

CLASS ACTION SETTLEMENT AGREEMENT AND RELEASE

Chen v. GHP Management Corporation, et al., Case No. BC713402
Waldron v. GHP Management Corporation, et al., Case No. 19STCV03883

This Settlement Agreement and Release is entered into by and between plaintiffs Kierney Waldron, Xin Chen, and Brian Chiang, (the “Named Plaintiffs”; along with the represented Class and Subclasses, “Plaintiffs”) and Defendants GHP Management Corporation, 4914 Olive Street Properties, LLC, Bridewell Properties, Ltd., Canyon Sierra Properties, LLC, CCV Partnership II, Easton Investments II, Figter Limited, LR 9th And Broadway, LLC, Palmer Boston Street Properties II, Palmer/City Center II, Palmer Flower Street Properties, Palmer Sand Canyon, Ltd, Palmer St. Paul Properties, Palmer Temple Street Properties, LLC, Palmer-Saugus, Ltd, Park Sierra Properties II, Park Sierra Properties, Ltd, Saugus Colony Limited, Solemint Heights Partnership, LP, Upland Village Green, Visconti Apartments, LLC, Warner Center Summit Ltd, and Westcreek Properties Ltd. (collectively, the “Defendants”). The Plaintiffs and Defendants are collectively referred to in this Agreement as the “Parties,” and each as a “Party.”

RECITALS

Plaintiff Xin Chen filed a class action complaint against GHP Management Corporation and its related entities on July 13, 2018, alleging violations of Civil Code section 1950.5, breach of contract, conversion, and violation of the UCL styled as *Chen, et al. v. GHP Management Corporation, et al.*, Case number BC713402 (“Chen Action”). Plaintiff Xin Chen then filed a First Amended Complaint on or about January 31, 2019, adding Brian Chiang as a named plaintiff.

Plaintiff Kierney Waldron filed a class action complaint against GHP Management Corporation and its related entities on February 7, 2019, alleging violations of Civil Code section 1950.5 and violation of the UCL styled as *Waldron, et al. v. GHP Management Corporation, et al.* Case number 19STCV03883 (“Waldron Action”).

The Court ordered the respective actions related on March 18, 2019, designating the Chen Action as the lead case. The Parties then stipulated to consolidate the actions which was ordered by the Court on September 30, 2021.

The Parties participated in substantial discovery and motion practice including representative tenant file sampling, and fourteen depositions. Plaintiffs filed a Motion for Certification which was granted, certifying a class and two subclasses of former tenants on August 4, 2021. Defendants filed a Motion for Leave to file a Cross-complaint against putative class members which was denied on October 6, 2021 and appealed on October 26, 2021. Throughout the litigation, the Parties participated in extensive mediation efforts with two neutrals, including multiple sessions with mediators Hon. Richard A. Stone (Ret.) and Hon. Dickran M. Tevrizian (Ret.). With the assistance of mediator Judge Tevrizian, the parties reached a settlement in December 2021. Nothing stated herein is intended to, or shall be construed as, a waiver of the mediation privilege.

The parties agreed in principle to a settlement of this action on or about December 7, 2021. On May 27, 2022, they entered into a Settlement Agreement and Release and Addendum No. 1 thereto (the “Prior Settlement”). Plaintiffs moved for preliminary approval of the Prior Settlement on June 1, 2022

with the hearing date of July 18, 2022. On July 15, 2023, Defendants disclosed certain issues with the calculation of class membership and damages and Plaintiffs withdrew from the Prior Settlement.

On or about October 31, 2022, Defendants provided an analysis of class membership and damages data prepared under the supervision of an outside accounting firm. Plaintiffs' experts then conducted their own analysis, which resulted in certain changes to Defendants' expert analysis and the results. Defendants' experts then provided a further data analysis, which has been reviewed by Plaintiffs' expert. Based on this expert analysis, the Parties have agreed to resolve the matter on similar terms to those reflected in the Prior Settlement, as set forth herein.

Considering the burdens and expense of litigation, including the risks and uncertainties associated with protracted trials and appeals, the Parties independently have concluded that the substantial benefits provided in this Agreement are in the best interests of the Class Members, Named Plaintiffs, and Defendants.

Defendants have denied and continue to deny each, and every claim and contention alleged against them in the Action. Plaintiffs, on the other hand, contend the claims are meritorious and supported by substantial evidence. The Parties intend to resolve the Action and settle all claims asserted in the lawsuit by Plaintiffs in accordance with the terms and conditions set forth in this Agreement.

TERMS OF SETTLEMENT

In exchange for the mutual covenants and promises contained herein and other good and valuable consideration the sufficiency of which is hereby acknowledged, and the entry by the Court of a Final Approval Order certifying the below-identified class for settlement purposes ("Settlement Class"), and approving the terms and conditions of the settlement as set forth in this Agreement under California Code of Civil Procedure Section 382 and California Rules of Court, Chapter 6, Rules 3.769 *et seq.*, as applicable, the Parties agree as follows:

1. Definitions.

As used in this Agreement, the following phrases and words shall have the following meanings:

"Actions" means the consolidated lawsuits that were initially filed by Xin Chen on July 13, 2018 and Kierney Waldron on February 7, 2019 respectively known as, *Chen v. GHP Management Corporation, et al.*, Los Angeles Superior Court Case No. BC713402 and *Waldron v. GHP Management Corporation, et al.*, Los Angeles Superior Court Case No. 19STCV03883 and includes, without limitation: (i) any and all allegations or claims asserted in the respective Complaints, (ii) any and all allegations or claims asserted by Defendants in their proposed Cross-Complaint, (iii) any appeals or requests for leave to appeal any ruling or judgment entered in the lawsuits.

"Administration Expenses" means the payment(s) to the Settlement Administrator for class notice and settlement administration expenses.

"Agreement" means this Settlement Agreement and Release, inclusive of all attachments.

“Cash Payment” means the cash payment of \$10,000,000.00 to be made by Defendants to resolve all monetary obligations under this Agreement, plus any interest earned thereon or accrued as provided herein.

“Class Counsel” means Diamond McCarthy LLP and Law Office of Jimmie Davis Parker, APC.

“Class Members” means all persons within the Settlement Class definition. Each of the Class Members is referred to individually as a **“Class Member.”**

“Class Notice” means the form of notice of this Settlement to be provided to Class Members, a form of which is attached as Exhibit 1. If the Class Notice is modified by subsequent agreement of the Parties and/or order of the Court, the modified form shall constitute the Class Notice. Any postcard, publication or website version of the Class Notice shall reasonably conform to the language set forth in Exhibit 1 and shall be approved by the Court.

“Class Notice Date” means the date that the mailing, website posting, and publication of the Class Notice has been completed, as confirmed by the declaration of the Administrator.

“Class Period” means the period from July 13, 2014 through and including June 30, 2022.

“Defendant Released Parties” means Defendants, including, without limitation, currently and previously named defendants in the Action, and each of their past and present officers, trustees, beneficiaries, directors, shareholders, owners, subsidiaries, parent companies, sister companies, affiliates, alter egos, joint ventures, partners, partnerships, members, limited liability companies, companies, divisions, representatives, employees, agents, attorneys, insurers, vendors, third party managers, predecessors, successors and assigns.

“Defendants' Claims” means any claims that any Defendant holds against Participating Class Members for physical damages (including assessed charges for apartment cleaning, painting, carpet cleaning and/or carpet replacement), fees and/or other amounts that Defendants contend are owed under the lease agreements entered into by Participating Class Members at a GHP Property during the Class Period, excluding claims by Defendants for Unpaid Rent and Utilities against Plaintiffs or members of the Settlement Class.

“Defense Counsel” means and refers to Ervin, Cohen & Jessup, LLP and Wood, Smith, Henning & Berman LLP as well as predecessor counsel for Defendants.

“Effective Date” means: (i) if no Participating Class Member objects to the Settlement, 31 days after the Final Approval Date; (ii) if one or more Participating Class Members do object, 61 calendar days after the Final Approval Date if no timely motions for reconsideration and/or no appeals or other efforts to obtain review have been filed; (iii) if one or more Participating Class Members move for reconsideration of the Final Approval Order, 61 calendar days after the Court resolves the last such motion, so long as no party appeals; or (ii) if one or more Participating Class Members commence an appeal challenging the Settlement approval, 31 calendar days after the final resolution of any such appeal.

“Escrow Agent” means JPMorgan Chase Bank, NA or, if JPMorgan Chase is unable or unwilling to serve, another escrow agent mutually acceptable to the Parties or appointed by the Court.

“Escrow Instructions” means the instructions attached as Exhibit 5 to this Agreement.

“Final Approval Date” means the date on which the Court enters an order granting final approval of the Settlement.

“Final Approval Hearing” means the hearing to be conducted by the Court to determine the fairness, adequacy and reasonableness of the Settlement pursuant to California Rule of Court 3.769.

“Final Approval Order” means the order, a form of which is attached as Exhibit 3, entered by the Court approving this Agreement as fair, adequate and reasonable under California Rule of Court 3.769. If the order is modified by the Court, the modified order shall constitute the Final Approval Order.

“GHP” means and refers to GHP Management Corp.

“GHP Property” means any of the following communities apartment communities, including all residential units therein: (1) The Paseos at Montclair North, (2) Pasadena Park Place Apartments, (3) Diamond Park Apartments, (4) Canyon Country Villas, (5) The Village, (6) Skyline Terrance, (7) Broadway Palace Apartments, (8) The Orsini, (9) The Medici, (10) The Lorenzo, (11) Sand Canyon Villas & Townhomes, (12) The Piero, (13) The Da Vinci, (14) Sand Canyon Ranch, (15) River Ranch Townhomes & Apartments, (16) Park Sierra, (17) Colony Townhomes, (18) River Park Apartments, (19) Upland Village Green Apartments, (20) The Visconti, (21) The Summit at Warner Center, (22) The Terrance Apartments; (23) Paseos at Ontario; and (24) Sea View Villas. **“GHP Properties”** means all the above-referenced buildings and communities.

“Household” means an apartment unit at an apartment community managed or owned by any Defendant that one or more Class Member(s) leased, and then vacated during the Class Period.

“Net Proceeds” means the portion of the Cash Payment to be used to issue settlement checks to Participating Class Members. The Net Proceeds shall equal the Cash Payment, less approved Attorneys’ Fee Payment, Litigation Expenses Payment, Administration Expense Payment, and Class Representative Incentive Payments, each as defined in Section 9.3 below.

“Non-Monetary Relief” means covenants herein that Defendants will comply with Civil Code § 1950.5, including by delivering the documents required by that section to departing tenants, on a going forward basis, shall not report any of the charges released by this Agreement, and shall not dispute any request by a Participating Class Member to have any negative credit information relating to repairs or cleaning charges removed from his, her, or its credit report. Defendants further represent and warrant that they do not report such charges to credit reporting bureaus.

“Participating Class Members” means all Class Members, excluding those who have timely submitted a Request for Exclusion. Each of the Participating Class Members is referred to individually as a **“Participating Class Member”**.

