

SUPERIOR COURT FOR THE COUNTY OF ORANGE

**If you stayed 28-30 consecutive days at the *El Dorado Inn* between June 27, 2010 and August 19, 2016 or if you stayed 28-30 consecutive days at the *Valencia Inn* between July 7, 2010 and August 19, 2016, a class action lawsuit may affect your rights.**

*A court authorized this Notice. This is not a solicitation from a lawyer.*

- A \$4,616,000 class action settlement has been reached to resolve a class action lawsuit alleging the *El Dorado Inn* and *Valencia Inn* located in Anaheim, California violated Civil Code §§ 1940.1 and 52.1 and Business & Professions Code § 17200 by requiring occupants of the *El Dorado Inn* and the *Valencia Inn* to check out and re-register prior to 30 days of continuous occupancy to keep the occupants from gaining tenant rights. Defendants deny these allegations.
- The case has been certified as a class action on behalf of:
  - All individuals who resided at the El Dorado Inn for at least 28 consecutive days and were required to move out or to check out and reregister before the expiration of 30 consecutive days of occupancy from June 27, 2010 to August 19, 2016; and
  - All individuals who resided at the Valencia Inn for at least 28 consecutive days and were required to move out or to check out and reregister before the expiration of 30 consecutive days of occupancy from July 7, 2010 to August 19, 2016.
 The Settlement Class Period is the same as the certified class period.
- You could receive a pro-rata share of the Net Settlement Fund based on the number of your Qualifying Stays during the Settlement Class Period. Qualifying Stays are stays of 28-30 consecutive days.
- Court appointed lawyers will ask the Court to award attorneys’ fees and costs.
- Defendants deny the allegations in the Lawsuit and are prepared to defend the Lawsuit vigorously.
- The Court has not decided whether Defendants did anything wrong.
- Your legal rights will be affected whether you act or not. Read this Notice carefully. You have a choice to make now:

<b>YOUR LEGAL RIGHTS AND OPTIONS</b>	
<b>Do Nothing</b>	You will: <ul style="list-style-type: none"> <li>• <b>Stay in the lawsuit</b></li> <li>• <b>Receive a pro-rata share of the settlement proceeds approved by the Court</b></li> <li>• <b>Give up certain rights</b></li> </ul>
<b>Exclude Yourself</b>	You will: <ul style="list-style-type: none"> <li>• <b>Get out of this lawsuit.</b></li> <li>• <b>Receive no compensation.</b></li> <li>• <b>Keep any rights to sue individually.</b></li> </ul>

<b>Object to the Settlement</b>	<p>You will:</p> <ul style="list-style-type: none"><li>• <b>Stay in the lawsuit.</b></li><li>• <b>You will still receive a pro-rata share of any settlement proceeds approved by the Court.</b></li><li>• <b>Be allowed to file court papers and appear before the Judge explaining why you object to the settlement.</b></li></ul>
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- Your rights and options are explained in this Notice. To exclude yourself you must act before **March 6, 2020**.
- The Court must still decide whether to approve this settlement. The settlement payments will be made if the Court approves the settlement and after any appeals are resolved. Please be patient.
- Any questions? Read the rest of this Notice and visit [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com).



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**1. WHY DID I GET THIS NOTICE?**

You are receiving this Notice because you may be part of the certified class action and you have a right to know about a proposed settlement of the class action lawsuit and about your options, before the Court decides whether to approve the settlement. If the Court approves it and after any objections and appeals are resolved, you will receive certain compensation. You can receive updates about the progress of the settlement from the website listed at the bottom of this Notice or by contacting Class Counsel or the Settlement Administrator identified in Paragraph 14.

This package explains the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of the case is the Orange County Superior Court. The consolidated cases for this settlement are Pedroza v. El Dorado Inn, et. al., Case No. 30-2014-00731601, Coelho, et al. v. El Dorado Inn and Valencia Inn, et al., Case No. 30-2014-00731611-CU-MC-CXC, and McIntyre v. Valencia Inn, et al., Case No. 30-2014-00732772-CU-BT-CXC. The people who sued are the Plaintiffs and the companies and persons being sued are the Defendants.

