

APPENDIX I

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

JAMES WESLEY CARTER,)	
individually and on behalf of a class)	
of similarly situated persons,)	Case No. 5:15-cv-1531-MWF-JC
)	
Plaintiff,)	
)	
vs.)	
)	
SHALHOUB MANAGEMENT)	
COMPANY, INC., DESERT GATE)	
MANAGEMENT, LLC,)	
DNR MANAGEMENT, LLC,)	
DNS2 MANAGEMENT, LLC,)	
SHALHOUB MCDONALD’S,)	
RICHARD AND DALE)	
SHALHOUB FAMILY TRUST,)	
RICHARD M. SHALHOUB)	
)	
Defendants.)	

CLASS SETTLEMENT AGREEMENT

This Class Settlement Agreement is entered into as of September 9, 2016, by and between James Wesley Carter (“Plaintiff”), on the one hand, and Defendants Shalhoub Management Company, Inc., Desert Gate Management LLC, DNR Management LLC, DNS2 Management LLC, Shalhoub McDonald’s, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub (“Defendants” or “Shalhoub Defendants”), on the other.

RECITALS

WHEREAS, Plaintiff filed a class action lawsuit on July 29, 2015, in the United States District Court for the Central District of California captioned *Carter v. McDonalds Restaurants and Backgroundchecks.com*, No. 15-1531-MWF-JC;

WHEREAS, on March 15, 2016, Plaintiff filed a First Amended Complaint naming as defendants Shalhoub Management Company, Inc., Desert Gate Management LLC, DNR Management LLC, DNS2 Management LLC, Shalhoub McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub and Backgroundchecks.com ("BGC");

WHEREAS, On March 21, 2016, McDonald's filed a Motion to Dismiss Plaintiff's First Amended Complaint;

WHEREAS, on April 1, 2016, Plaintiff filed a Second Amended Complaint;

WHEREAS, Plaintiff alleged in his Second Amended Complaint, on behalf of a class of similarly situated persons, that the Shalhoub Defendants violated the Fair Credit Reporting Act, 15 U.S.C. § 1681 *et seq.* ("FCRA"), by systematically violating sections 1681b(b)(2) (Count I) and 1681b(b)(3) (Count II) of the FCRA, and that Defendant BGC violated section 1681e(b) (Count III) of the FCRA as to Plaintiff individually by failing to follow reasonable procedures to assure maximum possible accuracy of the information concerning Plaintiff that was reported to Defendants by BGC;

WHEREAS, on April 18, 2016, Defendants filed a Motion to Stay Case and

a Motion to Dismiss Second Amended Complaint or, in the Alternative, Motion for Judgment on the Pleadings;

WHEREAS, on May 18, 2016, counsel for Plaintiff, Defendants and BGC met with the Hon. Peter Lichtman of JAMS, in Los Angeles, California in an attempt to mediate a resolution of this case, engaging in extensive arms-length negotiations, at the conclusion of which the parties reached an agreement to settle Plaintiff's individual claim against BGC under section 1681e(b) of the FCRA (Count III) and his individual claim against Defendants under section 1681b(b)(3) of the FCRA (Count II), with the express provision that nothing in the agreement to settle his individual claims shall be deemed to release, limit or impact in any way Plaintiff's claims and rights as class representative and member of the class;

WHEREAS, on August 11, 2016, Plaintiff, the Shalhoub Defendants and BGC filed a joint stipulation of dismissal of Plaintiff's individual claim against BGC under section 1681e(b) of the FCRA (Count III) and his individual claim under section 1681b(b)(3) of the FCRA against the Shalhoub Defendants (Count II) in accordance with the settlement of his individual claims;

WHEREAS, Plaintiff and the Shalhoub Defendants did not reach an agreement on the terms of a class settlement of the FCRA section 1681b(b)(2) claim (Count I) at the May 18, 2016 mediation;

WHEREAS, subsequent to the mediation, Plaintiff and Defendants continued

to negotiate and reached an agreement in principle to resolve the Count I claims against Defendants under section 1681b(b)(2) of the FCRA on a class basis, subject to documentation and the approval of the Court;

WHEREAS, on July 7, 2016, Plaintiff notified the Court of the Parties' settlement in principle, subject to documentation of a complete agreement with exhibits;

WHEREAS, counsel for Plaintiff has thoroughly analyzed the applicable law and all of the facts, and has concluded that the proposed class settlement herein is fair and reasonable and in the best interest of the Class because it provides substantial and immediate relief and avoids the considerable risks and delays of further litigation;

WHEREAS, although Defendants deny any and all liability, and assert that the complained of conduct did not violate the FCRA, Defendants believe that the settlement proposed herein is desirable in order to avoid further significant burden, expense, and inconvenience of protracted litigation, and the distraction and diversion of its personnel and resources; and

WHEREAS, Plaintiff and the Shalhoub Defendants now agree to settle the Count I claim under section 1681b(b)(2) of the FCRA on a class basis, without any admission of liability.

TERMS OF STIPULATION AND AGREEMENT OF SETTLEMENT

NOW, THEREFORE, in light of the foregoing, in consideration of the terms and conditions set forth herein, which the Parties acknowledge are good and valuable consideration for this Agreement, the Parties agree and stipulate, subject to approval by the Court, as follows:

1. Definitions

As used in this Agreement and its incorporated Exhibits, the following terms have the meanings specified herein:

“Agreement” means this Settlement Agreement entered into between the Shalhoub Defendants, on the one hand, and the Class Representative, individually and on behalf of Class Members, on the other hand, in the Lawsuit, including all terms and conditions set forth herein.

“Complaint” refers to the Second Amended Complaint filed by James Wesley Carter individually and on behalf of all those similarly situated in the action entitled *Carter v. Shalhoub Management Company, Inc., et al.*, Civ. No. 15-1531, United States District Court, Central District of California.

“Class” or “Class Member(s)” means “All employees or applicants for employment at the Shalhoub Defendants’ restaurants residing in the United States (including all Territories and other political subdivisions of the United States) as to whom, commencing July 29, 2013 and continuing through November 12, 2015,

Defendants did not provide the clear and conspicuous stand-alone disclosure required by section 1681b(b)(2) of the FCRA.” Defendants have represented that the size of the Class is believed to be no more than 2,514 persons. Should the class size increase by more than five percent (5%), Plaintiff will be entitled to take limited confirmatory discovery on class size.