“Preliminary Approval Date” means the date on which the Court signs an order preliminarily approving the Settlement and ordering or authorizing the distribution of the Class Notice.

“Preliminary Approval Order” means the order signed by the Court, a form of which is attached as Exhibit 2, preliminarily approving this Agreement. If the order is modified by the Court, the modified order shall constitute the Preliminary Approval Order.

“Released Claims” means all actions, claims, demands, rights, suits, and causes of action asserted in the operative First Amended Complaint in the *Chen* action and the Complaint in the *Waldron* action against the Defendant Released Parties, or any of them, including without limitation any and all claims for damages, restitution, loss, statutory relief, injunctive relief, bad faith claims, costs, expenses, penalties, attorneys’ fees, expert fees, and interest, whether as individual claims or claims asserted on a class basis. The Released Claims including, without limitation, those claims asserted in the operative pleadings relating to: (i) breach of lease regarding the handling of security deposits; (ii) withholding of tenant security; (iii) charges for apartment cleaning, painting, carpet cleaning, carpet replacement, accelerated rent, rent concession or other charges assessed to any tenant at the time of move-out; (iv) alleged non-compliance with Civil Code §1950.5 and/or Civil Code §1951; or violation of Business & Professions Code § 17200. For purposes of clarity, claims for Class Members’ personal property damage, breach of the implied warranty of habitability, and personal injury including wrongful death shall be excluded from the Released Claims.

“Relevant Charges” means charges or withholdings against a tenant security deposit reflecting repairs, cleaning, or maintenance of a rental unit, excluding charges for Unpaid Rent and Utilities, as defined below.

“Request for Exclusion” means the written request submitted by a Class Member to the Administrator in accordance with the procedures set forth in this Agreement.

“Settlement” means and refers to the covenants, promises and consideration set forth in and contemplated by this Agreement, inclusive of all attachments, as approved or modified by the Court.

“Settlement Administrator,” “Class Administrator,” or “Administrator” means a class action administrator mutually agreeable to all parties or otherwise appointed by the Court to send notices and payments and to otherwise administer communication with Class Members.

“Settlement Class” means the class to be certified solely for purposes of this Settlement as defined in this Agreement. The “Settlement Class” shall be defined as set forth in Section 2.1, below.

“Settlement Fund” means the account created to deposit the Cash Payment and make settlement payments in accordance with this Agreement.

“Unpaid Rent and Utilities” means rental charges, parking charges, utilities charges, common area or shared utilities charges (RUBS), lost key or access device charges, late fees, and other similar charges unrelated to the repair, maintenance, or cleaning of a residential unit.

2. Settlement Class Defined.

2.1 Notwithstanding the prior order of the Court certifying the Class and two Subclasses, and Defendants’ right to petition for decertification, the Parties agree to certification of the Action strictly for purposes of this Agreement as set forth below. In this respect, solely for purposes of this Agreement, the Parties agree that the Settlement Class is defined as:

All former tenants of Defendants who moved out during the Class Period from whom Defendants withheld more than \$125.00 of their security deposits other than for Unpaid Rent and Utilities.

The following are excluded from the Settlement Class:

- i. Any persons who were evicted;
- ii. Any persons who have previously settled their claims with Defendants;
- iii. The Judge assigned to this case and his staff;
- iv. Defendants and their affiliates;
- v. any person employed by any Defendants during the Class Period; and
- vi. minors and other persons not party to a lease with Defendants.

To the extent that Defendants made withholdings other than for Unpaid Rent or Utilities, the former tenant will be included in the Settlement Class only to the extent that (a) after deducting the Unpaid Rent and Utilities, the remaining deposit with respect to the Household was equal to or greater than \$125.00; and (b) Defendants withheld or deducted more than \$125.00, excluding any deductions for Unpaid Rent and Utilities.

2.2 If there is a question raised as to whether a person is a Class Member within the above definition, the Administrator shall promptly contact Class Counsel and Defense Counsel, who in turn shall conduct a reasonable search of available records to attempt to resolve the question.

2.3 Defendants' agreement to certification of the Settlement Class is conditioned upon the Court's entry of a Final Approval Order and passage of the Effective Date. Defendants shall retain the right to oppose the certification of any class for purposes of further litigation, including trial, in the Actions in the event the Court does not approve this Agreement, or the Effective Date does not pass for any reason, without limitation.

3. **Preliminary Approval.**

3.1 The Parties shall apply to the Court for entry of the Preliminary Approval Order, which shall:

3.1.1 preliminarily approve the Settlement and this Agreement, subject to the right of Participating Class Members to be heard at the Final Approval Hearing;

3.1.2 certify the provisional Settlement Class;

3.1.3 approve the Class Notice, and approve any publication, postcard, website or other form of the Class Notice;

3.1.4 direct that the Administrator mail, publish and post the Class Notice, or cause the Class Notice to be mailed, published or posted, in the manner described in this Agreement;

3.1.5 set a date for the Final Approval Hearing;

3.1.6 provide that any objection to the Settlement shall be filed and served on a date specified by the Court; and

3.1.7 provide that the deadline for Class Members to exclude themselves from the Settlement shall be a date specified by the Court.

4. Class Notice.

4.1 Defendants shall deliver a list of the name, last known address, email address (if known to Defendants), and telephone number (if known to Defendants) of each member of the Settlement Class (the "Class List") to Plaintiffs' counsel and the Class Administrator by electronic file transfer upon execution of this Agreement. The Class List shall also contain information sufficient to calculate a *pro rata* distribution including the amount of security deposit withheld by Defendants for Relevant Charges. Defendants will make reasonable efforts to identify co-tenants (roommates), who will be deemed to be entitled to an equal share of the applicable settlement payment as described below, and whose names and contact information will be included in the Class List to the extent located.

4.2 The Parties have agreed that the form of the Settlement Notice attached as Exhibit 1 shall be sent by the Class Administrator via First Class Mail and email, if available, to the last known address of each member with forwarding requested. The Class Administrator shall check each address against the National Change of Address Registry before mailing. The mailed notice shall contain a prominent notice that copies are available in Spanish and Chinese on the settlement website described below, along with a link to that website. The Class Administrator shall prepare a website with information for Settlement Class members, maintain a toll-free number for class member inquiries, and shall cause notice to be published in the Los Angeles Times. The class website shall contain a translation of the Settlement Notice in Spanish and Chinese.

4.3 Within 14 days of preliminary approval, the Class Administrator shall mail the Class Notice to each Class Member at his, her, or its last known address by first-class mail, postage prepaid, after checking against the National Change of Address Registry. Within the same period, the Class Administrator shall also send the Class Notice via email if the Class List contains an email address for such Class Member.

4.4 Within 14 calendar days of the Preliminary Approval Date, the Administrator shall arrange for publication in print and on the website of a summary of the Class Notice in accordance with the notice plan approved by the Court. The costs of publication will be paid by the Administrator out of the Cash Payment.

4.5 If a mailed Class Notice is returned, the Administrator shall take reasonable steps to attempt to locate a current mailing address. The Administrator shall promptly advise Class Counsel of any returned mail and, if the Administrator has been unable to locate an updated address, request that Class Counsel search their files for any contact information regarding the Class Member(s) in question. If any class member contacts the Administrator with an updated address, it shall be the responsibility of the Administrator to update that class member's contact information on file. If any mailed Class Notice is returned, the affected Class Member's deadline to object or to opt out shall be extended by

the period equal to the time between the Notice Date and the date subsequent notice is mailed; provided that no period to object or opt out shall be extended beyond the final approval hearing.

4.6 Within 14 days of the Class Notice Date, the Administrator shall provide and Class Counsel shall file a declaration from the Administrator confirming the Class Notice Date and compliance with the requirements of this Agreement.

5. Objections to Settlement and Opportunity to Opt-Out.

5.1 Any class member objecting to the settlement shall provide his or her objections, in writing, to the Class Administrator by the date specified by the Court and the Administrator shall promptly provide said objections to counsel for all parties via email. Counsel shall provide copies of such objections to the Court. Any class member may appear at the final approval hearing notwithstanding his, her, or its failure to serve a written objection.

5.2 Any class member seeking exclusion from the class shall do so by the date specified by the Court by providing written notice of the same to the Class Administrator. Any member who opts out shall not be party to the settlement and shall be excluded from the allocation of settlement proceeds and releases described herein.

5.3 Class Members who intend to appear and be heard at the Final Approval Hearing shall be instructed to so state in connection with their objection, but they shall not be required to have served notice of such an intent in order to appear and speak at the Final Approval Hearing. The deadline for objections will be conspicuously listed in the Class Notice.

5.4 Class Counsel and Defense Counsel may file and serve a written response to any objection(s) filed or served by any Class Member. Any written response shall be filed with the Court, and served upon the Class Member or Class Member's attorney, if any, not later than 7 calendar days before the Final Approval Hearing or the date specified in the Preliminary Approval Order, whichever is earlier.

5.5 The Final Approval Hearing will be the only opportunity for any Class Member who objects to the proposed Settlement, or to the Attorney Fees Payment, Litigation Expenses Payment, Administrative Expense Payment, or Class Representative Incentive Payment (each as defined below), to appear and be heard. Any Class Member who fails to object in this manner or in writing as provided in Section 5.1, above, prior to the Final Approval Hearing shall be deemed to have waived such objection and shall forever be barred from raising such objection in this or any other action or proceeding.

6. Exclusion from the Settlement.

6.1 Any Class Member who does not want to participate in the class action and the Settlement may exclude himself or herself from the case and the Settlement by mailing a written request for exclusion to the Administrator on or before the date specified in the Preliminary Approval Order or, if that day is a legal holiday, the next court day. No specific form of request is required so long as the request is signed (manually or electronically) and substantially provides the information required in the Class Notice. Absent relief from the Court, Class Members who do not timely exclude

themselves shall be bound by the terms and conditions of this Agreement and the Final Approval Order.

6.2 For Households with more than one Class Member, the following provisions shall apply: (a) a Request for Exclusion by one or more Class Members within the Household shall not preclude other Class Members within that Household from remaining in the settlement as Participating Class Members, subject to the provisions of section 9.3.1 below; (b) all Class Members within a Household who do not timely mail a Request for Exclusion shall be bound by the Settlement even if other Class Members within that Household have opted out of the Settlement; and (c) Defendants shall retain all rights and defenses with respect to any Class Member(s) who have mailed a Request for Exclusion, including without limitation, the right to assert a pro-rated amount of any Defendants' Claim applicable to the Household in question.

6.3 A Class Member who timely complies with the exclusion procedures set forth in this Section shall be excluded from the class action and the Settlement, shall have no standing to object to or otherwise be heard by the Court and/or on appeal with respect to any aspect of this Agreement, and shall be ineligible for any benefits pursuant to this Agreement.

6.4 Absent relief from the Court, any Request for Exclusion that fails to satisfy the requirements set forth in this Section, or that has not been timely postmarked, shall be deemed ineffective and any person included within the Settlement Class who does not properly and timely submit a Request for Exclusion shall be deemed to have waived all rights to opt-out and shall be deemed a Participating Class Member for all purposes under this Agreement.