**2. WHAT IS THIS LAWSUIT ABOUT?**

The lawsuit contends that Defendants violated California Civil Code §§ 1940.1 and 52.1 and Business & Professions Code § 17200 by requiring occupants of the El Dorado Inn and the Valencia Inn to check out or re-register prior to 30 days of continuous occupancy to keep the occupants from gaining tenant rights.

Defendants deny the allegations in the lawsuit. The Court has not determined that the Defendants have violated any law.

**3. WHAT IS A CLASS ACTION AND WHO IS INVOLVED?**

In a class action lawsuit, one or more people called “Class Representatives” (in this case there are several former residents of the Inns) bring a lawsuit on behalf of other people who have similar claims. The people with similar claims are collectively referred to as a “Class” or “Class Members.” The businesses they filed a lawsuit against (in this case the El Dorado and Valencia Inn and their owners) are called the Defendants. In a class action, one court will resolve the issues for all Class Members, except those who exclude themselves from the Class. Orange County Superior Court Judge William Claster is presiding over the case.

#### **4. WHY IS THERE A SETTLEMENT?**

The Court did not decide in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. That way, they avoid the cost and risk of a trial, and the people affected will get compensation. The Class Representatives and the attorneys think the settlement is best for everyone who may have been harmed.



#### **5. AM I PART OF THIS SETTLEMENT CLASS?**

All individuals who resided at the El Dorado Inn for at least 28 consecutive days and were required to move out or to check out and reregister before the expiration of 30 consecutive days of occupancy between June 27, 2010 and August 19, 2016 and all individuals who resided at the Valencia Inn for at least 28 consecutive days and were required to move out or to check out and reregister before the expiration of 30 consecutive days of occupancy between July 7, 2010 and August 19, 2016 are members of the Settlement Class.

#### **6. DO I NEED PROOF IN ORDER TO GET COMPENSATION?**

If the settlement is approved, you will receive a pro-rata share of the settlement proceeds based upon the number of Qualifying Stays you had at the El Dorado Inn or Valencia Inn during the Settlement Class Period as reflected in Defendants' business records. If you received this notice by mail, and the notice at Paragraph 7(a) reflects that you had Qualifying Stays you will not need to submit a claim form or proof of claim to receive your pro-rata share of the settlement proceeds based on the number of Qualifying Stays stated in the notice.

If the notice does not reflect all of your Qualifying Stays you will need to submit a Claim Form and/or additional documentation detailing your Qualifying Stays during the Settlement Class Period (as explained below in Paragraph 7). Because Defendants do not have complete records prior to November 2013, if you stayed at the El Dorado Inn for 28-30 consecutive days between June 27, 2010 and October 31, 2013 and or the Valencia Inn for 28-30 consecutive days between July 7, 2010 and October 31, 2013, those stays will likely not be included in your Qualifying Stays listed in Paragraph 7(a) below and you will need to submit a Claim Form as explained in Paragraph 7(b) below to receive compensation for those stays.

If you did not receive this notice via mail but stayed at the El Dorado Inn for 28-30 consecutive days and were required to move out or to check out and reregister out before the expiration of 30 consecutive days of occupancy between June 27, 2010 and August 19, 2016 or if you stayed at the Valencia Inn 28-30 consecutive days and were required to move out or to check out and reregister before the expiration of 30 consecutive days of occupancy between July 7, 2010 and August 19, 2016 you need to contact the Settlement Administrator c/o CPT Group, Inc. identified below and advise you did not receive a class notice. If you are on the class list the Settlement Administrator will update your address and mail you the class notice.

If you are not on the class list and you had Qualifying Stays (28-30 consecutive days) at the Valencia Inn or El Dorado Inn during the class period, to participate in the settlement and receive compensation for your Qualifying Stays you must fully complete and timely submit the Claim Form included with this Notice and available on the website [www.28dayshufflelawsuits.com](http://www.28dayshufflelawsuits.com). The Settlement Administrator will verify the claims submitted. To be considered, the Claim Form must be submitted to the Settlement Administrator online at [www.28dayshufflelawsuits.com](http://www.28dayshufflelawsuits.com) or via U.S. Mail at the following address:

Pedroza v. El Dorado Inn Settlement Administrator  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Toll Free Number: 1-888-531-0173

For your Claim Form and documentation to be considered, it must be submitted online at [www.28dayshufflelawsuits.com](http://www.28dayshufflelawsuits.com) or postmarked by March 6, 2020, (45 days after the date of the Notice).

