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18  
19 IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF SONOMA  
20 CIVIL UNLIMITED

21  
22 SHARON FELKER; HERMAN GRISHAVER;  
EDGAR CRUZ SORIANO; and JEANACE  
23 ZETINO, individually and on behalf of other  
similarly situated individuals,

24 Plaintiffs,

25 vs.

26  
27 JRK RESIDENTIAL GROUP, INC.; JRK  
PROPERTY HOLDINGS, INC.; and DOES 1-  
28 100,

29 Defendants.

Case No.: SCV-267587

**INDEX OF EXHIBITS ATTACHED TO  
DECLARATION OF KEVIN M.  
OSBORNE IN SUPPORT OF  
PLAINTIFFS' RENEWED MOTION FOR  
PRELIMINARY APPROVAL OF CLASS  
ACTION SETTLEMENT**

Judge: Hon. Patrick M. Broderick

Date: March 11, 2026, 2025

Time: 3:00 p.m.

Dept. 16

Complaint Filed: December 22, 2020

Trial Date: N/A

Pursuant to California Rules of Court, Rule 3.1110(f)(1), Plaintiffs hereby provide the following index of exhibits filed in support of their Renewed Motion for Preliminary Approval of Class Action Settlement.

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# **Exhibit A**

## SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement is made and entered into by: (i) Plaintiffs Sharon Felker, Herman Grishaver, Edgar Cruz Soriano, and Jeanace Zetino (“Plaintiffs”) on behalf of themselves and the members of the Section 396 Class, TPA Class, Late Fee Class, and RINCO Class, and (ii) Defendants JRK Residential Group, Inc. and JRK Property Holdings, Inc. (“JRK”). The Settlement Agreement is intended to fully resolve the action pending in the Superior Court of California, County of Sonoma, titled *Sharon Felker, et al. v. JRK Residential Group, Inc., et al.*, Case No. SCV-267587 (herein, the “Litigation”), subject to the approval of the Court and the terms and conditions set forth in this Settlement Agreement.

### I. RECITALS

- a. Plaintiffs filed their initial Complaint in the Litigation on December 22, 2020.
- b. In response to a demurrer and motion to strike, Plaintiffs filed their First Amended Complaint on June 1, 2021.
- c. JRK filed a further demurrer and motion to strike as to the First Amended Complaint, which were overruled and denied on March 18, 2022.
- d. After further motion practice, written discovery and depositions, the Parties attended a mediation session before Hon. Ronald M. Sabraw (Ret.) with JAMS in Walnut Creek on December 5, 2023. Settlement was not reached.
- e. On February 28, 2024, Plaintiffs moved for certification of the Section 396 Class, TPA Class, Late Fee Class and RINCO Class, which JRK opposed. In connection with that class certification motion, Plaintiffs also moved for leave to file a Second Amended Complaint, which JRK did not oppose.
- f. The Second Amended Complaint asserts claims against JRK under the Unfair Competition Law and Consumer Legal Remedies Act in connection with alleged violations of Penal Code, section 396, the Tenant Protection Act, Civil Code, section 1947.12, and Civil Code, section 1671.

- g. On March 27, 2024, while the motion for class certification was pending, JRK moved for summary adjudication and a determination of no merit as to Plaintiffs' claims related to alleged violations of Penal Code, section 396.
- h. The Court granted Plaintiffs' motion for class certification and denied JRK's motion for summary adjudication in orders dated August 7, 2024.
- i. On October 30, 2024, the Parties participated in a further mediation session before Bruce Friedman, Esq. with JAMS in Los Angeles. The parties did not settle that day, but the parties continued arm's-length negotiations with the assistance and under the supervision of Mediator Friedman.
- j. On November 14, 2024, Mediator Friedman issued a mediator's proposal, which both parties accepted on November 15, 2024.
- k. On November 20, 2024, the Parties informed the Court of the settlement in principle in a joint ex parte application to vacate all dates in the Litigation (including briefing and hearing dates for JRK's pending motion to compel arbitration and Plaintiffs' pending motion to compel discovery responses), stay the action and set a January 31, 2025 deadline for Plaintiffs to move for preliminary settlement approval and notice to Class Members.
- l. On November 25, 2024, the Court approved the Parties' joint ex parte application.
- m. Thereafter, the Parties filed several joint ex parte applications to extend the deadline for the motion for preliminary approval.
- n. The Court approved the Parties' joint ex parte applications and the hearing on the forthcoming motion for preliminary approval is currently scheduled for August 27, 2025.
- o. Plaintiffs in entering into this Agreement acknowledge the difficulty, time and effort involved in prosecuting the Litigation through trial and any subsequent appeals, and the uncertainties inherent to complex litigation.

- p. JRK has asserted numerous defenses to the claims alleged by Plaintiffs and expressly denies each of the claims and allegations asserted and any liability.
- q. JRK also has taken into account the uncertainty and risks presented by the Litigation and acknowledges that continuing the Litigation would be protracted and expensive. JRK has devoted substantial amounts of time, energy, and resources to the defense of the claims asserted by Plaintiffs and, unless this settlement is made, will continue to do so for the foreseeable future. For these reasons, JRK has agreed to settle the matter upon the terms set forth in this Agreement, to put to rest the claims alleged in the Litigation.
- r. Plaintiffs and JRK have therefore each independently determined that it is desirable and beneficial for the Litigation to be fully and finally resolved in the manner and upon the terms and conditions set forth in this Settlement Agreement.

**NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED** by and among Plaintiffs and JRK, by and through their counsel, that, subject to the approval of the Court, the Litigation and the Released Claims shall be finally and fully compromised, settled, and released, and the Litigation shall be resolved, upon and subject to the terms and conditions that follow.

## **II. TERMS AND CONDITIONS OF AGREEMENT**

### **1. Definitions**

As used herein, the following terms have the meanings specified below:

- 1.1 “Administrative Expenses” means the cost of the notice program relating to this Settlement and the costs of processing and administering disbursements pursuant to the Allocation Plan, and other necessary and reasonable administrative expenses relating to this Settlement.
- 1.2 “Agreement” or “Settlement Agreement” or “Settlement” means this Settlement Agreement and its Exhibits, attached hereto and incorporated herein, including all subsequent amendments agreed to in writing by the Parties and any exhibits to such amendments.

- 1.3 “Allocation Plan” means the plan for the pro rata and additional claims-based allocation of the net Settlement Amount set forth in **Exhibit 2** hereto, or such other plan for allocating the Settlement Amount approved by the Court.
- 1.4 “Claims” includes but is not limited to any claim, liability, right, demand, suit, matter, obligation, damage, including consequential damages, losses or costs, liquidated damages, statutory damages, punitive damages, attorneys’ fees and costs, actions or causes of action of every kind and description, whether in law, in equity, for administrative relief, or otherwise.
- 1.5 “Classes” may be used herein to collectively refer to and mean the Section 396 Class, TPA Class, Late Fee Class, and RINCO Class.
- 1.6 “Class Counsel” means: Julie Erickson, Elizabeth Kramer and Kevin Osborne, Erickson Kramer Osborne LLP; Joshua Katz, Law Office of Joshua Katz; and Todd Espinosa, Law Office of Todd Espinosa.
- 1.7 “Class List” means lists of persons falling within the definitions of the Section 396 Class, TPA Class, Late Fee Class, and/or RINCO Class. The Parties agree to work cooperatively to create a Class List for the purposes of this Settlement.
- 1.8 “Class Member(s)” means a person who falls within the definition of the Section 396 Class, TPA Class, Late Fee Class and/or RINCO Class and who is included in the Class List.
- 1.9 “Court” means the Superior Court of California, County of Sonoma.
- 1.10 “Defendants” or “JRK” collectively refer to and mean JRK Residential Group, Inc. and JRK Property Holdings, Inc.
- 1.11 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters its Final Order and Final Judgment; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day after the deadline for filing a notice of appeal from the Judgment, if no notice

of appeal is filed; or (b) if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.

- 1.12 “Fee and Expense Award” means the order awarding attorneys’ fees and reimbursement of costs and expenses incurred by Class Counsel in the Litigation, which shall be paid from the Settlement Amount.
- 1.13 “Final Approval Hearing” means the hearing to be requested by the Parties and conducted by the Court, following notice to potential Class Members and a time period for them to exclude themselves from the Classes or object to the Settlement, at which time Plaintiffs shall move the Court to finally approve the fairness, reasonableness, and adequacy of the Settlement and to enter the Final Order and Final Judgment.
- 1.14 “Final Order and Final Judgment” means an order entered by the Court granting final approval of this Settlement Agreement and entering final judgment accordingly, substantially in the form of **Exhibit 4** hereto or as jointly modified by the Parties.
- 1.15 “JRK California Apartments” means Arbors at California Oaks (Riverside County); Cascades Apartments (Fresno County); Crown Point Apartments (Fresno County); Diamond Hillside Apartments (Contra Costa County); Dominion Heights Apartments (Fresno County); Duo Apartments (Santa Clara County); Montage (Sacramento County); Parkside Glen Apartment Homes (Santa Clara County); Rancho Solana Apartments (Ventura County); Serenade at River Park (Ventura County); Somerset Glen Senior Apartments (Los Angeles County); Terraces at Highland Reserve (Placer County); The Harrison Glendale (Los Angeles County); and Vineyard Luxury Apartments (also known as Enclave at Adobe Creek and The Grove) (Sonoma County).

- 1.16 “Late Fee Class” means all tenants whose leases for JRK California Apartments provide for a late rent charge and who were charged that late charge on a net basis from December 22, 2016 to June 27, 2024.
- 1.17 “Litigation” means the action captioned *Sharon Felker, et al. v. JRK Residential Group, Inc., et al.*, Case No. SCV-267587 (Sonoma County Super. Ct.).
- 1.18 “Notice” collectively refers to and means the Notices of Proposed Settlement of Class Action, which, subject to Court approval, shall be substantially in the form attached hereto as **Exhibit 1**.
- 1.19 “Objection Deadline” means the date set forth in the Notice by which Class Members must object to the Settlement.
- 1.20 “Opt-Out Deadline” means the date set forth in the Notice by which Class Members must request exclusion from the Classes.
- 1.21 “Parties” means Plaintiffs and JRK collectively.
- 1.22 “Plaintiffs” means Sharon Felker, Herman Grishaver, Edgar Cruz Soriano and Jeanace Zetino.
- 1.23 “Preliminary Approval Order” means the order preliminarily approving the Settlement and providing for notice to Class Members, substantially in the form of **Exhibit 3** hereto.
- 1.24 “Section 396 Class” means all tenants with initial lease terms of no longer than one year who were charged rental price increases of more than 10 percent for JRK California Apartments in Los Angeles, Sonoma, or Ventura Counties during Wildfire Section 396 Protection Periods in those counties. Excluded from this class are tenants of The Harrison Glendale.
- 1.25 “Released Claims” means:
- for Releasing Persons who are members of the Section 396 Class, all Claims that such Releasing Persons had, have, or may have against Released Persons that were or could have been asserted in the Litigation for rent charged in

excess of the Penal Code section 396 limit during the Wildfire Section 396 Protection Periods, based upon the facts alleged in Plaintiffs' Second Amended Complaint;

- for Releasing Persons who are members of the TPA Class, all Claims that such Releasing Persons had, have, or may have against Released Persons that were or could have been asserted in the Litigation for rent charged in excess of the Rental Rate Caps for the period from January 1, 2020 to June 27, 2024, based upon the facts alleged in Plaintiffs' Second Amended Complaint;

- for Releasing Persons who are members of the Late Fee Class, all Claims that such Releasing Persons had, have, or may have against Released Persons that were or could have been asserted in the Litigation for fees charged for late payment of rent for the period from December 22, 2016 to June 27, 2024, based upon the facts alleged in Plaintiffs' Second Amended Complaint;

- for Releasing Persons who are members of the RINCO Class, all Claims that such Releasing Persons had, have, or may have against Released Persons that were or could have been asserted in the Litigation for fees charged for failure to maintain renter's liability insurance for the period from December 22, 2016 to June 27, 2024, based upon the facts alleged in Plaintiffs' Second Amended Complaint.

1.26 "Released Persons" means JRK and its past or present owners, parents, subsidiaries, divisions, and affiliated entities, as well as each of Defendants' and these entities' respective predecessors, successors, directors, officers, shareholders, employees, representatives, principals, agents, attorneys, insurers, reinsurers, and subrogees. "Released Persons" shall not include any debt collector or any consumer reporting agency ("CRA").

1.27 "Releasing Persons" means Settlement Class Members and any heirs, successors, and/or assignees of Settlement Class Members.

- 1.28 “Rental Rate Caps” means the rent limits defined in Civil Code, section 1947.12.
- 1.29 “RINCO Class” means all tenants whose leases for JRK California Apartments provide for a fee for a missing renter’s liability insurance policy and who were charged that fee on a net basis from December 22, 2016 to June 27, 2024.
- 1.30 “Serenade TPA Dates” means: November 15, 2022 for tenants at 702 Forest Park Blvd.; November 28, 2022 for tenants at 712, 762 and 772 Forest Park Blvd.; December 14, 2022 for tenants at 708 Forest Park Blvd.; February 27, 2023 for tenants at 768 Forest Park Blvd.; April 4, 2023 for tenants at 758 Forest Park Blvd.; April 17, 2023 for tenants at 752 Forest Park Blvd.; May 1, 2023 for tenants at 722 Forest Park Blvd.; June 5, 2023 for tenants at 718 Forest Park Blvd.; June 26, 2023 for tenants at 748 Forest Park Blvd.; July 9, 2023 for tenants at 742 Forest Park Blvd.; July 17, 2023 for tenants at 732 Forest Park Blvd.; and July 22, 2023 for tenants at 728 Forest Park Blvd.
- 1.31 “Service Awards” means Court-approved awards to Plaintiffs in recognition of their service to the Class Members.
- 1.32 “Settlement Administrator” means Angeion Group, or such other administrator as the Court shall approve.
- 1.33 “Settlement Amount” means a non-reversionary gross settlement amount of Four Million and 00/100 Dollars (\$4,000,000.00), which is the total and maximum amount JRK will be required to pay under this Settlement. The Settlement Amount will include the following elements: (i) payments to the Settlement Class Members pursuant to this Settlement; (ii) Service Awards to the Plaintiffs, as described herein; (iii) Class Counsel’s Attorneys’ Fees and Costs, as described herein; and (iv) Administrative Expenses, as described herein.
- 1.34 “Settlement Class Member” means a person who falls within the definition of the Section 396 Class, TPA Class, Late Fee Class and/or RINCO Class and does not exercise their right to opt out before the Opt-Out Deadline.

- 1.35 “Settlement Fund” means the Settlement Amount remaining after the deduction of (i) Service Awards to the Plaintiffs, as described herein; (ii) Class Counsel’s Attorneys’ Fees and Costs, as described herein; and (iii) Administrative Expenses, as described herein.
- 1.36 “TPA Class” or “Tenant Protection Act Class” means tenants who on January 1, 2020 or thereafter through June 27, 2024 were charged rent increases based on gross rental rates excluding discounts, incentives, concessions or credits for JRK California Apartments that exceeded the Rental Rate Caps. Excluded from this class are tenants of Parkside Glen Apartment Homes, Somerset Glen Senior Apartments, The Harrison Glendale, and Duo Apartments. Also excluded from this class are tenants of the Serenade at RiverPark whose rent increased in excess of the Rental Rate Caps before the Serenade TPA Dates.
- 1.37 “Wildfire Section 396 Protection Periods” means: in Los Angeles County, September 3 to October 3, 2017, December 5, 2017 to January 4, 2018, November 9, 2018 to November 8, 2019, and October 11, 2019 to December 31, 2021; in Sonoma County, October 9, 2017 to December 31, 2021; and in Ventura County, December 5, 2017 to December 31, 2021.

## **2. Settlement Benefits**

2.1 Settlement Payment. No later than fourteen (14) calendar days after the Effective Date, JRK shall pay and deliver the Settlement Amount to the Qualified Settlement Fund (“QSF”), which, subject to Court approval, shall be disbursed by the Settlement Administrator to pay relief to Settlement Class Members pursuant to the Allocation Plan, the Fees and Expense Award to Class Counsel, the Service Awards to Plaintiffs, and Administrative Expenses to the Settlement Administrator. JRK will advance from the Settlement Amount a reasonable sum into

the QSF following the date of the Preliminary Approval Order to cover notice costs incurred by the Settlement Administrator.

2.2 No Charging of Late Fees in California for Two (2) Years. For a period of two (2) years starting upon the date of the Preliminary Approval Order, neither JRK nor any affiliate of JRK shall charge fees for late payment of rent to any resident residing at the JRK California Apartments as of the date of the Preliminary Approval Order. A violation of this provision by a JRK affiliate shall be a breach of this Agreement by JRK.

2.3 No Charging of RINCO Fees in California for Seven (7) Years. For a period of seven (7) years starting upon the date of the Preliminary Approval Order, neither JRK nor any affiliate of JRK shall charge fees for failure to maintain renter's liability insurance to any resident residing at the JRK California Apartments as of the date of the Preliminary Approval Order. A violation of this provision by a JRK affiliate shall be a breach of this Agreement by JRK.

2.4 Debt Relief: Within 14 days of the Effective Date, JRK and, as necessary, any affiliates of JRK, shall instruct its debt collector(s) to cease all collection efforts for all of the debts of residents or former residents of JRK California Apartments that were sent to collection by JRK or any of its affiliates from January 1, 2017 to December 31, 2021 ("Debt Relief Residents") and shall not engage in any new collection efforts for those debts. JRK (and, as necessary, any affiliate of JRK) shall instruct its debt collector(s) to request that any applicable Consumer Reporting Agencies ("CRAs") delete all tradelines for the Debt Relief Residents. It may take 45 days or more for these updates to be reflected on their credit reports. JRK and its affiliates are not responsible for actions taken by the CRAs, or those agencies' failure to timely or accurately act on JRK's and any affiliates' request(s). JRK and its affiliates do not own or control the CRAs (which are separate legal entities unaffiliated with JRK) and JRK and its affiliates are not responsible for what actions or inactions they take in response to the foregoing request(s). It is Debt Relief Residents' responsibility to contact the CRAs to verify that they have taken action consistent with JRK's request(s). If the CRAs do not delete the tradelines

pursuant to JRK's request(s), JRK and its affiliates shall have no liability and no cause of action can or will be stated against JRK, including any for breach of this Agreement. Notwithstanding the foregoing sentence, if any CRA advises a Debt Relief Resident that it has not received from JRK (or the applicable affiliate) the request to delete tradelines provided for here, JRK (and, as necessary, any affiliate of JRK) shall promptly make all necessary requests and instructions for the deletion of the tradelines and shall cooperate with the CRAs in accomplishing the deletion. Any action, inaction, omission, and/or error by the CRAs are not and shall not be attributable to JRK or its affiliates in any way. A violation of this provision by a JRK affiliate shall be a breach of this Agreement by JRK.

JRK represents that no more than 825 Class Members are in collections for any unpaid balances related to the JRK California Apartments that were sent to collection from January 1, 2022 to June 27, 2024 (the "Collection Class Members"). After the Parties work cooperatively to prepare the Class List, JRK shall identify each of the Collection Class Members, who shall number no more than 825, to the Settlement Administrator and a single member of Class Counsel team (who will not share this information with anyone else) to be mutually agreed upon by the parties for purposes of implementing this Agreement and the Allocation Plan and the Set-Aside Fund. Within 45 days of the Effective Date, other than Collection Class Members, no Class Member shall be subject to any debt collection efforts by or on behalf of JRK or any JRK affiliate for any unpaid balance related to the JRK California Apartments that was sent to collections from January 1, 2022 to June 27, 2024. If a Class Member, who was not identified as a Collection Class Member, becomes subject to a collection effort 45 days after the Effective Date for a debt related to the JRK California Apartments that was sent to collections from January 1, 2022 to June 27, 2024, the Class Member shall notify JRK as specified in paragraph 9.15 and JRK shall have 30 days to cure by instructing its debt collector(s) to cease all collection efforts and not engage in new collection efforts for those debts. A violation of this provision by a JRK affiliate shall be a breach of this Agreement by JRK.