“Class Counsel” or “Plaintiff’s Counsel” refers to Francis & Mailman, P.C. and Tatar Law Firm.

“Class List” is the list to be compiled by Defendants consisting of the Class Members.

“Class Notice” or “Notice” is the Notice of Class Action Settlement, in the form of Exhibit A, incorporated herein by reference.

“Class Period” is the period to which the settlement and this Agreement applies, as specified in the definition of the Class, above.

“Class Representative” refers to Plaintiff James Wesley Carter as representative of the Class.

“Court” means the United States District Court, Central District of California, in which this Lawsuit is pending, and to which presentation of this Agreement for judicial review and approval will be made.

“Defendants,” or “Shalhoub Defendants” means Defendants Shalhoub Management Company, Inc., Desert Gate Management, LLC, DNR Management,

LLC, DNS2 Management, LLC, Shalhoub McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub.

“Defense Counsel” means Slovak Baron Empey Murphy & Pinkney LLP.

“Effective Date” shall mean when the last of the following with respect to the Final Approval Order approving the Settlement Agreement has occurred: (i) the expiration of three (3) business days after the time to file a motion to alter or amend the Final Approval Order under the Federal Rules of Civil Procedure 59(e) has passed without any such motion having been filed; (ii) the expiration of three business days after the time in which to appeal the Final Approval Order has passed without any appeal having been filed (which date shall be deemed to be 33 days following the entry of the Final Approval Order, unless the date to take such appeal shall have been extended by Court order or otherwise, or unless the 33rd day falls on a weekend or a Court holiday, in which case the date for purposes of this Settlement Agreement shall be deemed to be the next business day after such 33rd day); and (iii) if such motion to alter or amend is filed, or if an appeal is taken, three business days after a determination of any such motion or appeal that permits the consummation of the settlement in accordance with the terms and conditions contained within this Settlement Agreement.

“Final Approval Hearing” means the hearing at which the Court will consider final approval of the settlement and awards to the Class Representative and Class

Counsel.

“Final Approval Order” or “Judgment” means the Order of the Court granting final approval of the settlement in the form attached as Exhibit B.

“Lawsuit” means the civil action of *Carter v. Shalhoub Management Company, Inc., et al.*, Civ. No. 15-1531, United States District Court, Central District of California.

“Party” refers individually to the Class Representative, on behalf of himself and Class Members, or the Shalhoub Defendants. Collectively, these are referred to as the “Parties.”

“Preliminary Approval Order” means the Order of the Court preliminarily approving the settlement and the Class Notice, in the form attached as Exhibit C;

“Settlement Administrator” refers to American Legal Claims Services LLC which will be paid from the Settlement Fund, and which will be responsible for the administration of this class action settlement as more fully described herein.

“Settlement Fund” is the Nine Hundred Fifty-Thousand Dollars (\$950,000.00) which shall be established by the Shalhoub Defendants by paying the sum of \$70,000.00 to the Settlement Administrator within ten (10) days following the entry of the Preliminary Approval Order and the balance of \$880,000.00 to the Settlement Administrator within five (5) days of the Effective Date.

2. Settlement Terms and Procedures

2.1. Solely for purposes of avoiding the expense and inconvenience of further litigation, Defendants do not oppose the certification of the Class for purposes of settlement of the section 1681b(b)(2) claim only. However, consistent with Paragraphs 3.9 and 7.1, *infra*, in the event this Agreement is nullified, terminated and/or this settlement is not approved, Defendants shall stand in the same position as if this Agreement had been neither entered into nor filed with the Court.

2.2. After execution of this Agreement, and no later than September 9, 2016, Class Counsel shall file a motion asking the Court to enter the Preliminary Approval Order.

2.3. Within ten days after the filing of the Motion for Preliminary Approval including this proposed Settlement Agreement, Defendants shall send notice to governmental agencies to the extent required by 28 U.S.C. § 1715, and shall file a certificate of such service with the Court, such notifications to be completed by Defendants at their own expense.

2.4. At least ten (10) days prior to a scheduled Final Approval Hearing, Class Counsel shall file a motion requesting the Court to grant final approval of the settlement, and for entry of the Final Approval Order.

2.5. Defendants acknowledge that they have implemented changes to their business practices as a result of the Lawsuit, in an effort to further comply with

section 1681b(b)(2) of the FCRA, as of November 12, 2015.

2.6 Defendants agree to establish the Settlement Fund of Nine Hundred Fifty-Thousand Dollars (\$950,000.00) by paying the sum of \$70,000.00 to the Settlement Administrator within ten (10) days following the entry of the Preliminary Approval Order and the balance of \$880,000.00 to the Settlement Administrator within five (5) days of the Effective Date.

(a) The Settlement Administrator shall pay the costs of printing and sending notice to the Class in the amount of \$2,500.00 from the Settlement Fund.

(b) The following payments shall be made by the Settlement Administrator from the Settlement Fund within ten (10) business days of the Effective Date:

(i) a check to each Class Member for their *pro rata* share which is believed to be approximately \$243.00;

(ii) the sum of ten thousand dollars (\$10,000.00) as an individual settlement and service award to the Class Representative, subject to the approval of the Court, upon motion filed not later than ten (10) days prior to the Final Approval Hearing;

(iii) the Plaintiff's reasonable attorneys' fees and expenses, in an amount not in excess of one-third of the Settlement Fund, subject to the approval of the Court, upon motion filed not later than ten (10) days prior to the Final

Approval Hearing;

(iv) the sum of \$12,300.00 to the Settlement Administrator for the balance of costs of notice and settlement administration.

(c) Each check issued to Class Members pursuant to this Agreement shall be void if not negotiated within ninety (90) days after its date of issue, and shall contain a legend to such effect. Checks that are not negotiated within ninety (90) days after their date of issue shall not be reissued and shall expire.

(d) There will be no reversion of any funds to the Shalhoub Defendants under any circumstances. The amount represented by checks payable to Class Members that are not negotiated or that are returned and remain undeliverable after the ninety (90) day period shall be applied to a *cy pres* fund created that includes any residue of the Settlement Fund remaining for any reason. The *cy pres* fund shall be donated to the office of Inland Counties Legal Services, subject to court approval.