7. Final Court Approval.

7.1 The Final Approval Hearing shall be set for a date that is at least 10 calendar days after the last day for any Class Member to exclude himself or herself from the Settlement or to file an objection to the Settlement.

7.2 If the Court does not grant the motion for entry of the Final Approval Order, the Administrator shall notify all Class Members of the Court's ruling within 30 calendar days of the Court's ruling, unless the Parties reach some different agreement or the Court orders other timing for such notice.

8. Right to Terminate Settlement Agreement.

8.1 If more than 500 Class Members object to or timely elect to opt-out of the Settlement (through the Request for Exclusion procedure), Defendants may unilaterally, in their sole discretion, withdraw from and terminate this Agreement by providing written notice of termination to Class Counsel. Notice of termination under this paragraph shall be provided on or before 15 calendar days of Defendants' receipt of final written notice from the Administrator that the opt-out number has exceeded 500 Class Members, or shall be deemed waived. Class Members who declined to allow their contact information to be shared with plaintiffs' counsel pursuant to prior *Belaire-West* notification shall not be deemed opt outs to the settlement, but rather, shall receive the Class Notice and an opportunity to opt out of this Settlement.

8.2 Any Party may terminate this Agreement by providing written notice to the other Parties hereto on or before 10 calendar days after either of the following events:

8.2.1 The Court declines to enter a Preliminary Approval Order conforming in material respects to Exhibit 2 hereof; or

8.2.2 The Court declines to enter a Final Approval Order conforming in material respects to Exhibit 3, or if entered, such Final Approval Order is reversed, vacated, or modified in any material respect by another court, except as provided for herein.

8.2.3. If the Court indicates in declining to enter either Preliminary or Final Approval that it would reconsider the motion with modifications, or if an appellate order reversing, modifying or vacating the order of approval is remediable in the Superior Court, the parties shall first have 30 days to consider such proposed modifications or remedies, after which the above-referenced 10-day notice period shall begin to run.

8.3 If Defendants fail to make any payment due under this Agreement, Class Counsel shall give notice and five calendar days to cure. Failing a full and timely cure, Class Counsel may unilaterally terminate this Agreement or seek specific performance of this Agreement, at their option.

8.4 If this Agreement terminates or is terminated for any reason, all Parties shall be restored to their respective positions immediately prior to the date of execution of this Agreement and shall proceed in all respects as if this Agreement and any related Court orders had not been made or entered.

8.5 If this Agreement terminates or is terminated for any reason, within five business days after written notification of such termination is sent by Defense Counsel or Class Counsel to the Administrator, the Cash Payment (including any accrued interest), less half of the Administration Expenses actually incurred or due and payable, shall be refunded to Defendants. Plaintiffs shall be responsible for the other half of Administration Expenses incurred.

9. **Cash Payment**

9.1 Defendants agree to make the full Cash Payment of \$10,000,000.00 ("Settlement Amount") on or before 20 days after the Preliminary Approval Date, payable to the Settlement Fund, c/o JPMorgan Chase Bank NA or another national bank mutually agreeable to the parties or otherwise approved by the Court, deposited into an interest-bearing escrow account, and paid out in accordance with section 9.3 below. Subject to the provisions of section 8.5 above, any interest earned on the Cash Payment shall be paid as provided below in proportion to the below-described shares of the Cash Payment.

9.2 Neither this Settlement nor timely payment of the Cash Payment shall be contingent upon insurance coverage, insurance payments or the timeliness of any insurance payments. Defendants' obligations under this Agreement are their obligations.

9.3 The Cash Payment shall cover all monetary obligations owed by Defendants under the Settlement. The Cash Payment shall be used to pay the following items:

9.3.1 The Net Proceeds shall be allocated among the Participating Class Members on a weighted average basis based upon the relative amounts withheld from the security deposit of each member of the Settlement Class for Relevant Charges as described in Section 9.4, below. If multiple Participating Class Members were members of the same Household on the move-out date, then the portion of the settlement proceeds allocated to the security deposit of such Household shall be divided equally among such co-tenants whom Defendants are able to identify and locate through reasonable efforts. If such co-tenants are not identified or located, the payment respecting the Household shall be delivered to the primary tenant on the lease.

9.3.2 An amount of up to \$3,300,000.00 plus proportionate interest earned on the Cash Payment (unless a lower amount is ordered by the Court) shall be paid from the Settlement Fund to Class Counsel pursuant to written instruction from Class Counsel consistent with the Court's Final Approval Order for fees earned (the "Attorney Fee Payment").

9.3.3 An amount not to exceed \$200,000 on account of costs incurred by Plaintiffs' counsel shall be paid from the Settlement Fund to Class Counsel pursuant to written instruction from class counsel consistent with the Court's Final Approval Order ("Litigation Expenses Payment").

9.3.4 An amount, not to exceed \$175,000, shall be paid out of the Settlement Fund to the Administrator to cover the fees and costs of the administrator, consistent with the Court's Final Approval Order ("Administrative Expense Payment").

9.3.5 An amount not to exceed \$30,000 (\$10,000 to each of the Named Plaintiffs), shall be paid out of the Settlement Fund to the Named Plaintiffs pursuant to written instruction from Class Counsel consistent with the Court's Final Approval Order ("Representative Incentive Payments").

9.3.6 If the Court orders lower amounts for the Attorney Fee Payment, Litigation Expenses Payment, or Representative Incentive Payments, or if the administrative expenses are less than \$175,000, any difference shall revert to the Class Fund.

9.3.7 The "Class Fund" shall be the remaining amount of the Cash Payment, plus interest accrued thereon, after application of payments pursuant to Sections 9.3.2 – 9.3.5, plus any interest accrued following payment of (i) Attorney Fee Payment, (ii) Litigation Expenses Payment, (iii) Administrative Expenses Payment, and (iv) Representative Incentive Payments.

9.3.8 On the Effective Date, the Escrow Agent shall cause payment of the (i) Attorney Fees Payment, (ii) Litigation Expenses Payment, (iii) Administration Expenses Payment, (iv) Representative Incentive Payments, and (v) the Class Fund to the Administrator, with any interest earned on those amounts, pursuant to written instruction from Class Counsel consistent with the terms of the Court's Final Approval Order. The Escrow Agent shall provide confirmation that such payments have been made to Class Counsel, Defense Counsel, and the Administrator.

9.4 The Class Fund shall be distributed to all Participating Class Members in a pro-rata weighted distribution calculated based upon each Participating Class Member's respective portion of

the total security deposits retained by Defendants from Participating Class Members for Relevant Charges, subject to the following:

9.4.1 To the extent that Defendants made withholdings other than Unpaid Rent and Utilities, the former tenant will be included in the Settlement Class only to the extent that (a) after deducting the Unpaid Rent and Utilities, the remaining deposit for the tenant's Household was equal to or greater than \$125.00; and (b) Defendants withheld or deducted more than \$125.00, excluding any deductions for Unpaid Rent and Utilities.

9.4.2 With respect to multiple-tenant Households, payment shall be divided evenly among Participating Class Members who were members of the Household on the move-out date that appear on Defendants' records and can be identified through reasonable efforts. If co-tenants cannot be identified through reasonable efforts, then the entire payment shall be made to the primary tenant listed on the lease. All payments made to members of multi-tenant Households shall be made subject to any respective rights and interests the members of the Household may have amongst themselves respecting the deposit and resulting payment.

9.5 **Cautionary Holdback.** \$300,000 of the Class Fund (the "Cautionary Holdback") shall be withheld from the First Settlement Payment, defined below, and shall be reserved for distribution as described in this Section.

9.5.1 To the extent that any additional Class Members are identified or located within 180 days of the Final Approval Date (each a "Later Identified Member"), the Administrator shall notify the Later Identified Member in writing that he or she will have 30 days to decline to accept a settlement payment and reserve his, her or its rights and claims, or seek any appropriate relief from the Court. If the Later Identified Member does not so elect or seek relief from the Court, he or she shall be deemed a Participating Class Member for all purposes, and the Administrator shall pay to the Later Identified Member his, her, or its share of the Class Fund from the Cautionary Holdback within five (5) business days of the expiration of such 30-day period. All checks issued to Later Identified Members shall expire after 60 days.

9.5.2 The Administrator shall have discretion to use the Cautionary Holdback to address any disputes among tenants of multi-tenant Households in consultation with Class Counsel and Defense Counsel, provided that the resolution of such disputes does not require the Administrator to pay more than 150% of the share of the Cash Fund allocated to that Household. The Administrator shall also adjust the Second Settlement Payment so that (a) the Household receives a total amount of payments as near as possible to the amount it would have received had there not been any dispute; and (b) the payments to each member of the Household are divided as close to evenly as possible.

9.5.3 The Administrator shall have discretion to use the Cautionary Holdback to address any other disputes by Participating Class Members as to the amount of their payments, in consultation with Class Counsel and Defense Counsel, provided that no class member shall receive more than his, her or its share of the Cash Fund. The Administrator shall also adjust the Second Settlement Payment so that the share of the Cash Fund paid to each Participating Class Member is as near as possible to the amount that the member would have otherwise received.

9.6 **Initial Payment.** The Class Administrator shall issue a first settlement payment to all Participating Class Members at their last known address within five (5) business days of the Effective Date (the “First Settlement Payment”), comprising each Participating Class Member’s share of the Class Fund, less the Cautionary Holdback. The First Settlement Payment shall be made by check and sent via First Class U.S. Mail with forwarding requested and shall be calculated as provided in Section 9.3. Such checks shall expire after a period of 120 days from the date of issuance.

9.7 **Returned Payments.** To the extent that the First Settlement Payment is returned to the Class Administrator as undeliverable to any Participating Class Member, the Class Administrator shall use “skip tracing” to identify a valid address for such class member and shall re-issue the First Settlement Payment within ten (10) days of the return of the payment, sent to the address identified through “skip tracing.”

9.8 **Unclaimed Amounts.** 180 days after the date of the First Settlement Payment (the “Cutoff Date”), the Class Administrator shall cancel all settlement checks that have not been cashed for whatever reason, except those issued to Later Identified Members whose checks were not mailed at least 60 days before the Cutoff Date. The checks of such Later Identified Members shall be voided 60 days after mailing. The Class Administrator shall have discretion to re-issue a check to a Participating Class Member who so requests within 14 days of the Cutoff Date or the date of voiding a check to a Later Identified Member. All amounts unclaimed as of the Cutoff Date and the date checks to Later Identified Members are voided, and interest thereon, as well as any unused portion of the Cautionary Holdback, shall be referred to as the “Unclaimed Amounts.”