2.5 Catalyst Benefits. JRK represents that it has adopted remedial measures in response to the Litigation, including: (a) reducing the amounts of the individual late fees and RINCO fees charged at the JRK California Apartments; and (b) purchasing and deploying compliance software Entrata CORE.

### **3. Notice**

3.1 No later than twenty-one (21) calendar days after entry of the Preliminary Approval Order, JRK shall provide to the Settlement Administrator the Class List, along with the last known addresses and last known email addresses (if any) for each person listed in the relevant lease agreements for the purpose of preparing and sending the Notice.

3.2 No later than twenty-one (21) calendar days after JRK provides the Class List, the Settlement Administrator shall send the best practicable Notice to Class Members by email and/or U.S. Mail, where a physical mailing address is available. If any emails or mailed notices are returned undeliverable, the Settlement Administrator will take industry-standard steps to identify an alternative electronic or physical address by which to effect notice.

### **4. Settlement Procedures**

4.1 By the date ordered by the Court, or as soon as reasonably possible, Plaintiffs shall submit the Agreement together with its exhibits to the Court and shall apply for entry of the Preliminary Approval Order, requesting, *inter alia*, the preliminary approval of the Settlement; setting of dates for the distribution of the Notice, Opt-Out Deadline, Objection Deadline and Final Approval Hearing; approval of the Settlement Administrator; and approval of the Notice. Class Counsel shall provide JRK with a reasonable opportunity to review and provide comments to the motion for preliminary approval by providing a draft to JRK before the motion and supporting papers are filed with the Court.

4.2 Any Class Member who wishes to opt out of any of the Classes must submit a timely written request for exclusion on or before the Opt-Out Deadline, in the manner specified in the Court's Preliminary Approval Order and the Notice. Any Class Member who does not

submit a timely written request for exclusion will be bound by all proceedings and orders in the Litigation.

4.3 Any Class Member who wishes to object to the fairness, reasonableness, or adequacy of the Settlement, or the application of Class Counsel for a Fee and Expense Award and/or for Service Awards for Plaintiffs, must timely do so in the manner specified in the Court's Preliminary Approval Order and the Notice, or in a manner otherwise approved by the Court.

4.4 Within thirty (30) days after the Opt-Out Deadline and Objection Deadline, or on a different date if set by the Court, Plaintiffs and Class Counsel shall file their motion for final approval of the Settlement, application for the Fee and Expense Award and application for Service Awards.

4.5 At the Final Approval Hearing, Class Counsel will request that the Court enter the Final Order and Final Judgment, thereby resolving the Litigation.

## **5. The Settlement Administrator and Administrative Expenses**

5.1 The Settlement Administrator shall be bound by and shall perform the obligations imposed on it under the terms of this Agreement, including the Allocation Plan.

5.2 The Settlement Administrator shall be subject to the jurisdiction of the Court with respect to the administration of this Settlement.

5.3 All of the Administrative Expenses incurred by the Settlement Administrator shall be paid from the Settlement Amount.

5.4 The Settlement Administrator shall, among other things, be responsible for providing the Notice and otherwise administering the Settlement according to the terms of this Agreement. The Settlement Administrator shall create and maintain a website, which will include links to relevant case materials, including the Notice and Motions for Preliminary and Final Approval. The Settlement Administrator will post Class Counsel's application for the Fee and Expense Award, and for Service Awards to the settlement website promptly after the application is filed and will post instructions for Class Members to object or comment on the application.

5.5 The Settlement Administrator will, every two weeks after the provision of Notice and for a reasonable period following the Objection Date / Opt-Out Deadline, provide updates to Class Counsel and counsel for JRK as to the number of Class Members who submitted (a) valid opt-out requests for exclusion or (b) objections. With each update, the Settlement Administrator shall also provide Class Counsel and counsel for JRK copies of all objections and requests for exclusion received. At JRK's request, and at its own expense (separately invoiced to and paid by JRK), the Settlement Administrator will also include in the update to Class Counsel and counsel for JRK a zip folder containing all written correspondence between the Settlement Administrator and Class Members, as well as any recordings and/or transcripts of any phone calls or voice messages between the Settlement Administrator and Class Members. However, if the Settlement Administrator has reason to believe that the communication reveals communications between Class Counsel and the Class Member, the Settlement Administrator will first provide those communications to Class Counsel only. Class Counsel will then have seven (7) days to request that the communications be withheld on privilege grounds and inform JRK of this request. If there is a dispute about whether any communication may be withheld on privilege grounds, the party challenging the privilege may seek court intervention and the Court shall have the opportunity to review the communication in camera. Any documents not withheld on privilege grounds will be shared with JRK on the first business day following Class Counsel's 7-day review period. The Settlement Administrator shall disclose to Class Members that the communications it receives may be provided to Class Counsel and counsel for JRK. All such communications provided to counsel for JRK shall be designated confidential under the Court's protective order.

5.6 If Class Counsel has a reasonable need for contact information for a particular Class Member, on an as-needed basis, Class Counsel may request that information from the Settlement Administrator. The Settlement Administrator shall furnish that Class Member's contact information to Class Counsel as reasonably necessary, who shall hold it in confidence and use it only for purposes of communicating with that Class Member about the Settlement.

5.7 At least seven days before any filing deadline for Plaintiffs' motion for final approval, the Settlement Administrator shall prepare and circulate to Class Counsel and counsel for JRK a draft declaration attesting to the following: (i) its efforts to distribute the Notice including all means by which notice was distributed; (ii) its receipt of any valid requests for exclusion and its inability to deliver the Notice to any Class Members; (iii) the number of Settlement Class Members; (iv) the highest estimated award amount to be paid to the Settlement Class Members, along with the median and mean award payments. The Settlement Administrator will also prepare and submit to Class Counsel and counsel for JRK supplemental declarations as may be necessary.

5.8 Within fourteen (14) days of the completion of payments to Class Members under the Allocation Plan, the Settlement Administrator shall prepare a declaration for the Parties setting forth the total amounts paid to the Settlement Class Members by the Settlement Administrator; a listing of all checks not cashed and/or returned; the total amount of all checks that were not cashed and/or returned; the efforts undertaken to follow up on uncashed and/or returned checks; and the total amount of money being held by the Settlement Administrator.

5.9 All funds held by the Settlement Administrator shall be deemed and considered to be *in custodia legis* of the Court and shall remain subject to the jurisdiction of the Court until distributed pursuant to this Agreement.

5.10 All funds held by the Settlement Administrator shall be deemed to be a Qualified Settlement Fund as described in Treasury Regulation § 1.468B-1, 26 C.F.R. § 1.468B-1. Upon depositing funds with the Qualified Settlement Fund, JRK shall have no further liabilities, obligations, or rights with respect to those funds or any earnings thereon. Without limiting the generality of the preceding sentence, and notwithstanding anything to the contrary in this Agreement, JRK will not (i) be liable for any failure by the Qualified Settlement Fund to make appropriate distributions or disbursements, (ii) be a party or signatory to any Qualified Settlement Fund documents, (iii) have any obligation with respect to any tax payment or tax reporting by the Qualified Settlement Fund, and (iv) be entitled to any reversion or refund or any

earnings thereon. If any dispute arises with respect to the disbursements pursuant to the Allocation Plan (or any other matter with respect to disbursement after JRK's payment into the Qualified Settlement Fund), Settlement Class Members agree they will not involve JRK in such dispute. As a condition to JRK's obligation to pay and deliver the Settlement Amount to the Settlement Administrator, at the earliest available date, the Qualified Settlement Fund will provide JRK with a duly executed and properly completed IRS Form W-9 (and any applicable state and local equivalent forms) and such evidence as is reasonably satisfactory to JRK that the Qualified Settlement Fund meets the requirements of Treasury regulations section 1.468B-1 *et seq.* JRK will timely provide the Qualified Settlement Fund with, and include with JRK's tax return, a statement meeting the requirements of Treasury regulations section 1.468B-3(e).

5.11 No person shall have any claim against the Parties, their counsel, or the Settlement Administrator based on distributions made substantially in accordance with the Settlement, the Allocation Plan, or any order of the Court.

5.12 In the event the Settlement Administrator fails to perform its duties, and/or makes a material or fraudulent misrepresentation to, or conceals requested material information from, Class Counsel or JRK, then any party shall, in addition to any other appropriate relief, have the right to demand that the Settlement Administrator immediately be replaced. No party shall unreasonably withhold consent to remove the Settlement Administrator. The Parties will attempt to resolve any disputes regarding the retention or dismissal of the Settlement Administrator in good faith, and, if they are unable to do so, will refer the matter to the Court for resolution.

5.13. Except for the Service Awards (as described in paragraph 7.2), Class Counsel's court-ordered Fees and Expense Award (as described in paragraph 7.1), and Administrative Expenses, which will be paid out of the Settlement Amount, the Parties shall bear all of their own attorney fees, costs, and expenses.

## **6. Releases**

6.1 Upon the Effective Date, all Releasing Persons shall be deemed to have fully, finally, and forever released, relinquished, and discharged all Released Claims against all Released Persons.

Additionally, upon the Effective Date, Plaintiffs on the one hand, and JRK and all Released Persons, on the other hand, shall mutually be deemed to have fully, finally, and forever released, relinquished, and discharged all Claims (including, but not limited to, all unpaid balances associated with all the units where Plaintiffs have resided) against each other that have accrued as of the date of the execution of this Settlement Agreement. This additional release shall include any and all Claims of JRK and Enclave Apartments Property Owner LLC (“Enclave”) associated with all the units where Plaintiffs have resided. JRK has the authority to provide this additional release as agent for Enclave. Except for debts sent to collections, which will not be pursued, none of the Claims subject to this additional release have been transferred or assigned.

6.2 (i) JRK, Enclave, and Plaintiffs, with respect to all Claims mutually released, and (ii) all Releasing Persons with respect to the Released Claims, in each case, additionally expressly waive any and all rights they have under § 1542 of the Civil Code of the State of California or any law of any state or territory of the United States that is similar, comparable, or equivalent to California Civil Code § 1542, which provides:

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

Notwithstanding the provision of § 1542 or any law of any state or territory of the United States that is similar, comparable, or equivalent to California Civil Code § 1542, and for the purpose of implementing a complete release and discharge, the Parties, Enclave, and all Releasing Persons expressly acknowledge that this Settlement Agreement is intended to include in its effect claims which they do not know of or suspect to exist in their favor at the time of execution hereof

and that this Agreement contemplates extinguishing all of such claims specified to be released herein. Notwithstanding the foregoing, Plaintiffs and Released Persons (except Enclave and JRK) reserve their rights solely as to each other under § 1542 and any similar, comparable, or equivalent law for Claims that do not qualify as Released Claims.

6.3 Class Members who have opted out of the Settlement by the Opt-Out and Objection Deadline are not subject to the release or bar provisions in paragraphs 6.1 and 6.4 and will not obtain any Settlement payment. No claims of any minor are subject to the release or bar provisions in paragraphs 6.1 and 6.4 and minors will not obtain any Settlement payment.

6.4 Upon the Effective Date: (a) this Settlement shall be the exclusive remedy for any and all Released Claims for all Settlement Class Members against Released Persons; (b) Plaintiffs shall be permanently barred from initiating, asserting, or prosecuting against the Released Persons in any federal or state court or tribunal any and all Claims against all Released Persons that have accrued as of the date of execution of this Settlement Agreement; (c) the Settlement Class Members shall be permanently barred from initiating, asserting, or prosecuting against the Released Persons in any federal or state court or tribunal any and all Released Claims; (d) JRK and all Released Persons (including Enclave) shall be permanently barred from initiating, asserting, or prosecuting against Plaintiffs in any federal or state court or tribunal any and all Claims (including, but not limited to, all unpaid balances associated with all the units where Plaintiffs have resided) that have accrued as of the date of execution of this Settlement Agreement; (e) JRK and all Released Persons (including Enclave) shall be barred from undertaking directly or indirectly any and all debt collection efforts of any kind against Plaintiffs related to any Claims released herein (including, but not limited to, all unpaid balances associated with all the units where Plaintiffs have resided); and (f) JRK (and, as necessary, its affiliates, including Enclave) shall instruct its debt collector(s) to request that all CRAs delete all

tradelines as to all Claims against Plaintiffs released herein (including, but not limited to, all unpaid balances associated with all the units where Plaintiffs have resided).

**7. Fee and Expense Award for Class Counsel; Service Awards for Plaintiffs**

7.1 Class Counsel will apply to the Court for the Fee and Expense Award in an amount not to exceed two million dollars (\$2,000,000.00) in fees and one hundred thousand dollars (\$100,000.00) in expenses, which, subject to Court approval, shall be paid by the Settlement Administrator from the Settlement Amount no later than three (3) business days after JRK delivers the Settlement Amount to the Settlement Administrator.

7.2. Class Counsel will apply to the Court for Service Awards in an amount not to exceed Ten Thousand Dollars (\$10,000.00) for each of the of the Plaintiffs, which, subject to Court approval, shall be paid by the Settlement Administrator from the Settlement Amount no later than three (3) business days after JRK delivers the Settlement Amount to the Settlement Administrator.

**8. Effect of Disapproval of Settlement**

8.1 In the event that the Settlement is not approved by the Court or otherwise fails to become effective in accordance with its terms, the terms and provisions of this Agreement shall be null and void and shall have no legal effect whatsoever, except as provided in Paragraph 9.2 hereof. In the event an appeal is filed from the Court's final judgment, or any other appellate review is sought prior to the Effective Date, administration of the Settlement shall be stayed pending final resolution of the appeal or other appellate review.

8.2 If the number of Class Members who submit timely valid requests for exclusion from the Classes total in number more than 100 of the Class Members, JRK shall have, in its sole discretion, the option to void this Settlement. To exercise this option, JRK must notify Class Counsel in writing within fourteen (14) days after receiving from the Settlement Administrator copies of all requests for exclusion as part of a final exclusion report from the Settlement Administrator, which is to be provided to JRK in a single transmission within seven (7) days after the Objection Deadline / Opt-Out Deadline.

## **9. Miscellaneous Provisions**

9.1 The Parties: (a) acknowledge that it is their intent to consummate this Agreement; and (b) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of the Settlement.

9.2 The Parties and their respective counsel agree that they will act in good faith and will not engage in any conduct that could frustrate the purposes of this Agreement or that could frustrate the approval of the Settlement. The Parties stipulate that the time to bring this action to trial under Code of Civil Procedure, section 583.310 is extended by the length of time beginning on November 19, 2024 and ending on either (1) the date that the Parties execute a written agreement recognizing that the time allowed under section 583.310 has started to run again or (2) the date of the issuance of an order by the Court recognizing that the time allowed under section 583.310 has started to run again. This extension of time shall be in addition to the prior extension stipulated to by the Parties on September 9, 2024, as well as any tolling, suspension or other extension of the time to bring this action to trial under applicable law. This stipulation shall be effective and binding and continue to be effective and binding notwithstanding paragraphs 8.1 and 8.2 and any other provisions herein.

9.3 The Parties intend this Agreement to effect a final and complete resolution of the Litigation. The Settlement resolves contested claims. Neither this Settlement, nor any document referred to or contemplated herein, nor any action taken to carry out this Settlement, is, may be construed as, or may be used as an admission, concession, or indication by or against JRK of any fault, wrongdoing or liability.

9.4 The Parties and their counsel agree that, prior to submitting the Settlement for Court approval, they will keep the terms of the Settlement confidential except for purposes of communicating with their respective clients and prospective Settlement Administrators only. Both prior to and after submitting the Settlement for Court approval, no Party or their counsel will issue a press release concerning the terms of the Settlement. For the avoidance of doubt,

nothing in this paragraph shall preclude the Parties from responding to an inquiry about the case or the Settlement after the Settlement is submitted for Court approval.

9.5 The Parties and Parties' counsel will continue to abide by the terms of the Protective Order in this case. The Parties and Parties' counsel will continue to maintain the confidentiality of any documents produced during the course of mediation or settlement discussions as strictly confidential for purposes of settlement only.

9.6 The Settling Parties agree that the terms of the Settlement were reached voluntarily after consultation with competent legal counsel. The normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

9.7 This Agreement may be amended or modified only by a written instrument signed by or on behalf of all settling Parties and approved by the Court.

9.8 This Agreement and the exhibits attached hereto constitute the entire agreement among the Parties hereto, and no representations, warranties or inducements have been made to any party other than the representations, warranties, and covenants contained and memorialized in such documents.

9.9 Each person executing this Agreement on behalf of any Party hereto warrants that they have the full authority to do so.

9.10 This Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of executed counterparts shall be filed with the Court. Copies of signatures shall be deemed originals.

9.11 Each Party to this Settlement acknowledges and agrees that no provision of this Settlement, and no written communication or disclosure between or among the Parties or their attorneys, is or was intended to be tax advice. No Party shall make any claim or take any position inconsistent with the treatment of the Qualified Settlement Fund as a qualified settlement fund within the meaning of Treasury regulations section 1.468B-1, and the Parties acknowledge and

agree that the Settlement Administrator will perform all tax reporting, compliance, withholding, and other tax related actions necessary to comply with the requirements of the Treasury regulations and other applicable tax laws. Except as provided in the preceding sentence, no Party shall have any responsibility with respect to the tax and tax-related liabilities or responsibilities of any other Party.

9.12 This Agreement shall not be binding upon any third party that is not an Affiliate of JRK who purchases or otherwise obtains title to any of the JRK California Apartments or 100% direct or indirect interest therein (an “Equity Sale”), or any owner at any time from and after an Equity Sale of any of the JRK California Apartments. This Agreement does not run with the land. For purposes of this paragraph: “Affiliate” shall mean, as to any person or entity, any other person or entity which directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such person or entity; and “Control” shall mean, with respect to any person or entity, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such person or entity, through the ownership of voting securities, by contract or otherwise, and the terms Controlled, Controlling and common Control shall have correlative meanings. For the avoidance of doubt, the releases contained in Paragraph 6.1 do not encompass conduct that occurs after the date of the execution of this Settlement Agreement and the bar provisions of Paragraph 6.4 do not encompass Claims based on conduct that occurs after the date of the execution of this Settlement Agreement.

9.13 The Court shall retain jurisdiction with respect to implementation and enforcement of the terms of this Agreement, and all Parties submit to the jurisdiction of the Court for purposes of implementing and enforcing the Settlement.

9.14 This Agreement and the exhibits hereto shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of California, and the rights and obligations of the Parties pursuant to this Agreement shall be construed and enforced in accordance with, and governed by, the substantive laws of the State of California.

9.15 With respect to the notice contemplated in paragraphs 2.4 and 8.2, notice shall be provided by e-mail and/or next-day (excluding Saturdays, Sundays and Legal Holidays) express delivery service as follows:

Upon Class Counsel at:

Elizabeth A. Kramer  
ERICKSON KRAMER OSBORNE LLP  
44 Tehama Street, San Francisco, CA 94105  
elizabeth@eko.law,

Joshua Katz  
LAW OFFICE OF JOSHUA KATZ  
144 South E Street, Suite 206, Santa Rosa, California 95404-4794  
jkatz@sonomalegal.com

Todd Espinosa  
LAW OFFICE OF TODD ESPINOSA  
2000 Broadway Street, Redwood City, California 94063  
tie@toddespinosalaw.com

Upon Defendants' Counsel at:


Jeremy Smith  
GIBSON, DUNN & CRUTCHER LLP  
333 South Grand Avenue Los Angeles, California 90071  
Email: JSSmith@gibsondunn.com

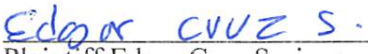
Mark Rackers  
SHEPPARD MULLIN  
501 West Broadway 18th Floor San Diego, CA 92101  
Email: MRackers@sheppardmullin.com

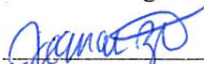
JRK Property Holdings  
11766 Wilshire Blvd #15, Los Angeles, CA 90025

IN WITNESS WHEREOF, each of the parties hereto have caused this agreement to be executed dated June 3, 2025.