(e) When the funds are ready to be sent, the Settlement Administrator shall forward to Class Counsel the funds to be distributed to the *cy pres* recipient. The funds will be payable within sixty (60) days after the expiration of the ninety (90) day period following issuance of the checks.

3. Notice and Settlement Administration

3.1 The Settlement Administrator will certify the number and identity of the Class Members under the Class definition, and compile a final Class Member

list. To assist in this process, Defendants shall provide, within five (5) business days after entry of the Preliminary Approval Order, a Class Member list in readable and searchable electronic form to the Settlement Administrator. The Settlement Administrator shall ensure that the information that it receives from Defendants is secured and managed in such a way as to protect the security and confidentiality of the information. Except as specifically provided in this Agreement, the Settlement Administrator shall not disclose or disseminate any information that it receives from Defendants and Class Members without the prior written consent of all Parties.

3.2 Not later than fourteen (14) days after entry of the Preliminary Approval Order, the Settlement Administrator shall establish a website labeled as www.CarterClassAction.Info (or something substantially similar) which will contain, among other things, the Notice in the form attached hereto as Exhibit A; the Second Amended Complaint in this case; the Settlement Agreement; the Motion for Preliminary Approval of the Settlement; and, the Preliminary Approval Order.

3.3 The Notice to the Class Members shall state that the payment to them is a result of the settlement of the section 1681b(b)(2) claim, and that Defendants admit no liability.

3.4 Within thirty (30) days after the Court enters the Preliminary Approval Order, the Settlement Administrator will mail the Class Notice, in the form attached as Exhibit A, subject to any changes made by the Court, to each Class Member at

their last known address, as updated by the Settlement Administrator with one round of skip-tracing.

3.5 With respect to those persons whose Notice by regular mail is returned to the Settlement Administrator as undeliverable, the Settlement Administrator shall promptly attempt to obtain an updated address for each such person from the United States Post Office, and if such an address is obtained, shall resend the Notice to that updated address.

3.6 The Parties agree that the Class Notice fairly informs the Class Members of the general nature of the Lawsuit, the financial and other terms of the Agreement particularly significant for the Class Members, the general procedures for and consequences of opting out of the Class or objecting to the Settlement Agreement, and the date of the Final Approval Hearing.

3.7 Compliance with the procedures described herein shall constitute due and sufficient notice to Class Members of this proposed settlement for the Final Approval Hearing, and shall satisfy the requirement of due process. Nothing else shall be required of, or done by, the Parties, Class Counsel, Defense Counsel, or the Settlement Administrator to provide notice of the proposed settlement and the Final Approval Hearing as described herein.

3.8 No later than fifteen (15) days prior to the Final Approval Hearing, the Settlement Administrator shall serve on the Parties' counsel a list of all persons who

have timely opted-out of the Class by submitting such opt-out requests postmarked no later than 60 days after the date of mailing the Notice, as compiled by the Settlement Administrator. The Settlement Administrator shall also at that time supply its determinations as to whether any request to opt out of the Class was not submitted timely, and provide written notification to any Class Member whose request to opt out of the Class was not submitted on a timely basis.

3.9 If more than ten percent (10%) of the Class request exclusion from the Class within the permissible time period as described in the preceding section, Defendants shall have the option to terminate this Agreement. If Defendants terminate this Agreement, this Agreement shall be null and void and this settlement of no force and effect, as if this settlement never occurred. Defendant shall give notice of such termination in writing to Class Counsel and the Settlement Administrator no later than ten (10) days after the day it receives the list of Class Members who have requested exclusion from the Class as described in Section 3.8, above.

4. Release

4.1 For the consideration stated herein, the receipt and sufficiency of which are hereby acknowledged, the Class Representative agrees that Class Representative and all Class Members who do not timely exclude themselves from the Class, on behalf of themselves, their heirs, assigns, executors, administrators, successors,

agents, attorneys, representatives and assigns (collectively, the “Releasing Parties”), hereby remise, release and forever discharge the Shalhoub Defendants, their parents, subsidiaries, present and former officers, directors, employees, representatives, insurers, and attorneys (collectively, the “Released Parties”) from any and all liabilities, causes of actions, or claims that were asserted in the Complaint invoking section 1681b(b)(2) of the FCRA.

4.2 For the consideration stated herein, the receipt and sufficiency of which are hereby acknowledged, the Class Representative agrees that, on behalf of himself, his heirs, executors, administrators, successors, agents, attorneys, representatives and assigns, hereby remises, releases and forever discharges the Shalhoub Defendants, their parents, subsidiaries, present and former officers, directors, employees, representatives, insurers, and attorneys from any and all liabilities, causes of actions, or claims which the Class Representative ever had or now has.

4.3 Upon the Effective Date, Defendants, for themselves, and on behalf of the Released Parties, shall remise, release and forever discharge Plaintiff and all Class Members who do not timely exclude themselves from the Class, from any and all liabilities, causes of actions, or claims that were asserted in the Complaint invoking section 1681b(b)(2) of the FCRA.

4.4 Upon the Effective Date, Defendants, for themselves, and on behalf of the Released Parties, shall remise, release and forever discharge Plaintiff and his

present and former attorneys, administrators, heirs, agents, insurance carriers from any and all liabilities, claims, causes of action, damages, costs, attorneys' fees, losses, or and demands arising from the subject matter of the Lawsuit, whether known or unknown, existing or potential, suspected or unsuspected, of any kind of nature whatsoever, from the beginning of the world to the Effective Date.

5. No Admission of Liability

5.1 The Parties understand and acknowledge that this Agreement constitutes a compromise and settlement of disputed claims. No action taken by the Parties either previously or in connection with the negotiations or proceedings connected with this Agreement shall be deemed or construed to be an admission of the truth or falsity of any claims or defenses heretofore made or an acknowledgment or admission by any Party of any fault, liability or wrongdoing of any kind whatsoever.

5.2 Neither the Agreement, nor any act performed or document executed pursuant to or in furtherance of the Agreement or the settlement, is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any claim made by the Class Members, Class Counsel, or anyone else.

