

TO: All persons who have submitted a “Consent to Join Collective Action” in the Lawsuit named *Nicholas Selbe v. Peak Campus Management, LLC* prior to June 1, 2015 who were employed in any of the following positions: All-Star; Community Advisor; Community Assistant; Leasing All-Star; Work for Rent Leasing All-Star; or any combination thereof.

PLEASE READ THIS NOTICE CAREFULLY.

Pursuant to the settlement of the parties and order of the United States District Court of the Northern District of California, entered December 30, 2015, YOU ARE HEREBY NOTIFIED AS FOLLOWS: A settlement has been reached between the parties in the lawsuit pending in the United States District Court for the Northern District of California on behalf of the following class, which has been provisionally certified:

The settlement proposes the following class:

All persons who have submitted a “Consent to Join Collective Action” in the instant Lawsuit prior to June 1, 2015 (“Opt-In Class Members”) and all individuals employed in the State of California between January 1, 2011 and August 1, 2014 who were employed in any of the following positions: All-Star; Community Advisor; Community Assistant; Leasing All-Star; Work for Rent Leasing All-Star; or any combination thereof (“California Class Members”).

The class set forth above shall be referred to as the “Class Members.” All Class Members entitled to participate in the settlement shall be referred to herein as “Settlement Class Members.”

You have received this notice because records indicate that you worked within the time period identified for Peak Campus Management, LLC and that you are an Opt-In Class Member. This notice is designed to advise you of this settlement and your rights in connection with it.

I. BACKGROUND OF THE CASE

Plaintiffs Nicholas Selbe, Daniel Ghyczy, Makaela O’Connell, and Anniya Louis (“Plaintiffs”) filed a Complaint against Peak Campus Management, LLC (“Defendant”) in the Northern District of California on July 17, 2014 on behalf of persons working in non-exempt positions under a “work for rent” arrangement at all of Defendant’s locations in the country. Plaintiffs filed an Amended Complaint on February 10, 2015. Plaintiffs allege on behalf of themselves and all non-exempt employees in the position of All-Star; Community Advisor; Community Assistant; Leasing All-Star; Work for Rent Leasing All-Star; or any combination thereof, claims under the Fair Labor Standards Act, the California Labor Code, the California Business and Professions Code and California Wage Orders for failure to pay minimum wage, failure to pay wages due at the time of termination and failure to provide accurate wage statements and maintain required records, violation of the Private Attorneys General Act (“PAGA”), as well as unlawful business practices.

Through this action, the named Plaintiffs, on behalf of themselves and all others similarly situated, seek damages, restitution, pre- and post-judgment interest, declaratory relief, penalties, costs, attorneys’ fees and any further relief deemed appropriate by the Court against Defendant.

Defendant contends that Plaintiffs and the putative class members were properly paid all wages and compensation owed and deny all alleged wrongdoing associated with these and all other claims. Defendant further contends that since the putative class members were properly compensated, the remainder of the claims are also without merit. Defendant, therefore, disputes all claims for damages and other relief made by Plaintiffs and also disputes that the lawsuit is appropriate for class action treatment. Further, the Court has not stated or determined that Defendant did anything wrong.

This Settlement will act as the full and final resolution of this Lawsuit, Selbe, et al. v. Peak Campus Management, LLC Case No. 3:14-cv-3238-MMC as well as all claims asserted therein. This case will be referred to as the “Settlement Case” or the “Lawsuit.”

The Class Representatives will be Plaintiffs Nicholas Selbe, Daniel Ghyczy, Makaela O’Connell, and Anniya Louis. Law Firms David, Kamp & Frank, L.L.C. and Kingsley & Kingsley, APC, have been approved by the Court as “Class Counsel.” Class counsel can be contacted as follows to answer questions:

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Defendant is represented in this action by Elizabeth Staggs Wilson, Shannon Boyce, and Fatemeh Mashouf of Littler Mendelson, P.C., 633 West Fifth Street, 63rd Floor, Los Angeles, California 90071.

Class Counsel believes that further proceedings in this case, including a trial and probable appeals, would be very expensive and protracted. No one can confidently predict how the various legal questions at issue, including the amount of damages, would ultimately be resolved. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class Counsel believes that the proposed settlement is fair, reasonable and adequate.

II. SUMMARY OF THE PROPOSED SETTLEMENT

The Class Representatives and Class Counsel support this settlement. Among the reasons given for support includes the inherent risk of trial on the merits and the delays associated with litigation.

The settlement provides for the following:

A. Settlement Formula

Defendant agrees to pay eight hundred thousand dollars (\$800,000.00) (the "Settlement Amount") to resolve the claims of the Settlement Class Members. The Settlement Amount will include all payments to be made to Settlement Class Members, Attorneys' Fees and Costs approved by the Court, employees' share of payroll taxes that Defendant is required to withhold as a matter of law, the Enhancement Award to the Class Representatives and the PAGA payment.

