

## AMENDED SETTLEMENT AGREEMENT

CRD Case Number: [REDACTED]

EEOC Case Number: [REDACTED]

**Complainant(s):**

[REDACTED]

**Respondent(s):**

Leaps and Bounds, LLC

This Amended Settlement Agreement modifies and supersedes the agreement previously executed by the parties with an effective date of September 10, 2024, pursuant to paragraph 11 of that agreement.

In exchange for the promises and representations set forth herein, the California Civil Rights Department (“CRD” or “Department”), [REDACTED] (“Complainant” [REDACTED] and Leaps and Bounds, LLC (“Respondent” or “Leaps and Bounds”) (collectively the “parties”), agree to resolve the above-listed complaint filed with the Department (“CRD Complaint”)<sup>1</sup> pursuant to the following terms and conditions:

1. This Amended Settlement Agreement will take effect once it has been signed by all parties and an authorized CRD representative (the “Effective Date”).
2. The parties intend and agree that this Amended Settlement Agreement is binding and enforceable as permitted under law and that the terms are contractual and not mere recitals. As such this Amended Settlement Agreement may be used as evidence if any party brings a proceeding to enforce this Amended Settlement Agreement.
3. By signing this Amended Settlement Agreement, no party is admitting liability, wrongdoing, or the truth of any facts alleged in the CRD Complaint.
4. In exchange for Complainant’s promises in this Amended Settlement Agreement, Respondent agreed to provide \$200,000.00 for a Settlement Fund, which has been sent to the Settlement Administrator as follows: (1) \$165,000 was wired to the Settlement Administrator on September 16, 2024, and (2) \$35,000.00 to Complainant [REDACTED] was sent to CRD on September 26, 20224.

The Settlement Fund will be disbursed as follows:

- a. To pay the cost for Leaps and Bounds to retain a Settlement Administrator, subject to approval by CRD, as further described in Paragraph 5.

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<sup>1</sup> The term “CRD Complaint” includes Complainant’s dual-filed complaint with the U.S. Equal Employment Opportunity Commission (“EEOC”).]

- b. The Net Settlement Fund will be the amount remaining in the Settlement Fund after subtracting the amount owed to the Settlement Administrator.
- c. The Net Settlement Fund will be disbursed as follows:
  - i. \$35,000.00 to Complainant [REDACTED]
  - ii. The remainder after subtracting the cost of the Settlement Administrator and the \$35,000.00 to Complainant [REDACTED] defined here as the "Remaining Fund," will be distributed in accordance with a distribution plan to be determined by CRD, in its sole discretion, to Group Members, defined as all persons employed at the following Leaps and Bounds facilities between April 21, 2020 and the Effective Date at either of the following facilities: Leaps and Bounds Preschool and Daycare located at 17210 Slover Ave, Fontana, CA 92337 ("Fontana Location"), and Leaps and Bounds Preschool located at 270 W Crest St, Escondido, CA 92025 ("Escondido Location").
  - iii. The payments identified in Paragraph 4(c)(i)–(ii) will be designated as 100% non-wage income.

5. In order to effectuate the payments provided for in Paragraph 4 of this Amended Settlement Agreement, Leaps and Bounds will retain a Settlement Administrator, subject to CRD's approval, that will:

- a. Within 21 days of the Effective Date of this Amended Settlement Agreement, obtain from Leaps and Bounds information sufficient to identify the Group Members, including each Group Member's name, mailing address, telephone number, email address, dates of employment with Leaps and Bounds, job title(s) while employed at Leaps and Bounds, and social security number of taxpayer identification number.
- b. Within 21 days of receiving contact information provided pursuant to paragraph 5a, the Settlement Administrator will send the Group Members the Notice of Settlement (Attachment A), Information Verification Form (Attachment B), and Individual Release (Attachment C) (collectively, the "Group Settlement Documents"), in substantially the same form as Attachments A, B, and C, respectively.
- c. Notify the Group Members that in order to be eligible to participate in the settlement, they must, within 45 days from the date the Group Settlement Documents were sent to the individual, return the Information Verification Form and Individual Release to the Settlement Administrator. The Settlement Administrator will provide Leaps and Bounds and CRD with the Information Verification Forms and Individual Releases within 7 days of receipt.
- d. Disburse settlement checks to the Group Members as directed by CRD, along with an IRS Form 1099-MISC to each Group Member whose payment (pursuant to Paragraph 4(c)(ii)) is equal to or greater than \$600. CRD will provide the disbursement information to the Settlement Administrator within 21 days of receiving the final Information Verification Forms and Individual

Releases. The Settlement Administrator will also notify CRD of its anticipated costs and fees which will be deducted from the \$165,000 Settlement Fund.

- e. Advise Group Members that they will have 90 days from receipt of the settlement funds to cash the settlement checks.

6. In addition to the monetary terms set forth in Paragraph 4, Leaps and Bounds committed to and has fulfilled the following affirmative relief:

- a. Distribute to all current Leaps and Bounds employees at the Fontana and Escondido locations an updated handbook that specifically explains the elimination of any English-only policy.
- b. Develop, implement, and distribute to all current and prospective employees of Leaps and Bounds, a statewide, written policy about: (1) the elimination of any English-only policy; and (2) the eradication and prevention of discrimination on the basis of national origin, and all other protected classes consistent with the FEHA. Respondent will submit the updated policy to CRD for review and comment, and agrees to consider CRD's comments, if any, in good faith.
- c. Provide confirmation to CRD of compliance with Government Code section 12950.1 by forwarding the name of the training provider, the training syllabus and presentation materials, and attendance sheets for calendar years 2024, 2025 and 2026. Respondent will inform the CRD of compliance via e-mail addressed to [DRDCompliance@calcivilrights.ca.gov](mailto:DRDCompliance@calcivilrights.ca.gov) within 10 calendar days of compliance. Respondent will submit the training plan and materials to CRD at least 10 days before the training is scheduled for review and comment, and agrees to consider any CRD comments in good faith.