By:   
Plaintiff Sharon Felker

By:   
Plaintiff Herman Grishaver

By:   
Plaintiff Edgar Cruz Soriano

By:   
Plaintiff Jeanace Zetino

Julie C. Erickson (SBN 293111)  
Elizabeth A. Kramer (SBN 293129)  
Kevin M. Osborne (SBN 261367)  
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650-409-2550 facsimile  
tie@toddespinosalaw.com

*Class Counsel and Attorneys for Plaintiffs*  
SHARON FELKER, HERMAN  
GRISHAVER, EDGAR CRUZ SORIANO  
and JEANACE ZETINO

By: \_\_\_\_\_  
\_\_\_\_\_ ,  
on behalf of JRK RESIDENTIAL  
GROUP, INC.

By: \_\_\_\_\_  
\_\_\_\_\_ ,  
on behalf of JRK PROPERTY  
HOLDINGS, INC.

GIBSON, DUNN & CRUTCHER LLP  
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JEREMY S. SMITH, SBN 283812  
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Facsimile: 213.229.7520  
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Email: JSSmith@gibsondunn.com

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A Limited Liability Partnership  
Including Professional Corporations  
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Email: mrackers@sheppardmullin.com  
Email: mfreeling@sheppardmullin.com

ABBAY, WEITZENBERG, WARREN &  
EMERY, PC  
DANIEL J. WILSON, SBN 299239  
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Santa Rosa, California 95401  
Telephone: (707) 542-5050  
Facsimile: (707) 542-2589  
Email: dwilson@abbeylaw.com

*Attorneys for Defendants*  
JRK RESIDENTIAL GROUP, INC. and JRK  
PROPERTY HOLDINGS, INC.

By: \_\_\_\_\_  
Plaintiff Sharon Felker

By: \_\_\_\_\_  
Plaintiff Herman Grishaver

By: \_\_\_\_\_  
Plaintiff Edgar Cruz Soriano

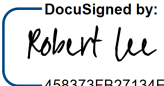
By: \_\_\_\_\_  
Plaintiff Jeanace Zetino

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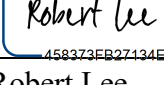
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tie@toddespinosalaw.com

*Class Counsel and Attorneys for Plaintiffs*  
SHARON FELKER, HERMAN  
GRISHAVER, EDGAR CRUZ SORIANO  
and JEANACE ZETINO

DocuSigned by:  
  
458373EB27134E2  
By: \_\_\_\_\_  
Robert Lee

on behalf of JRK RESIDENTIAL  
GROUP, INC.

DocuSigned by:  
  
458373EB27134E2  
By: \_\_\_\_\_  
Robert Lee  
on behalf of JRK PROPERTY  
HOLDINGS, INC.

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*Attorneys for Defendants*  
JRK RESIDENTIAL GROUP, INC. and JRK  
PROPERTY HOLDINGS, INC.

# **Exhibit 1**



□ There are four groups of “Class Members”:

(1) **Late Fee Class**: All tenants whose leases for JRK California Apartments provide for a late rent charge and who were charged that late charge on a net basis, from December 22, 2016 through June 27, 2024;

(2) **RINCO (Renter’s Insurance Compliance) Class**: All tenants whose leases for JRK California Apartments provide for a fee for a missing renter’s liability insurance policy and who were charged that fee on a net basis, from December 22, 2016 through June 27, 2024;

(3) **Section 396 Class**: All tenants with initial lease terms of no longer than one year who were charged rental price increases of more than 10 percent for JRK California Apartments in Los Angeles, Sonoma or Ventura Counties during Wildfire Section 396 Protection Periods in those counties.

(a) For Los Angeles County, the Wildfire Section 396 Protection Periods are: September 3 to October 3, 2017, December 5, 2017 to January 4, 2018, November 9, 2018 to November 8, 2019 and October 11, 2019 to December 31, 2021.

(b) For Sonoma County, the Wildfire Section 396 Protection Period is: October 9, 2017 to December 31, 2021.

(c) For Ventura County, the Wildfire Section 396 Protection Period is: December 5, 2017 to December 31, 2021.

(d) Excluded from this class are tenants of The Harrison Glendale; and

(4) **Tenant Protection Act (“TPA”) Class**: All tenants who on January 1, 2020, or thereafter through June 27, 2024, were charged rent increases based on gross rental rates excluding discounts, incentives, concessions or credits for JRK California Apartments that exceeded Rental Rate Caps under the TPA.

(a) Excluded from this class are tenants of Parkside Glen Apartment Homes, Somerset Glen Senior Apartments, The Harrison Glendale, and Duo Apartments, as these properties are exempt under the statute.

(b) Also excluded from this class are tenants of Serenade at RiverPark whose rent increased in Excess of the Rental Rate Caps before the relevant dates below:

- November 15, 2022 for tenants at 702 Forest Park Blvd.;
- November 28, 2022 for tenants at 712, 762 and 772 Forest Park Blvd.;
- December 14, 2022 for tenants at 708 Forest Park Blvd.;
- February 27, 2023 for tenants at 768 Forest Park Blvd.;
- April 4, 2023 for tenants at 758 Forest Park Blvd.;
- April 17, 2023 for tenants at 752 Forest Park Blvd.;

- May 1, 2023 for tenants at 722 Forest Park Blvd.;
- June 5, 2023 for tenants at 718 Forest Park Blvd.;
- June 26, 2023 for tenants at 748 Forest Park Blvd.;
- July 9, 2023 for tenants at 742 Forest Park Blvd.;
- July 17, 2023 for tenants at 732 Forest Park Blvd.; and
- July 22, 2023 for tenants at 728 Forest Park Blvd.

**Records show that you are member of one or more Class Member groups.**

- The Settlement provides for payments to Class Members who, according to Defendants’ records, were charged in one of the categories above. The estimated amount of your potential payment is shown on page 1 of this Notice.
- Further, as part of the Settlement, Defendants agree: (1) for a period of two years starting from the date that the Court preliminarily approves the Settlement, they will not charge fees for late payment of rent to any resident residing at the JRK California Apartments as of the date of preliminary settlement approval; and (2) for a period of seven years starting from the date that the Court preliminarily approves the settlement, they will not charge fees for failure to maintain renter’s liability insurance to any resident residing at the JRK California Apartments as of the date of preliminary approval.
- Defendants also agree to instruct its debt collectors to cease all collections efforts for all debts of current and former residents of JRK California Apartments who were sent to collections from January 1, 2017 to December 31, 2021 and will instruct their debt collectors to request that credit reporting agencies delete all associated tradelines.

**THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.**

YOUR RIGHTS AND OPTIONS	
<b><i>Do Nothing</i></b>	By doing nothing, you will be included in the Settlement. You will receive a payment amount estimated at the top of this Notice and you will give up your rights to sue in a separate lawsuit for the claims made in this class action.
<b><i>[Remain in the Settlement and Make a Claim for an Additional Payment</i></b>	Records show that you were sent to collections for an unpaid balance at JRK California Apartments between January 1, 2022 and June 27, 2024. If you do not exclude yourself from the settlement, you may submit a claim for an additional payment of \$50.00, in addition to the estimated payment shown on page 1 of this Notice. Please note that the Settlement does not affect or reduce the amount of your unpaid balance. Regardless of whether you submit a claim, remaining in the Settlement means that you will give up certain rights to avoid payment of whatever portion of your unpaid balance consists of rent increases and fees contested in the lawsuit for the period from January 1, 2022 and June 27, 2024. If you wish to retain all of your rights, you must opt out of the Settlement according to the instructions in section 13 of this Notice. If you do not opt out, you may submit your claim for additional payment online at [URL].]

<b><i>Exclude Yourself</i></b>	If you opt out of the Settlement, you will <u>not</u> be part of this Settlement. You will not be entitled to any recovery, and you will be free to pursue the claims in this case on your own or as part of a different lawsuit. To exclude yourself, you must follow the instructions in section 13 of this Notice.
<b><i>Object</i></b>	If you do not wish to exclude yourself, but you object to the Settlement, you can write to the Court to explain your objection. To object, you must follow the instructions in section 12 of this Notice.

1. Why did I get this Notice?

Records indicate that you were a tenant of one of the JRK California Apartments during a relevant time period. This Notice is to inform you of a proposed class action settlement and your legal rights.

2. What is a class action?

In a class action lawsuit, one or more people who have brought the lawsuit (the “Plaintiffs”) are called “Class Representatives.” The Class Representatives have sued on behalf of themselves and other people who have similar claims. Those with similar claims are referred to as “Class Members.”

3. What is the lawsuit about?

In this class action lawsuit, Plaintiffs claim that the Defendants violated California’s Unfair Competition Law and Consumers Legal Remedies Act by: (1) charging tenants improper late fees; (2) charging tenants improper fees for not having renter’s liability insurance; (3) raising rent more than is allowed under the California Tenant Protection Act; and (4) improperly raising rent more than 10 percent after 2017-2019 wildfire emergency proclamations in Los Angeles, Sonoma and Ventura Counties. Defendants deny any wrongdoing and insist their practices were lawful.

4. Has the Court decided who is right?

No. The Court has not decided in favor of Plaintiffs or Defendants. Instead, the parties have agreed to avoid the costs and risks of trial and appeals. The Class Representatives and their attorneys think the Settlement is in the best interest of the Class Members.

5. How is the payment amount determined?

The settlement payment amounts have been calculated by Plaintiffs’ counsel and the settlement administrator based on the amounts of by which the contested rent increases exceeded the alleged legal limits, the amount of late fees and RINCO fees charged for each Class Member’s apartment and the total amount of the alleged excess rent increases and fee charges for all Class Members’ apartments, as shown in Defendants’ records. The settlement payments reflect pro rata shares of the Settlement Amount to be paid by Defendants, excluding attorney fees and expenses awarded to Class Counsel, service awards to Class Representatives and administrative expenses of the settlement administrator, subject to a minimum payment amount. If more than one person signed a lease

for an apartment, the settlement payment will be divided equally among the persons who signed the lease, as shown in Defendants' records. Your estimated pro rata payment amount is shown on page 1 of this Notice.

In addition to the pro rata settlement payments, Class Members who are in collections for unpaid balances at JRK California Apartments sent to collections from January 1, 2022 to June 27, 2024 are eligible to submit a claim for an additional payment of \$50.00 each.

6. As a Class Member, does the Settlement change the amount of my rent?

No, the Settlement does not change the amount of your rent.

7. As a Class Member, does the Settlement change the date that my rent is due?

No, the Settlement does not change the date that your rent is due.

8. Does the Settlement change the amount of any unpaid balance that I have for fees or rent?

No, the Settlement does not change the amount of any unpaid balance that you may have. However, JRK will instruct its debt collectors to cease all collections efforts for all debts of current and former residents of JRK California Apartments who were sent to collections from January 1, 2017 to December 31, 2021 and will instruct its debt collectors to request that credit reporting agencies delete all associated tradelines.

9. As a Class Member, does the Settlement change my obligation to have or obtain renter's liability insurance?

No, the Settlement does not change any obligation that you may have to have or maintain renter's liability insurance under your lease.

10. As a Class Member, do I have a lawyer representing my interests in this case?

The Court has appointed lawyers to represent you and other Class Members. The Court has determined that the appointed attorneys are qualified to represent you and all Class Members. These lawyers are called "Class Counsel." The contact information for Class Counsel is as follows:

Firm: ERICKSON KRAMER OSBORNE LLP  
Attorneys: Julie C. Erickson, Elizabeth A. Kramer, and Kevin M. Osborne  
Address: 44 Tehama St., San Francisco, California 94105  
Telephone: (415) 635-0631  
Fax: (415) 599-8088  
Email: [contact@eko.law](mailto:contact@eko.law)

Firm: LAW OFFICE OF JOSHUA KATZ  
Attorney: Joshua Katz  
Address: 144 South E Street, Suite 206, Santa Rosa, California 95404  
Telephone: (707) 546-4510  
Fax: (707) 575-6014  
Email: [jkatz@sonomalegal.com](mailto:jkatz@sonomalegal.com)

Firm: LAW OFFICE OF TODD ESPINOSA  
Attorney: Todd Espinosa  
Address: 2000 Broadway Street, Redwood City, California 94063  
Telephone: (650) 241-3873  
Email: tie@toddespinosalaw.com

11. How will the lawyers be paid, and will the Class Representatives receive compensation?

Class Counsel will request that the Court award attorneys' fees and expenses, not to exceed \$2,100,000. Class Counsel will also ask the Court to approve service awards for the Class Representatives, not to exceed \$40,000 in total. Any payments to Class Counsel or to the Class Representatives will be subject to the Court's approval, and the Court may award less than requested.

12. How do I tell the Court that I don't like the Settlement?

If you are a Class Member and you have objections to any aspect of the Settlement, you may express your views to the Court. You may object to the Settlement only if you do not exclude yourself from the Settlement. **The deadline to object is the Objection Date, [Date].**

You may ask the Court to deny approval of the Settlement by filing an objection. The Court may only approve or deny approval of the Settlement the parties have reached. If the Court denies approval of the Settlement, no payments will be made and the litigation will continue. If that is what you want to happen, you must object.

If you wish to object to the settlement, you must do so in writing and must set forth with specificity the nature of your objection. If you file an objection, you may also appear at the fairness hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for paying that attorney. All written objections and supporting papers must be sent by first-class mail, postage pre-paid, to the Settlement Administrator. Objections may also be submitted online at [URL]. Your objection must be postmarked or submitted online on or before the Objection Date, and must include the following information: (i) your name, address, telephone number, and the contact information for any attorney independently retained by you in connection with your objection or otherwise in connection with the lawsuit; (ii) a statement of the factual and legal basis for each of your objections and any exhibits you wish the Court to consider in connection with the Objection; and (iii) a statement as to whether you intend to appear at the final approval hearing, either in-person or through counsel, and, if through counsel, providing the name, address and telephone number for such counsel.

The Final Approval Hearing is scheduled for [Date/Time] at Superior Court of The State of California, County of Sonoma Courtroom 16, 3035 Cleveland Ave #200, Santa Rosa, CA 95403.

13. How do I exclude myself from the Settlement?

To exclude yourself from the settlement, you must notify the Settlement Administrator in writing that you wish to opt-out of the Settlement. **The deadline to opt out is Exclusion Deadline, [Date].**

All requests for exclusion must be sent by first-class mail, postage pre-paid to the Settlement Administrator or submitted online at [URL]. Any request for exclusion must be postmarked or submitted online on or before the Exclusion Deadline and must include the following information: (i) Your name, address, telephone number, and the name of the JRK property where you resided and apartment number; (ii) the following statement: "I wish to

be excluded from the settlement in *Felker, et al. v. JRK Residential Group, Inc.* I understand that by opting out, I am giving up my right to receive benefits under the Settlement and I will retain the right to sue separately regarding the legal claims at issue in this lawsuit. I further understand that I will not be bound by the judgment entered in the class action; and (iii) your signature.”

14. Should I get my own lawyer?

You do not need to hire your own lawyer to take part in the Settlement. The Court has appointed Class Counsel to represent the Class Members, including you. You have the right to hire your own lawyer at your own expense if you so choose.

15. Where do I get more information?

Visit the website, [URL], where you will find the Court’s order certifying the Class, the Second Amended Complaint, the Defendants’ Answer to the Second Amended Complaint, the filings relating to the proposed Settlement, and other important documents. Complete copies of public pleadings, court rulings, and other filings are available for review and copying at the Court clerk’s office. The address is 3055 Cleveland Avenue, Santa Rosa, California 95403 (707-521-6500). You may get free help by calling or writing to Class Counsel at the phone numbers or addresses listed in response to question 6.

PLEASE DO NOT CONTACT THE COURT. THE COURT CANNOT DISCUSS THE CASE WITH YOU.

# **Exhibit 2**

## **ALLOCATION PLAN**

### *Eligibility*

**Class Membership.** Settlement Class Members will be identified through JRK's records and will receive a unique claimant identifier on their notice. An individual who did not receive a notice with a unique claimant identifier may contact the Settlement Administrator, who shall attempt to verify class membership. The Settlement Administrator will also set up a process by which Collection Class Members may submit claims for additional payments. Collection Class Members are Class Members who are in collections for any unpaid balances related to the JRK California Apartments that were sent to collection from January 1, 2022 to June 27, 2024. JRK will provide the Settlement Administrator with a list of the Collection Class Members.

### *Procedures for Distribution*

Every Settlement Class Member (defined as any Class Member who does not opt out of the Settlement) is eligible for payment from the Settlement Fund. The process for determining the amount of a Settlement Class Member's payment involves three steps. First, the amount of the Settlement Fund will be calculated and the Settlement Fund will be divided into a Net Settlement Fund and a smaller Set-Aside Fund. Second, each Settlement Class Member's pro rata share of the Net Settlement Fund will be determined based on the amount of alleged damages that Settlement Class Member experienced, plus an additional \$50.00 payment for Collection Class Members who make a valid request for that additional amount in accordance with the process set up by the Settlement Administrator. Third, any unclaimed funds will revert to the Net Settlement Fund for a second round of allocation to those Settlement Class Members to did claim their payments, or for *cy pres* distribution if a second round is infeasible.

**Step 1.** The Settlement Administrator will calculate the amount of the total Settlement Fund, which is exclusive of Service Awards to the Plaintiffs, Class Counsel’s Attorneys’ Fees and Costs, and Administrative Expenses. From that Settlement Fund, the Settlement Administrator will set aside \$41,250.00 as a separate claims-based fund (the “Set-Aside Fund”). Collection Class Members will each be eligible to submit a claim for an additional payment of \$50.00. (The Settlement Fund exclusive of the Set-Aside Fund is referred to herein as the “Net Settlement Fund.”)

**Step 2.** The amount of alleged damages experienced by each individual Settlement Class Member will be tabulated by Plaintiffs’ counsel using information provided by JRK. Plaintiffs’ counsel will also calculate each Settlement Class Member’s pro rata share of the Net Settlement Fund, corresponding to the Settlement Class Member’s individual alleged damages divided by the total alleged damages for all Settlement Class Members. The Settlement Administrator will use each Settlement Class Member’s pro rata share to calculate the total amount of the Settlement Fund each Settlement Class Member is eligible to receive from the Net Settlement Fund.

An individual Settlement Class Member will be eligible to receive a portion of the Net Settlement Fund for alleged damages based on membership in any of the four Classes. Each qualifying individual Settlement Class Member identified by JRK will also be entitled to submit a claim for an additional \$50.00 payment from the Set-Aside Fund, as described above.

Beginning not later than fourteen (14) days after JRK delivers the Settlement Amount to the Settlement Administrator, each Settlement Class Member will be sent an award (in the form of a check or digital payment), representing an amount for damages their pro rata share from the Net

Settlement Fund. Collection Class Members will also receive an additional \$50.00 payment from the Set-Aside Fund, if they submitted a valid claim according to the procedures established by the Settlement Administrator. Payments will be subject to a \$20.00 minimum, where any payment that would otherwise be for a lower amount based on a Settlement Class Member's pro rata share will be increased to \$20.00. Settlement Class Members will have ninety (90) days from the date of sending to redeem their payments.

**Step 3.** Ninety (90) days after sending the payments to the Settlement Class Members, any unclaimed payments will be voided and any funds remaining in the Net Settlement Fund and any funds remaining in the Set-Aside Fund will be combined and revert to the Net Settlement Fund. If the reverted balance is large enough to feasibly distribute, the Settlement Administrator will cause to be paid a pro rata additional payment to all Settlement Class Members who redeemed their payments from the prior distribution. Settlement Class Members will have forty-five (45) days from the date of sending to redeem those payments.

If the Parties, in consultation with the Settlement Administrator, determine that the reverted balance is too low to feasibly distribute in a second allocation, the Parties will agree upon, and move the Court to approve, a *cy pres* distribution to an appropriate recipient. If a second allocation occurs, the Parties will move the Court to approve a *cy pres* distribution of any unredeemed payments from that allocation.

