

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

SUE PAK, AS SUCCESSOR TRUSTEE OF)
SUN JA LEE REVOCABLE TRUST U/A/D)
9/21/2020, individually on behalf of)
all other persons similarly situated,)

Plaintiff,)

v.)

ADVANTAGE MANAGEMENT, INC.,)
an Illinois corporation,)

No: 2021 CH 06393

CLASS ACTION SETTLEMENT AGREEMENT

This Class Action Settlement Agreement (“Settlement Agreement”) is entered into by and among Plaintiff Sue Pak, As Successor Trustee of Sun Ja Lee Revocable Trust U/A/D 9/21/2020, (“Plaintiff”), individually and on behalf of the Settlement Class, and Defendant Advantage Management, Inc. (“Defendant” or “Advantage”) (Plaintiff and Defendant are referred to individually as a “Party” and collectively referred to as the “Parties.”). This Settlement Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and settle the Released Claims (as defined below), upon and subject to the terms and conditions of this Settlement Agreement, and is subject to the final approval of the Court.

RECITALS

A. On December 27, 2021, Plaintiff filed the original class action Complaint under the Illinois Consumer Fraud and Deceptive Business Practices Act (“Consumer Fraud Act” or “CFA”) (815 ILCS § 505/2) and the Illinois Condominium Property Act (“Condo Act”) (765 ILCS 605/1 *et seq.*). In sum, Plaintiff alleges that when selling their condominium units, Plaintiff and similarly situated condo sellers had no viable alternative to paying unfair, unreasonable and excessive fees to Defendant to obtain condominium association documents that a prospective purchaser must

receive pursuant to Section 22.1 of the Illinois Condominium Property Act (“Section 22.1”). Only Plaintiff’s CFA count remains at issue.

B. Defendant denies all allegations of wrongdoing and disclaims all liability of any kind whatsoever that Plaintiff or Settlement Class Members have asserted in the Action. In addition to other defenses asserted, Defendant has asserted that it has no liability because (1) the charges assessed and paid by the Plaintiff and condominium sellers included additional services above and beyond the disclosures and documents required under Section 22.1 of the Condo Act resulting in a significantly lower charge for the disclosures and documents; (2) Section 22.1 of the Condo Act was amended as of January, 1, 2023 providing that a condominium association or its Board of Managers may charge a reasonable fee of up to \$375 with such amount to be adjusted yearly based on changes to the consumer price index; and (3) the restrictions or limitations on fees articulated in Section 22.1 of the Condominium Act applies to the condominium associations or their Board of Managers and not the Defendant in its capacity as the management company of an association.

C. The Parties have engaged in written discovery. No depositions have occurred. Based on the information Defendant has produced, there are approximately 2,620 individuals in the putative class.

D. In an effort to reach a resolution of this matter, the Parties informally exchanged information and engaged in extensive settlement negotiations, which resulted in the Parties agreeing to conduct a mediation with a third-party mediator. On May 15, 2025, the Parties participated in a full-day mediation with Thomas R. Allen (Ret.), a former Chancery Judge who served in Cook County, Illinois. The Parties did not reach an agreement at the mediation, but

continued their settlement discussions and ultimately reached agreement on the material terms of a class-wide settlement.

E. Plaintiff and Class Counsel conducted a comprehensive examination of the law and facts relating to the allegations in the Action and Defendant's potential defenses. Plaintiff believes that the claims asserted in the Action have merit, that she would have ultimately succeeded in obtaining adversarial certification of the proposed Settlement Class, and that she would have prevailed on the merits at summary judgment or at trial. However, Plaintiff and Class Counsel recognize that Defendant has raised factual and legal defenses in the Action that presented significant risk that Plaintiff may not prevail and/or that a class might not be certified for trial. Class Counsel have also taken into account the uncertain outcome and risks of any litigation, especially in complex actions, as well as the difficulty and delay inherent in such litigation. Plaintiff and Class Counsel believe that this Agreement presents an exceptional result for the Settlement Class (as defined below), and one that will be provided to the Settlement Class without delay. Plaintiff and Class Counsel are satisfied that the terms and conditions of this Agreement are fair, reasonable, adequate, based on good faith negotiations, and in the best interests of Plaintiff and the Settlement Class. Therefore, Plaintiff believes that it is desirable that the Released Claims (as defined below) be fully and finally compromised, settled, and resolved with prejudice, and barred pursuant to the terms and conditions set forth in this Settlement Agreement.