## 7. WHAT DOES THE SETTLEMENT PROVIDE?

The settlement amount is \$4,616,000 comprised of a \$3,200,000 cash Settlement Fund and Defendants' assignment of their rights to recover up to \$1,416,000 from one of their insurance carriers, Ironshore Specialty Insurance Company, who refused to participate in the settlement. To recover the \$1.416 million further litigation will be necessary. Class Members will receive a pro-rata share of the \$3,200,000 Settlement Fund after deduction of attorneys' fees, costs, class representative incentive awards as detailed in Paragraph 16 and costs of notice and settlement administration. The estimated cost of notice and settlement administration is \$23,000.

The \$1,416,000 has not yet been recovered from Ironshore Specialty Insurance Company. Class Counsel intend to file a lawsuit on behalf of the Class against Ironshore Specialty Insurance Company to recover the \$1,416,000. They may not recover the entire \$1,416,000 or they may recover nothing. If money is recovered in the litigation against Ironshore Specialty Insurance Company, class members will receive a pro rata share of the fund recovered after deduction of attorneys' fees, costs, class representative incentive awards pertaining to the Ironshore litigation. These amounts will be in addition to the money to be distributed in this settlement.

### 7(a). What Will You Receive in the Settlement?

Defendants' business records indicate you had «Stays» Qualifying Stays at the El Dorado Inn and/or the Valencia Inn during the Settlement Class Period. The amount you will receive is estimated to be approximately «estAmount» if the Court approves the settlement. This amount may be lower depending on the number of claims and final adjustments.

**7(b). Claims for Time Periods with Missing or Incomplete Records**

Because Defendants do not have complete records prior to November 2013, if you stayed at the El Dorado Inn for 28-30 consecutive days between June 27, 2010 and October 31, 2013 and or the Valencia Inn for 28-30 consecutive days between July 7, 2010 and October 31, 2013, to receive compensation for Qualifying Stays during those time periods you must fully complete and timely submit the Claim Form included herewith (also available on the website [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com)). The Settlement Administrator will verify the claims submitted. To be considered the Claim Form must be submitted to the Settlement Administrator online at [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com) or via U.S. Mail at the following address:

Pedroza v. El Dorado Inn Settlement Administrator  
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For your Claim Form and documentation to be considered, it must be submitted online at [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com) or postmarked by March 6, 2020, (45 days after the date of the Notice).

**7(c). If You Believe You had More Qualifying Stays than Stated in the Notice**

If you believe the total number of 28-30 day stays (“Qualifying Stays”) attributed to you as indicated on this Notice is incorrect, you may submit the attached Claim Form (also available on the website [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com)) and/or you may explain your disagreement in writing and mail it along with any documentation relating to your disagreement, including documentation of additional 28-30 day stays during the Settlement Class Period to the Pedroza v. El Dorado Inn Settlement Administrator:

Pedroza v. El Dorado Inn Settlement Administrator  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Toll Free Number: 1-888-531-0173

For your Claim Form, explanation and documentation to be considered, it must be submitted online at [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com) or postmarked by March 6, 2020 (45 days after the date of the Notice). In the event of a dispute about the number of your Qualifying Stays, the Settlement Administrator will compare Defendants’ business records with the records you provide and will resolve the dispute.

**8. HOW DO I GET THE SETTLEMENT PAYMENT?**

If you received this notice via mail reflecting you had Qualifying Stays during the Settlement Class Period and/or if you submit a valid and timely Claim Form, if the Court approves the settlement you will be sent your settlement proceeds to the address where you received the notice or stated

on the Claim Form. If your mailing address has changed after you received the notice or submitted a Claim Form, you will need to provide the Settlement Administrator your updated address.