5.3 By reason of agreeing to this compromise and Agreement, Defendants expressly deny liability of any and every sort.

6. Collateral Attack and *Res Judicata*

6.1 This Agreement shall not be subject to collateral attack by any Class Member or any recipient of the Class Notice after the Judgment is entered. Such prohibited collateral attacks shall include but are not limited to claims that the procedures for settlement administration were incorrect, or that the Class Member failed for any reason to receive timely notice of or disputing the calculation of his or her individual distribution from the Settlement Fund.

6.2 To the extent permitted by law, the Agreement and/or Judgment may be pleaded as a full and complete defense to, and may be used as the basis for an injunction against, any action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of this Agreement. Defendants may file this Agreement and/or the Judgment in any action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim.

7. Nullification

7.1 If (a) the Court should for any reason deny with prejudice preliminary approval of the settlement; or (b) the Court should for any reason fail to approve this Agreement in the form agreed to by the Parties; or (c) the Court should for any

reason fail to enter the Judgment; or (d) the Judgment is reversed, modified, or declared or rendered void; or (e) Defendant terminates this Agreement for reasons permitted herein, then (i) this Agreement shall be considered null and void, (ii) neither this Agreement nor any of the related negotiations or proceedings shall be of any force or effect, and, (iii) all Parties to this Agreement shall stand in the same position, without prejudice, as if the Agreement had been neither entered into nor filed with the Court. In this regard, if the Agreement is terminated or canceled as set forth herein, the Parties shall be deemed to have reverted to their respective status as of May 19, 2016, and they shall proceed in all respects as if this Agreement had not been executed and the related orders had not been entered, preserving in that event all of their respective claims and defenses in this Lawsuit.

7.2 In the event of a timely appeal from the Judgment, the Judgment shall be stayed, the fees and reimbursement of expenses to Class Counsel shall not be paid, and the Settlement Fund shall not be distributed to Class Members pending the completion of the appeal.

8. Stay of Proceedings

Class Counsel agrees that all proceedings in the Lawsuit shall be stayed pending and following preliminary approval of the settlement, except as necessary to implement the settlement or this Agreement, or to comply with the terms of

settlement.

9. Extensions of Time

Unless otherwise ordered by the Court, the Parties may jointly agree to reasonable extensions of time to carry out any of the provisions of this Agreement.

10. Construction and Intent

10.1 This Agreement is executed voluntarily by each of the Parties without any duress or undue influence on the part, or on behalf, of any of them. This Agreement has been negotiated at arms-length by parties of equal bargaining power, and drafted jointly by Class Counsel and Defense Counsel. Each of the Parties has had full opportunity to review and consider the contents of this Agreement, have read and fully understand the provisions of this Agreement, and have relied on the advice and representation of legal counsel of their own choosing. In the event that a dispute arises with respect to this Agreement, no Party shall assert that any other Party is the drafter of this Agreement, for purposes of resolving ambiguities that may be contained herein. If any provision of this Agreement shall be deemed ambiguous, such provision shall not be construed against any Party on the basis of the identity of the purported drafter of this Agreement. The Parties intend this Agreement to be a final and complete resolution of all disputes between them with respect to the Lawsuit.

10.2 The Parties agree that the Agreement was negotiated in good faith by

the Parties.

10.3 The descriptive headings of any paragraphs or sections of this Agreement are inserted for convenience of reference only and do not constitute part of this Agreement.

10.4 As used in this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall each be deemed to include the others whenever the context so indicates.

11. Governing Law

The Agreement shall be construed in accordance with, and be governed by, the laws of the State of California, without regard to the principles thereof regarding choice of law. The sole and exclusive forum for resolution of any disputes arising under or related to this agreement shall be the federal courts located in the State of California.

12. Survival of Warranties and Representations

The warranties and representations of this Agreement are deemed to survive the date of execution hereof.

13. Representative Capacity

Each person executing this Agreement in a representative capacity represents and warrants that he or she is empowered to do so.

14. Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, even though all Parties do not sign the same counterparts. The Agreement may be executed by facsimile or electronic signature.

15. Cooperation of the Parties

15.1 The Parties acknowledge that it is their intent to consummate this Agreement and agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Agreement and to exercise their best efforts to accomplish the foregoing terms and conditions of the Agreement. Specifically, the Parties to this Agreement agree to prepare and execute all documents, to seek Court approvals, defend Court approvals, and to do all things reasonably necessary to complete the settlement described in this Agreement. Further, the Parties will comply in good faith with the terms and conditions of the Agreement.

15.2 Should any dispute arise among the Parties or their respective counsel regarding the implementation or interpretation of this Agreement, a representative of Class Counsel and a representative of Defense Counsel shall confer in an attempt to resolve such disputes prior to submitting such disputes to the Court.

16. Destruction of Confidential Documents

No later than thirty (30) days after the Effective Date, counsel for each Party shall destroy all confidential material governed by the Protective Order in the Lawsuit obtained from the other Party(ies) through discovery, including all copies thereof, and upon written request by counsel for the producing Party shall certify in writing that provisions of this paragraph have been complied with; provided, however, that counsel for the Parties may retain in their own files all pleadings, discovery responses, court filings, transcripts, exhibits, correspondence, notes and memoranda and work product embodying such confidential material. Any such embodied confidential material so retained shall remain confidential and subject to the restrictions contained in the Protective Order.

17. Severability

If any portion, provision, or part of this Agreement is held, determined or judged to be invalid, unenforceable, or void, for any reason whatsoever, each such portion, provision, or part shall be severed from the remaining portions, provisions, or parts of this Agreement and shall not affect the validity or enforceability of such remaining portions, provisions, or parts, unless doing so would deprive a Party of a benefit of its bargain.

18. Notices

18.1 All notices and documents to Class Counsel and Defense Counsel

provided for herein shall be sent via email in portable document format (pdf) or, if too large to send in that format, by U.S. Mail.

18.2 Upon the request of any of the Parties, the Parties agree to promptly provide each other with copies of objections, requests for exclusion, or other filings received as a result of notice to the Class.

19. Modification and Amendment

This Agreement contains an entire, complete, and integrated statement of each and every term and provision agreed to by and among the Parties; it is not subject to any condition not provided for herein. This Agreement shall not be modified in any material respect except by a writing executed by all the Parties hereto.

20. Binding on Successors and Assigns

The Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Parties hereto.