F. Defendant considered at length the factual and legal defenses relating to the Action, and believes that it would have prevailed at summary judgment or at trial. However, while continuing to deny all allegations of wrongdoing and disclaiming all liability of any kind whatsoever that Plaintiff or Settlement Class Members have asserted in the Action or may in the future assert based on the allegations in the Action, Defendant considers it desirable to resolve the

Action on the terms stated herein to avoid further expense, inconvenience, and burden of continued litigation. Neither the Settlement Agreement nor any actions taken to carry out the settlement are intended to be, nor may they be deemed or construed to be, an admission or concession of liability, or of the validity of any claim, defense, or of any point of fact or law on the part of any party. Defendant denies the material allegations of the complaint in this Action. Nevertheless, Defendant has similarly concluded that this settlement is desirable to avoid the time, risk, inconvenience, burden, and expense of defending protracted litigation, and to avoid the risk posed by the Settlement Class's claims for statutory damages under the CFA. Defendant thus desires to resolve finally and completely the pending and potential claims of Plaintiff and the Settlement Class.

NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by and among Plaintiff, individually and on behalf of the Settlement Class, and Defendant that, subject to Court approval after a hearing as provided for in this Settlement Agreement, and in consideration of the benefits flowing to the Parties from the Settlement set forth herein, the Released Claims shall be fully and finally compromised, settled, and released, and the Action shall be dismissed with prejudice, upon and subject to the terms and conditions set forth in this Settlement Agreement.

AGREEMENT

1. DEFINITIONS

In addition to any definitions set forth elsewhere in this Settlement Agreement, the following terms shall have the meanings set forth below:

1.1 “**Action**” means the case captioned *Sue Pak, As Successor Trustee of Sun Ja Lee Revocable Trust U/A/D 9/21/2020, individually and on behalf of all others similarly situated v. Defendant Advantage Management, Inc.*, now pending in the Circuit Court of Cook County, Illinois, Case No. 2021 CH 06393.

1.2 “**Agreement**” or “**Settlement**” or “**Settlement Agreement**” means this Class Action Settlement Agreement and the attached Exhibits.

1.3 “**Claim Deadline**” means the date by which: (i) all Claim Forms from members of the Settlement Class who wish to participate in the Settlement must be postmarked and mailed, or submitted electronically, to the Settlement Administrator; (ii) all requests for exclusion from members of the Settlement Class who wish to be excluded from the Settlement must be postmarked and mailed, or submitted electronically to the Settlement Administrator; and (iii) all objections from members of the Settlement Class who wish to object to the Settlement must be filed with the Court. The Claim Deadline shall be designated as a date forty-five (45) days after the Notice Date, as approved by the Court. The Claim Deadline will be set forth in the Notice, and the Preliminary Approval Order.

1.4 “**Claim Form**” means the form members of the Settlement Class must submit in order to participate in and receive a payment from the Settlement, which is to be disseminated to the Settlement Class substantially in the manner set forth in this Settlement Agreement, fulfills the requirements of Due Process and 735 ILCS 5/2-801 *et seq.*, and is substantially in the form of **Exhibit B** attached hereto.

1.5 “**Class Counsel**” means attorneys James X. Bormes and Catherine P. Sons of Law Office of James X. Bormes, P.C. and Thomas M. Ryan of the Law Offices of Thomas M. Ryan, P.C.

1.6 “**Class Representative**” or “**Plaintiff**” means the named Plaintiff in the Action, Sue Pak, As Successor Trustee of Sun Ja Lee Revocable Trust U/A/D 9/21/2020.

1.7 “**Class Representative Award**” means a Five Thousand Dollar payment from the Settlement Fund to the Class Representative as defined in Paragraph 1.6.

1.8 “**Court**” means the Circuit Court of Cook County, Illinois, Chancery Division, Calendar 13.