## **9. WHAT AM I GIVING UP BY ACCEPTING THE SETTLEMENT?**

Unless you exclude yourself, you are staying in the Settlement Class and that means you cannot start a lawsuit, continue a lawsuit or join a lawsuit raising the claims asserted in this lawsuit against Defendants for the Settlement Class Period. It also means you are “releasing” all of the Defendants (El Dorado Inn and Valencia Inn and related companies, persons, and/or owners) from any legal claims arising from the facts alleged in the operative Complaint, including the allegations that Defendants' registration practices violated California Civil Code sections 1940.1, 52.1 and Business & Professions Code sections 17200 et seq., and any claims for damages, equitable relief, restitution, injunction, interest, attorneys' fees, costs and/or penalties arising therefrom during the Class Period.

This release does not include any other claims you may have against the Defendants.

## **10. WHAT IF I DO NOTHING AT ALL?**

You will be automatically included in this Settlement Class. If you received the notice and it states in paragraph 7 that you had Qualifying Stays you will receive a pro-rata share of the settlement proceeds based on the number of Qualifying Stays if the Court approves the settlement. If you had Qualifying Stays at the Valencia Inn or El Dorado Inn that are not reflected in the notice, you must submit a Claim Form and/or supporting documentation or you will not receive compensation for those stays. You will be barred from participating in a similar lawsuit for the same thing and will release your claims as described in Paragraph 9.

## **11. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?**

If you don't want the benefit from this settlement, but you want to keep the right to sue or continue to sue the Defendants on your own about the legal issues in this case, then you must take steps to remove yourself from the class. This is called excluding yourself—or is sometimes referred to as opting-out of the settlement Class. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action, nor will you receive any compensation.

To ask to be excluded, you must mail the “Request for Exclusion” form included with this Notice or a letter stating that you want to be excluded from the Pedroza v. El Dorado Inn and Valencia Inn Settlement class action. You must include your name and address, telephone number, state you wish to exclude yourself from the settlement, and sign the letter. You must mail your Request for Exclusion to the Pedroza v. El Dorado Inn Settlement Administrator c/o CPT Group, Inc. 50 Corporate Park, Irvine, CA 92606.

The Request for Exclusion must be postmarked by March 6, 2020 (45 days after the date of the Notice) or it will not be valid and you will be included in the settlement.

**12. IF I DO NOT EXCLUDE MYSELF, CAN I SUE THE DEFENDANTS FOR THE SAME CLAIMS COVERED BY THE CLASS SETTLEMENT?**

No. But you would be able to sue for any other claims you may have.

**13. IF I EXCLUDE MYSELF, CAN I STILL GET THE SETTLEMENT PAYMENT?**

No.



**14. DO I HAVE A LAWYER IN THIS CASE?**

Yes. The Spencer Law Firm, the Lakeshore Law Center and Marlin & Saltzman are the attorneys representing all Class Members. They are called “Class Counsel.” The contact information of Class Counsel is:

Jeffrey Spencer, Esq.  
**THE SPENCER LAW FIRM**  
2 Venture, Suite 220  
Irvine, CA 92618  
Telephone: 949-240-8595  
Facsimile: 949-377-3272  
Email: [jps@spencerlaw.net](mailto:jps@spencerlaw.net)  
[www.spencerlaw.net](http://www.spencerlaw.net)

**LAKESHORE LAW CENTER**  
Jeffrey Wilens, Esq.  
18340 Yorba Linda Blvd., Suite 107-610  
Yorba Linda, CA 92886  
Telephone No: (714) 854-7205  
Facsimile No: (714) 854-7206  
[jeff@lakeshorelaw.org](mailto:jeff@lakeshorelaw.org)

**MARLIN & SALTZMAN, LLP**  
Stanley D. Saltzman, Esq.  
29800 Agoura Road, Suite 210  
Agoura Hills, California 91301  
Telephone: (818) 991-8080  
Facsimile: (818) 991-8081  
[ssaltzman@marlinsaltzman.com](mailto:ssaltzman@marlinsaltzman.com)

**15. SHOULD I GET MY OWN LAWYER?**

You do not need to hire your own lawyer because Class Counsel is working on your behalf as a member of the class. But, if you want your own lawyer, you may retain one at your own expense.

