wenzhi Fei
Class Representative

7
8
9 Dated: _____

10 Jose M. Plehn-Dujowich
11 Defendant

12
13 Dated: _____

BIZQUALIFY, LLC

14
15 By: _____
16 Jose M. Plehn-Dujowich, CEO
Defendant

17 Dated: _____

DHILLON LAW GROUP INC.

18
19 By: _____
20 Harmeet K. Dhillon (SBN: 207873)
21 Krista L. Baughman (SBN: 264600)
22 Gregory R. Michael (SBN: 306814)

Attorneys for Plaintiffs, Class, and FLSA Collective

23
24 Dated: _____

KIEVE LAW OFFICES

25
26 By: _____
Loren Kieve (SBN: 56280)

27 Attorney for Defendants Jose M. Plehn-Dujowich
28 and BizQualify LLC


1
2 Dated: _____

Ivan Ronceria
Class Representative

3
4
5
6 Dated: _____

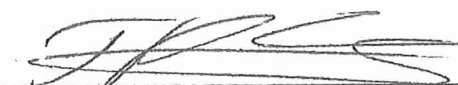
Wenzhi Fei
Class Representative

7
8
9 Dated: Aug 7, 2019


Jose M. Plehn-Dujowich
Defendant

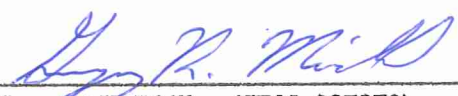
10
11
12 Dated: Aug 7, 2019

BIZQUALIFY, LLC

13
14
15 By: 
Jose M. Plehn-Dujowich, CEO
Defendant

16
17 Dated: August 8, 2019

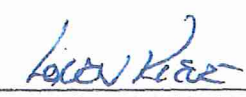
DHILLON LAW GROUP INC.

18
19 By: 
Harmmeet K. Dhillon (SBN: 207873)
Krista L. Baughman (SBN: 264600)
Gregory R. Michael (SBN: 306814)

Attorneys for Plaintiffs, Class, and FLSA Collective

20
21
22
23 Dated: August 8, 2019

KIEVE LAW OFFICES

24
25 By: 
Loren Kieve (SBN: 56280)

26
27
28 Attorney for Defendants Jose M. Plehn-Dujowich
and BizQualify LLC