21. Agreement of Counsel

The undersigned counsel represents and warrants that they have read this Agreement and reviewed it with their respective clients. They further represent that this Agreement accurately sets forth the parties' understanding and is legally valid and enforceable.

IN WITNESS WHEREOF, the undersigned have executed this Settlement

Agreement as of the date written above.



James A. Francis

David A. Searles

FRANCIS & MAILMAN, P.C.

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TATAR LAW FIRM, APC

3500 West Olive Ave. Ste. 300

Burbank, CA 91505

Tel: (323) 744-1146

For Plaintiff and Class



James Wesley Carter

Class Representative

[Name]

[Title]

On behalf of Defendants

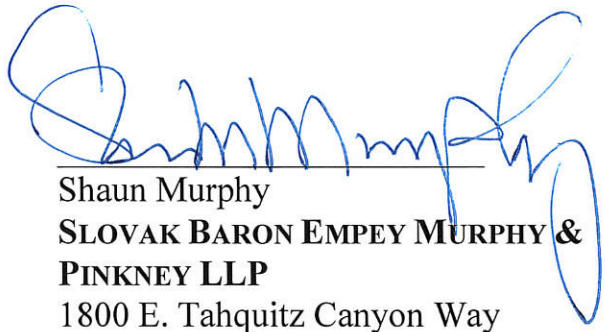
IN WITNESS WHEREOF, the undersigned have executed this Settlement Agreement as of the date written above.

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For Plaintiff and Class

James Wesley Carter
Class Representative



Shaun Murphy
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Attorneys for Defendant



[Name] *RICHARD SHACHOV*
[Title] *PRESIDENT*

On behalf of Defendants

EXHIBIT A

EXHIBIT A

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

If you applied for employment with McDonald's Restaurants Owned and Operated by Shalhoub Management Company, Inc., Desert Gate Management, LLC, DNR Management, LLC, DNS2 Management, LLC, Shalhoub McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub between July 29, 2013 and November 12, 2015, you could get a payment from a class action settlement.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A settlement will provide a Settlement Fund of \$950,000.00 to pay people who applied for employment with McDonald's Restaurants owned and operated by Shalhoub Management Company, Inc., Desert Gate Management, LLC, DNR Management, LLC, DNS2 Management, LLC, Shalhoub McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub ("Defendants") between July 29, 2013 and November 12, 2015.
- The settlement resolves a lawsuit over whether Defendants failed to comply with legal requirements in obtaining background checks on people applying for jobs. The settlement avoids costs and risks to you from continuing the lawsuit; pays money to people like you; and releases Defendants from liability.
- Defendants deny any and all liability and the two sides disagree on how much money, if any, could have been won if this case went to trial.
- Lawyers for the class members will ask the Court for up to one-third of the Settlement Fund to be paid by Defendants—as fees and expenses for investigating the facts, litigating the case, and negotiating the settlement—and for \$10,000 to be paid to the Class Representative for his services to the Class and for an individual claim against Defendants.
- Your legal rights are affected whether you act, or don't act.

READ THIS NOTICE CAREFULLY.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	Receive a payment of your pro rata share which is believed to be approximately \$243.00 .
EXCLUDE YOURSELF	Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Defendants about the legal claims in this case.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after any appeals are resolved. Please be patient.

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Basic Information

1. What is contained in this notice package?

If you applied for employment with Defendants, you could get a payment from a class action settlement. This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

You have a right to know about a proposed settlement of a class action lawsuit, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves it, and after objections and appeals are resolved, an administrator appointed by the Court will make the payments that the settlement allows. You will be informed of the progress of the settlement.

The Court in charge of the case is the United States District Court for the Central District of California. This class action is captioned as *Carter v. Shalhoub Management Company, Inc., et al.* The person who sued is called the Plaintiff, and the companies he sued are called the Defendants.

2. What is this lawsuit about?

The lawsuit claimed that Defendants failed to comply with the federal Fair Credit Reporting Act by obtaining background reports on job applicants without their written consent. Defendants deny that they did anything wrong. The Complaint and other pertinent documents are available on the website.

3. Why is this a class action?

In a class action, one or more people called Class Representative (in this case James Wesley Carter), sue on behalf of people who have similar claims. All these people are a Class or Class Members. One court resolves the issues for all Class Members,

except for those who exclude themselves from the Class. U.S. District Judge Michael W. Fitzgerald is in charge of this class action.

4. Why is there a settlement?

The Court did not decide in favor of the Plaintiff or the Defendant. There was no trial. Instead, both sides agreed to a settlement after vigorous pre-trial litigation, including a mediation session in front of the Honorable Peter Lichtman in Los Angeles, California. By reaching a settlement agreement (available at www.CarterClassAction.info), the parties avoid the cost of a trial, and the people affected will get compensation. The Class Representative and the attorneys think the settlement is best for all Class Members.

Who Is In The Settlement

To see if you get money from this settlement, you first have to decide if you are a Class Member.

5. How do I know if I am part of the settlement?

Judge Fitzgerald decided that everyone who fits this description is a Class Member:

All employees or applicants for employment at the Shalhoub Defendants' restaurants residing in the United States (including all Territories and other political subdivisions of the United States) as to whom, commencing July 29, 2013 and continuing through November 12, 2015, Defendants did not provide the clear and conspicuous stand-alone disclosure required by section 1681b(b)(2) of the Fair Credit Reporting Act.

6. Are there exceptions to being included?

You are not a Class Member if you are an officer, director, legal representative, or agent of the Defendants.

7. I'm still not sure if I am included.

If you are still not sure whether you are included, you can ask for free help. You can call **1-877-735-8600** or visit www.CarterClassAction.info for more information.

The Settlement Benefits — What You Get

8. What does the settlement provide?

Defendants have agreed to create a \$950,000.00 fund from which each Class Member who does not exclude him or herself from the settlement will be mailed a check for his/her *pro rata* share, which is believed to be approximately \$243.00. The payment is a result of the settlement of the lawsuit. In addition, Defendants have agreed to cease the practice complained of in the lawsuit.

9. When would I get my payment?

The Court will hold a Fairness Hearing on _____, 201█ in Courtroom 1600, United States District Court, 312 North Spring Street, Los Angeles, California 90012, at _____ . m. to decide whether to approve the settlement. If Judge Fitzgerald approves the settlement after that, there may be appeals. It's always uncertain what the outcome of any appeals will be, and resolving them can take time, perhaps more than a year. **Please be patient.**

10. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against the Defendants about the legal issues this settlement resolves. It also means that all of the Court's orders will apply to you and legally bind you.