**16. HOW WILL THE LAWYERS AND PLAINTIFFS BE PAID?**

Class Counsel will ask the Court for attorneys’ fees of one-third (1/3) of the \$3,200,000 Settlement Fund in the amount of \$1,056,000, and up to \$55,000 in litigation costs for their time and expenses in prosecuting the case to be paid in proportion to the time each have expended prosecuting the lawsuit. They have been working on the cases since June 2014. In addition, Class Representatives, Richard Pedroza, Tricia Coelho, Doug Magill, Michael McIntyre and Theo Phillips-Powers will each ask for an incentive award of up to \$10,000 for their services on behalf of the Class in

successfully prosecuting this lawsuit. The Court may award less than these amounts. Defendants have agreed not to oppose these fees and expenses and incentive awards.

## **17. HOW DO I TELL THE COURT I DO NOT LIKE THE SETTLEMENT?**

If you are a Class Member, you can object to the settlement if you do not like any part of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement.

To object you must either appear and be heard at the final approval hearing or you can submit a written objection. To submit a written objection, you must mail your objection to the Pedroza v. El Dorado Inn Settlement Administrator, c/o CPT Group, Inc. 50 Corporate Park, Irvine, CA 92606 by March 6, 2020 (45 days after the date of this Notice) or the written objection will not be valid.

The Objection must include your name and address, dates of stay at the El Dorado Inn or Valencia Inn and must include the basis for the objection (including why you believe the Settlement is not in the best interest of the Settlement Class), along with any and all documents that support the objection.

You may be heard at the Final Approval Hearing regardless of whether you submit a written objection.

## **18. WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING MYSELF?**

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

## **19. WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?**

The Court will hold a Final Approval Hearing on April 24, 2020 at 9:00 a.m. in Department CX 104 Orange County Superior Court, Civil Complex Center, 751 W. Santa Ana Blvd., Santa Ana, CA 92702. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will listen to people who ask to speak at the hearing. The Court will also consider the award of attorneys' fees and litigation costs to Class Counsel and the incentive awards to Plaintiffs. After the hearing, the Court will decide whether to approve the settlement.

The Court may continue the Final Approval Hearing without further notice to the Class Members.

**20. DO I HAVE TO COME TO THE FINAL APPROVAL HEARING?**

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

**21. MAY I SPEAK AT THE HEARING?**

If you have not excluded yourself from the Settlement, you may be permitted to address the Court at the Final Approval Hearing.



**22. ARE MORE DETAILS AVAILABLE?**

Yes. Visit the website [www.28dayshufflелawsuits.com](http://www.28dayshufflелawsuits.com) where you will find the Court's Preliminary Approval Order, the operative Complaint, the Settlement Agreement, the Class Notice and fillable Claim Form. You may contact the Class Counsel at the contact information listed under item 14 of this Notice. Your communications with the class counsel listed above regarding this action will be confidential. You may also contact the Pedroza v. El Dorado Inn Settlement Administrator

Pedroza v. El Dorado Inn Settlement Administrator  
c/o CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Toll Free Number: 1-888-531-0173  
Email: [28dayshufflелawsuits@cptgroup.com](mailto:28dayshufflелawsuits@cptgroup.com)

The pleadings and other records in this litigation may be examined online at the Orange County Superior Court website located at. <http://www.occourts.org/online-services/case-access/> Click on Civil Case & Document Access, accept terms, then enter case number 30-2014-00731601. You can also visit the courthouse at 751 West Santa Ana Blvd., Santa Ana, California and contact the clerk's office to view the court files.

**23. WHAT IF MY CONTACT INFORMATION CHANGES?**

It is your responsibility to inform the Settlement Administrator of your current and updated contact and mailing information by contacting the Settlement Administrator at the address or telephone number listed in paragraph 7 and 22 of the Notice, or by contacting Class Counsel identified in paragraph 14.

**DO NOT CONTACT THE JUDGE OR THE COURT TO DISCUSS THE LAWSUIT.**