7. Respondent further agrees to release and forego from bringing against Complainant, in state or federal court or before any state, local, or federal government entity, any potential claims under the Fair Employment and Housing Act that are based on or related to the allegations in the CRD Complaint arising through the date when this Amended Settlement Agreement takes effect.

8. In exchange for Respondent's promises in this Amended Settlement Agreement, Complainant agrees:

- a. To the closure of the CRD Complaint.
- b. To release and forego from bringing against Respondent or any of Respondents' former or current officers, agents, or employees, in state or federal court or before any state, local, or federal government entity, any potential claims under the Fair Employment and Housing Act that are based on or related to the alleged violations of the Fair

Employment and Housing Act set forth in the CRD Complaint arising through the Effective Date of this Amended Settlement Agreement.

9. In exchange for Respondent's promises in this Amended Settlement Agreement, CRD agrees:

- a. To bear its own attorney's fees and costs.
- b. To close its investigation of CRD case [REDACTED]  
[REDACTED]

10. This Amended Settlement Agreement does not prohibit Complainant from testifying, assisting, or participating in an investigation, hearing, or proceeding conducted by any state, local, or federal governmental entity, or from helping other individuals to pursue their rights. In addition, nothing in this Amended Settlement Agreement prevents the disclosure of factual information by either party as specified in California Code of Civil Procedure section 1001.

11. This Amended Settlement Agreement does not resolve any administrative complaints that are either filed with CRD after the Effective Date or not otherwise released by virtue of this Amended Settlement Agreement. This Amended Settlement Agreement in no way affects CRD's statutory rights or duties to process complaints or notices against Respondent that raise claims not covered by this Consent Decree, including commencing a civil action on any such complaints or notices. This Consent Decree shall in no way hinder or affect an individual's right to file a complaint involving Respondent with CRD or any other applicable agency, or to participate in a government investigation or CRD's investigation of, and determinations regarding, such complaints.

12. The existence, terms, and conditions of this Amended Settlement Agreement and underlying factual information related to the CRD Complaint are not confidential, and the Amended Settlement Agreement is a public document.

13. Notwithstanding Paragraph 10, the parties will maintain the confidentiality of the mediation process leading up to the execution of this Amended Settlement Agreement as set forth in the Agreement to Mediate and Confidentiality Agreement that they previously signed.

14. In signing this Amended Settlement Agreement, each party acknowledges that:

- a. They have carefully read and fully understand the provisions of this Amended Settlement Agreement;
- b. CRD and its agents and employees have not provided legal advice, tax advice, or advice concerning the impact of this Amended Settlement Agreement on eligibility for public benefits;

- c. They understand they have the right to consult with an attorney, to seek tax advice, and to review this Amended Settlement Agreement with an attorney, tax consultant, and/or benefits counselor prior to signing;
- d. They have knowingly and freely entered into this Amended Settlement Agreement, without coercion; and
- e. They have the authority to bind the entity or individual on whose behalf they have signed.

15. This Amended Settlement Agreement is the sole and entire agreement between the parties and the CRD regarding the CRD Complaint and supersedes all prior agreements, negotiations, and discussions between them relating to the CRD Complaint. In signing this Amended Settlement Agreement, the parties have not relied on any other promises, inducements, or representations, other than as expressly set forth in this Amended Settlement Agreement.

16. This Amended Settlement Agreement may only be modified in a subsequent written agreement signed by the parties and CRD.

17. If any provision of this Amended Settlement Agreement is held to be invalid and/or unenforceable, the remaining provisions of the Amended Settlement Agreement will be considered valid and enforceable, as if the invalid and/or unenforceable portion did not exist.

18. If any party to this Amended Settlement Agreement brings an action in court to enforce this Amended Settlement Agreement, the prevailing party will be entitled to recover their reasonable attorneys' fees and costs, as determined by the court.

19. The parties agree and understand that CRD has the authority to investigate compliance with this Amended Settlement Agreement; to enforce the Amended Settlement Agreement in court; or, in the event of breach of this Amended Settlement Agreement by any of the parties, to reopen the CRD Complaint, continue its investigation, and pursue the CRD Complaint to the full extent of CRD's legal authority.

20. Respondent acknowledges their affirmative duty under the Fair Employment and Housing Act not to discriminate, and that it is unlawful to retaliate against any person because that person has made a complaint, testified, assisted, or participated in any manner in a proceeding under the Fair Employment and Housing Act, or Title VII of the federal Civil Rights Act of 1964.

21. This Amended Settlement Agreement shall be interpreted under the laws of the State of California.

22. This Amended Settlement Agreement may be signed in duplicate originals, each of which will be treated as an original and equally admissible in evidence. A fax, electronic, or scanned signature has the same effect as the original.

Dated: 10/28/2024



Dated: 10/25/2024



Dated: 10/29/2024