9.9 **Distribution of Unclaimed Amounts.** The Settlement Administrator shall allocate the Unclaimed Amounts among the members of the Settlement Class who accepted the First Settlement Payment and Later Identified Members who accepted their payment (collectively, “Accepting Members”). The allocation shall be on a weighted average basis based upon the relative amounts withheld from the security deposits of Accepting Members for Relevant Charges, subject to adjustments described in Section 9.5, above (the “Second Settlement Payment”). The Second Settlement Payment shall be made by check sent via First Class U.S. Mail to the same address as the Initial Payment, or such updated address provided by the Participating Class Member, 60 days after the last outstanding check from the First Settlement Payment or any subsequent payment to a Later Identified Member, is voided or cashed.

9.10 **Final Accounting and Cy Pres Distribution.** 180 days after the date of the Second Settlement Payment (the “Second Cutoff Date”), the Class Administrator shall cancel all checks for the Second Settlement Payment. Within 30 days of the Second Cutoff Date, Class Counsel shall submit to the Court the Administrator’s Final Report, defined below, and request modification of the Judgment to reflect the contemplated cy pres distribution described herein. The remaining balance of the Class Fund shall be disbursed to Public Counsel or another charitable organization approved by the Court 60 days thereafter unless the Court orders otherwise.

9.11 **Reporting.** Within 180 days of the First Settlement Payment, the Administrator shall provide a declaration to counsel for all Parties for filing with the Court, detailing the number and total dollar amount of settlement checks sent and cashed, the number of Later Identified Members and those who declined to accept the settlement, and the number and total amount of payments sent to Later Identified Members and those cashed. Within 10 days of the Second Cutoff Date the Administrator

shall provide a declaration and report to counsel for all Parties setting forth the total amount and number of payments sent and cashed in connection with the Second Settlement Payment, and the remaining balance of the Class Fund available for cy pres distribution.

9.12 **Release of Defendants' Claims.** In addition to the Cash Payment, as good and valuable consideration, the sufficiency of which is hereby acknowledged, Defendants agree to waive and release any Defendants' Claims they hold against all Participating Class Members as advanced in their proposed Cross-Complaint effective on the date of mailing of the First Settlement Payment. Defendants estimate that the total dollar amount of the Defendants' Claims is in excess of \$2,500,000.

9.13 During the period between execution of this Agreement and the release of the Defendants' Claims becoming effective, Defendants agree that they shall take no action to enforce or collect on any Defendants' Claims against Class Members other than those who have opted out. Upon entry of final judgment and the release becoming effective all Defendants' Claims will be fully and finally released.

9.14 Defendants represent and warrant that they do not report any move-out charges to credit reporting agencies. Defendants agree that they shall not report any of the move-out charges released by this settlement nor shall they challenge or dispute any request by any member of the Settlement Class to have any negative credit information relating to repairs or cleaning charges removed from his, her, or its credit report.

9.15 The Parties agree that Defendants' release of the Defendants' Claims is part of a compromise settlement of disputed claims by the Parties herein. Accordingly, the Parties will not take affirmative steps to classify the release of the Defendants' Claims as proceeds subject to taxation; provided that, nothing herein shall preclude Defendants from complying with all applicable laws or regulations. Defendants make no representations or warranties about the Participating Class Members' local, state, or federal tax obligations, if any.

9.16 Defendants make no representations as to the tax treatment or legal effect of any payments or releases made under this Agreement. Named Plaintiffs and Participating Class Members shall be solely responsible for the payment of any taxes assessed on the payments and releases described in this Agreement.

10. **Additional Consideration**

10.1 GHP will continue to take all reasonable efforts to ensure that all GHP managed residential communities in the State of California are in compliance with applicable statutes, including Civil Code section 1950.5. At a minimum, GHP shall: (i) provide departing tenants who are charged \$125 or more for cleaning or repairs done by third party vendors with receipts or invoices from the party doing the work, either within 21 days of the end of the tenancy, or within 14 days of receipt of the documentation from the third party, whichever is later; provided that, if any provision of Civil Code section 1950.5 or any other applicable statute is changed, clarified or otherwise modified through statute, regulation or case law, GHP shall comply with the applicable provision as changed, clarified or otherwise modified.

10.2 GHP will not pursue the appellate efforts concerning the decision to deny leave to file a Cross-Complaint.

11. Attorney Fees, Litigation Expenses and Service Awards.

11.1 Defendants agree not to oppose or comment unfavorably to the Court on Class Counsel's request for approval of attorneys' fees not to exceed \$3,300,000 and litigation expenses actually incurred not to exceed \$200,000.

11.2 An order of the Court declining to award attorneys' fees and litigation expenses in the amount sought shall not impact the other terms and conditions of this Agreement, except as provided in Section 9.3.6 of this Agreement, and regardless of whether such order is appealed by an objector or by Class Counsel.

11.3 Class Counsel's request for approval of attorneys' fees and litigation expenses and service awards to the Named Plaintiffs (whether included in the motion seeking final settlement approval or filed as a separate motion) shall be filed no later than 15 calendar days prior to the deadline for Class Members to object to the settlement, or such earlier date as set forth in the Preliminary Approval Order, and shall be heard at the time of the Final Approval Hearing by the Court.

11.4 Defendants agree not to oppose Plaintiffs' application for service awards, which shall not exceed a total \$30,000 for all Named Plaintiffs. Any service awards shall be in addition to any settlement check(s) to which each Named Plaintiff may be entitled.

12.5 Any challenges to, order, proceeding related to the Attorney Fee Payment, Litigation Expenses Payment, or Class Representative Incentive Awards, or any appeal, reversal or modification of the same, shall not operate to terminate, cancel or delay the implementation of this Agreement, or the finality of the Final Approval Order. Without limitation, if the Court declines to award the full amount of requested attorney fees or litigation expenses sought, or service awards sought, the Administrator shall nevertheless proceed to distribute the Cash Payment to Participating Class Members in accordance with section 9 above (holding back any amount claimed for attorney fees, litigation expenses, or service awards subject to ongoing litigation or appeals), and if necessary, make a second distribution of any additional funds later determined to be available for payment to Class Members.

12. Settlement Administration.

12.1 The Parties nominate CPT Group to serve as the Settlement Administrator, subject to Court approval.

12.2 In addition to the duties set forth elsewhere in this Agreement, the Administrator shall be authorized to undertake all tasks and duties that are reasonably necessary to carry out the claims administration provisions of this Agreement, including without limitation:

12.2.1 providing notice as set forth herein;

12.2.2 issuing settlement checks from the Class Fund to Participating Class Members;

12.2.3 communicating with Class Members regarding the settlement administration process;

12.2.4 obtaining completed IRS W-9 forms, as necessary, for payments made to Class Members, Named Plaintiffs and Class Counsel in compliance with IRS rules and regulations and perform other activities necessary to comply with tax laws and regulations.

12.3 The Administrator shall provide all Counsel with timely written reports as to completion of Class Notice, status of settlement checks, any objections or other questions from Class Members and any other pertinent information regarding class notice and claims administration in addition to the formal reports set forth at Section 9.11, above.

12.4 If any Participating Class Member disputes the amount or calculation of his, her, or its payment(s), the Administrator shall notify Class Counsel and Defense Counsel, and the Administrator and counsel shall use reasonable efforts to resolve any such disputes. If they are unable to resolve such disputes, each affected Participating Class Member shall be directed to pursue, his, her, or its claims in small claims court.

13. **Release Provisions.**

13.1 Upon the date of mailing of the First Settlement Payment, each of the Named Plaintiffs and Participating Class Members, on behalf of themselves, and their respective predecessors, successors, heirs, assigns, shall be deemed to have, and by operation of the Final Approval Order, shall have, fully, finally, and forever released, relinquished and discharged all Released Claims against the Defendant Released Parties, whether or not any individual Participating Class Member executes and delivers any form of release or accepts and cashes his, her, or its settlement payment(s).

13.2 Upon the release set forth in Section 13.1, above, becoming effective, each of the Named Plaintiffs and each Participating Class Member, on behalf of themselves, and their respective predecessors, successors, heirs, and assigns, shall be barred from initiating, asserting or prosecuting any of the Released Claims against any of the Defendant Released Parties.

13.3 Upon the Effective Date, Defendants, and each of them, and each of their past and present officers, trustees, directors, shareholders, subsidiaries, parents, affiliates, alter egos, joint ventures, partners, partnerships, members, limited liability companies, companies, divisions, representatives, employees, agents, attorneys, insurers, vendors, predecessors, successors and assigns, shall be deemed to and do hereby release and forever discharge Named Plaintiffs, Participating Class Members, Class Counsel, and any predecessor counsel, from any claim arising from or related to the prosecution or settlement of the Action, including without limitation, any claim for malicious prosecution or abuse of process, and as to Participating Class Members, Named Plaintiffs, or counsel.

13.4 This Agreement shall constitute a full and complete defense to, and may be used as a basis for, a permanent injunction against any such action, suit or other proceeding which may be instituted, prosecuted or attempted in breach of this Agreement.

14. **Final Judgment.**

14.1 At the Final Approval Hearing, the Parties shall seek a final Judgment in a form substantially similar to that attached as Exhibit 4 hereto. Such Judgment shall be final, binding and with prejudice as to the Released Claims by any and all of the Named Plaintiffs and Participating Class

Members against all Defendants and with prejudice as to any Defendants' Claims against any Named Plaintiffs and Participating Class Members. The Final Judgment shall be posted on the class website.

14.2 The Court shall retain ongoing jurisdiction following entry of judgment to reopen and/or modify the judgment to reflect the amount and payment of the final cy pres distribution, if any, made pursuant to Section 9.10, above.

15. No Admission of Liability.

The Parties agree that this Agreement is intended to compromise disputed allegations and claims and that this Agreement is entered into for settlement purposes only. Neither the fact of, nor any provision contained in this Agreement or its attachments, nor any action taken hereunder, shall constitute, be construed as or be admissible in evidence as any admission or concession with respect to any allegation of any wrongdoing, fault, violation of law or liability of any kind on the part of Defendants, Named Plaintiffs, or Participating Class Members, alleged in the Action. By agreeing to this Settlement, Defendants do not concede or agree that this Action could be properly brought as and/or maintained as a class action and reserve all rights to oppose certification of a class if this Settlement is not approved or the Agreement is otherwise rescinded. Nothing stated in this section, however, shall preclude any Party from seeking to introduce the terms of this Agreement in any proceeding to enforce the Agreement.

16. Exclusive Remedy and Continuing Jurisdiction.

16.1 Except as otherwise provided herein, this Agreement shall be the sole and exclusive remedy for any and all Released Claims of all Participating Class Members.

16.2 Pursuant to Rule 3.769(h) of the California Rules of Court and California Code of Civil Procedure section 664.6, the Court shall retain exclusive and continuing jurisdiction over the Action, all Parties, and Participating Class Members to enforce the Agreement and/or any orders entered pursuant to this Settlement.

17. Stay of Discovery.

All discovery in the Action shall be stayed while final approval of the Settlement is pursued. On final approval of the Settlement, all discovery shall be considered withdrawn and of no further legal effect. In the event the Settlement is rejected by the Court, the parties shall meet and confer as to the appropriate deadlines and dates for pending discovery.