Excluding Yourself From the Settlement

If you don't want a payment from this settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the legal issues this settlement resolves, then you must take steps to get out. This is called **excluding** yourself—or is sometimes referred to as **opting out** of the Class.

11. How do I get out of the settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from *Carter v. Shalhoub Management Company, Inc.* Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than **Month 00, 0000** to:

Carter v. Shalhoub Management Company, Inc.

c/o [Settlement Administrator]

If you ask to be excluded, you will not get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in this lawsuit. You may be able to sue (or continue to sue) the Defendants in the future.

12. If I don't exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this settlement resolves. If you have a pending lawsuit, speak to your lawyer in that case immediately. You must exclude yourself from this Class to continue your own lawsuit. Remember, the exclusion deadline is **Month 00, 0000**.

13. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you will not receive money from this settlement. But, you may sue, continue to sue, or be part of a different lawsuit against Defendants.

The Lawyers Representing You

14. Do I have a lawyer in this case?

The law firms of Francis & Mailman, P.C. in Philadelphia, Pennsylvania, and Tatar Law Firm in Burbank, California represent you and other Class Members. The contact information for these law firms is:

<p>FRANCIS & MAILMAN, P.C. 100 S. Broad Street, Suite 1902 Philadelphia, PA 19110 Tel: (215) 735-8600 or 1-877-735-8600</p>	<p>TATAR LAW FIRM, APC 3500 West Olive Ave. Ste. 300 Burbank, CA 91505 Tel: (323) 744-1146</p>
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These lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

15. How will the lawyers be paid?

Class Counsel will ask the Court to approve payment of up to one-third of the Settlement Fund to them for attorneys' fees and expenses. The attorneys' fees would pay Class Counsel for investigating the facts, litigating the case, and negotiating the settlement. The Court may award less than this amount. Defendants have agreed not to oppose the request for fees and expenses, up to one-third of the Settlement Fund. The costs of sending notice and administering the settlement will also be paid from the Settlement Fund.

Objecting to the Settlement

You can tell the Court that you don't agree with the settlement or some part of it.

16. How do I tell the Court that I don't like the settlement?

If you're a Class Member, you can object to the settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. To object, you must send a letter saying that you object to the settlement in *Carter v. Shalhoub Management Company, Inc.* Be sure to include your name, address and telephone number; the reasons you object to the settlement; whether you plan to come to the Fairness Hearing and you (or anyone else) want to speak; if you have a lawyer (who is not one of the lawyers for the Class), the name of the lawyer(s) representing you; and if they exist, any agreements relating to your objection or the process of objecting.

Mail the objection to the three different places shown here, postmarked no later than **Month 00, 0000**:

<u>COURT</u> Clerk of the Court Central District of California U.S. Courthouse 312 North Spring Street Los Angeles, CA 90012	<u>CLASS COUNSEL</u> Francis & Mailman, P.C. 100 S. Broad Street, Suite 1902 Philadelphia, PA 19110	<u>DEFENSE COUNSEL</u> Slovak Baron Empey Murphy & Pinkney LLP 1800 E. Tahquitz Canyon Way Palm Springs, CA 92262
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17. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

The Court's Fairness Hearing

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

18. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at ____ .m. on _____, 201█, in Courtroom 1600, United States District Court, 312 North Spring Street, Los Angeles, California 90012. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate and whether the requested payments to Class Counsel and Class Representative are proper. If there are objections, the Court will consider them. Judge Fitzgerald will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

19. Do I have to come to the hearing?

No. Class Counsel will answer questions Judge Fitzgerald may have. But you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

20. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. If you plan to speak at the hearing because you don't like the settlement, you should also send a letter as described in Section 16. You cannot speak at the hearing if you excluded yourself.

If You Do Nothing

21. What happens if I do nothing at all?

If you do nothing, you'll still receive money from this settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the legal issues this settlement resolves, ever again.

Getting More Information

22. How do I get more information?

This notice summarizes the proposed settlement. More details—including the Settlement Agreement, the Complaint, answers to common questions, plus other information to help you determine whether you are a Class Member and whether you are eligible for payment—are available at www.CarterClassAction.info.

You can also request this information by writing to Class Counsel at the address in paragraph 16 above. You may also speak to one of the attorneys working on this class action by calling 1-877-735-8600 or emailing the attorneys at the following address: info@consumerlawfirm.com.

EXHIBIT B

EXHIBIT B

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

JAMES WESLEY CARTER,
individually and on behalf of a class of
similarly situated persons,

Plaintiff,

vs.

SHALHOUB MANAGEMENT
COMPANY, INC., DESERT GATE
MANAGEMENT, LLC,
DNR MANAGEMENT, LLC, DNS2
MANAGEMENT, LLC, SHALHOUB
MCDONALD'S, RICHARD AND DALE
SHALHOUB FAMILY TRUST,
RICHARD M. SHALHOUB

Defendants.

Case No. 5:15-cv-1531-MWF-JC

FINAL APPROVAL ORDER

This matter, having come before the Court on the Plaintiff James Wesley Carter's Motion for Final Approval of the proposed class action settlement with Defendants Shalhoub Management Company, Inc., Desert Gate Management, LLC, DNR Management, LLC, DNS2 Management, LLC, Shalhoub McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub ("Defendants"); the Court having considered all papers filed and arguments made with respect to the

1 settlement, and having provisionally certified, by Order entered _____, 2016
2 (Doc.____), a Class, and the Court, being fully advised in the premises, finds that:¹

3 A. For purposes of settlement, this action satisfies the applicable
4 prerequisites for class action treatment under Fed. R. Civ. P. 23(a) and (b)(3). The
5 class as defined in this Court’s Preliminary Approval Order (the “Class”) is so
6 numerous that joinder of all members is not practicable, there are questions of law
7 and fact common to the Class, the claims of the Class Representative are typical of
8 the claims of the Class, and the Class Representative will fairly and adequately
9 protect the interests of the Class. Questions of law and fact common to the members
10 of the Class predominate over any questions affecting only individual members, and
11 a class action is superior to other available methods for the fair and efficient
12 adjudication of the controversy.