# **Exhibit 3**

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SUPERIOR COURT OF CALIFORNIA  
COUNTY OF SONOMA

SHARON FELKER, HERMAN GRISHAVER,  
EDGAR CRUZ SORIANO, and JEANACE  
ZETINO, on behalf of themselves and all others  
similarly situated,

Plaintiffs,

vs.

JRK RESIDENTIAL GROUP, INC., JRK  
PROPERTY HOLDINGS, INC., and DOES 1  
through 100, Defendants.

Case No.: SCV-267587

**[PROPOSED] ORDER GRANTING  
PLAINTIFFS' MOTION FOR  
PRELIMINARY APPROVAL OF CLASS  
ACTION SETTLEMENT AND TO  
DIRECT NOTICE**

HON. PATRICK M. BRODERICK  
DEPT. 16

1 This matter is before the Court on Plaintiffs’ motion for preliminary settlement approval  
2 and to direct notice. Plaintiffs, individually and on behalf of the proposed Classes, and  
3 Defendants have entered into a Settlement Agreement (“Settlement”) that, if approved, would  
4 resolve this Litigation.

5 Having considered the motion, the Settlement Agreement together with all exhibits and  
6 attachments thereto, the record in this matter, and the briefs and arguments of counsel, IT IS  
7 HEREBY ORDERED as follows:

8 1. Unless otherwise defined herein, all capitalized terms shall have the same  
9 meaning ascribed to them in the Settlement Agreement.

10 2. The Court has jurisdiction over this Litigation, Plaintiffs, Defendants, and the  
11 Settlement Classes. Venue is proper in this Court.

12 **PRELIMINARY APPROVAL**

13 3. The Court has reviewed the terms of the proposed Settlement Agreement, the  
14 exhibits and attachments thereto, Plaintiffs’ motion papers, and the declaration submitted in  
15 support of the motion. Based on its review, the Court finds that the Settlement Agreement is the  
16 product of serious, informed, non-collusive, arm’s length negotiations between experienced  
17 counsel and conducted with the assistance of a respected mediator.

18 4. The Settlement confers substantial benefits upon the Settlement Class and avoids  
19 the costs, uncertainty, delays, and other risks associated with continued litigation, trial, or  
20 appeal. The Settlement does not improperly grant preferential treatment to any individual,  
21 Settlement Class, or segment of the Settlement Classes; does not exhibit any signs of collusion,  
22 explicit or subtle; compares favorably with the potential recovery when balanced against the  
23 risks of continued litigation; and falls within the range of possible approval as fair, reasonable,  
24 and adequate and thus is likely to be finally approved under Cal. Civ. Proc. Code § 382.

25 5. The Court therefore **GRANTS** preliminary approval of the Settlement.  
26  
27  
28

**FINDINGS ON CLASS CERTIFICATION**

1  
2           6.       On August 7, 2024, the Court entered an order granting class certification for  
3 litigation purposes. The Court now finds that it will be able to certify the following Settlement  
4 Classes for purposes of the proposed Settlement:

- 5           □       Late Fee Class: all tenants whose leases for JRK California Apartments  
6 provide for a late rent charge and who were charged that late charge on a net  
7 basis, from December 22, 2016 to June 27, 2024.
- 8           □       RINCO Class: all tenants whose leases for JRK California Apartments  
9 provide for a fee for a missing renter’s liability insurance policy and who were  
10 charged that fee on a net basis, from December 22, 2016 to June 27, 2024.
- 11           □       Section 396 Class: all tenants with initial lease terms of no longer than one  
12 year who were charged rental price increases of more than 10 percent for JRK  
13 California Apartments in Los Angeles, Sonoma, or Ventura Counties during  
14 Wildfire Section 396 Protection Periods in those counties. Excluded from this  
15 class are tenants of The Harrison Glendale.
- 16           □       Tenant Protection Act (“TPA”) Class: tenants who, from January 1, 2020  
17 to June 27, 2024, were charged rent increases based on gross rental rates  
18 excluding discounts, incentives, concessions or credits for JRK California  
19 Apartments that exceeded the Rental Rate Caps. Excluded from this class are  
20 tenants of Parkside Glen Apartment Homes, Somerset Glen Senior Apartments,  
21 The Harrison Glendale, and Duo Apartments. Also excluded from this class are  
22 tenants of the Serenade at RiverPark whose rent increased in excess of the Rental  
23 Rate Caps before the Serenade TPA Dates.

24           7.       The Court concludes that the requirements of Cal. Civ. Proc. Code § 382 are  
25 satisfied with respect to the Settlement Classes and the proposed Settlement. In support of this  
26 conclusion, the Court finds:

- 27           □       The number of Settlement Class Members in each Class is in the  
28 thousands and is thus too numerous for their joinder to be practicable. Class

1 Member identities are ascertainable through records.

2  There are questions of law and fact common to each of the Classes, and  
3 these common questions predominate over individualized questions for  
4 settlement purposes. The common questions include JRK's alleged unlawful  
5 fees, charges, and rent increases.

6  Plaintiffs' claims are typical of the claims of each of the Classes in that  
7 the claims arise from being subject to, and harmed by, JRK's alleged unlawful  
8 fees, charges, and rent increases.

9  Plaintiffs are adequate class representatives, whose interests in this matter  
10 are aligned with those of the other Class Members. The Court hereby affirms its  
11 appointment of Sharon Felker, Herman Grishaver, Edgar Cruz Soriano, and  
12 Jeanace Zetino as class representatives.

13  Additionally, the Court affirms its appointment of Class Counsel— Julie  
14 Erickson, Elizabeth Kramer and Kevin Osborne, Erickson Kramer Osborne LLP;  
15 Joshua Katz, Law Office of Joshua Katz; and Todd Espinosa, Law Office of  
16 Todd Espinosa—as they are experienced in prosecuting class actions involving  
17 similar claims and have effectively represented the Classes.

18  A class action is a superior method for the resolution of this Litigation.

19 **NOTICE AND ADMINISTRATION**

20 8. The Court approves in form and content the Notice(s) attached as Exhibit 1 to the  
21 Settlement Agreement. The proposed notice plan, which includes direct notice via U.S. mail and  
22 email, will provide the best notice practicable under the circumstances, and satisfies Cal. Civ.  
23 Proc. Code § 382, Cal. Civ. Code § 1781, and due process. This plan and the Notice are  
24 reasonably calculated, under the circumstances, to apprise Class Members of the nature and  
25 pendency of the Litigation, the scope of the Settlement, a summary of the class claims, that a  
26 Class Member may enter an appearance through an attorney, that the Court will grant timely  
27 exclusion requests, the time and manner for requesting exclusion, the binding effect of final  
28 approval of the proposed Settlement, and the anticipated motion for attorneys' fees, costs, and

1 expenses and for service awards. The plan and the Notice constitute due, adequate, and  
2 sufficient notice to Class Members. The date and time of the Final Approval Hearing shall be  
3 included in the Notice before dissemination.

4 9. The Court hereby appoints Angeion Group to serve as the Settlement  
5 Administrator to supervise and administer the notice procedures, establish and operate a  
6 settlement website, receive and process claims, distribute payments according to the processes  
7 and criteria set forth in the Settlement Agreement, and perform any other administrative  
8 functions that are reasonably necessary or provided for in the Settlement Agreement.

9 10. The Court directs the Parties and the Settlement Administrator to provide Notice  
10 and carry out related tasks pursuant to the terms of the Settlement Agreement and this Order.

11 **EXCLUSIONS AND OBJECTIONS**

12 11. Class Members who wish to opt out and exclude themselves from the Settlement  
13 may do so by notifying the Settlement Administrator in writing postmarked no later than  
14 \_\_\_\_\_ or on-line at www. \_\_\_\_\_ .com by that date.

15 12. To be valid, each request for exclusion must include:

- 16 a. Full name, address, email address, telephone number, and the name of  
17 the JRK property where you resided and apartment number;
- 18 b. The statement: I want to be excluded from the Settlement Classes in  
19 *Felker, et al. v. JRK Residential Group, Inc., et al.*, No. SCV-267587 (Sonoma  
20 Super. Ct.). I understand that by excluding myself I will not receive any money  
or benefits from the Settlement.
- 21 c. Signature.

21 The written exclusion request must be submitted online at www. \_\_\_\_\_ .com no  
22 later than \_\_\_\_\_ or mailed to the Settlement Administrator, postmarked no later  
23 than \_\_\_\_\_ , to:

24 \_\_\_\_\_  
25 \_\_\_\_\_  
26 \_\_\_\_\_

27 13. All Class Members who do not opt out and exclude themselves from the  
28 Settlement shall be bound by the terms of the Settlement upon entry of a final approval order

1 and judgment.

2 14. Settlement Class Members who wish to object to the Settlement must do so in a  
3 written submission to the Settlement Administrator. Any such objection must:

- 4 a. list the objector's name, address, email address, and telephone number;
- 5 b. identify the case name and number (*Felker, et al. v. JRK Residential*  
6 *Group, Inc., et al.*, No. SCV-267587 (Sonoma Super. Ct.));
- 7 c. state with specificity the grounds for the objection;
- 8 d. state whether the objector intends to personally appear at the final approval  
9 hearing;
- 10 e. include the name and contact information of all attorneys representing or  
11 assisting the objector, and whether that attorney seeks to appear at the final  
12 approval hearing; and

13 f. The objection must be submitted on-line no later than \_\_\_\_\_ or  
14 mailed to the Settlement Administrator, postmarked no later than  
15 \_\_\_\_\_, to:

16 \_\_\_\_\_  
17 \_\_\_\_\_  
18 \_\_\_\_\_

19 15. Any Class Member who does not timely submit a written objection in  
20 accordance with the procedures listed above (and detailed in the Notice) shall be deemed to  
21 have waived any objection, shall not be permitted to object to the Settlement, and shall be  
22 precluded from seeking any review of the Settlement Agreement and/or the Final Order and  
23 Judgment by appeal or other means.

24 **FINAL APPROVAL HEARING AND SCHEDULE OF PROCEEDINGS**

25 16. The Court will hold its Final Approval Hearing on \_\_\_\_\_ at  
26 \_\_\_\_\_ at Empire College Annex, 3035 Cleveland Avenue, Santa Rosa, CA  
27 95403, Courtroom 16. The hearing may be moved to a different date or time without additional  
28 direct notice, but the hearing information will be timely posted to the Settlement Website.

1           17.     At the Final Approval Hearing, the Court will consider: whether the Settlement is  
2 fair, reasonable, and adequate and should be granted final approval; whether the Class should be  
3 finally certified for settlement purposes; whether a final judgment should be entered; and any  
4 other matters the Court may deem appropriate.

5           18.     In connection with seeking final approval, Class Counsel will apply for an award  
6 of attorneys' fees, reimbursement of expenses, and service payments to Class Representatives.  
7 Class Counsel's request for attorneys' fees shall not exceed \$2,000,000. Class Counsel's  
8 request for reimbursement of expenses shall not exceed \$100,000. Plaintiffs will also seek  
9 service awards for the Class Representatives in an amount not to exceed \$10,000 each.

10          19.     The Notice informs Class Members that Plaintiffs' motion for attorneys' fees,  
11 expenses, and service payments will be posted on the Settlement Website promptly after it is  
12 filed, along with instructions for how to comment on or object to the motion. The Court will  
13 then consider the motion.

14          20.     Any appeal from an order relating solely to Class Counsel's motion for  
15 attorneys' fees, expenses, and service payments, or any reversal or modification of any such  
16 order, shall not operate to terminate or cancel the Settlement or to affect or delay the finality of  
17 a judgment approving the Settlement.

18          21.     The Parties, Settlement Administrator, and Settlement Class Members shall  
19 adhere to the following schedule unless otherwise ordered by the Court:

<u>Event</u>	<u>Date</u>
Entry of Preliminary Approval Order	TBD
JRK to provide contact information for Class Members to Settlement Administrator	No later than 21 days after entry of the Preliminary Approval Order
Settlement Administrator sends Notice to the Class (the "Notice Date")	No later than 21 days after JRK provides the contact information
Last day for Class Members to opt out or object to the proposed Settlement	45 days after the Notice Date

<u>Event</u>	<u>Date</u>
Date by which Class Counsel is to file Motion for Final Approval of Settlement and Petition for Award of Attorneys' Fees, Expenses and Service Awards	Within 30 days after the Opt-Out Deadline and Objection Deadline
Final Approval Hearing	TBD
Settlement Administrator to distribute payments to Settlement Class Members	No later than 14 days after delivery of Settlement Amount to Settlement Administrator

24. All proceedings and deadlines in this matter, except those necessary to implement this Order and the settlement, continue to be stayed and suspended until further order of the Court.

**RESERVATION OF JURISDICTION**

22. The Court retains exclusive jurisdiction over the Litigation to consider all further matters arising out of or connected with the Settlement.

For the reasons set forth above, the Court **GRANTS** Plaintiffs' motion.

**IT IS SO ORDERED.**

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

\_\_\_\_\_  
Hon. Patrick M. Broderick

# **Exhibit 4**

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SONOMA

SHARON FELKER, HERMAN GRISHAVER,  
EDGAR CRUZ SORIANO, and JEANACE  
ZETINO, on behalf of themselves and all others  
similarly situated,

Plaintiffs,

vs.

JRK RESIDENTIAL GROUP, INC., JRK  
PROPERTY HOLDINGS, INC., and DOES 1  
through 100, Defendants.

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Case No.: SCV-267587

**[PROPOSED] FINAL ORDER AND  
JUDGMENT**

HON. PATRICK M. BRODERICK  
DEPT. 16

On \_\_\_\_\_, 2025, the Court entered an order granting preliminary approval (the “Preliminary Approval Order”) to the Settlement Agreement between Plaintiffs SHARON FELKER, HERMAN GRISHAVER, EDGAR CRUZ SORIANO, and JEANACE ZETINO individually and on behalf of the Settlement Classes (as defined below) and Defendants JRK RESIDENTIAL GROUP, INC. and JRK PROPERTY HOLDINGS, INC. (“JRK” or “Defendants”).

On \_\_\_\_\_, the Settlement Administrator provided notice in compliance with the Settlement Agreement, the Preliminary Approval Order, due process, and Cal. Civ. Proc. Code § 382. The Notice:

- (a) fully and accurately informed Class Members about the Litigation and the existence and terms of the Settlement Agreement;
- (b) advised Class Members of their right to request exclusion from the Settlement and provided sufficient information so that they were able to decide whether to accept the benefits offered, opt out, or object to the Settlement;
- (c) provided procedures for Settlement Class Members to file written objections to the Settlement, and to appear at the Final Approval Hearing; and
- (d) provided the time, date, and place of the Final Approval Hearing.

On \_\_\_\_\_, 2025, the Court held a Final Approval Hearing to determine whether the proposed settlement is fair, reasonable and adequate and whether judgment should be entered in this Litigation. The Court reviewed (a) the Motion for Final Approval (the “Motion”) and all supporting materials; (b) any objections filed with or presented to the Court; and (c) the Parties’ responses to any objections. The Court also considered the oral argument of counsel and any objectors who appeared. Based on this review and the findings below, the Court grants the Motion.

IT IS HEREBY ORDERED as follows:

1. Unless otherwise defined herein, all capitalized terms have the same meaning ascribed to them in the Settlement Agreement.

2. The Court has jurisdiction over this Litigation, Plaintiffs, Defendants, and Settlement Class Members, and any party to any agreement that is part of or related to the Settlement. Venue is proper in this Court.

3. The Court hereby finds the Settlement is, in all respects, fair, reasonable, and adequate and in the best interests of the Settlement Class, and consistent with all requirements of due process and applicable law. Specifically, the Court finds:

- a. Plaintiffs and Class Counsel have vigorously represented the Settlement Classes.
- b. The Settlement was negotiated at arm's length by capable and experienced counsel, with full knowledge of the facts, the law, and the risks of continuing to litigate, acting in the best interests of their respective clients, under the supervision of an experienced mediator.
- c. The monetary and non-monetary relief provided for in the Settlement is adequate considering the costs, risks, and delay of trial and appeal. The Allocation Plan, and the Set-Aside Fund provided for therein, is an appropriate method of compensating Settlement Class Members. The restriction on charging late fees for two years and RINCO fees for seven years as well as the debt relief provided pursuant to the Settlement constitute meaningful and valuable relief.
- d. The Settlement Agreement confers substantial benefits on the Settlement Class Members and will provide the Parties with repose from litigation. The Parties faced significant risks, expense, and uncertainty from continued litigation of this matter, which further supports the Court's conclusion that the Settlement is fair, reasonable, and adequate.

#### **CERTIFICATION OF THE SETTLEMENT CLASSES**

4. The Court affirms the class certification findings in the Preliminary Approval Order and certifies the following Settlement Classes:

- Late Fee Class: all tenants whose leases for JRK California Apartments provide for a late rent charge and who were charged that late charge on a net

basis, from December 22, 2016 to June 27, 2024. This includes tenants of The Arbors at California Oaks, Cascades Apartments, Crown Point Apartments, Diamond Hillside Apartments, Dominion Heights Apartments, Duo Apartments, The Grove Luxury Apartments / Vineyard / Enclave, The Harrison Glendale, Montage at Fair Oaks Apartments, Parkside Glen Apartment Homes, Rancho Solana, Serenade at River Park, Somerset Glen Senior Apartments, and Terraces at Highland Reserve Luxury Apartments.

□ RINCO Class: all tenants whose leases for JRK California Apartments provide for a fee for a missing renter's liability insurance policy and who were charged that fee on a net basis, from December 22, 2016 to June 27, 2024. This includes tenants of The Arbors at California Oaks, Cascades Apartments, Crown Point Apartments, Diamond Hillside Apartments, Dominion Heights Apartments, Duo Apartments, The Grove Luxury Apartments / Vineyard / Enclave, The Harrison Glendale, Montage at Fair Oaks Apartments, Rancho Solana, Serenade at River Park, and Terraces at Highland Reserve Luxury Apartments.

□ Section 396 Class: all tenants with initial lease terms of no longer than one year who were charged rental price increases of more than 10 percent for JRK California Apartments in Los Angeles, Sonoma, or Ventura Counties during Wildfire Section 396 Protection Periods in those counties. This includes tenants of The Grove Luxury Apartments / Vineyard / Enclave, Rancho Solana, Serenade at River Park, and Somerset Glen Senior Apartments. Excluded from this class are tenants of The Harrison Glendale.

□ Tenant Protection Act Class: tenants who, from January 1, 2020 to June 27, 2024 were charged rent increases based on gross rental rates excluding discounts, incentives, concessions or credits for JRK California Apartments that exceeded the Rental Rate Caps. This includes tenants of The Arbors at California Oaks, Cascades Apartments, Crown Point Apartments, Diamond

Hillside Apartments, Dominion Heights Apartments, The Grove Luxury Apartments / Vineyard / Enclave, Montage at Fair Oaks Apartments, Rancho Solana, Serenade at River Park (with the caveat in this paragraph below), and Terraces at Highland Reserve Luxury Apartments. Excluded from this class are tenants of Parkside Glen Apartment Homes, Somerset Glen Senior Apartments, The Harrison Glendale, and Duo Apartments. Also excluded from this class are tenants of the Serenade at RiverPark whose rent increased in excess of the Rental Rate Caps before the Serenade TPA Dates.

### **NOTICE AND ADMINISTRATION**

5. The Court finds that notice was given in accordance with the Preliminary Approval Order, and that the form and content of that Notice, and the procedures for disseminating notice, satisfy the requirements of Cal. Civ. Proc. Code § 382, Cal. Civ. Code § 1781, and due process and constitute the best notice practicable under the circumstances.

6. Adequate notice of the proceedings was given to Settlement Class Members, with a full opportunity to participate in the fairness hearing. Therefore, it is hereby determined that all Settlement Class Members are bound by this Final Order and Judgment.

7. The Plan of Allocation, and the Set-Aside Fund provided for therein, is a fair and reasonable way to optimize payments and benefits to Settlement Class Members and is approved.