The Settlement Amount minus Class Counsel's Attorneys' Fees and Costs approved by the Court, the actual Enhancement Award to the Class Representatives, and the PAGA Payment shall constitute the "Net Settlement Amount." Defendant agrees to distribute one-hundred percent (100%) of the Net Settlement Amount less any taxes and withholding required by law to all Class Members who do not opt-out on a pro rata basis based upon the number of weeks worked under the "Work for Rent" arrangement.

In allocating the Net Settlement Amount, the settlement takes into account the higher hourly rates, minimum wage, penalties and limits on rent credits for California Class Members. For weeks in which a Settlement Class Member worked in California under the "Work for Rent" arrangement, the Settlement Class Member shall be allocated the equivalent of one and one tenth weeks for every such week worked.

Settlement Class Members shall receive a minimum of \$100.00.

B. Calculations

Defendant's records will be determinative with respect to the number of weeks you worked in each position unless you dispute those records by completing the attached Work Period Dispute Form.

C. Release

As described in detail below, this settlement releases Defendant and all related or affiliated entities from any and all claims that were brought, or could have been brought, relating to or arising out of the claims asserted in the Settlement Case as follows: (a) Any statutory claims for unpaid wages (including but not limited to overtime pay, minimum wage, and regular wages), and claims for interest, penalties, or premiums in connection therewith, as well as any claims under the California Labor Code, California Wage Orders, or the Fair Labor Standards Act alleged or which could have been alleged under the facts pleaded in the complaints filed as part of the Settlement Case; (b) Any claims for injunctive relief, declaratory relief, restitution, fraudulent business practices or punitive damages alleged or which could have been alleged under the facts pleaded in the complaints filed as part of the Settlement Case; (c) Any claims under the California Private General Attorney Act ("PAGA") arising out of the wage, hour and payroll practices alleged or which could have been alleged under the facts pleaded in the complaints filed as part of the Lawsuit; and (d) Any and all other claims under California common law, the California Labor Code, California Wage Orders, the California Business and Professions Code, and the Fair Labor Standards Act asserted in or that could have been asserted under the facts pleaded in the complaints filed as part of the Settlement Case.

D. Class Representatives

The Class Representatives shall be Nicholas Selbe, Daniel Ghyczy, Makaela O'Connell, and Anniya Louis. The Class Representatives shall apply to the Court for enhancement payments in such amount as the Court determines to be fair and reasonable, at the time of the Final Approval Hearing. The parties' preliminary agreement proposed a payment of \$4,000.00-\$8,000.00 for each Class Representative with all enhancement payments totaling \$24,000.00. This amount is considered by the parties to be fair, reasonable and adequate given the time expended by the Class Representatives, the risks associated with being Class Representatives, the fear of retaliation suffered by the Class Representatives, and the Class Representatives' agreement to waive all claims against Defendant.

E. Attorneys' Fees

Class Counsel will petition the Court for attorneys' fees not to exceed 30% of the Settlement Amount (equating to \$240,000.00), plus reasonable costs (estimated at approximately \$30,000.00), all subject to approval by the Court.

F. PAGA Payment

Defendant agrees to pay \$5,000.00 of the Settlement Amount to the State of California Labor & Workforce Development Agency for payments required under PAGA.

G. Cost of Claims Administration

Simpluris has been retained to serve as Claims Administrator. The Parties agree that the administration costs will be paid out by Defendant. You may access a link to the Notice, motions for approval, motions for attorneys' fees, and any other important documents in the case at the following website through the Claims Administrator: <http://selbevepeak.simpluris.com/>.

III. WHAT ARE YOUR RIGHTS AS A CLASS MEMBER?

Your interests as a Settlement Class Member are represented by the Class Representatives and Class Counsel. You are a part of the Settlement Class and you will be bound by the terms of the settlement and any final judgment that may be entered by the Court, and will be deemed to have released certain claims against Defendant as described below. As a member of the Class you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and costs.

A. Object to Settlement

You can object to the settlement before final approval. However, if the Court rejects your objection you will still be bound by the terms of the settlement. To object, you must file a written objection in person or by mail with the Clerk of the United States District Court Northern District of California, 450 Golden Gate Avenue, Box 36060, San Francisco, CA 94102-3489 by March 25, 2016.

Any written objection must contain your full name, current address, and include all objections and the reasons therefore, and include any and all supporting papers (including, without limitation, all briefs, written evidence, and declarations) you wish to have considered. If you fail to comply with the objection procedure set forth herein you will be deemed to have not objected. To be valid and effective, any objection to approval of the settlement must be filed with the Clerk of the United States District Court Northern District of California by March 25, 2016.