18. Tolling of Five-Year Rule.

The time period from January 10, 2022, to the date of the hearing on Final Approval of any settlement, including any continued hearing on Final Approval, shall be excluded from the three-year time period to bring this action to trial under Code of Civil Procedure § 283.420 and the five-year time period to bring this action to trial under § 583.310. To the extent this Agreement is terminated or rescinded for any reason, the three-year and five-year time periods to bring this action to trial shall be deemed tolled from January 10, 2022 to the date notice of termination or rescission is given in writing.

19. Binding Effect.

This Agreement shall inure to the benefit of and be binding on Plaintiffs, Participating Class Members, Defendants, the Defendant Released Parties, and any corporation, partnership, or other entity into which any of the Parties or Defendant Released Parties may merge, consolidate, or reorganize, and each of them.

20. Consent.

Each Party has carefully read and understands this Agreement and has received independent legal advice with respect to the Agreement. Prior to the execution of this Agreement, each Party's attorney reviewed and executed the Agreement after independent investigation and without fraud, duress, or undue influence.

21. Warranty of Authority.

Each signatory below warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the person or entity for which he or she purports to sign.

22. No Prior Assignments.

The Parties represent, covenant, and warrant that they have not directly or indirectly assigned or transferred to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged, nor purported to do so, except as set forth herein.

23. Interpretation of Agreement.

This Agreement is the product of negotiation and preparation by and among Class Counsel and Defendants and their respective attorneys. Neither this Agreement nor any provision hereof shall be deemed prepared or drafted by one Party or another, or its attorneys, and shall not be construed more strongly against any Party based on the Party primarily drafting this Agreement or any part hereof.

24. Governing Law.

This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced, and governed by and under the laws of the State of California, without reference to its choice of law rules. Any action to enforce the provisions of this Agreement shall be commenced in the California Superior Court for the County of Los Angeles.

25. Modifications; Integration.

This Agreement contains the entire agreement among the Parties with respect to its subject matter and supersedes all prior agreements, representations, or understandings. There are no oral understandings, statements, provisions, or inducements made by the Parties except as stated herein.

Any modification or amendment of this Agreement, or additional obligation assumed by any Party in connection with this Agreement, will be effective only if made as provided herein. An amendment will be valid if made in writing and signed by each Party or by authorized representatives of each Party and approved by the Court except as provided in the following sentence. Counsel for the Parties shall be authorized to make non-material amendments to facilitate preliminary and final approval,

which amendments may be by way of a written stipulation or on the record in open court, in each case subject to Court approval as necessary. Amendments will be deemed immaterial, without limitation, if they modify any monetary term of this Agreement in an amount not greater than \$50,000 and/or modify any time period for providing notice or taking any action by a period not greater than 60 days. No other amendments or modifications shall be deemed valid, and there shall be no oral, informal, or implied waivers of any right, obligation, duty, or breach hereunder.

26. Severability.

The Parties agree that should any provision of this Agreement, or any portion of any provision, be declared or determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, the remainder of the provision and/or the Agreement shall nonetheless remain binding and in effect, unless this would result in a substantial failure of consideration.

27. Counterparts.

This Agreement may be executed in counterparts, and as so executed shall be binding upon all Parties hereto, notwithstanding that the signatures of all Parties' designated representatives do not appear on the same page. Facsimile or email signature pages shall have the same force and effect as original signatures.

28. Captions.

Section titles or captions contained herein are inserted as a matter of convenience and for reference only and in no way interpret, define, limit, extend, or describe the scope of this Agreement or any provision thereof.

29. No Waiver.

The failure of any Party to insist upon the performance of any of the terms and conditions in this Agreement, or the failure to prosecute any breach of any of the terms and conditions of this Agreement, will not be construed thereafter as a waiver of any such terms or conditions. This entire Agreement will remain in full force and effect as if no such forbearance or failure of performance had occurred.

IN WITNESS WHEREOF, each Party has executed this Agreement as of the date(s) indicated below, with the most recent date constituting the date of this Agreement.

PLAINTIFFS:

Dated: 6/29/2023

DocuSigned by:

36D28E74A86148A...
Kierney Waldron

Dated: 6/29/2023

DocuSigned by:

83E98001929241S...
Xin Chen

Dated: 6/29/2023 _____

DocuSigned by:
Brian Chiang
CD7D07DC1F3B4B7...

Brian Chiang

DEFENDANTS:

Dated: _____

GHP Management Corporation, on its own behalf
and that of all Defendants (as defined in the
Preamble)

By: Geoffrey H. Palmer
President

APPROVED AS TO FORM:

CLASS COUNSEL:

Dated: _____

LAW OFFICE OF JIMMIE DAVIS PARKER,
APC

By: _____
Jimmie D Parker

Attorneys for Plaintiffs

Dated: _____

DIAMOND McCARTHY LLP

By: _____
Damion Robinson

Attorneys for Plaintiffs

DEFENDANTS' COUNSEL:

Dated: _____

Brian Chiang

DEFENDANTS:

Dated: 6/29/2023



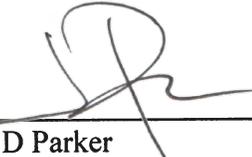
GHP Management Corporation, on its own behalf
and that of all Defendants (as defined in the
Preamble)

By: Geoffrey H. Palmer
President

APPROVED AS TO FORM:
CLASS COUNSEL:

Dated: June 29, 2023

LAW OFFICE OF JIMMIE DAVIS PARKER,
APC

By: 

Jimmie D Parker

Attorneys for Plaintiffs

Dated: June 30, 2023

DIAMOND McCARTHY LLP

By: 

Damion Robinson

Attorneys for Plaintiffs

DEFENDANTS' COUNSEL:

Dated: June 29, 2023

ERVIN COHEN & JESSUP LLP

By: 

Jason L. Haas

Attorneys for Defendants

EXHIBITS

1. Class Notice
2. Preliminary Approval Order
3. Final Approval Order
4. Judgment
5. Escrow Instructions

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

Chen v. GHP Management Corporation, et al., Case No. BC713402
Waldron v. GHP Management Corporation, et al., Case No. 19STCV03883

If you leased an apartment unit at a GHP property and moved out of your apartment between July 13, 2014 and June 30, 2022, this class action settlement may benefit you and affect your rights. The GHP properties covered by this notice are listed below.

This Notice provides you with a brief description of the lawsuit and proposed settlement. More information and key documents related to the settlement can be found at the class action website.

[SPANISH] You may be eligible to participate in a class action settlement regarding your apartment security deposit. For more information go to the class action website.

[MANDARIN] You may be eligible to participate in a class action settlement regarding your apartment security deposit. For more information go to the class action website.

WWW.GHPCLASSACTION.COM

WHAT IS THIS LAWSUIT ABOUT?

In this class action lawsuit, Xin Chen, Brian Chiang, and Kierney Waldron (called “Representative Plaintiffs”) allege that GHP Management Corporation and other companies (called “Defendants”) violated California Civil Code section 1950.5 and other laws by improperly handling tenant security deposits, imposing improper move-out charges, and failing to provide required disclosures.

Defendants deny these allegations, deny any wrongdoing and maintain that they fully complied with the law. By entering into this settlement, Defendants in no way admit any violation of law or any liability. The Court has not yet decided who is correct. The parties reached a settlement to avoid the time, uncertainty, and expense of further litigation in court.

The parties are settling this lawsuit as a class action. In a class action, one or more people (such as the Representative Plaintiffs), sue on behalf of a group of people who have similar claims. This group is called the “Class” or the “Class Members.” The Court has approved this case proceeding as a class action on behalf of certain former tenants of Defendants.

On August 2, 2023, the Court preliminarily approved a proposed settlement of this class action lawsuit as set forth in the Class Action Settlement Agreement (“Agreement”), which is available on the class website. The Court approved certification of the following Class (the “Settlement Class”):

All former tenants of Defendants who moved out during the Class Period from whom Defendants withheld more than \$125.00 of their security deposits other than for Unpaid Rent and Utilities, excluding (a) tenants who were evicted, (b) tenants who have previously settled their claims; (c) the judge assigned to the case and his staff; (d) Defendants and their affiliates and employees; (e) any person employed by any Defendants during the class period; and (f) minors and other persons not party to a lease with Defendants. (Unpaid Rent and Utilities is defined in the Agreement to include charges unrelated to repair, cleaning, or maintenance of apartments, such as unpaid rent, utilities, common area charges, lost keys, and similar charges).

If you meet this definition, you are a Class Member.

Unless you exclude yourself from the settlement, you will receive a return of a portion of your security deposit and get relief from certain debts to Defendants, if any, related to your tenancy (other than for Unpaid Rent and Utilities) as provided in the Agreement. If you exclude yourself from the Settlement, you will not recover money or get debt relief, but you may pursue whatever claims you may have against Defendants.

If the Court approves the settlement at the Final Approval Hearing on **November 17, 2023** at **9:00 a.m.**, it will bind all Class Members who have not excluded themselves and will settle and release all claims against Defendants alleged in the lawsuit. If the Court does not approve the Settlement, the litigation will continue.

WHAT APARTMENT COMPLEXES ARE COVERED?

The settlement covers the following apartment complexes: The Paseos at Montclair North , Pasadena Park Place Apartments, Diamond Park Apartments, Canyon Country Villas, The Village, Skyline Terrance, Broadway Palace Apartments, The Orsini, The Medici, The Lorenzo, Sand Canyon Villas & Townhomes, The Piero, The Da Vinci, Sand Canyon Ranch, River Ranch Townhomes & Apartments, Park Sierra, Colony Townhomes, River Park Apartments, Upland Village Green Apartments, The Visconti, The Summit at Warner Center, The Terrace Apartments, The Paseos at Ontario, and Sea View Villas.

THE SETTLEMENT

The settlement provides that Defendants will, subject to Court approval: (1) pay \$10,000,000, including returning of a portion of each Class Member's security deposit, payment of attorney fees to the attorneys representing the class, reimbursement of litigation costs, and payment of service awards to the Representative Payments; (2) waive in excess of \$2,500,000 in debts allegedly owed by Class Members to Defendants for apartment repair and cleaning charges. In addition, Defendants have agreed to comply with all of the disclosure requirements of California Civil Code § 1950.5 in the future and not to challenge any Class Members disputing credit reporting of cleaning or repair charges.

In exchange for all of these benefits, Class Members who do not exclude themselves from the Class will waive all claims against Defendants as alleged in the lawsuit.

HOW MUCH MONEY WILL I RECEIVE?

The specific amount paid to eligible Class Members will be proportional to the amount of their security deposit retained by Defendants for repair, cleaning, and maintenance charges. Precise amounts are unknown at this time, but our best estimate is that if every Class Member accepted their payment, class members would receive approximately 85.5% of the repair and cleaning deductions from their security deposits back. However, it is very rare in class actions for all class members to accept their payments, so the amount is likely to be larger.

For apartments with more than one tenant (e.g., roommates), the settlement payment for the household will be divided equally between class members who can be identified and located. Any tenant may exclude himself or herself from the settlement, and his or her share will be deducted from the payment for the household. The remainder will be divided equally among the tenants participating in the settlement. For example, if you lived with another person, and a cash payment of \$500.00 is owed for that apartment, then each of you would receive \$250.00 unless you excluded yourselves from the settlement.