13 B. Notice to the Class required by Rule 23(e) of the Federal Rules of Civil
14 Procedure has been provided in accordance with the Court’s Preliminary Approval
15 Order, and such notice by mail and website has been given in an adequate and
16 sufficient manner, constitutes the best notice practicable under the circumstances,
17 and satisfies Rule 23(e) and due process.

20 ¹ Unless otherwise defined herein, all capitalized terms in this Order have the
same meaning as in the Settlement Agreement.

1 C. Defendants have timely provided notification of this settlement to the
2 appropriate federal and state officials pursuant to the Class Action Fairness Act of
3 2005 (“CAFA”), 28 U.S.C. § 1715. The Court has reviewed such notification and
4 accompanying materials, and finds that Defendants’ notification complies fully with
5 the applicable requirements of CAFA.

6 D. The Settlement Agreement was arrived at as a result of arms-length
7 negotiations conducted in good faith by counsel for the parties, and is supported by
8 the Class Representative.

9 E. The settlement as set forth in the Settlement Agreement is fair, reasonable
10 and adequate to members of the Class in light of the complexity, expense, and
11 duration of litigation and the risks involved in establishing liability and damages,
12 and in maintaining the class action through trial and appeal.

13 F. The relief provided under the settlement constitutes fair value given in
14 exchange for the releases of claims against the Released Parties.

15 G. The persons listed on Exhibit A hereto have validly excluded themselves
16 from the Class in accordance with the provisions of the Preliminary Approval Order,
17 and shall not be bound by the Settlement.

18 H. The parties and each member of the Class have irrevocably submitted to
19 the exclusive jurisdiction of this Court for any suit, action, proceeding or dispute
20 arising out of the Settlement Agreement.

1 I. It is in the best interests of the parties and the members of the Class and
2 consistent with principles of judicial economy that any dispute between any member
3 of the Class (including any dispute as to whether any person is a member of the
4 Class) and any Released Party which in any way relates to the applicability or scope
5 of the Settlement Agreement or this Final Judgment and Order of Dismissal should
6 be presented exclusively to this Court for resolution by this Court.

7 IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

8 1. This action is finally certified as a class action for settlement purposes
9 against Defendants Shalhoub Management Company, Inc., Desert Gate
10 Management, LLC, DNR Management, LLC, DNS2 Management, LLC, Shalhoub
11 McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub, on
12 behalf of a Class defined as follows:

13 All employees or applicants for employment at the Shalhoub
14 Defendants' restaurants residing in the United States (including
15 all Territories and other political subdivisions of the United
16 States) as to whom, commencing July 29, 2013 and continuing
through November 12, 2015, Defendants did not provide the
clear and conspicuous stand-alone disclosure required by section
1681b(b)(2) of the Fair Credit Reporting Act.

17 2. The Settlement Agreement submitted by the parties is finally approved
18 pursuant to Rule 23(e) of the Federal Rules of Civil Procedure as fair, reasonable
19 and adequate and in the best interests of the Class Members. The parties are directed
20 to consummate the Agreement in accordance with its terms.

1 3. This action is hereby dismissed on the merits, with prejudice and without
2 costs.

3 4. Without affecting the finality of this judgment, the Court hereby reserves
4 and retains jurisdiction over this action, including the administration and
5 consummation of the settlement. In addition, without affecting the finality of this
6 judgment, the Court retains exclusive jurisdiction over Defendants, Plaintiff, and
7 each Class Member for any suit, action, proceeding, or dispute relating to this Order
8 or the Settlement Agreement. Without limiting the generality of the foregoing, any
9 dispute concerning the Settlement Agreement, including, but not limited to, any suit,
10 action, arbitration, or other proceeding by any Class Member in which the provisions
11 of the Settlement Agreement are asserted as a defense in whole or in part to any
12 claim or cause of action or otherwise raised as an objection, is a suit, action or
13 proceeding relating to this Order. Solely for purposes of such suit, action, or
14 proceeding, to the fullest extent possible under applicable law, the parties hereto and
15 all members of the Class are hereby deemed to have irrevocably waived and agreed
16 not to assert, by way of motion, as a defense or otherwise, any claim or objection
17 that they are not subject to the jurisdiction of this Court, or that this Court is, in any
18 way, an improper venue or an inconvenient forum.

5. Upon consideration of Class Counsel's application for fees and expenses, the Court shall enter a separate Order awarding reasonable fees and expenses in an amount to be set forth in that Order.

6. Upon consideration of the application for an individual settlement award, Class Representative James Wesley Carter is awarded the sum of ten thousand dollars (\$10,000.00) in consideration for his individual claim against Defendants under section 1681b(b)(2) of the Fair Credit Reporting Act and the valuable service he has performed for and on behalf of the Class.

7. All Class Members shall be bound by all of the terms, conditions and obligations of the Settlement Agreement, and all determinations and judgments in the action concerning the Settlement.

8. Neither the Settlement, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by any party of the truth of any allegation in the Lawsuit or of any liability, fault or wrongdoing of any kind.

9. Final Judgment is hereby entered in this action, consistent with the terms of the Settlement Agreement.

BY THE COURT:

Dated: _____

HON. MICHAEL W. FITZGERALD
UNITED STATES DISTRICT JUDGE

EXHIBIT C

EXHIBIT C

UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

JAMES WESLEY CARTER,)
individually and on behalf of a class)
similarly situated persons,) Case No. 5:15-cv-1531-MWF-JC
Plaintiff,)
vs.)
SHALHOUB MANAGEMENT)
COMPANY, INC., DESERT GATE)
MANAGEMENT, LLC,)
DNR MANAGEMENT, LLC, DNS2)
MANAGEMENT, LLC, SHALHOU)
MCDONALD'S, RICHARD AND)
DALE SHALHOUB FAMILY)
TRUST, RICHARD M. SHALHOU)
Defendants.)

ORDER PRELIMINARILY APPROVING CLASS ACTION SETTLEMENT AND DIRECTING NOTICE TO CLASS

The Court, having reviewed the Settlement Agreement¹ entered into by the Parties, hereby Orders that:

1. The Court provisionally certifies a class for settlement purposes only, pursuant to Fed. R. Civ. P. 23(b)(3), as follows: All employees or applicants for employment at the McDonald's Defendants' restaurants residing in the United States

¹ Unless otherwise defined herein, all capitalized terms in this Order have the same meaning as in the Settlement Agreement.