8. The Court grants final approval of the Settlement Agreement in full, and the Parties shall carry out their respective obligations under the Settlement Agreement in accordance with its terms.

### **EXCLUSIONS AND OBJECTIONS**

9. Attached hereto as **Exhibit A** is a list of persons who made valid and timely requests to be excluded and are thus not bound by the Settlement Agreement and this Final

Order and Judgment and shall not be entitled to any of the benefits afforded under the Settlement Agreement.

10. \_\_\_\_ objections to the Settlement were submitted by Settlement Class Members. The Court has considered all objections and finds that they do not warrant or support rejection or non-approval of the Settlement. All objections are hereby overruled in all respects. All persons who did not object to the Settlement in the manner set forth in the Settlement Agreement are deemed to have waived any objections, including by appeal.

#### **RELEASE**

11. The full terms of the release set forth in Section 6 of the Settlement Agreement is specifically approved and incorporated herein (the “Release”).

#### **OTHER PROVISIONS**

12. Notice of this Final Order and Judgment will be posted on the Settlement Website.

13. If the Effective Date does not occur for any reason, (1) the Final Order and Judgment will be vacated, (2) the Litigation will revert to the status that existed before the Settlement Agreement’s execution date, (3) the Parties shall be restored to their respective positions in the Litigation as if the Settlement Agreement had never been entered into, except as provided for in the Settlement Agreement Section 9.2, and (4) no term or draft of this Settlement Agreement, or any part of the Parties’ settlement discussions, negotiations, or documentation will be admissible in evidence to prove or disprove the validity of any cause of action or defense pleaded in the Litigation.

14. This final judgment is intended to be a final disposition of the above-captioned action in its entirety and is intended to be immediately appealable. This final judgment resolves and extinguishes all claims released by the Settlement Agreement against Defendants.

15. All attorney’s fees and costs shall be borne as set forth in the Settlement Agreement and as ordered by the Court on Class Counsel’s application for an award of attorneys’ fees, reimbursement of expenses, and service payments to Class Representatives

from the Settlement Amount. This Final Order and Judgment shall not constitute a termination in favor of either party.

16. No person will have any claim against Plaintiffs, Class Counsel, Defendants, Defendants' counsel, or the Settlement Administrator arising from or relating to actions, determinations, or distributions made substantially in accordance with the Settlement Agreement or orders of the Court.

17. Without affecting the finality of this Final Order and Judgment, the Court reserves and continues jurisdiction with respect to the implementation and enforcement of the Settlement, and all other matters related to the administration, consummation, and interpretation of the Settlement and this Final Order and Judgment.

For the reasons set forth above, the Court **GRANTS** Plaintiffs' motion for final approval of the Settlement.

**IT IS SO ORDERED.**

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

\_\_\_\_\_

Hon. Patrick M. Broderick

# **Exhibit B**

United States District Court  
Northern District of California

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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

SIDDHARTH MEHTA,  
Plaintiff,  
v.  
ROBINHOOD FINANCIAL LLC, et al.,  
Defendants.

Case No. 21-cv-01013-SVK

**ORDER GRANTING MOTION FOR  
FINAL APPROVAL OF CLASS  
ACTION SETTLEMENT AND FEES**

Re: Dkt. Nos. 68, 71, 77

Following the Court’s preliminary approval, notice to prospective class members, and a fairness hearing, the Court now considers Plaintiffs’ unopposed Motion for Final Approval of the Class Action Settlement. Dkts. 67, 68, 71. The proposed class settlement totals \$500,000 (the “Aggregate Claim Amount” or “ACA”) and includes up to \$100 per class member for out-of-pocket expenses resulting from unauthorized access to their accounts, up to \$100 per class member for reimbursement of money paid for credit monitoring or identity theft protection products or services, and up to \$60 per class member for lost time resulting from unauthorized access. Dkt. 60 (“Settlement Agreement”) ¶¶ 2.1-2.3.<sup>1</sup> In addition, Defendants Robinhood Financial LLC and Robinhood Securities, LLC (together, “Robinhood”) will pay for two years of three-bureau credit monitoring for each class member who requests it. *Id.* ¶ 2.4. No objections to the settlement have been filed.

Also before the Court is Plaintiffs’ unopposed motion for attorneys’ fees totaling \$484,540, for reimbursement of litigation expenses totaling \$15,460, and for service awards of \$5,000 each to class representatives Kevin Qian and Michael Furtado. Dkt. 71 at 1. Robinhood will pay these sums separately and not out of the Aggregate Claim Amount. Dkt. 67

<sup>1</sup> Unless otherwise specified, all capitalized terms used in this Order have the meaning as defined in the Settlement Agreement.

1 (“Preliminary Approval Order”) ¶¶ 7(d), 20; Settlement Agreement ¶¶ 6.1-6.2.

2 The Court has considered the Parties’ submissions, the relevant legal authorities, the record  
3 in this case, and the arguments presented at the final fairness hearing. Due and adequate notice  
4 having been given of the settlement, as required by the Preliminary Approval Order (¶¶ 8-17), the  
5 Court having considered all papers filed and proceedings conducted herein, and good cause  
6 appearing therefor, the Court **GRANTS** the motion for final approval of the Settlement  
7 Agreement. The Court also **GRANTS** the motion for attorneys’ fees and awards the requested  
8 amounts in full.

9 **I. BACKGROUND**

10 **A. Factual Background**

11 Robinhood is a securities trading platform and broker-dealer of investment instruments.  
12 Dkt. 34 (“Second Amended Complaint” or “SAC”) ¶ 7. In that capacity, it is the custodian of its  
13 customers’ sensitive personal and financial information, money, and investments, including social  
14 security numbers, bank account numbers, credit histories, and tax information. *Id.* ¶¶ 11-13.  
15 Unauthorized users gained access to thousands of Robinhood customers’ accounts beginning in  
16 the summer of 2020. *Id.* ¶¶ 4, 19-20. Although there was no direct evidence of a breach of  
17 Robinhood’s computer networks, and Robinhood denied that any such breach had occurred,  
18 Robinhood notified its customers that they should consider setting up additional security measures  
19 to protect their accounts. SAC ¶¶ 20-21; Dkt. 62 (“Kramer Decl.”) ¶ 14. Nevertheless, millions  
20 were stolen from Robinhood customers’ accounts. SAC ¶¶ 4, 18. Plaintiffs claim that Robinhood  
21 has not fully reimbursed all customers who suffered losses. *Id.* ¶¶ 28-30.

22 **B. Relevant Procedural History**

23 Because the procedural history in this case spans two years, the Court only summarizes  
24 those rulings relevant to the disposition of the pending motions. Plaintiff Siddharth Mehta filed  
25 this putative class action in Santa Clara County Superior Court on January 8, 2021, alleging  
26 negligence, breach of contract, and violation of the following statutes: (1) California Consumer  
27 Privacy Act (“CCPA”) (Cal. Civ. Code § 1798.150); (2) Customer Records Act (“CRA”) (Cal.  
28 Civ. Code § 1750, *et seq.*); (3) California Constitution’s privacy clause (Cal. Const., art. I, § 1); (4)

1 California Unfair Competition Law (“UCL”) (Cal. Bus. & Prof. Code § 17200, *et seq.*); and (5)  
2 False Advertising Law (“FAL”) (Cal. Bus. & Prof. Code § 17500, *et seq.*). Dkt. 1, Ex. A.  
3 Plaintiff filed a first amended complaint on February 26, 2021 to state compliance with the notice  
4 requirements of several California statutes, add named plaintiffs Kevin Qian and Michael Furtado,  
5 and add a subclass of California residents. Dkt. 10 (“First Amended Complaint” or “FAC”).

6 Robinhood moved to dismiss the FAC, which the Court granted in part and denied in part.  
7 Dkts. 15, 33. Plaintiffs filed the operative SAC on May 20, 2021. Dkt. 34. Robinhood also  
8 moved to dismiss the SAC, which the Court again granted in part and denied in part. Dkts. 35, 41.  
9 Specifically, the Court dismissed Plaintiffs CLRA, FAL and the fraudulent prong of the UCL with  
10 leave to amend. Dkt. 41 at 13. Plaintiffs did not file a third amended complaint curing the defects  
11 the Court had identified by the identified deadline, and those claims, accordingly, were dismissed  
12 with prejudice. *Id.* Robinhood filed its answer on October 15, 2021. Dkt. 47.

13 While the motion practice was ongoing, the Parties engaged in discovery and attended one  
14 mediation session with Bruce Friedman of JAMS on March 29, 2022. Dkt. 70 (“Erickson Decl.”)  
15 ¶¶ 7-8, 10, 19. The Parties did not reach a settlement at that time but continued to negotiate an  
16 agreement. *Id.* ¶ 21. On May 4, 2022, the Parties notified the Court that they had reached a  
17 settlement [Dkt. 56], which they executed on July 1, 2022 [Dkt. 60]. That same day, Plaintiffs  
18 filed an unopposed motion for preliminary approval of the Settlement Agreement. Dkts. 61-64.  
19 The motion outlined the key components of the settlement as follows: an Aggregate Claim  
20 Amount of \$500,000, from which each class member submitting a claim could recover up to \$260,  
21 credit monitoring and identity theft protection services for each class member who elects to  
22 receive it, Class Counsel’s fees and expenses of up to \$500,000 to be paid separately from the  
23 ACA, and \$5,000 for the two class representatives, Plaintiffs Xian and Furtado. Dkts. 60-61. On  
24 August 29, 2022, the Court issued the Preliminary Approval Order without modification, as the  
25 notice provisions ensured that the class would receive proper notice and have adequate time to file  
26 objections. Dkt. 67. Accordingly, the Court issued an order (1) preliminarily approving the  
27 Settlement Agreement; (2) preliminarily certifying the proposed settlement class; (3) appointing  
28 Plaintiffs Xian and Furtado as class representatives; (4) designating Erickson Kramer Osborne

1 LLP as Class Counsel; (5) appointing Angeion Group (“Angeion”), a well-known, independent  
2 claims administrator, to administer the settlement; (6) approving the form of the notice of  
3 settlement and claim form and delivery of such; and (7) scheduling a fairness hearing for May 16,  
4 2023. *Id.*

5 In accordance with the Court’s Preliminary Approval Order, Angeion, the class action  
6 settlement administrator, provided notice to the 40,656 class members via email and first class  
7 mail (where email could not be delivered) on September 19, 2022. Dkt. 76 (“Crooks Decl.”) ¶¶ 7,  
8 10. On December 2, 2022, Angeion also emailed reminder notices to those 35,807 class members  
9 whose initial notice had been delivered but who had not submitted a claim form. *Id.* ¶ 8. Angeion  
10 similarly sent a Credit Monitoring Activation Reminder Email Notice on January 19, 2023, to the  
11 2,936 class members who had submitted a claim form. *Id.* ¶ 9. Angeion received a total of 3,075  
12 valid claims, which are approved to receive \$475,362 in settlement awards. *Id.* ¶ 18.

13 Additionally, at least 442 class members have elected to receive the two-year credit monitoring  
14 and identity-theft protection services offered under the Settlement Agreement. *Id.* ¶ 20.

15 Under the Court’s Preliminary Approval Order, written objections to the settlement were  
16 due by November 3, 2022. *See* Dkt. 67 at 7; Crooks Decl. ¶ 22. No written objections were  
17 lodged either before or after the November 3, 2022 deadline. Dkt. 68 at 7; Crooks Decl. ¶ 22.  
18 Also pursuant to the Court’s Preliminary Approval Order, the Parties filed the instant Motion for  
19 Final Approval of Class Action Settlement [Dkt. 68] and Motion for Attorneys’ Fees [Dkt. 71].

20 The Court held a fairness hearing on May 16, 2023, pursuant to Federal Rule of Civil  
21 Procedure 23(e)(2), at which all Parties appeared. Dkt. 82 (“Fairness Hearing”). The Parties  
22 confirmed that Angeion had received no written objections by November 3, 2022. *Id.* Based on  
23 the moving papers, which are unopposed, and the representations of counsel at the hearing, as  
24 stated on the record, the Court found the final proposed settlement fair and reasonable. The Court  
25 likewise approved the requested attorneys’ fees as appropriate in light of the lengthy procedural  
26 history of this case.

## 27 **II. LEGAL STANDARD**

28 Settlement agreements that will bind absent class members require judicial approval. Fed.

1 R. Civ. Proc. 23(e)(2). In determining whether to approve such a settlement agreement, “the  
2 universally applied standard is whether the settlement is fundamentally fair, adequate and  
3 reasonable.” *Officers for Justice v. Civil Serv. Comm’n of City of San Francisco*, 688 F.2d 615,  
4 625 (9th Cir. 1982). Courts in the Ninth Circuit consider the following factors announced in  
5 *Churchill Village, LLC v. General Electric* when making this evaluation:

6  
7 (1) the strength of the plaintiffs' case; (2) the risk, expense, complexity, and likely  
8 duration of further litigation; (3) the risk of maintaining class action status  
9 throughout the trial; (4) the amount offered in settlement; (5) the extent of  
discovery completed and the stage of the proceedings; (6) the experience and view  
of counsel; (7) the presence of a governmental participant; and (8) the reaction of  
the class members to the proposed settlement.

10 *Churchill Vill., LLC v. Gen. Elec.*, 361 F.3d 566, 575 (9th Cir. 2004). Whether a proposed  
11 settlement is fair ultimately falls within the sound discretion of the district court. *See Class*  
12 *Plaintiffs v. City of Seattle*, 955 F.2d 1268, 1276 (9th Cir. 1992).

### 13 **III. DISCUSSION**

14 As a threshold matter, this Court has subject matter jurisdiction over Plaintiffs’ claims  
15 pursuant to 28 U.S.C. § 1332(d). The Parties have consented to the jurisdiction of a magistrate  
16 judge under 28 U.S.C. § 636. Dkts. 9, 14. The Court first addresses Plaintiffs’ motion for final  
17 approval of the class action settlement and then discusses Plaintiffs’ motion for attorneys’ fees and  
18 other expenses.

#### 19 **A. The Court Approves the Final Class Action Settlement Agreement.**

20 The Settlement Agreement contemplates a Settlement Class, which the Court preliminarily  
21 certified under Federal Rule of Civil Procedure 23(e)(1)(B)(ii). Preliminary Approval Order ¶ 6.  
22 The Court now confirms its findings and finally certifies the following class:

23  
24 all individuals currently residing in the United States whose Robinhood accounts  
25 were accessed by unauthorized users from January 1, 2020, through April 27, 2022,  
or who notified Robinhood that their Robinhood accounts were accessed by  
unauthorized users from January 1, 2020, through April 27, 2022.

26 *Id.*; Settlement Agreement ¶ 1.22.

27 As stated at the hearing, the Court finds that the *Churchill* factors strongly weigh in favor  
28

1 of approving the final Settlement Agreement. After more than two years of vigorous litigation and  
2 one mediation session, Class Counsel negotiated a settlement that balances the strength of  
3 Plaintiffs' claims against the risk, expense, complexity and likely duration of further litigation,  
4 including the possibility of protracted appeals. Even after this Court ruled on two motions to  
5 dismiss, there are still a wide range of issues left to be decided regarding liability. The Parties  
6 have avoided the risk by agreeing to an Aggregate Claims Amount of \$500,000, which the Court  
7 finds to be in the best interest of the settlement class. Each class member who submits a valid  
8 claim may recover up to \$260, and all class members may claim two years of credit monitoring  
9 and identity theft protection services. Settlement Agreement ¶¶ 2.1-2.3, 2.7. Robinhood  
10 additionally has agreed to injunctive relief for a minimum period of eighteen months. *Id.* at ¶ 2.5.  
11 Specifically, Robinhood will (1) maintain its mandatory two-factor authentication program; (2)  
12 continue to offer customers supplemental two-factor authentication; (3) continue working with  
13 threat intelligence services to check customer passwords against compromised passwords and alert  
14 customer when Robinhood receives notice that a customer's password may have been  
15 compromised; (4) maintain a proactive monitoring program of customer account activity to  
16 identify potential account takeovers; (5) continue to increase customer awareness of cybersecurity  
17 threats; and (6) provide real-time phone support for customers to inquire with a representative  
18 about potential fraud and unauthorized account access. *Id.* Further, the extent of discovery over  
19 years of litigation favors settlement here; the Parties reviewed voluminous records and data files  
20 and engaged in meet and confer efforts to resolve a variety of disputes, Class Counsel interviewed  
21 over 80 putative class members, and the Parties were in the process of scheduling depositions  
22 when they agreed to mediate. Erickson Decl. ¶¶ 7-10. The extent of such discovery gave the  
23 Parties a sufficient understanding of the issues involved in the case. This conclusion is supported  
24 by the fact that no class members filed objections in response to the settlement notices. Fairness  
25 Hearing; Crooks Decl. ¶ 22.

26 In sum, the Court finds that, viewed as a whole, the settlement is sufficiently "fair,  
27 adequate, and reasonable" to warrant approval. *See Officers for Justice*, 688 F.2d at 625. The  
28 Court, therefore, approves the Settlement Agreement.

**B. The Court Approves the Award of Attorneys' Fees.**

**1. Attorneys' Fees**

In conjunction with seeking final approval of the class action settlement, as set forth in the Settlement Agreement, Plaintiffs filed an unopposed motion for attorneys' fees of \$484,540 and reimbursement of litigation costs totaling \$15,460, for a total combined request of \$500,000, which is the maximum amount of recovery permitted under the Settlement Agreement. Dkt. 71; Settlement Agreement ¶ 6.1. The Court finds these figures reasonable and awards the amount in full.

Federal Rule of Civil Procedure 23(h) authorizes the Court to "award reasonable attorney's fees and nontaxable costs that are authorized by law or by the parties' agreement." Fed. R. Civ. Proc. 23(h). Because Plaintiffs' claims arise under California law, California law governs the award of attorneys' fees. *See Vizcaino v. Microsoft Corp.*, 290 F.3d 1043, 1047 (9th Cir. 2002); Cal. Civ. Proc. Code § 1021.5.

The Court must analyze an attorneys' fee request "based on either (1) the 'lodestar' method or (2) a percentage of the total benefit made available to the class, including costs, fees, and injunctive relief." *Taylor v. Shutterfly*, No. 18-cv-266, 2021 WL 5810294, at \*8 (N.D. Cal. Dec. 7, 2021). The Court need not base an award of attorneys' fees solely on the amount paid to class members who submitted claims. *See Williams v. MGM-Pathe Comm'cns Co.*, 129 F.3d 1026, 1027 (9th Cir. 1997) ("We conclude that the district court abused its discretion by basing the fee on the class members' claims against the fund rather than on a percentage of the entire fund or on the lodestar."). The lodestar approach is appropriate for this case, particularly given that injunctive relief accounts for a substantial portion of the total relief to the class. *Taylor*, 2021 WL 5810294, at \*8; *Schuchardt v. Law Office of Rory W. Clark*, 314 F.R.D. 673, 688 (N.D. Cal. 2016).

Under the lodestar approach, "[t]he lodestar (or touchstone) is produced by multiplying the number of hours reasonably expended by counsel by a reasonable hourly rate." *Lealao v. Beneficial Cal., Inc.*, 82 Cal. App. 4th 19, 26 (2000); *see also Kelly v. Wengler*, 822 F.3d 1085, 1099 (9th Cir. 2016) ("[A] court calculates the lodestar figure by multiplying the number of hours

1 reasonably expended on a case by a reasonable hourly rate. A reasonable hourly rate is ordinarily  
 2 the ‘prevailing market rate [ ] in the relevant community.’”) (alteration in original) (internal  
 3 citation omitted) (quoting *Perdue v. Kenny A. ex rel. Winn*, 559 U.S. 542, 551 (2010)). Once the  
 4 court has fixed the lodestar, it may increase or decrease that amount by applying a positive or  
 5 negative “‘multiplier’ to take into account a variety of other factors, including the quality of the  
 6 representation, the novelty and complexity of the issues, the results obtained and the contingent  
 7 risk presented.” *Lealao*, 82 Cal. App. 4th at 26. While the Court should consider the value of the  
 8 injunctive relief when assessing fees under the lodestar approach, the Court need not determine a  
 9 specific monetary value associated with that relief. *Hohenberg v. Drey (In re Ferrero Litig.)*, 583  
 10 F. App’x 665, 668 (9th Cir. 2014) (“Under the lodestar method, a court need not determine the  
 11 ‘value’ of particular injunctive relief because fees are calculated through an assessment of time  
 12 expended on the litigation . . . the injunctive relief in this case is meaningful and consistent with  
 13 the relief requested in plaintiffs’ complaint. . . . The district court did not abuse its discretion in  
 14 approving a settlement that compensated counsel under the lodestar method for procuring such  
 15 relief.”).