If you believe that you have received an incorrect amount of money, contact the Settlement Administrator. The Settlement Administrator and counsel will attempt to resolve any issue.

HOW WILL I RECEIVE MY MONEY?

To receive your money, **you do not need to do anything**. Unless you exclude yourself from the settlement, you will automatically receive your cash payment and the debt relief described above. If you have moved

from the address to which this notice is mailed, you should contact the Settlement Administrator to provide an updated address.

WHAT HAPPENS IF I DO NOTHING?

If you do nothing, you will get the debt relief provided for by the settlement, if applicable to you, and will receive a cash payment.

HOW DOES THE SETTLEMENT RELEASE AFFECT MY RIGHTS?

The settlement will release all claims you may have that are alleged in the lawsuit against Defendants. The settlement does not affect claims for personal injuries. The precise terms of the release are in the Agreement posted on the class website at www.ghpclassaction.com.

CAN I EXCLUDE MYSELF FROM THE SETTLEMENT?

Yes. To exclude yourself, you must mail the Settlement Administrator a signed request for exclusion by **October 16, 2023** at the address provided below. No specific form of request is required. Requests must be in writing and must include your full name and mailing address. If you exclude yourself, you will not receive any money or debt relief from the settlement, and both you and Defendants will retain any claims you may have against each other. You will not be able to object to the settlement if you exclude yourself.

If you lived in an apartment with other lessees, each tenant may decide whether to exclude themselves from the settlement and each must submit a written notice of exclusion if desired.

OBJECTING TO THE SETTLEMENT

If you wish to object to the settlement, you may send a notice of your objection to the Settlement Administrator by **October 16, 2023** or you may appear at the Final Approval Hearing. You may also do both. Written objections should include your full name, mailing address, telephone number, apartment complex and unit you lived in, approximate date of move-out, and reason(s) for objecting. You will still be a member of the Class and will be treated like other Class Members if the settlement is approved.

WHAT ABOUT PAYMENT OF ATTORNEY FEES?

Several law firms have been pursuing this class action since 2018 and have devoted substantial resources to the case. The Court has appointed Diamond McCarthy LLP and Law Offices of Jimmie Davis Parker, APC as co-lead counsel for the Class. Lead class counsel and supporting counsel will receive their attorney fees and costs incurred from the overall settlement amount. The total amount allocated to attorney fees is \$3,300,000, provided the Court approves these amounts as reasonable. Class counsel would have sought substantially more in fees and expenses if the case did not settle and went to trial. In addition, the Settlement Administrator will charge a fee for administering the settlement.

WHAT ABOUT THE TENANTS WHO BROUGHT THE CASE?

Representative Plaintiffs Xin Chen, Brian Chiang, and Kierney Waldron have served to represent the Class for several years. The Court has appointed them as class representatives and they have been subject to written discovery and depositions. Because they have spent time and effort on this matter, and have had their depositions taken, Class Counsel will ask the Court to approve a service award of up to \$10,000 each (\$30,000 total), at the discretion of the Court, to compensate them for their efforts.

WHEN AND WHERE IS THE FINAL APPROVAL HEARING?

The Court will hold a Final Approval Hearing on **November 17, 2023** at **9:00 a.m.** at the Los Angeles Superior Court, Department 6, 312 North Spring Street, Los Angeles, CA 90012. At that time, the Court will determine whether the settlement, including the attorney fees, expenses, and service awards, is fair, reasonable, and adequate, and should be approved. The hearing date and time may change so you should check the class action website for details or contact the Settlement Administrator if you plan to attend.

The Final Approval Hearing is a public hearing and you are entitled to attend if you wish, but **there is no requirement that you attend**. You do not need to attend to get a settlement check or debt relief. Nor do you need to attend if you wish to exclude yourself or object. However, if you do object to any part of the settlement, including the attorney fees and expenses, you must file and serve a timely written objection and/or address the Court at the Final Approval Hearing.

The Court's social distancing protocols may change prior to the hearing and are updated on the Court's website www.lacourt.org.

ARE MORE DETAILS AVAILABLE?

Yes. You can find more information and key documents related to the case and the settlement at the class action website: **www.ghpclassaction.com**. You may also contact Class Counsel or the Settlement Administrator at the number, email address, and address listed below to obtain additional information. If you wish to object or exclude yourself from the settlement, you must do so as described above.

Class Counsel:

Damion D. D. Robinson
Jimmie Davis Parker
ghplitigation@gmail.com

Class Administrator:

CPT Group
[Toll Free Number]
[Address]

PLEASE DO NOT CALL OR CONTACT THE COURT WITH QUESTIONS ABOUT THE SETTLEMENT OR THE SETTLEMENT PROCESS.

EXHIBIT 2

1 Damion D. D. Robinson, State Bar No. 262573
DIAMOND McCARTHY LLP
2 355 South Grand Avenue, Suite 2450
Los Angeles, California 90071
3 Tel. (424) 278-2335
Fax (424) 278-2339
4 damion.robinson@diamondmccarthy.com

5 Attorneys for Plaintiffs Xin Chen and Brian Chiang
and the Class and Subclasses
6

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**

10 XIN CHEN, an individual; and BRIAN
11 CHIANG, an individual; individually and on
behalf of all others similarly situated;

12 Plaintiffs,

13 vs.

14 GHP MANAGEMENT CORPORATION, a
15 California corporation, *et al.*

16 Defendants.

Case No.: BC 713402

(Related Case No. 19STCV03833)

Assigned for All Purposes to:
The Hon. Elihu M. Berle, Dept. 6

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: August 2, 2023
Time: 1:00 a.m.
Dept.: SS-6

Action Filed: July 13, 2018
Trial Date: None Set

19
20 Plaintiffs' Motion for Preliminary Approval of Class Action Settlement came before the
21 Court for hearing on August 2, 2023 at 11:00 a.m. in Department 6. Plaintiffs' Motion included
22 requests for provisional approval of a proposed Settlement Class, approval of the form and manner
23 of Class Notice, approval of the procedures and deadlines for asserting objections to and requesting
24 exclusion from the Settlement Class, and setting a Final Approval Hearing.

25 The Court has considered Plaintiffs' Motion and Memorandum of Points and Authorities, the
26 Class Action Settlement Agreement (the "Agreement") submitted therewith, the supporting evidence
27 submitted by the parties, and the arguments of all counsel. After considering the foregoing, the
28 Court issues the following Preliminary Approval Order.

1 **IT IS HEREBY ORDERED THAT:**

2 1. This Order incorporates by reference the definitions in the Agreement.

3 2. The Court preliminarily approves the Agreement and finds, on a preliminary basis,
4 that the proposed settlement, including the consideration provided, the distribution formula
5 described for determining settlement payments, and the amounts allocated to fees, expenses, and
6 service awards, is fair, reasonable, and adequate. The Court further finds that the settlement has
7 been reached through arms-length, non-collusive bargaining among counsel for Plaintiffs and
8 Defendants with the use of mediators.

9 3. The Court has already certified a class and subclasses in this case. Pursuant to Code
10 of Civil Procedure § 382, the Court modifies the class definition in this case, for settlement purposes
11 only, as follows:

12 All former tenants of Defendants who moved out during the Class Period
13 from whom Defendants withheld more than \$125.00 of their security deposits
 other than for Unpaid Rent and Utilities.

14 The following are excluded from the Settlement Class: (a) Any persons who were evicted; (b) Any
15 persons who have previously settled their claims with Defendants; (c) the Court and its staff; (d)
16 Defendants and their affiliates; (e) any person employed by any Defendant during the Class Period;
17 and (f) minors and other persons not party to a lease with Defendants.

18 4. Consistent with its prior Order granting Class Certification, the Court finds that the
19 foregoing Settlement Class, for purposes of settlement only, meets all requirements of Code of Civil
20 Procedure § 382, including (a) numerosity; (b) commonality; (c) typicality; (d) adequacy of
21 representative plaintiffs and counsel; (e) predominance of common questions; and (f) superiority.

22 5. Plaintiffs Xin Chen, Brian Chiang, and Kierney Waldron are designated as
23 representatives of the Settlement Class. The Court has previously appointed Diamond McCarthy
24 LLP and Law Offices of Jimmie Davis Parker, APC as co-lead counsel for the class (“Lead
25 Counsel”). Lead Counsel along with their respective co-counsel are referred to herein as “Class
26 Counsel.”

27 6. The Court appoints CPT Group, Inc. as the third-party settlement administrator (the
28 “Administrator”). The Court finds that the Administrator is experienced and qualified to administer

1 the class settlement. The costs of settlement administration and Class Notice, including reasonable
2 costs to identify Class Members, shall be paid as set forth in the Agreement.

3 7. The Court hereby approves, as to form and content, the Class Notice attached as
4 Exhibit 1 to the Agreement. The Administrator is directed to provide Class Notice through the mail,
5 publication, email, and website notice procedures set forth in the Agreement. The Court finds that
6 the distribution of the Class Notice in the manner and form set forth in the Agreement and this Order
7 meets the requirements of California law, including California Rule of 3.769(c), constitutes the best
8 possible notice in the circumstances, comports with due process of law, and constitutes due and
9 sufficient notice to all parties entitled thereto.

10 8. As provided in the Agreement, on or before August 16, 2023, the Administrator shall
11 mail the Class Notice to members of the Settlement Class by first-class mail, cause the same to be
12 published in the Los Angeles Times, and email the same (to the extent email addresses are available)
13 to members of the Settlement Class.

14 9. The settlement is not a claims made settlement. To the extent that members of the
15 Settlement Class seek to exclude themselves from the Settlement Class (“opt out”), they must
16 provide written notice, as provided in the Agreement, on or before October 16, 2023 (the “Bar
17 Date”).

18 10. Any person who timely and properly requests exclusion, postmarked prior to the Bar
19 Date, will be deemed excluded from the Settlement Class, will not be bound by the Agreement, and
20 will not receive any of the benefits thereof. Persons who exclude themselves from the Settlement
21 Class shall not have a right to object to the settlement, appeal therefrom, or comment thereon.
22 Requests for exclusion must be signed by the member of the Settlement Class seeking exclusion and
23 must otherwise comply with the requirements stated in the Agreement and the Class Notice.
24 Settlement Class members who have not requested exclusion in a timely manner will be deemed
25 bound by all subsequent determinations of this Court, the Agreement, and the final judgment entered
26 in this action.

27 11. Any Settlement Class member who does not exclude himself or herself as provided
28 above may object to the Agreement and final approval of the settlement. Any person desiring to

1 object may object in writing on or before the Bar Date , and may present evidence and file briefs or
2 other papers with the Court as may be relevant and proper to the issues to be heard and determined
3 by the Court at the Final Approval Hearing. Objections shall be sent to the Class Administrator by
4 mail. Whether or not a member of the Settlement Class makes a written objection, any member of
5 the Settlement Class who has not timely requested exclusion may appear at the Final Approval
6 Hearing and object in person or through counsel. Any Settlement Class member who does not make
7 his or her objection in the manner provided for in the Agreement and herein shall be deemed to have
8 waived such objection and shall be foreclosed from objecting to the settlement.