1 (including all Territories and other political subdivisions of the United States) as to
2 whom, commencing July 29, 2013 and continuing through the final resolution of this
3 case, McDonald's did not provide the clear and conspicuous stand-alone disclosure
4 required by section 1681b(b)(2) of the Fair Credit Reporting Act.

5 2. Excluded from the Class are: all persons who submit timely and valid
6 requests to be excluded from the Class pursuant to the terms of the Settlement
7 Agreement and this Order; all current and former officers, directors, legal
8 representatives, and agents of the Defendants; and, the Judge to whom this case is
9 assigned and any member of the Judge's immediate family.

10 3. The Settlement Agreement entered into between the Plaintiff James
11 Wesley Carter and Defendants Shalhoub Management Company, Inc., Desert Gate
12 Management, LLC, DNR Management, LLC, DNS2 Management, LLC, Shalhoub
13 McDonald's, Richard and Dale Shalhoub Family Trust, Richard M. Shalhoub as of
14 September 15, 2016, appears, upon preliminary review, to be fair, reasonable, and
15 adequate to the Class. Accordingly, the proposed settlement is preliminarily
16 approved, pending a fairness hearing as provided for herein.

17 4. The Court finds this action is maintainable as a class action under Fed.
18 R. Civ. P. 23(b)(3) for settlement purposes.

1 5. Pursuant to Fed. R. Civ. P. 23, Plaintiff James Wesley Carter is
2 approved as Class Representative. This Court appoints the firms of Francis &
3 Mailman, P.C. and Tatar Law Firm as Class Counsel.

4 6. The Court will hold a Final Approval Hearing pursuant to Fed. R. Civ.
5 P. 23(e) on _____, 2017 in Courtroom 1600, United States District
6 Court, 312 North Spring Street, Los Angeles, California 90012, at _____ .m.
7 for the following purposes:

8 a) To finally determine whether, for purposes of settlement, this
9 action satisfies the criteria for class certification set forth in Fed. R. Civ. P. 23(a) and
10 (b);

11 b) To determine whether the proposed settlement is fair,
12 reasonable and adequate and should be granted final approval by the Court;

13 c) To determine whether a final judgment should be entered
14 dismissing the claims of the Class, with prejudice;

15 d) To consider the application of Class Counsel for an award of
16 attorneys' fees and expenses, and for an individual settlement and service award to
17 the Class Representative; and

18 e) To rule upon other such matters as the Court may deem
19 appropriate.
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1 7. Within five (5) business days of the entry of this Order, Defendants
2 shall provide the Settlement Administrator with the Class List in readable and
3 searchable electronic form. The Settlement Administrator shall proceed with the
4 notice plan as set forth in the Settlement Agreement.

5 8. Within ten (10) days of the entry of this Order, Defendants shall
6 transfer the sum of Seventy Thousand Dollars (\$70,000.00) to the Settlement
7 Administrator as an initial deposit to create the Settlement Fund.

8 9. The Court finds that the manner of giving notice set forth in the parties'
9 Settlement Agreement fully satisfies the requirements of Fed. R. Civ. P. 23 and due
10 process, constitutes the best notice practicable under the circumstances, and shall
11 constitute due and sufficient notice to all persons entitled thereto.

12 10. The Settlement Administrator shall file, no later than fifteen (15) days
13 before the Final Approval Hearing, proof of mailing of notice and of the
14 establishment and maintenance of the settlement website.

15 11. If a Class Member chooses to opt-out of the Class, such Class Member
16 is required to submit a written and signed exclusion request to the Settlement
17 Administrator, post-marked on or before the date specified in the Notice. A Class
18 Member who submits a timely and valid exclusion request using the procedure
19 identified in the Settlement Agreement shall be excluded from the Class for any and
20 all purposes. No later than fifteen (15) days prior to the Final Approval Hearing, the

1 Settlement Administrator shall prepare and file with the Court under seal, and serve
2 on counsel, a list of all persons who have submitted timely and valid exclusion
3 requests.

4 12. A Class Member who does not file a timely and valid exclusion request
5 shall be bound by all subsequent proceedings, orders, and judgments in the litigation.
6 Prior to the date of the Final Approval Order, the Court may permit a Class Member
7 who has filed a timely and valid exclusion request to withdraw such exclusion
8 request and to participate in the Settlement Agreement as if such exclusion request
9 had never been made.

10 13. A Class Member may object to the settlement. To exercise this
11 objection right, the Class Member must provide written notice of the objection via
12 first class mail to the Clerk of Court, Class Counsel, Defense Counsel and the
13 Settlement Administrator. For an objection to be considered by the Court, the
14 objection must be postmarked no later than the last day of the opt-out period, as
15 specified in the Notice. For an objection to be considered by the Court, the objection
16 must also set forth:

- 17 a) the name of the litigation;
18 b) the objector's full name, address and telephone number;
19 c) all grounds for the objection, accompanied by any legal support
20 for the objection known to the objector or his counsel;

1 d) the identity of all counsel who represent the objector, including
2 any former or current counsel who may be entitled to compensation for any reason
3 related to the objection to the Settlement or fee application;

4 e) any and all agreements that relate to the objection or the process
5 of objecting—whether written or oral—between objector or objector’s counsel and
6 any other person or entity;

7 f) the identity of all counsel representing the objector who will
8 appear at the Final Approval Hearing;

9 14. The right to object must be exercised individually by an individual
10 Class Member, not as a member of a group or subclass and, except in the case
11 of a deceased or incapacitated Class Member, not by the act of another person acting
12 or purporting to act in a representative capacity.

13 15. All briefs, memoranda, petitions and affidavits to be filed in support
14 of final approval of the settlement, for an individual award to the Class
15 Representative and for an award of attorney’s fees and expenses, shall be filed not
16 later than ten (10) days before the Final Approval Hearing.

17 16. The Court retains exclusive jurisdiction over this action to consider all
18 further matters arising out of or connected with the Settlement Agreement.

19 Dated:_____

BY THE COURT:

HON. MICHAEL W. FITZGERALD

UNITED STATES DISTRICT JUDGE

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