16 Here, Class Counsel has provided detailed declarations showing that the attorneys handling  
 17 this case incurred a lodestar of \$652,630, representing 824 hours expended at a blended hourly  
 18 rate of \$792. Dkt. 73 (“Erickson Decl. II”) ¶ 11, Ex. 2. The Court finds that the hours claimed  
 19 were reasonably worked and that the rates charged are reasonable and commensurate with those  
 20 charged by attorneys with similar experience who appear in this Court. The Court also finds that  
 21 Plaintiffs’ counsel represented their clients with skill and diligence and obtained an excellent  
 22 result for the class, taking into account the possible outcomes at, and risks of proceeding to, trial.

23 Class Counsel requests a fee award of \$484,540, which equals approximately 74% of its  
 24 lodestar. See Erickson II Decl. ¶ 11; Dkt. 71 at 1. Thus, “far from any ‘upward’ multiplier, Class  
 25 Counsel’s requested fee actually results in a ‘negative’ (more accurately, a ‘fractional’) multiplier”  
 26 of 0.74. *Taylor*, 2021 WL 5810294, at \*9. While the fee award is constrained by the \$500,000  
 27 cap in the Settlement Agreement, Class Counsel, nevertheless, is seeking substantially less in fees  
 28 than the firm reasonably incurred, which further demonstrates the reasonableness of the fee award.

1 *See, e.g., id.; Schuchardt*, 314 F.R.D. at 690-91 (holding fractional lodestar multiplier to be  
 2 indication of reasonableness of fee request); *Johnson v. Triple Leaf Tea Inc.*, No. 14-cv-1570,  
 3 2015 WL 8943150, at \*6 (N.D. Cal. Nov. 16, 2015) (finding where “Class Counsel’s lodestar  
 4 exceeded the negotiated award” to be “well within the range courts have allowed in the Ninth  
 5 Circuit”); *Lusby v. GameStop Inc.*, No. 12-cv-03783, 2015 WL 1501095, at \*4 (N.D. Cal. Mar. 31,  
 6 2015) (“Class Counsel’s lodestar . . . result[s] in a negative multiplier of approximately .54. This is  
 7 below the range found reasonable by other courts in California.”); *Covillo v. Specialty’s Café*, No.  
 8 11-cv-00594, 2014 WL 954516, at \*7 (N.D. Cal. Mar. 6, 2014) (“Plaintiffs’ requested fee award is  
 9 approximately 65% of the lodestar, which means that the requested fee award results in a so-called  
 10 negative multiplier, suggesting that the percentage of the fund is reasonable and fair.”); *Walsh v.*  
 11 *Kindred Healthcare*, No. 11-cv-00050, 2013 WL 6623224, at \*3 (N.D. Cal. Dec. 16, 2013) (“The  
 12 Court concludes that, on the facts of this case, the lodestar is reasonable, especially in light of the  
 13 fact that Class Counsel have applied a negative multiplier, and seek an award that is less than their  
 14 base lodestar.”); *Wehlage v. Evergreen at Arvin LLC*, No. 10-cv-05839, 2012 WL 4755371, at \*1  
 15 (N.D. Cal. Oct. 4, 2012) (“Class Counsel do not seek a multiplier on their lodestar, and in fact the  
 16 requested fee is a negative multiplier (-.79). The Court finds that this award is appropriate here.”);  
 17 *In re Portal Software, Inc. Sec. Litig.*, No. 03-cv-5138, 2007 WL 4171201, at \*16 (N.D. Cal. Nov.  
 18 26, 2007) (“Even if the court accepted the unadjusted lodestar from plaintiffs’ counsel  
 19 (\$922,884.75), the correlating multiplier of 0.74 would still reflect a negative multiplier, further  
 20 suggesting that the requested percentage based fee is fair and reasonable.”).

21 The Court is not required to perform a percentage-based cross-check and finds it  
 22 inappropriate to do so here, as the injunctive relief is difficult to value monetarily. *Yamada v.*  
 23 *Nobel Biocare Holding AG*, 825 F.3d 536, 547 (9th Cir. 2016) (holding that if “classwide benefits  
 24 are not easily monetized, a cross-check is entirely discretionary,” and the district court may make  
 25 its award based entirely on the lodestar). The Court notes that the settlement creates a \$500,000  
 26 fund and provides two years of credit monitoring and identity theft protection services to all class  
 27 members, the latter of which Class Counsel estimates has a value of \$19,500,000. Settlement  
 28 Agreement ¶ 2.7; Dkt. 61 at 1, 13 (estimating retail value of services to be a total of \$480 per class

1 member with a class of approximately 40,000); Kramer Decl. ¶ 27. A fee award of \$484,540  
 2 represents approximately 2.4% of the total monetary value of the settlement prior to any  
 3 adjustment to account for the value of the injunctive relief. This limited cross-check further  
 4 confirms that the requested fees are reasonable.

## 5 2. Litigation Expenses

6 Class Counsel also is entitled to reimbursement of reasonable out-of-pocket expenses  
 7 under Federal Rule 23(h). Fed. R. Civ. Proc. 23(h); *see Harris v. Marhoefer*, 24 F.3d 16, 19 (9th  
 8 Cir. 1994) (holding that attorneys may recover reasonable expenses that would typically be billed  
 9 to paying clients in non-contingency matters). Costs that may be recouped under Rule 23(h)  
 10 include “nontaxable costs that are authorized by law or by the Parties’ agreement.” Fed. R. Civ.  
 11 Proc. 23(h).

12 Here, Class Counsel seeks reimbursement of \$15,460 in litigation expenses and provide a  
 13 declaration documenting their claim. Dkt. 79 (“Erickson Decl. III”) ¶¶ 4-8; *see also* Erickson  
 14 Decl. II ¶ 23, Ex. 2. Robinhood will pay the costs separately from amounts paid to class members  
 15 who have made valid claims and will not cause a reduction in what is paid to them. Settlement  
 16 Agreement ¶ 6.1; Preliminary Approval Order ¶ 20. No objection has been filed to any cost item  
 17 or amount, and the submitted costs are reasonable. *See* Dkt. 77 (“Pursuant to Civil Local Rule 7-  
 18 3, Defendants state that they do not oppose Plaintiffs’ . . . Motion for Attorneys’ Fees,  
 19 Reimbursement of Expenses, and Class Representative Service Awards (ECF No. 71).”).  
 20 Accordingly, the Court finds that Plaintiffs’ submissions support an award of \$15,460 in costs.

## 21 3. Class Representative Incentive Award

22 Finally, the Court must evaluate named Plaintiffs’ awards individually, using relevant  
 23 factors, including “the actions the plaintiff has taken to protect the interests of the class, the degree  
 24 to which the class has benefitted from those actions, . . . [and] the amount of time and effort the  
 25 plaintiff expended in pursuing the litigation.” *Staton v. Boeing Co.*, 327 F.3d 938, 977 (9th Cir.  
 26 2003) (quoting *Cook v. Niedert*, 142 F.3d 1004 (7th Cir. 1998)). The Ninth Circuit has  
 27 underscored that district courts must “scrutinize[e] all incentive awards to determine whether they  
 28 destroy the adequacy of the class representatives.” *Radcliffe v. Experian Info. Sols.*, 715 F.3d

1 1157, 1163 (9th Cir. 2013).

2 Here, named Plaintiffs and designated class representatives Kevin Qian and Michael  
3 Furtado each seek a service award of \$5,000. Dkt. 71 at 17-18; Erickson Decl. II ¶ 24. The Court  
4 finds that this enhancement is warranted for their service and participation in this litigation,  
5 including responding to discovery requests and assisting Class Counsel with preparation for  
6 mediation. Dkt. 71 at 1, 17-18; Kramer Decl. ¶ 42; Dkt. 74 (“Furtado Decl.”) ¶¶ 2-5; Dkt. 75  
7 (“Qian Decl.”) ¶¶ 2-4; Erickson Decl. II ¶ 24.


8 **IV. CONCLUSION**

9 For the reasons stated above, the Court **CERTIFIES** the proposed settlement class,  
10 **GRANTS** Plaintiffs’ unopposed motion for final approval of the class action settlement on the  
11 terms set forth in the Settlement Agreement, and **GRANTS** Plaintiffs’ unopposed motion for  
12 attorneys’ fees and other expenses, as well as class representative service awards, to be paid  
13 separately by Robinhood. Preliminary Approval Order ¶ 20; Erickson Decl. II ¶ 24. The Court  
14 will retain jurisdiction of the matter through distribution to enforce the settlement and this Order.

15 The Parties are ordered to submit a status report on **November 16, 2023** setting forth: (1)  
16 the amount of money dispersed from, and the amount of money left in, the settlement fund; (2) the  
17 number of class members who received a payment and the number that did not; and (3) any other  
18 updates that might assist the Court in overseeing the fair and just administration of the settlement.  
19 The Clerk of Court is directed to administratively close the case.

20 **SO ORDERED.**

21 Dated: May 16, 2023

22  
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24 \_\_\_\_\_  
25 SUSAN VAN KEULEN  
26 United States Magistrate Judge  
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# **Exhibit C**

United States District Court  
Northern District of California

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UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA

CURTIS KELLEY,  
Plaintiff,  
v.  
RELATED MANAGEMENT COMPANY,  
L.P., et al.,  
Defendants.

Case No. 22-cv-04458-SK

**ORDER ON MOTION FOR  
ATTORNEYS' FEES AND COSTS**

Regarding Docket Nos. 92, 93

This matter comes before the Court upon consideration of the motion for attorneys' fees and costs filed by Plaintiff Curtis Kelley ("Kelley"). Having considered the parties' papers, the relevant legal authority, and the record in this case, the Court hereby GRANTS IN PART and DENIES IN PART Plaintiff's motion for the reasons set forth below. The Court GRANTS Plaintiff's motion to seal. (Dkt. No. 92.)

**BACKGROUND**

Plaintiff alleges that he is a disabled senior who needs to use a wheelchair for mobility. (Dkt. No. 58 (First Amended Compl. ("FAC") at ¶ 1.) He is a resident of All Hallows Garden Apartments, a federally subsidized apartment complex in the Bayview neighborhood of San Francisco, California. (*Id.*) Defendants All Hallows Preservation, L.P. and Related Management Company, L.P. (collectively "Defendants") own and manage All Hallows Garden Apartments. (*Id.* at ¶ 2.) In 2021, after multiple requests, Defendants transferred Plaintiff to a ground-level studio apartment, but the unit was not actually accessible. (*Id.* at ¶ 3.) Defendants refused to provide a ramp that would allow Plaintiff to enter and leave his apartment independently, and Defendants failed to make physical alterations that Plaintiff requested so that he could use his shower, bathroom and other facilities. (*Id.*)

1 Based on such allegations, Plaintiff brought claims under the Fair Housing Act, 42 U.S.C.  
2 § 3604, the Section 504 of the Rehabilitation Act, 29 U.S.C. § 794, the California Fair  
3 Employment and Housing Act, Cal. Gov't Code §§ 12927, 12955, and California's Unruh Civil  
4 Rights Act, Cal. Civ. Code § 51.

5 Plaintiff moved to strike Defendants' affirmative defenses in late September 2022. (Dkt.  
6 No. 15.) The parties stipulated to striking Defendants' affirmative defenses with leave to amend  
7 less than half of the affirmative defenses, which the Court approved. (Dkt. No. 18.) On  
8 November 7, 2022, Plaintiff filed a motion for a preliminary injunction to require Defendants to  
9 provide him a wheelchair-accessible entrance to his apartment or to transfer him to another unit  
10 that is wheelchair-accessible. (Dkt. No. 25.) Days before the scheduled hearing, the parties filed a  
11 stipulation to resolve the motion which the Court approved. (Dkt. Nos. 33, 34.) The stipulated  
12 order included the following provisions:

- 13 1. As soon as reasonably possible after receiving written notice from  
14 Plaintiff's counsel that Plaintiff's health allows him to move,  
15 Defendants shall,
  - 16 a. Provide temporary housing accommodations mutually agreed  
17 upon by the parties for Plaintiff that contain the following  
18 features: (1) The accommodations will be compliant with  
19 regulations for accessible hotel rooms under the Americans  
20 with Disabilities Act, including a "roll-in" shower; (2) The  
21 accommodations will provide kitchen facilities comparable to  
22 those available in his studio apartment; (3) The temporary  
23 accommodations will be located in San Francisco proper to  
24 maintain Plaintiff's eligibility for healthcare and social  
25 services.
  - 26 b. Provide a fully electronically adjustable hospital bed, with  
27 separate adjustments for head, knees, and height, at least 42  
28 inches wide;
  - 29 c. Provide transportation of Plaintiff and his belongings  
(including his wheelchair and Hoyer lift) to the hotel, and  
home when Plaintiff's apartment is ready, in a wheelchair  
accessible van.
- 30 2. At Plaintiff's option, Defendants shall perform either (a.) or (b.):
  - 31 a. Perform modifications to the exterior of the Unit and the Unit  
32 entrance threshold to make the path of travel from the  
33 sidewalk to the entrance, and the entrance itself, accessible to  
34 Plaintiff, as "accessible" is defined under federal and state  
35 law. This work will be performed in compliance with the Fair

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Housing Accessibility Design Manual and the California Building Code Title 24-2. Defendants also will place the front door on piano hinges or similar as necessary to provide sufficient clear width for Plaintiff's wheelchair. Defendants will make best efforts to increase the clear door opening to 33.5" or greater.

- b. Provide Plaintiff with a different, accessible unit in the All Hallows Garden Apartments Complex. The parties will cooperate to ensure that Plaintiff has access to any proposed unit to determine its accessibility.
  - c. Defendants recognize that living in a hotel is difficult and disruptive for Plaintiff. Therefore, Defendants will make best efforts to provide information about any potential alternate apartment to Plaintiff on or before January 11, 2023.
3. Plaintiff agrees that he will move into the temporary accommodations provided by Defendants under paragraph 1 no later than ten days after Defendants procure them. Plaintiff understands that if he fails to timely complete this move, the temporary accommodations may be lost and Defendants may require additional time to find an appropriate alternative accommodation.
4. Plaintiff agrees that his stay in the temporary accommodations provided by Defendants shall be only for the duration of the above repairs, unless this stay is extended by agreement of the parties. Unless the parties mutually agree otherwise, Defendants' obligation to cover the costs of the hotel and hospital bed shall terminate seven days after notice is provided to Plaintiff's counsel that the above work has been completed and Plaintiff can move back into the Unit.

(Dkt. No. 34.)

The parties then engaged in multiple sessions of mediation. On May 12, 2023, Plaintiff moved to enforce the stipulated order for temporary housing. (Dkt. No. 39.) Defendants counter-moved to vacate or modify the stipulated order. The Court granted Plaintiff's motion to enforce the stipulated order and denied Defendant's cross-motion. In addition, the Court imposed a daily penalty of \$100 to be paid to Plaintiff for every day that Plaintiff was not housed in compliance with the stipulated order. (Dkt. No. 56.)

The Court then granted Plaintiff's motion to file a motion for reconsideration regarding the amount of the daily penalty. (Dkt. No. 60.) Ultimately, the Court denied Plaintiff's motion for reconsideration because he failed to demonstrate that \$100 a day was insufficient to enable him to comply with his medically prescribed diet. (Dkt. No. 66.)

1 Plaintiff moved to strike five of Defendants' remaining affirmative defenses. (Dkt. No.  
2 67.) The Court granted the motion as to three of the affirmative defenses and denied the motion as  
3 to the other two. (Dkt. No. 75.)

4 After additional sessions of mediation, on May 22, 2024, a mediator informed the Court  
5 that this case partially settled. The parties' settlement agreement provides that Defendants shall  
6 pay Plaintiff's reasonable attorney fees and costs. (Dkt. No. 92-1 (Settlement Agreement).)  
7 Plaintiff's Counsel now moves to recover attorney's fees and costs, seeking an award of  
8 \$821,142.50<sup>1</sup> in attorney's fees and \$48,171.30 in costs. (Dkt. No. 93.)

### 9 ANALYSIS

#### 10 A. Applicable Legal Standard.

11 The Ninth Circuit has explained:

12 A reasonable fee is a fee that is sufficient to induce a capable attorney  
13 to undertake the representation of a meritorious civil rights case. The  
14 district court must strike a balance between granting sufficient fees to  
15 attract qualified counsel to civil rights case and avoiding a windfall to  
16 counsel. The way to do so is to compensate counsel at the prevailing  
17 rate in the community for similar work; no more, no less.

18 *Vogel v. Harbor Plaza Ctr., LLC*, 893 F.3d 1152, 1158 (9th Cir. 2018) (internal quotation marks  
19 and citations omitted). In California, both state and federal courts employ the lodestar method to  
20 determine a reasonable fee award. *Hensley v. Eckerhart*, 461 U.S. 424, 433 (1983) (“[t]he most  
21 useful starting point for determining the amount of a reasonable fee is the number of hours  
22 reasonably expended on the litigation multiplied by a reasonable hourly rate”); *Jordan v.*  
*Multnomah Cnty.*, 815 F.2d 1258, 1262 (9th Cir. 1987) (same); *Ketchum v. Moses*, 24 Cal. 4th  
1122, 1131-32 (2001) (same).

23 The lodestar may be determined by multiplying the number of hours the prevailing party  
24 reasonably expended on the litigation by a reasonable hourly rate. *Morales v. City of San Rafael*,  
25 96 F.3d 359, 363 (9th Cir. 1996). After making the lodestar calculation, the district court then  
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27 <sup>1</sup> Plaintiff counsel initially sought \$801,517.50 in the motion. (Dkt. No. 93.) However, in  
28 the reply brief Counsel sought fees for an additional 27.9 hours incurred in connection with the  
motion for fees. (Dkt. No. 107.)

1 determines whether the lodestar figure, which is “presumptively reasonable,” should be adjusted  
2 based on 12 factors outlined in *Kerr v. Screen Extras Guild, Inc.*, 526 F.2d 67, 70 (1975):

3 (1) the time and labor required, (2) the novelty and difficulty of the  
4 questions involved, (3) the skill requisite to perform the legal service  
5 properly, (4) the preclusion of other employment by the attorney due  
6 to acceptance of the case, (5) the customary fee, (6) whether the fee  
7 is fixed or contingent, (7) time limitations imposed by the client or  
8 the circumstances, (8) the amount involved and the results obtained,  
9 (9) the experience, reputation, and ability of the attorneys, (10) the  
10 ‘undesirability’ of the case, (11) the nature and length of the  
11 professional relationship with the client, and (12) awards in similar  
12 cases.

13 The lodestar calculation is the predominate element of the reasonableness analysis. *Morales*, 96  
14 F.3d at 363 (citing *Jordan*, 815 F.2d at 1262).

15 **B. Plaintiff’s Motion**

16 **1. Reasonable Hours Expended.**

17 “The starting point for setting the amount of reasonable attorney’s fees is the number of  
18 hours reasonably expended. . . .” *Herrington v. Cnty of Sonoma*, 833 F.2d 739, 746 (9th Cir.  
19 1989). “[A]bsent circumstances rendering the award unjust, an attorney fee award should  
20 ordinarily include compensation for *all* the hours *reasonably spent* . . . .” *Ketchum*, 24 Cal. 4th at  
21 1133 (emphasis in original). However, the hours may be reduced if “the case was overstaffed and  
22 hours are duplicated; if the hours expended are deemed excessive or otherwise unnecessary.”  
23 *Chalmers v. City of Los Angeles*, 796 F.2d 1205, 1210 (9th. Cir. 1986) (citation omitted).