9 12. All filings in connection with final approval, including, without limitation, any
10 objections or appeals therefrom, shall be served by electronic service pursuant to Code of Civil
11 Procedure § 1010.6 to avoid delay unless the filing party obtains leave of court for another form of
12 service. Counsel for the parties herein shall be served at the following email addresses: Plaintiffs
13 (damion.robinson@diamondmccarthy.com and JDParker@gmail.com); Defendants
14 (jhaas@ecjlaw.com).

15 13. The Administrator shall provide Lead Counsel and Defendants' counsel with
16 appropriate status updates on the mailing of Class Notice, inquiries from Class Members, requests
17 for exclusion, objections, and payment of the settlement proceeds. In addition, the Administrator
18 shall, within 30 days of the date of this Order, provide a declaration stating the date of mailing and
19 publication of the Class Notice and any efforts to locate addresses for class members from whom the
20 Class Notice was returned. Upon completion of the settlement administration process, the
21 Administrator shall provide written certification of such completion, and shall provide proof of
22 payment on request of the Court and/or counsel for the parties.

23 14. Pending the Final Approval Hearing, all proceedings in this action, other than those
24 necessary to carry out the settlement and this Order, are hereby stayed. Pursuant to the written
25 stipulation of the parties, as set forth in the Agreement, all periods from January 10, 2022 to the date
26 of the Final Approval Hearing shall be excluded from the time to bring this action to trial under
27 Code of Civil Procedure §§ 283.420 and 583.310, and any other statutes or rules of similar effect.

28 15. If for any reason the settlement is not finally approved, or does not become effective,

1 this Order shall be deemed vacated and shall be of no further force or effect (except as to Paragraph
2 14, above) and this action shall proceed as though no settlement has been attempted. The class and
3 sub-classes previously approved by the Court on August 4, 2021 shall remain in effect if the
4 settlement is not finally approved or does not become effective for any reason.

5 16. Any member of the Settlement Class may enter an appearance in this action, at his or
6 her own expense, individually or through counsel of his or her choice. If he or she does not enter an
7 appearance, submit a request for exclusion (as provided above), or object (as provided above), then
8 he or she will be deemed represented by Class Counsel.

9 17. The parties are hereby authorized, without further approval or intervention from this
10 Court, to agree to and adopt modifications and/or expansions of the Agreement, including, without
11 limitation, the forms and procedures used in disbursing settlement payments as necessary to carry
12 this Order and the Agreement into effect; provided, that all such modifications or expansions are
13 consistent with this Order and do not limit the rights or recoveries of Settlement Class members
14 under the Agreement.

15 18. The Court further sets the following schedule for the Final Approval Hearing:

16 The Final Approval Hearing is set for November 17, 2023 at 9:00 a.m. in Department 6 of
17 the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, California
18 90012.

19 The Motion for Final Approval shall be filed by September 15, 2023.

20 Any opposition briefing and written objections shall be filed by October 16, 2023.

21 Any reply briefing, shall be filed by November 6, 2023.

22
23 The Court may continue the Final Approval Hearing without further notice to the Settlement
24 Class other than posting on the settlement website maintained by the Administrator.

25 **IT IS SO ORDERED.**

26 Dated: _____

The Honorable Elihu M. Berle
JUDGE OF THE SUPERIOR COURT

EXHIBIT 3

1 Damion D. D. Robinson, State Bar No. 262573
DIAMOND McCARTHY LLP
2 355 South Grand Avenue, Suite 2450
Los Angeles, California 90071
3 Tel. (424) 278-2335
Fax (424) 278-2339
4 damion.robinson@diamondmccarthy.com

5 Attorneys for Plaintiffs Xin Chen and Brian Chiang
and the Class and Subclasses
6

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**

10 XIN CHEN, an individual; and BRIAN
11 CHIANG, an individual; individually and on
behalf of all others similarly situated;

12 Plaintiffs,

13 vs.

14 GHP MANAGEMENT CORPORATION, a
15 California corporation, *et al.*

16 Defendants.

Case No.: BC 713402

(Related Case No. 19STCV03833)

Assigned for All Purposes to:
The Hon. Elihu M. Berle, Dept. 6

[PROPOSED] FINAL APPROVAL ORDER

Date: [●]
Time: [●]
Dept.: SS-6

Action Filed: July 13, 2018
Trial Date: None Set

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18
19 Plaintiffs' Motion for Final Approval of Class Action Settlement came before the Court for
20 hearing on [●] at [●] in Department 6. The Court granted Preliminary Approval of the Class Action
21 Settlement Agreement (the "Agreement") on [●].

22 Having considered Plaintiffs' Motion for Final Approval, all objections to the Agreement, the
23 evidence submitted, and the arguments of all counsel and parties at the hearing, the Court finds good
24 cause and enters the following Final Approval Order.

25 **I. FINDINGS**

- 26 1. This Order incorporates by reference the definitions in the Agreement.
27 2. After consideration of the terms of the Agreement and the evidence submitted, the
28 proposed settlement is fair, adequate, and reasonable, and consistent with the requirements of

1 California law, including, without limitation, California Rules of Court, rule 3.769. The settlement
2 was reached after extensive, arms-length and non-collusive negotiations among counsel with the
3 assistance of mediators.

4 3. The Class Notice provided to members of the Settlement Class was the best
5 practicable notice under the circumstances, and meets the requirements of California law, including
6 California Rules of Court, rule 3.769. The Court finds that the Class Notice constituted due,
7 adequate, and sufficient notice, consistent with due process of law.

8 4. The attorney's fees requested by counsel for Plaintiffs and the Settlement Class
9 ("Class Counsel") are fair and reasonable. The Court has considered Class Counsel's fee request
10 under a common fund method with a lodestar cross-check and is fully familiar with the history of
11 this litigation, the extensive work performed, and the risks and complexity of the case. The Court is
12 also familiar with the market for legal services in the Los Angeles area and the rates charged by
13 counsel in similar cases. The Court finds that a total fee of \$[●], reflecting [●]% of the common
14 fund recovery is reasonable and appropriate in this case in light of the length and complexity of the
15 litigation and the stellar results obtained for the class. Using a lodestar cross-check, the Court finds
16 that counsel's hourly rates and hours are reasonable, and that a multiplier is warranted in this case
17 due to the risk involved and results obtained, as well as the contingent nature of the representation.

18 5. The costs incurred by counsel in the amount of [●] are reasonable and appropriate in
19 light of the nature and scope of this litigation.

20 6. The Court finds that the service awards of \$10,000 to each named Plaintiff are fair,
21 reasonable, and appropriate. The named Plaintiffs responded to multiple rounds of significant
22 written discovery, assisted counsel in strategy and settlement discussions, attended mediation, and
23 sat for depositions.

24 **II. ORDER**

25 In light of the foregoing, **IT IS HEREBY ORDERED:**

26 7. The Agreement and Settlement are approved. Counsel and the Administrator are
27 directed to consummate the settlement as set forth in the Agreement.

28 8. The Proposed Final Judgment is hereby approved and the Court will enter the Final

1 Judgment herewith.

2 9. Class Counsel shall receive attorney's fees of \$[●] and cost reimbursement of \$[●]
3 from the settlement fund. The Administrator is also authorized to deduct the fees and costs of
4 administration, not to exceed \$175,000, from the settlement fund.

5 10. The Escrow Agent and Administrator are directed to issue and distribute the
6 settlement fund, including attorney's fees, costs, administration costs, service awards, and class
7 member payments, as provided in Section 9 of the Agreement. The manner of calculating each
8 interested party's share of the settlement funds and the method of issuing payment shall be governed
9 by Section 9 of the Agreement.

10 11. All future filings in connection with this order and any notice of appeal shall be
11 served by electronic service pursuant to Code of Civil Procedure § 1010.6 to avoid delay unless the
12 filing party obtains leave of Court. Counsel for the parties herein shall be served at the following
13 email addresses: Plaintiffs (damion.robinson@diamondmccarthy.com and JDParker@gmail.com);
14 Defendants (jhaas@ecjlaw.com).

15 12. The Administrator shall, upon request, provide status updates to Class Counsel,
16 Defendant's counsel, and the Court regarding the status of payment, the rate of acceptance of the
17 payments, and any efforts to locate members of the Settlement Class whose initial settlement
18 payments were returned as undeliverable. The Administrator shall further provide those declarations
19 required by Section 9.11 of the Agreement as required therein.

20 13. The Court hereby sets a Status Conference re: Settlement Administration for
21 _____, 2023 at _____ in Department 6.

22 **IT IS SO ORDERED.**

23 Dated: _____

24 _____
25 The Honorable Elihu M. Berle
26 JUDGE OF THE SUPERIOR COURT
27
28

EXHIBIT 4

1 Damion D. D. Robinson, State Bar No. 262573
DIAMOND McCARTHY LLP
2 355 South Grand Avenue, Suite 2450
Los Angeles, California 90071
3 Tel. (424) 278-2335
Fax (424) 278-2339
4 damion.robinson@diamondmccarthy.com

5 Attorneys for Plaintiffs Xin Chen and Brian Chiang
and the Class and Subclasses
6

7
8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**

10 XIN CHEN, an individual; and BRIAN
11 CHIANG, an individual; individually and on
behalf of all others similarly situated;

12 Plaintiffs,

13 vs.

14 GHP MANAGEMENT CORPORATION, a
15 California corporation, *et al.*

16 Defendants.

Case No.: BC 713402

(Related Case No. 19STCV03833)

Assigned for All Purposes to:
The Hon. Elihu M. Berle, Dept. 6

[PROPOSED] JUDGMENT

Date: [●]
Time: [●]
Dept.: SS-6

Action Filed: July 13, 2018
Trial Date: None Set

17
18
19 The Court, having granted final approval of the parties' Class Action Settlement Agreement
20 (the "Agreement"), hereby enters judgment pursuant to that Agreement as follows.

21 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED:**

22 **A. Definitions**

23 The "**Settlement Class**" is defined as follows:

24 All former tenants of Defendants who moved out during the Class
25 Period from whom Defendants withheld more than \$125.00 of their
26 security deposits other than for Unpaid Rent and Utilities.

27 The Settlement Class excludes the following: Any persons who were evicted; Any persons who have
28 previously settled their claims with Defendants; The Court and its staff; Defendants and their
affiliates; any person employed by any Defendant during the Class Period; and minors and other

1 persons not party to a lease with Defendants. Members of the Settlement Class who filed timely and
2 proper requests for exclusion from the Settlement Class are hereby excluded from the definition of
3 Settlement Class.