You can ask the Court to deny approval by filing an objection. The Court can only approve or deny the settlement, not change the terms of the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

If you wish to appear at the Final Approval Hearing and present your objection to the Court orally, your written statement must include a statement of intent to appear at the Final Approval Hearing. Failure to do so will bar you from appearing at the Final Approval Hearing and presenting your objections to the court. If you fail to timely file written objections you will not be permitted to present your objections at the Final Approval Hearing. If you choose to file an objection to the terms of this settlement, you may enter an appearance *in propria persona* (meaning you choose to represent yourself) or through your own attorney. The Final Approval Hearing at which the Court will adjudicate any Objections, and be asked to approve the settlement will be held at the United States District Court Northern District of California, 450 Golden Gate Avenue, San Francisco, CA 94102-3489, on April 29, 2016 at 9:00 a.m. in Courtroom 7 or such other, later date as the Court may authorize. The date is subject to change without further notice to the Class and Class Members may check the settlement website or the court docket via the PACER to confirm that the date has not changed.

If you file an objection you remain eligible receive monetary compensation from the settlement.

B. Do Nothing

You are not required to take any action by reason of receipt of this Notice. If you do nothing, you will receive your portion of the settlement and will be bound by the terms of the settlement and have released your claims as described in section IV.

IV. EFFECT OF THE SETTLEMENT

A. Released Rights and Claims

The settlement is intended to settle and fully release and discharge any and all claims against Defendant, its present and former parent companies, present owners, former owners, subsidiaries, related or affiliated companies (including, but not limited to Blue Vista Capital Management, LLC and Peak Campus Development, LLC), shareholders, officers, directors, employees, agents,

attorneys, insurers, successors, and assigns, and any individual or entity which could be jointly liable with Defendant, or any of them (the "Releasees"), for any and all claims that were or otherwise could have been brought under the facts pleaded in Settlement Case arising out of or relating to work performed during the Class Period as follows:

- a. Any statutory claims for unpaid wages (including but not limited to overtime pay, minimum wage, and regular wages), and claims for interest, penalties, or premiums in connection therewith, as well as any claims under the California Labor Code, California Wage Orders, or the Fair Labor Standards Act;
- b. Any claims for injunctive relief, declaratory relief, restitution, fraudulent business practices or punitive damages alleged or which could have been alleged under the facts pleaded in the Lawsuit;
- c. Any claims under PAGA arising out of the wage, hour and payroll practices alleged or could have been alleged based upon the facts alleged in the Lawsuit; and
- d. Any and all other claims under California common law, the California Labor Code, California Wage Orders, the California Business and Professions Code, and the Fair Labor Standards Act asserted in or that could have been asserted based upon the facts alleged in the Lawsuit.
- e. In addition, as to the claims of Nicholas Selbe, Daniel Ghyczy, Makaela O'Connell, and Anniya Louis, the Released Claims further include, without limitation, any and all claims whatsoever regarding the Plaintiffs' employment and/or the termination of their employment with Defendant and/or any of the Released Parties including, but not limited to, any claims for wages, bonuses, severance pay, employment benefits, stock options, violation of any personnel policy, any claims based on discrimination, harassment, unlawful retaliation, violation of public policy, or damages of any kind whatsoever, arising out of any common law torts, contracts, express or implied, any covenant of good faith and fair dealing, any theory of wrongful discharge, any theory of negligence, any theory of retaliation, any legal restriction on Defendant's right to terminate the employment relationship, or any federal, state, or other governmental statute, executive order, regulation or ordinance, or common law, or any other basis whatsoever, to the fullest extent provided by law.

Judgment in this matter subject to the terms and conditions set forth therein constitutes a binding judgment under principles of *res judicata*.

If the settlement is approved by the Court and becomes final, the settlement will be consummated. If the settlement is not approved by the Court or does not become final for some other reason, the litigation will continue.

B. Payment to Claimants

Your distribution of the Net Settlement Amount will be paid in one single payment.

V. FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a hearing at the United States District Court Northern District of California, 450 Golden Gate Ave, San Francisco, CA 94102; April 29, 2016 at 9:00 a.m. in Courtroom 7 or such other, later date as the Court may authorize, to determine whether the settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and reimbursement of costs and expenses and the enhancement awards for the Class Representatives. Class Counsel's application for attorneys' fees and reimbursement of costs will be on file with the Court and available on the Claims Administrator's website no later than February 9, 2016, and will be available for review after that date.

The hearing may be continued without further notice to the settlement class. It is not necessary for you to appear at this hearing unless you have timely filed an objection that you wish to present in person to the Court. The date is subject to change without further notice to the Class and Class Members may check the settlement website or the Court's PACER site to confirm that the date has not changed.

ADDITIONAL INFORMATION

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the settlement, you are referred to the detailed Stipulated Settlement Agreement ("Stipulation") and Order thereon, which will be on file with the Clerk of the Court and available on the Claims Administrator's website. The pleadings, date of hearing, and other records in this litigation including the Stipulation may be examined at any time during regular business hours (9:00 a.m. and 4:00 p.m.) at United States District Court, Northern District of California, Office of the Clerk, 450 Golden Gate Ave, San Francisco, CA 94102. Class Members may access in person or through the case docket via PACER at <https://www.cand.uscourts.gov/cm-ecf>.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.

BY ORDER OF THE UNITED STATES DISTRICT COURT