24 Defendants assert several challenges to Plaintiff’s motion. First, Defendants argue that  
25 Plaintiff’s Counsel failed to provide sufficient billing records. Plaintiff remedied this problem by  
26 providing copies to the Court for *in camera* review. Second, Defendants argue that Plaintiff’s  
27 Counsel did not seek prompt relief and instead, inflated their fees. However, the Court finds that  
28 both sides vigorously litigated this case and that Plaintiff was ultimately successful. The only  
motion on which Plaintiff was not successful was his motion for reconsideration of the Court’s  
imposition of a daily penalty due to Defendants’ delay. Although the Court did not ultimately  
increase the amount of the daily penalty, Plaintiff’s motion was far from frivolous, and the Court  
seriously considered it. Because Defendants delayed in complying with the stipulated order, the

1 Court finds that a reduction for the time spent on the motion for reconsideration is not warranted.

2 Lastly, Defendants argue that Plaintiff’s Counsel unreasonably billed for duplicative work.  
3 The Court agrees. “[C]ourts ought to examine with skepticism claims that several lawyers were  
4 needed to perform a task, and should deny compensation for such needless duplication as when  
5 three lawyers appear for a hearing when one would do.” *Democratic Party of Wash. State v. Reed*,  
6 388 F.3d 1281, 1286 (9th Cir.2004) (internal citations omitted); *See Sorenson v. Mink*, 239 F.3d  
7 1140, 1146-1147 (9th Cir. 2001) (courts may and should exclude compensation for hours that  
8 “reflect duplicative efforts and excessive staffing.”). As another court in this District explained,  
9 “[w]hile it is not uncommon to have co-counsel in litigation, and fees are commonly awarded to  
10 multiple attorneys, counsel seeking fee awards bear the risk that the lodestar will be subject to  
11 scrutiny and possible reduction due to unreasonable inefficiencies and duplicative efforts  
12 engendered by multiple counsel.” *Stonebrae v. Toll Bros.*, 2011 WL 1334444, at \*12 (N.D. Cal.  
13 April 7, 2011).

14 The Court notes that Plaintiff’s Counsel staffed this case with three highly experienced  
15 attorneys. The three attorneys have fifteen, twenty-three, and thirty-two years of experience,  
16 respectively. (*See* Dkt. No. 94 (Declaration of Celia McGuiness), ¶ 3; Dkt. No. 95 (Declaration of  
17 Todd Espinosa), ¶ 9; Dkt. No. 96 (Declaration of Deborah Gettleman), ¶ 3.) While obtaining  
18 relief for Plaintiff took time and effort, this case did not involve complicated or novel legal issues.  
19 As another court observed, “given the relatively simple nature of this matter, it was unreasonable  
20 to staff the matter with three attorneys (all of whom have considerable experience in ADA  
21 litigation). . . .” *Hernandez v. Grullense*, 2014 WL 1724356, at \*7 (N.D. Cal. Apr. 30, 2014). In  
22 *Hernandez*, the court noted that there was no need for two experienced attorneys to both attend the  
23 mediation and that overstaffing led to excessive conferencing between the attorneys, accounting  
24 for twenty percent of the total time billed. *Id.* (striking the time from one of the attorneys  
25 attending the mediation and half of the time billed for conferencing).

26 Upon review of the billing records from Plaintiff’s Counsel, the Court finds a large portion  
27 of the billed hours were for conferencing and communicating between and among the attorneys.  
28 In other instances, two or three attorneys attended matters that could have been handled by one,

1 such as site visits or attending multiple day-long sessions of mediation. In another example of  
2 wasteful billing practices, Plaintiff's Counsel billed for times that they were waiting on hold.  
3 Additionally, the attorneys did not divide up tasks efficiently. For example, all three attorneys  
4 worked on drafting and reviewing the complaint. The Court finds that deducting twenty percent  
5 from the requested attorneys' fees is necessary to account for these wasteful and duplicative  
6 billing practices.

## 7 **2. Reasonable Rates.**

8 To determine whether the requested hourly rates are reasonable, the Court looks to the  
9 "hourly amount to which attorneys of like skill in the area would typically be entitled." *Ketchum*,  
10 24 Cal. 4th at 1133. Plaintiff, as the fee applicant, bears "the burden of producing satisfactory  
11 evidence, in addition to the affidavits of its counsel, that the requested rates are in line with those  
12 prevailing in the community for similar services of lawyers of reasonably comparable skill and  
13 reputation." *Jordan v. Multnomah Cnty.*, 815 F.2d 1258, 1263 (9th Cir. 1987). "Affidavits of the  
14 plaintiff[s] attorney and other attorneys regarding prevailing fees in the community, and rate  
15 determinations in other cases, particularly those setting a rate for the plaintiff[s] attorney, are  
16 satisfactory evidence of the prevailing market rate." *United Steelworkers of Am. v. Phelps Dodge*  
17 *Corp.*, 896 F.2d 403, 407 (9th Cir. 1990). Courts also may rely on decisions by other courts  
18 awarding similar rates for work in the same geographical area by attorneys with comparable levels  
19 of experience. *Rodriguez v. Barrita, Inc.*, 53 F. Supp. 3d 1268, 1277-78 (N.D. Cal. 2014) (citing  
20 *Nadarajah v. Holder*, 569 F.3d 906, 917 (9th Cir. 2009)). "Generally, when determining a  
21 reasonable hourly rate, the relevant community is the forum in which the district court sits."  
22 *Prison Legal News v. Schwarzenegger*, 608 F.3d 446, 454-55 (9th Cir. 2010) (quoting *Camacho v.*  
23 *Bridgeport Fin., Inc.*, 523 F.3d 973, 979 (9th Cir. 2008)). Additionally, in calculating the lodestar,  
24 counsel may use the attorneys' current hourly rates at the time of the fee motion. *See, e.g., In re*  
25 *Washington Pub. Power Supply Sys. Sec. Litig.*, 19 F.3d 1291, 1305 (9th Cir. 1994) (noting that  
26 "[f]ull compensation requires charging current rates for all work done during the litigation, or by  
27 using historical rates enhanced by an interest factor").

28 **Plaintiff's Counsel is seeking its current rates for the attorneys and paralegals who worked**

1 on this matter: (1) Celia McGuinness, an attorney with thirty-two years of experience, with an  
2 hourly rate of \$950.00; (2) Todd Espinosa, an attorney with twenty-three years of experience, with  
3 an hourly rate of \$825.00; (3) Deborah Gettleman, an attorney with fifteen years of experience,  
4 with an hourly rate of \$725; and (4) Shalishah Patrick, a paralegal, with an hourly rate of \$250 an  
5 hour.

6 Plaintiff's Counsel submits multiple declarations attesting that their billing rates are well  
7 within the range of the prevailing market rates in the San Francisco bay area for work of attorneys  
8 on civil rights and civil litigation with similar skill and experience. (Dkt. No. 97 (Declaration of  
9 Richard M. Pearl); Dkt. No. 98 (Declaration of Scott Chang); Dkt. No. 99 (Declaration of  
10 Jonathan Levine); Dkt. No. 100 (Declaration of Sonya M. Smallets); Dkt. No. 101 (Declaration of  
11 Joseph Tobener); Dkt. No. 102 (Declaration of Thomas Zito); Dkt. No. 103 (Declaration of Jean  
12 Hyams); Dkt. No. 104 (Declaration of Linda Dardarian);). With respect to Pearl, as the  
13 undersigned previously explained in a prior case:

14 [T]he Court places significant weight on the opinion of Mr. Pearl that  
15 the rates charged by all of the timekeepers listed above are reasonable  
16 and "in line with the rates' charged by law firms that engage in federal  
17 civil litigation in the San Francisco Bay Area." Pearl Dec. ¶ 13. Mr.  
18 Pearl has extensive experience in the area of attorney billing rates in  
19 this district and has been widely relied upon by both federal and state  
20 courts in Northern California (including the undersigned) in  
21 determining reasonable billing rates. *Id.* ¶¶ 5-7 (describing experience  
22 and listing cases in which courts have relied upon Mr. Pearl's  
23 opinions).

24 *Andrews v. Equinox Holdings, Inc.*, 570 F. Supp. 3d 803, 807 (N.D. Cal. 2021) (quoting *Human*

25 *Rights Defense Center v. County of Napa*, 2021 WL 1176640, \*11 (N.D. Cal. Mar. 28, 2021).

26 Again, the Court finds Pearl's opinions well supported and persuasive. Plaintiff's Counsel's other  
27 declarations provide further support for Plaintiff's Counsel's requested rates for the three  
28 attorneys.

However, as noted above, Plaintiff's Counsel elected to staff this case with three highly  
experienced attorneys, with the least experienced attorney having thirteen years of experience  
when this case was first filed in 2022. Moreover, the two attorneys with the most experience and  
the highest billing rates performed the overwhelming majority of the work on this case. The least

1 experienced attorney, Gettleman, billed just twelve percent of total hours in this action and the  
 2 most experienced, McGuinness, billing at the highest rate, billed for approximately thirty-one  
 3 percent of the total hours. Staffing with such experienced counsel caused much of the work  
 4 claimed in this case that was routine that could have and should have been performed by less  
 5 senior attorneys to be billed at very high rates. *See Hernandez*, 2014 WL 1724356, at \*8 (finding  
 6 that highly experienced counsel with specialized knowledge and commensurately high billing  
 7 rates should have reasonably limited “his involvement to matters requiring his level of skill”)  
 8 (citing cases with similar findings). Another court disapproved of “[t]he wasteful use of highly  
 9 skilled and highly priced talent for matters easily delegable to non-professionals or less  
 10 experienced associates . . . . When a lawyer spends time on tasks that are easily delegable to non-  
 11 professional assistance, legal service rates are not applicable.” *MacDougal v. Catalyst Nightclub*,  
 12 58 F. Supp. 2d 1101, 1105 (N.D. Cal. 1999). The court found that the attorney’s thirty years of  
 13 experience was proof that his rate was proper for his legal expertise but that he nevertheless  
 14 inappropriately billed for “hours of tasks usually performed by less experienced associates,  
 15 paralegals or secretaries . . . .” *Id.*; *see also Brown v. HTR Properties LLC*, 2019 WL 13251605,  
 16 at \*2 (N.D. Cal. Sept. 30, 2019) (“District courts should also account for the wasteful use of  
 17 highly skilled and highly priced talent for matters easily delegable to non-professionals or less  
 18 experienced associates”) (internal quotation marks and citation omitted); *Sec. & Exch. Comm’n v.*  
 19 *Cap. Cove Bancorp LLC*, No. SACV15980JLSJCX, 2016 WL 6078324, at \*5 (C.D. Cal. June 29,  
 20 2016) (finding that “[b]y taking on a majority of the tasks in this litigation, the partners . . . billed  
 21 routine or easily delegable tasks at a partner rate. . . [.]” leading to windfall fees); *Orantes-*  
 22 *Hernandez v. Holder*, 713 F. Supp. 2d 929, 969-70 (C.D. Cal. 2010) (reducing fees for drafting  
 23 background section of brief by 70% because “a paying client would not have paid \$650 an hour . .  
 24 . when the task could have been performed by a less senior, less expensive associate”).

25 In one striking example in this case, the least experience attorney of the three billed less  
 26 than one hour of the additional twenty-seven hours expended on the motion for attorney’s fees, a  
 27 motion that is not legally complicated does not require the most experienced attorneys. *See*  
 28 *Delson v. CYCT Mgmt. Grp., Inc.*, 2013 WL 1819265, at \*8 (N.D. Cal. Apr. 30, 2013) (finding

1 overbilling where more experienced counsel exclusively handled the fees motion instead of an  
2 attorney whose rate was \$250 less per hour). In another example, the attorney with twenty-three  
3 years of experience began the initial drafting of the complaint. Thus, although the Court finds that  
4 Plaintiff's Counsel demonstrates that the requested rates for each attorney are reasonable,  
5 Plaintiff's Counsel's use of highly skilled and highly priced talent for matters easily delegable less  
6 experienced associates unnecessarily increased the attorney's fees. To account for this practice,  
7 the Court deducts another fifteen percent from the requested attorney's fees.

8 With respect to the request to recover for the hours expended by the paralegal at a rate of  
9 \$250 an hour, Plaintiff's Counsel fail to provide any description of his experience, education, or  
10 training. *See Gonzales v. City of San Jose*, 2016 WL 3011791, at \*5 (N.D. Cal. May 26, 2016)  
11 (finding plaintiff's requested rate for a paralegal was unsupported and unreasonable because  
12 plaintiff failed to offer any information on the paralegal's experience, education, or training). Nor  
13 does Plaintiff's Counsel offer any evidence to support this requested rate other than references by  
14 Pearl to paralegal rates charged by other firms. However, Pearl does not describe the relative  
15 years of experience for those paralegals. (Dkt. No. 97.) In the absence of any information on the  
16 paralegal's experience, education, or training or comparable rates charged by other law firms, the  
17 Court cannot determine whether the rate requested is reasonable in light of the prevailing rates for  
18 individuals of comparable skill, education, and reputation. The Court therefore finds the requested  
19 rate of \$250 to be unreasonable and unsupported.

20 The Court notes that courts in this District regularly have affirmed a rate of \$100 per hour  
21 for paralegals. *See Johnson v. Phan*, 2022 WL 21768597, at \*11 (N.D. Cal. Nov. 30, 2022);  
22 *Whitaker v. Pizziconi*, 2022 WL 22855211, at \*7 (N.D. Cal. Nov. 16, 2022); *Johnson v.*  
23 *Fernandez*, 2022 WL 2829883, at \*9 (N.D. Cal. July 20, 2022); *Johnson v. Moraya Invs., LLC*,  
24 2022 WL 20508212, at \*4 (N.D. Cal. May 4, 2022). In the absence of sufficient evidence to  
25 approve of a higher rate, the Court awards a rate of \$100 per hour for the paralegal, reducing the  
26 requested amount for his time from \$6,575 to \$2,630.

### 27 3. Plaintiff's Costs

28 Plaintiff seeks to recover \$48,171.30 in costs. Defendants challenge only a few aspects of

1 these requested charges. Defendants argue that some of the work performed by experts was  
2 duplicative and/or not ultimately used and that the courier fees should be excluded. However,  
3 upon review of Defendants' challenges and Plaintiff's responses, the Court finds that Plaintiff's  
4 experts were not duplicative or extraneous and that Plaintiff's may charge for the courier charges.  
5 Accordingly, the Court GRANTS Plaintiff's motion as to the full amount of the requested costs  
6 incurred.

7 **CONCLUSION**

8 For the foregoing reasons, the Court GRANTS IN PART and DENIES IN PART  
9 Plaintiff's motion for attorneys' fees and costs. The Court GRANTS the motion as to Plaintiff's  
10 requests for attorneys' fees but finds that a reduction of thirty-five percent is warranted and that  
11 the paralegal's rate is reduced to \$100 an hour, amounting to \$532,098.88. The Court further  
12 GRANTS the motion as to Plaintiff's requested costs of \$48,171.30.

13 **IT IS SO ORDERED.**

14 Dated: August 16, 2024

15   
16 SALLIE KIM  
17 United States Magistrate Judge

United States District Court  
Northern District of California

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# **Exhibit D**

1 Julie C. Erickson, State Bar No. 293111  
2 Elizabeth A. Kramer, State Bar No. 293129  
3 Kevin M. Osborne, State Bar No. 261367  
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10 *Attorneys for Plaintiffs and the Class*

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IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ALAMEDA  
CIVIL UNLIMITED

12 BIANCA MINIX, DIONNA BRADSHAW,  
13 BARBARA SMILLIE, EVA OSORIO, and  
14 LAWANA WILLIAMS, individually and on  
15 behalf of others similarly situated,

16 Plaintiffs,

17 vs.

18 SUTTER HEALTH, SUTTER BAY  
19 HOSPITALS, SUTTER VALLEY  
20 HOSPITALS, and DOES 1-10

21 Defendants.

Case No.: RG20061295

DECLARATION OF ELIZABETH A.  
KRAMER IN SUPPORT OF FINAL  
APPROVAL OF CLASS ACTION  
SETTLEMENT AND AWARD OF  
ATTORNEYS FEES AND EXPENSES,  
CLASS REPRESENTATIVE SERVICE  
PAYMENTS

Reservation No.: 2055 4537 2082

Date: July 18, 2024  
Time: 3:30 p.m.  
Dept: 17  
Judge: Hon. Frank Roesch

Complaint Filed: May 15, 2020

DECLARATION OF ELIZABETH A. KRAMER IN SUPPORT OF FINAL APPROVAL OF CLASS  
ACTION SETTLEMENT AND AWARD OF ATTORNEYS FEES AND EXPENSES, CLASS  
REPRESENTATIVE SERVICE PAYMENTS

**ELECTRONICALLY FILED**  
Superior Court of California,  
County of Alameda  
**06/04/2024 at 10:45:38 AM**  
By: Anita Dhir,  
Deputy Clerk

1 1. I, Elizabeth A. Kramer, am licensed to practice before the Courts of California and am an  
2 attorney for Plaintiffs Bianca Minix, Dionna Bradshaw, Barbara Smillie, Eva Osorio, and  
3 Lawana Williams, and the certified Class and Subclass in the present action. I respectfully  
4 submit this declaration in support of Plaintiffs’ motion for an award of attorneys’ fees,  
5 reimbursement of expenses, and class representative service awards in the above-captioned class  
6 action. I make the following declaration based on my own personal knowledge and, where  
7 indicated based on information and belief that the following statements are true. If called upon as  
8 a witness, I could and would competently testify as follows.

9 2. I have been actively involved in the litigation of this matter, which began as a putative  
10 class action on behalf of Sutter Health environmental services (“EVS”) workers in relation to  
11 exposure to a chemical cleaning product, since May 2020.

12 **Class Counsel’s Experience**

13 3. My partners and I have extensive experience in class action litigation and have been  
14 approved by federal courts in the Ninth Circuit to serve as class counsel in numerous class  
15 actions and class action settlements. In our combined 28 years of experience, we have litigated  
16 over 50 class actions, including data and privacy lawsuits. Our experience includes federal and  
17 state class actions in Washington, California, New York, Idaho, Nevada, Illinois, Florida, and  
18 Guam. My partners and I have been recognized as among the most skilled in complex litigation  
19 and trial advocacy by the National Trial Lawyers, Thompson Reuters Super Lawyers, Best  
20 Lawyers In America, and others. A true and correct copy of my firm’s curriculum vitae is  
21 attached hereto as **Exhibit 1**.

22 4. **I am a founding partner of EKO**. I have extensive experience litigating complex MDL  
23 and class actions involving securities and financial fraud, consumer fraud, privacy violations,  
24 civil rights, and sexual assault matters, including service as lead counsel in *In re USC Student*  
25 *Health Center Sexual Abuse Litigation*, 2:18-cv-04258-SVW-GJS (C.D. Cal. 2020) (\$215  
26 million settlement) and *A.B., et al. v. The Regents of the University of California, et al.*, Case No.  
27 2:20-cv-09555 (C.D. Cal. 2021) (\$73 million settlement), as court-appointed lead counsel in *In*

28  
DECLARATION OF ELIZABETH A. KRAMER IN SUPPORT OF FINAL APPROVAL OF CLASS  
ACTION SETTLEMENT AND AWARD OF ATTORNEYS FEES AND EXPENSES, CLASS  
REPRESENTATIVE SERVICE PAYMENTS

1 *re Oppenheimer Rochester Funds Securities Litigation*, MDL Dkt. No. 2063 (Dist. Co. 2014)  
2 (\$50+ million settlement), and court-appointed co-lead counsel in *In re Lenovo Adware*  
3 *Consumer Fraud Litigation*, No. 5:15-md-02624-HSG (N.D. Cal. 2019) (\$8+ million settlement)  
4 and *In re HP Printer Firmware Update Consumer Fraud Litigation*, 5:16-cv-05820-EJD (N.D.  
5 Cal. 2019) (\$1.5 million settlement plus injunctive relief), among others. Both *In re Lenovo* and  
6 *In re HP* involved claims relating to cybersecurity and data privacy. Prior to founding EKO in  
7 2020, I worked for the reputable class action law firm Girard Sharp LLP (formerly Girard Gibbs  
8 LLP) for over seven years. I have been named a Super Lawyer “Rising Star” for Northern  
9 California for numerous years, including a designation as being a top-rated civil litigation  
10 attorney in San Francisco. I have also been named one of the “Best Lawyers in America” by Best  
11 Lawyers. My billing rate on this case is \$750 per hour.