4 **“Defendants”** is defined as follows: Defendants, Cross-Complainants and related parties
5 GHP Management Corporation; G.H. Palmer Associates; LR 9th and Broadway, LLC; 918
6 Broadway Associates, LLC; CCV Partnership II, a California Limited Partnership; Saugus Colony
7 Limited, a California Limited Partnership; Palmer Temple Street Properties, LLC; Palmer Temple
8 Street Properties, L.P.; Canyon Sierra Apartments; Canyon Sierra Properties, LLC; Palmer Flower
9 Street Properties, a California Limited Partnership; Palmer Flower Street Properties II, L.P.; Palmer
10 Flower Street Properties II, LLC; Palmer/City Center II, Inc.; Palmer/City Center II, a California
11 Limited Partnership; Palmer Boston Street Properties I, LP; Palmer Boston Street Properties II, LP;
12 Palmer Boston Street Properties II, Inc.; Palmer Boston Street Properties III, a California Limited
13 Partnership; Orsini III, LLC; Bridewell Properties, Ltd., a California Limited Partnership; Park
14 Sierra Properties, a California Limited Partnership; Park Sierra Apartments, LLC; 4914 Olive Street
15 Properties, LLC; Palmer Ontario Properties, LP; Piero Properties II, LLC; Palmer St. Paul
16 Properties, LP; Palmer/Sixth Street Properties, L.P.; Park Sierra Properties II, a California Limited
17 Partnership; Park Sierra Properties II, Inc.; The Solemint Heights Partnership, a California Limited
18 Partnership; Palmer-Saugus, a California Limited Partnership; Palmer Sand Canyon, Ltd., a
19 California Limited Partnership; Figter Limited, a California Limited Partnership; Warner Center
20 Summit Ltd., a California Limited Partnership; Westcreek Properties Ltd., a California Limited
21 Partnership; Upland Village Green, a California Limited Partnership; Upland Village Green, LLC;
22 Easton Investments II, a California Limited Partnership; Palmer/Third Street Properties, L.P., a
23 California Limited Partnership; and Visconti Apartments, LLC.

24 The **“Defendant Released Parties”** are defined as follows: Defendants, including, without
25 limitation, currently and previously named defendants in the Action, and each of their past and
26 present officers, trustees, beneficiaries, directors, shareholders, owners, subsidiaries, parent
27 companies, sister companies, affiliates, alter egos, joint ventures, partners, partnerships, members,
28 limited liability companies, companies, divisions, representatives, employees, agents, attorneys,

1 insurers, vendors, third party managers, predecessors, successors and assigns.

2 **“GHP Property”** is defined as follows: any apartment building at any of the following
3 communities: (1) The Paseos at Montclair North, (2) Pasadena Park Place Apartments, (3) Diamond
4 Park Apartments, (4) Canyon Country Villas, (5) The Village, (6) Skyline Terrance, (7) Broadway
5 Palace Apartments, (8) The Orsini, (9) The Medici, (10) The Lorenzo, (11) Sand Canyon Villas &
6 Townhomes, (12) The Piero, (13) The Da Vinci, (14) Sand Canyon Ranch, (15) River Ranch
7 Townhomes & Apartments, (16) Park Sierra, (17) Colony Townhomes, (18) River Park Apartments,
8 (19) Upland Village Green Apartments, (20) The Visconti, (21) The Summit at Warner Center, (22)
9 The Terrance Apartments, (23) The Paseos at Ontario, and (24) Sea View Villas. **“GHP Properties”**
10 means all of the above-referenced buildings and communities.

11 **B. Compliance with Agreement**

12 After the expiration of any deadlines to seek reconsideration of this Judgment or the Court’s
13 Order granting final approval of the Settlement, and the exhaustion of any appeals, the parties, the
14 class action administrator, and the escrow agent, shall administer the settlement in compliance with
15 the terms of the Agreement.

16 **C. Releases**

17 Upon the making of the First Settlement Payment as provided in the Agreement, each
18 member of the Settlement Class is adjudged to have released each of the Defendant Released Parties
19 from all actions, claims, demands, rights, suits, and causes of action alleged in the First Amended
20 Complaint in Case No. BC713402 and the Complaint in Case No. 19STCV03833. This release does
21 **not** include claims for personal injury or wrongful death.

22 Each of the Defendant Released Parties is adjudged to have released, effective as of the date
23 of the making of the First Settlement Payment, each member of the Settlement Class from any and
24 all actions, claims, demands, rights, suits, and causes of action of the Defendant Released Parties, of
25 whatever kind, whether known or unknown, against the members of the Settlement Class, for
26 physical damages (including, without limitation, assessed charges for apartment cleaning, painting,
27 carpet cleaning and/or carpet replacement), fees and/or other amounts that Defendants contend are
28 owed under the lease agreements entered into by members of the Settlement Class at a GHP Property

1 during period of July 13, 2014 through June 30, 2022, excluding claims by Defendants for Unpaid
2 Rent and Utilities, as defined in the Agreement.

3 **C. Forward Looking Relief**

4 Defendants shall take all reasonable steps to ensure that all residential communities in the
5 State of California owned or managed by Defendants are in compliance with California Civil Code
6 section 1950.5.

7 Defendants shall:

8 (i) provide departing tenants who are charged \$125 or more for cleaning or repairs done by
9 third party vendors with receipts or invoices from the party doing the work, either within 21 days of
10 the end of the tenancy, or within 14 days of receipt of the documentation from the third party,
11 whichever is later. If Defendants do not have documentation available from the third-party vendor
12 within the 21-day period after the end of the tenancy, they shall also provide the tenant a reasonable
13 estimate of the costs.

14 (ii) to the extent that Defendants deduct from security deposits for in-house labor or
15 materials, Defendants shall (a) reasonably describe the work performed by in-house personnel and
16 provide the hours and hourly rate charged; and (b) provide a bill, invoice, receipt, price list, or
17 similar documentation of each charge for in-house supplies charged against a tenant deposit.

18 If any provision of Civil Code section 1950.5 or any other applicable statute is changed,
19 clarified or otherwise modified through statute, regulation or case law, GHP shall comply with the
20 applicable provision as changed, clarified or otherwise modified.

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D. Settlement Approval Order

The Court further enters judgment on its Order Granting Final Approval of Class Action Settlement of even date therewith, which is incorporated herein by reference.

E. Modification

This judgment will be reopened and modified to reflect any cy pres distribution of settlement funds as provided in the Agreement.

Dated: _____

The Honorable Elihu M. Berle
JUDGE OF THE SUPERIOR COURT

EXHIBIT 5

ESCROW INSTRUCTIONS

Chen v. GHP Management Corporation, et al., Case No. BC713402
Waldron v. GHP Management Corporation, et al., Case No. 19STCV03883

[Date]

Name of Escrow Agent: _____

Plaintiffs Xin Chen, Brian Chiang, and Kierney Waldron (“Plaintiffs”) and Defendants GHP Management Corporation and related entities (“Defendants”), through their counsel, hereby provide these Escrow Instructions (these “Instructions”) to the Escrow Agent named above and any successor or replacement agent (the “Escrow Agent”). These Escrow Instructions are provided pursuant to that certain Class Action Settlement Agreement (the “Settlement Agreement”), which is attached hereto and incorporated by this reference. Capitalized terms not defined herein shall have the meanings set forth in the Settlement Agreement. In the event of a conflict, the Settlement Agreement shall control over these instructions.

1. **Deposit Into Escrow.** Within 20 days of either party providing notice that the Los Angeles Superior Court (the “Court”) in the above-referenced action has preliminarily approved a settlement, along with a copy of the approval order, Defendants shall deposit Ten Million Dollars and No Cents (\$10,000,000) into escrow with the Escrow Agent (the “Escrow Funds”). The Escrow Agent shall provide wiring instructions for this purpose upon receipt of the notice referenced above. The Escrow Agent shall provide notice to all parties, through their counsel, of the deposit of the Escrow Funds.

2. **Holding of Escrow Funds.** The Escrow Funds shall be held in a segregated, interest-bearing account, at a national bank, pending a court order or further mutual instructions.

3. **Release of Escrow Funds.** The Escrow Agent shall hold the funds in escrow pending an order from the Court granting full and final approval of the Settlement Agreement. Upon joint notice by the parties of such final approval, along with a copy of the Court’s order granting the same, the Escrow Agent shall release the funds as provided in Section 9 of the Agreement, subject to any further instructions as may be mutually agreed by all parties and approved by the Court.

4. **Termination of Escrow.** In the event that the Los Angeles Superior Court does not grant final approval of the Settlement Agreement, or either party terminates the Settlement Agreement as provided therein, the parties shall provide joint notice to the Escrow Agent of the termination. Upon such notice, the Escrow Agent shall return the Escrow Funds to Defendants, less one half of the fees of the Administrator. The Administrator shall promptly provide to all counsel and the Escrow Agent an itemized statement of all administration fees and costs incurred through the date of the termination. To the extent that such fees and costs do not exceed \$175,000 in the aggregate, the Escrow Agent may rely upon such itemized statement and shall reserve one half of such costs for payment to the Administrator.

5. **Disputes.** Should any dispute arise regarding the maintenance or disbursement of the Escrow Funds, Plaintiffs and Defendants will endeavor in good faith to resolve such disagreement and to provide supplemental instructions. If they cannot so agree, then the Escrow Agent shall continue to hold all disputed funds in escrow pending resolution by the Court of any such dispute. If the dispute is not resolved within 90 days of notice of the dispute, the Escrow Agent may interplead any disputed funds with the Court. The parties, the Escrow Agent, or the Administrator are authorized to seek resolution of any such disputes by entering an appearance in the pending actions identified above.

6. **Escrow Agents Fees and Costs.** The Escrow Agent shall charge a fee of _____ . The parties shall reimburse the Escrow Agent's reasonable and necessary out-of-pocket expenses from the Escrow Funds.

7. **Resignation and Replacement.** To the extent the Escrow Agent is unwilling or unable to continue serving as escrow agent as provided herein, the Escrow Agent shall provide at least 30 days advance written notice to the parties. The parties may also appoint a new escrow agent by mutual agreement. Upon receiving notice of the Escrow Agent's resignation, the parties will endeavor in good faith to agree upon a suitable substitute agent. To the extent they are unable to so agree, they will seek appointment of a substitute escrow agent from the Los Angeles Superior Court. Any substitute or replacement escrow agent shall be deemed the "Escrow Agent" hereunder for all purposes and the outgoing Escrow Agent shall take all steps reasonably necessary to transition the escrow to the incoming Escrow Agent.

8. **Further Instructions.** The parties may submit supplemental or amended escrow instructions to the Escrow Agent from time to time and the specific terms of the Agreement and/or these instructions may be modified by the Los Angeles Superior Court. To the extent that the Escrow Agent does not accept supplemental, amended, or modified instructions, it shall notify all parties within 10 days of its receipt of such instructions.

PLAINTIFFS

By: _____
Damion Robinson
Diamond McCarthy LLP

DEFENDANTS

By: _____
Jason Haas
Ervin, Cohen & Jessup, LLP

ESCROW AGENT

The Escrow Agent accepts these instructions by its authorized signature below.

By: _____
Name: _____
Title: _____