12 5. Julie Erickson is a founding partner of EKO. She has worked on a variety of class  
13 actions, complex coordinated proceedings, and MDLs involving employment law, wage and  
14 hour, consumer fraud, and elder abuse matters. Most recently, I served as class counsel in *A.B.,*  
15 *et al. v. The Regents of the University of California, et al.*, Case No. 2:20-cv-09555 (C.D. Cal.  
16 2021) (\$73 million settlement), a sexual abuse class action. She served as class counsel in a trio  
17 of class actions and coordinated proceedings alleging fraud and unlawful business practices by  
18 California’s largest healthcare service plans in connection with the rollout of Covered California  
19 in 2013 (*see, e.g., Harrington, et al. v. California Physician’s Service dba Blue Shield of*  
20 *California*, No. CJC-14-004800 (Cal. Sup. Ct. 2015) (\$23+ million settlement) and *Felser, et al.*  
21 *v. Anthem Blue Cross*, JCCP No. 4805 (Cal. Sup. Ct. 2016) (\$18+ million settlement)). She has  
22 also served as class counsel on numerous employment and wage and hour class actions alleging  
23 wage and hour violations, managerial misclassification, and independent contractor  
24 misclassification. *See e.g., Camp, et al. v. Maplebear, Inc. dba Instacart*, No. BC652216 (Cal.  
25 Sup. Ct. 2018) (\$6.5+ million settlement). She also has trial experience, securing a jury verdict of  
26 over \$1 million on behalf of her client who was injured in a trucking incident in Alameda County  
27 Superior Court. She has been named a Super Lawyers “Rising Star” for Northern California for  
28

DECLARATION OF ELIZABETH A. KRAMER IN SUPPORT OF FINAL APPROVAL OF CLASS  
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1 the last five years. She was also named one of the “Top 40 under 40” civil plaintiffs lawyers and  
2 one of the “Top 10 Wage & Hour Trial Lawyers in California” by The National Trial Lawyers.  
3 In 2020, she was named the “Outstanding New Lawyer of the Year” by the San Francisco Trial  
4 Lawyers Association and was also nominated for the award in 2019. Prior to founding EKO in  
5 2020, she worked at The Arns Law Firm, where, for over seven years, she led the firm’s class  
6 action practice. She also serves as an adjunct professor at the University of San Francisco  
7 School of Law where she teaches the course “Litigating Workers’ Rights in the Gig Economy,”  
8 which covers both employment law and class action procedure. Her current billing rate on this  
9 case is \$750 per hour.

10 6. Kevin Osborne is a founding partner of EKO. Mr. Osborne has 15 years of experience in  
11 complex litigation, representing plaintiffs in a variety of class actions and mass actions involving  
12 employment, online privacy, consumer fraud, securities fraud, and elder abuse, as well as  
13 individual litigation involving personal injury and products defects. Prior to founding EKO, Mr.  
14 Osborne worked at The Arns Law Firm, where he litigated both class actions and individual  
15 matters. He served as class counsel in *Fraley, et al. v. Facebook, Inc.*, Case No. 11-cv-01726  
16 (N.D. Cal. 2013, affirmed by 9th Cir. 2016), which alleged violations of consumer privacy rights  
17 (\$23+ million settlement). He also served on one of the plaintiffs’ committees in the mass action  
18 *In Re Ghost Ship Fire Litigation* (Cal. Sup. Ct., 2020) (\$33+ million settlement plus additional  
19 confidential funds). Mr. Osborne also has extensive experience in wage and hour class actions  
20 (see e.g., *Camp, et al. v. Maplebear, Inc. dba Instacart*, No. BC652216 (Cal. Sup. Ct. 2018)  
21 (\$6.5+ million settlement)), as well as trial experience, having tried numerous cases to juries in  
22 California, including *Matias v. Star-J Trucking* (\$1+ million verdict); *Frias v. California*  
23 *Materials* (\$2+ million verdict); and *Reclusado v. Smith* (\$2+ million verdict). Mr. Osborne has  
24 been named a top rated class action and mass torts attorney by Super Lawyers for numerous  
25 years as well as one of the Top 100 Civil Plaintiffs Lawyers by The National Trial Lawyers. He  
26 also serves as a member of the advisory board of the Katharine & George Alexander Community  
27 Law Center, part of Santa Clara University School of Law, which provides pro bono advice and  
28

DECLARATION OF ELIZABETH A. KRAMER IN SUPPORT OF FINAL APPROVAL OF CLASS  
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1 representation to advance the rights of workers and consumers. Mr. Osborne's billing rate on this  
2 case is \$850 per hour.

3  
4 **Attorneys' Fees**

5 7. Class Counsel requests an award of attorneys' fees and reimbursement of litigation  
6 expenses of \$1,200,000. Pursuant to the terms of the Settlement Agreement, attached hereto as  
7 Exhibit 2, this request will be paid by Defendants separately and without reducing the \$550,000  
8 in compensation for Class Members or the \$100,000 for PAGA payments. Class Counsel will set  
9 aside 10 percent of any fee award be kept in the administrator's trust fund until the completion of  
10 the distribution process and Court approval of a final accounting.

11 8. Before and throughout the duration of this litigation, my partners and I met to discuss  
12 ways to efficiently divide the work and allocate resources so as to avoid unnecessary overlap and  
13 duplication of efforts, costs, and expenses. Over the course of the litigation, Class Counsel was  
14 required to perform independent investigation, significant legal research and writing related to  
15 motion practice, review thousands of pages of documents, and otherwise litigate the case  
16 vigorously through settlement, including significant discovery practice with Defendants.  
17 Discovery from Defendants was voluminous, and required many hours of review as well as meet  
18 and confer efforts with Defendants. The data produced by Defendants required considerable  
19 analysis by Class Counsel.

20 9. The proposed Settlement was agreed upon after extensive, contentious, arms-length  
21 negotiations between counsel for the Parties through mediation with Bruce Friedman of JAMS  
22 on May 25, 2023. Class Counsel prepared a comprehensive mediation brief and damages  
23 analyses, which I believe was instrumental in reaching a settlement. The Parties negotiated  
24 vigorously throughout the full-day mediation, but were unable to reach an agreement. The  
25 Parties continued to negotiate over the next several months through shuttle communications led  
26 by Mr. Friedman and finally reached a settlement in principle in September 2023. Over the next  
27 four months, the Parties negotiated a complete settlement agreement, along with exhibits of the

28  
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1 notice, claim form, and proposed orders. These efforts resulted in the Settlement Agreement  
 2 executed on January 24, 2024. EKO drafted and filed the motion for preliminary approval, which  
 3 was granted February 15, 2024.

4 10. During the litigation of this case, EKO consisted of three attorneys: myself, Ms.  
 5 Erickson, and Mr. Osborne. We handle concurrently approximately 12 class actions at any given  
 6 time. We were precluded from taking on other potentially lucrative matters due to the  
 7 commitment involved in this case.

8 11. My partners and I prepared timesheets contemporaneously throughout this litigation. I  
 9 have carefully reviewed my time records and those of my partners and believe that they fairly  
 10 reflect the amount of time spent in this matter by each of us. In fact, it is my belief that each of us  
 11 had an additional amount of time which was not accounted for, simply because we often took  
 12 calls or had meetings which were not immediately memorialized. Where appropriate, I have also  
 13 selectively reduced or eliminated time which I felt exceeded what was necessary for a given task.  
 14 To date, EKO has spent a total of 2,381.1 hours of attorney time litigating this case. I have  
 15 reviewed the hours, kept contemporaneously with our work, and can attest that these hours break  
 16 down by attorney and by category as follows:

	<i>Kevin Osborne</i>	<i>Julie Erickson</i>	<i>Elizabeth Kramer</i>	<b><i>TOTAL</i></b>
<i>Motion practice/filings</i>	561.6	338.2	177.2	<b>1,077.0</b>
<i>Discovery</i>	370.8	96.8	47.4	<b>515.0</b>
<i>Case Management</i>	100.8	86.2	69.3	<b>256.3</b>
<i>Research</i>	146.7	5	39.7	<b>191.4</b>
<i>Court Appearances</i>	74.4	29.5	26.2	<b>130.1</b>
<i>Mediation</i>	92.3	38.6	23.7	<b>154.6</b>
<i>Investigation</i>	31.4	0	7.4	<b>38.8</b>
<i>Experts</i>	12	5.5	0.4	<b>17.9</b>
<b><i>TOTAL</i></b>	<b>1,390</b>	<b>599.8</b>	<b>391.3</b>	<b>2,381.1</b>

25 At our blended billable rate of have expended approximately \$1,924,975 in lodestar and incurred  
 26 approximately \$67,097 in expenses. **The blended rate for this work is \$808 per hour.** We request  
 27 attorneys' fees and expense reimbursement of \$1,200,000, which would represent a negative  
 28

DECLARATION OF ELIZABETH A. KRAMER IN SUPPORT OF FINAL APPROVAL OF CLASS  
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**SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA**

Rene C. Davidson Courthouse

<p>Bianca Minix et al Plaintiff/Petitioner(s) VS. Sutter Health et al Defendant/Respondent (s)</p>	<p>No. RG20061295 Date: 08/01/2024 Time: 3:30 PM Dept: 17 Judge: Frank Roesch  ORDER re: Hearing on Motion for Final Approval of Settlement filed by Bianca Minix (Plaintiff); Dionna Bradshaw (Plaintiff); Barbara Smillie (Plaintiff) et al. on 07/25/2024</p>
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Plaintiffs Bianca Minix, Dionna Bradshaw, Barbara Smillie, Eva Osorio and Lawana Williams' ("Plaintiffs") unopposed motion for final approval is GRANTED.

In response to the court's prior order requesting the designation of a cy pres recipient for uncashed settlement checks, the parties have designated Legal Aid at Work ("LAAW") as the cy pres recipient in this matter to the satisfaction of this Court. (Code Civ. Proc., § 384.)

The court has also reviewed the billing entries from Plaintiffs' counsel and approves the attorney's fees requested.

Finally, the court approves a total service award of \$50,000 to be divided up as follows per the representatives' respective declarations: Bianca Minix (\$15,000); Dionna Bradshaw (\$15,000), Barbara Smillie (\$5,000), Eva Osorio (\$5,000) and Lawana Williams (\$10,000). (Clark v. American Residential Services LLC (2009) 175 Cal.App.4th 785, 804-807.)

Additionally, all payments by Defendant shall be to the Settlement Administrator who shall, if the Settlement is given approval, distribute the funds per the Settlement Agreement.

Further, any award of attorney's fees will include a retention by the Settlement Administrator of ten percent (10%) of the fees until after the Settlement Administrator's report and account after distribution and the court's order of approval of that final report and account.

The Court sets a compliance hearing for Thursday March 6, 2025 at 3:30 p.m. in Department 17.

ORDER re: Hearing on Motion for Final Approval of Settlement filed by  
Bianca Minix (Plaintiff); Dionna Bradshaw (Plaintiff); Barbara  
Smillie (Plaintiff) et al. on 07/25/2024

# SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

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At least ten days before the compliance hearing, Class Counsel and the settlement administrator shall submit a summary accounting of the net settlement fund identifying distributions made as ordered herein; the status of any unresolved issues; and any other matters appropriate to bring to the court's attention.

## BACKGROUND

Plaintiffs filed their initial complaint on May 15, 2020 alleging violations of the Labor Code (Lab. Code §§ 6400, et seq.) and Private Attorneys General Act (Lab. Code § 2699(f)) (“PAGA”), fraudulent concealment of injury (Lab. Code § 3602(b)(2)), and violations of the Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, et seq.) (“UCL”). (Register of Actions (“ROA”).) Plaintiffs filed amended complaints by stipulation on May 28 and July 23, 2020. (ROA.) Following various motions, the appeal of decisions reached and extensive discovery, the parties mediated this case with John Bates of JAMS in December 2020. (Osborne Dec., ¶ 3.) The case did not settle after this mediation, but in May of 2023, the Parties again engaged in further negotiations. (Ibid.)

On May 25, 2023, the Parties participated in a full-day mediation overseen by Bruce Friedman of JAMS. (Osborne Dec., ¶ 3.) Following the mediation, the Parties continued to negotiate over the next several weeks through shuttle communications led by Mr. Friedman. (Ibid.) After the exchange of numerous drafts of a term sheet, the Parties finally reached a settlement in principle in September of 2023. (Ibid.) Over the next four months, the Parties negotiated a complete settlement agreement, along with exhibits of the notice, claim form, and proposed orders, resulting in the Settlement Agreement executed on January 23, 2024 and presented for approval to this Court. (Ibid.)

## OVERVIEW

The Court has a “fiduciary responsibility as [guardian] of the rights of the absentee class members when deciding whether to approve a settlement agreement.” (Duran v. Obesity Research Institute, LLC (2016) 1 Cal.App.5th 635, 646.) Although “there is a strong public policy favoring the settlement of litigation, this policy does not excuse a contractual clause that is otherwise illegal or unjust.” (Timney v. Lin (2003) 106 Cal.App.4th 1121, 1127.) The Court must ensure the settlement is not “contrary to law or to public policy.” (Consumer Advocacy Group, Inc. v. Kintetsu Enterprises of America (2006) 141 Cal.App.4th 46, 61.)

Further, the Court is obligated to ensure that the “agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned.” (Cellphone Termination Fee Cases (2010) 186 Cal.App.4th 1380, 1389.) The Court “must independently and objectively analyze the evidence and circumstances before it in order to determine whether the settlement is in the best interests of those whose claims will be extinguished.” (Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 130.)

Reasonableness

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The trial court has broad discretion to determine whether the settlement is fair. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) Relevant factors to be considered include:

- 1) the strength of plaintiffs' case,
- 2) the risk, expense, complexity,
- 3) the likely duration of further litigation,
- 4) the risk of maintaining class action status through trial,
- 5) the amount offered in settlement,
- 6) the extent of discovery completed and the stage of the proceedings,
- 7) the experience and views of counsel,
- 8) the presence of a governmental participant, and
- 9) the reaction of the class members to the proposed settlement.

(*Dunk*, supra, 48 Cal.App.4th at p. 1801.)

The parties' Settlement Agreement satisfies these requirements.

## Proposed Settlement Agreement

Pursuant to the Settlement, Defendant has agreed to pay the following:

- Total Settlement Funds of \$650,000.00
- Subject to Court's approval, the following fees will be deducted from the MSA
  - o Class Counsel Fees and Costs of up to \$1,200,000.00
  - o Service Award to be split among named class representatives of up to \$50,000 (Named class representatives include: Bianca Minix; Dionna Bradshaw; Barbara Smillie; Eva Osorio; Lawana Williams)
  - o PAGA Penalty Fund Payment of \$100,000.00 to be divided up as noted below:
    - ? \$75,000.00 to Labor Workforce Development Agency ("LWDA")
    - ? \$25,000.00 to PAGA-eligible employees
  - o Settlement Administrator Fees of up to \$25,000.00

## Non-Monetary Remedies Included as Part of the Settlement

Equitable remedies included as part of the negotiated settlement include the following administrative control remedies designed to reduce the risk of future harm:

- o Training for all EVS workers on the handling and use of OxyCide, including an EPA-approved description of the product's potential harms and a poster in EVS work areas reciting this information;
- o Training on the use of extended cuff nitrile gloves and goggles;
- o Update to EVS workers, supervisors, and managers reinforcing all the items set forth in this settlement.
- o Maintaining Sutter's injury reporting system allowing workers to report injuries and request work accommodations, and
- o Integrated Disability Access Management ("IDAM") program enabling workers to seek

# SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

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workplace accommodations.

- o Additional “Personal Protective Equipment” to prevent OxyCide-related injuries, including extended cuff nitrile gloves and safety goggles for workers when working with OxyCide.

- o “Engineering Control” remedies, whereby Ecolab will perform dispenser calibration every quarter to ensure the OxyCide dilution balance for all dispensers is within the EPA-approved pH range.

- o Sutter supervisors will test the pH range each time they replace a bottle of OxyCide concentrate and take defective dispensers out of service until they can be recalibrated.

- o Sutter Health will also use licensed and accredited HVAC contractors to sample air quality in Sutter hospitals and provide Plaintiffs’ counsel with ventilation sampling to confirm safe levels of air quality.

(Osborne Decl. Ex. A: Proposed Settlement Agreement, Ex. A.)

## The Class

The Settlement Class includes 3,170 environmental service workers employed by Sutter Bay Hospitals and Sutter Valley Hospitals from two separate classes of individuals:

(1) a class seeking non-monetary relief only, consisting of “all persons who were employed at Sutter Health hospitals in the state of California as environmental services staff members and whose job duties included working with OxyCide from May 15, 2016 to the Preliminary Approval Date ,” and

(2) a “negligence Subclass” consisting of “all class members who experienced burning eyes, burning throat, nasal congestion, nasal irritation, chronic cough, headache, dizziness, nausea, loss of consciousness, nosebleeds, hay fever symptoms, asthma symptoms, respiratory irritation, skin burns, rashes, or reactions affecting their pulmonary or respiratory functions while working with OxyCide from May 15, 2018 to January 6, 2023 and who filed a report with Sutter or submitted a qualifying Subclass Questionnaire.”

This class and sub-class are based on the court’s class certification order dated August 4, 2022 and is approved. (ROA.)

## Scope of Release

The scope of the Release is limited to the parties and claims in this litigation and is therefore reasonable.

## Uncashed Settlement Checks

The parties have designated Legal Aid at Work (“LAAW”) as the cy pres recipient for uncashed settlement checks. (Code Civ. Proc., § 384.)

## Class Counsel, Attorney Fees & Costs

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ORDER re: Hearing on Motion for Final Approval of Settlement filed by  
Bianca Minix (Plaintiff); Dionna Bradshaw (Plaintiff); Barbara  
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# SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

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Erickson Kramer Osborne LLP and its attorneys are approved as class counsel for purposes of this Settlement Agreement.

Plaintiffs in their Settlement Agreement have requested up to \$1,200,000.00. Based on a review of the documentation submitted in support of the time incurred, the court will approve the attorney's fees requested, but will order that 10% of any fee award be kept in the administrator's trust fund until the completion of the distribution process and the court's approval of a final report and accounting.

## Class Representative Service Award

Based on the court's review of the declarations submitted by the class representatives, a total service award of \$50,000 is approved, to be divided up as follows:

Bianca Minix (\$15,000);  
Dionna Bradshaw (\$15,000);  
Barbara Smillie (\$5,000);  
Eva Osorio (\$5,000) and  
Lawana Williams (\$10,000).

(Clark v. American Residential Services LLC (2009) 175 Cal.App.4th 785, 804-807.)

## Claims Administrator & Fee

Phoenix Settlement Administrators is approved as the Settlement Administrator. Settlement Administrator fees of \$25,000.00 are reasonable and approved.

## Compliance Hearing

The Court sets a compliance hearing for Thursday March 6, 2025 at 3:30 p.m. in Department 17.

At least ten days before the compliance hearing, Class Counsel and the settlement administrator shall submit a summary accounting of the net settlement fund identifying distributions made as ordered herein; the status of any unresolved issues; and any other matters appropriate to bring to the court's attention.

Dated : 08/01/2024

**SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA**  
Rene C. Davidson Courthouse



Frank Roesch / Judge