1.9 “**Defendant**” means Advantage Management, Inc.

1.10 “**Defendant’s Counsel**” means attorneys Thomas G. Cronin and Elizabeth Hardage of Gordon Rees Scully Mansukhani, LLP .

1.11 “**Effective Date**” means five business days following the later of: (i) the date upon which the time expires for filing a motion for reconsideration and filing or noticing any appeal of the Final Approval Order; (ii) if there is an appeal or appeals, other than an appeal or appeals solely with respect to the Fee Award or Class Representative Award, the date of completion, in a manner that finally affirms and leaves in place the Final Approval Order without any material modification, of all proceedings arising out of the appeal(s) (including, but not limited to, the expiration of all deadlines for motions for reconsideration or petitions for review and/or certiorari, all proceedings ordered on remand, and all proceedings arising out of any subsequent appeal(s) following decisions on remand); or (iii) the date of final dismissal of any appeal or the final dismissal of any proceeding on certiorari with respect to the Final Approval Order.

1.12 “**Escrow Account**” means the separate, interest-bearing escrow account to be established by the Settlement Administrator under terms acceptable to Class Counsel and Defendant at a depository institution insured by the Federal Deposit Insurance Corporation that will constitute a court-approved Qualified Settlement Fund (QSF) for federal tax purposes pursuant to Treas. Reg. § 1.468B-1. The money in the Escrow Account shall be invested in the following types of accounts and/or instruments and no other: (a) demand deposit accounts and/or (b) time deposit accounts and certificates of deposit, in either case with maturities of forty-five (45) days or less. Any interest earned on the Escrow Account shall inure to the benefit of the

Settlement Class as part of the Settlement Payment, if practicable. Any interest accrued that becomes a part of the Settlement Fund will also be subject to the reversion provision for unclaimed funds to Defendant. The Settlement Administrator shall be responsible for all tax filings with respect to the Escrow Account.

1.13 “**Fee Award**” means the amount of attorneys’ fees and reimbursement of costs awarded to Class Counsel by the Court to be paid from the Settlement Fund.

1.14 “**Final Approval Hearing**” means the hearing before the Court where Plaintiff will request that the Final Approval Order be entered by the Court finally approving the Settlement as fair, reasonable, and adequate, and deciding the Fee Award and the Class Representative Award.

1.15 “**Final Approval Order**” means the final judgment and approval order to be entered by the Court approving the settlement of the Action in accordance with this Settlement Agreement after the Final Approval Hearing and dismissing the Action with prejudice.

1.16 “**Net Settlement Fund**” means the “Settlement Fund” as defined in Paragraph 1.28 with the following deductions: (a) the Class Representative Award as defined in Paragraph 1.7; (b) the Fee Award as defined in Paragraph 1.13; and (c) Settlement Administration Expenses as defined in Paragraph 1.24.

1.17 “**Notice**” means the notice of the proposed Settlement and Final Approval Hearing, which is to be disseminated to the Settlement Class substantially in the manner set forth in this Settlement Agreement, fulfills the requirements of Due Process and 735 ILCS 5/2-801 *et seq.*, and is substantially in the form of **Exhibit A** attached hereto.

1.18 “**Notice Date**” means the date which the Notice and Claim Form are disseminated to the Settlement Class, which shall be a date no later than seven (7) days after receipt of the Class List.

1.19 **“Plaintiff”** means Sue Pak, Sue Pak, As Successor Trustee of Sun Ja Lee Revocable Trust U/A/D 9/21/2020.

1.20 **“Preliminary Approval Order”** means the Court’s order preliminarily approving the Agreement, appointing Class Counsel and the Class Representative, certifying the Settlement Class for settlement purposes, and approving the form, substance, and manner of the Notice.

1.21 **“Released Claims”** means any and all claims, filed or unfiled, asserted or as of yet unasserted, arising out of, related in any way to, or connected with the actual or alleged payment of fees to Defendant to obtain condominium association documents and disclosures as required pursuant to Section 22.1 of the Condo Act upon the sale of a condominium unit, including but not limited to claims brought under the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS § 505/2 and as otherwise alleged in the Action, from December 27, 2018 through the date of preliminary approval of the settlement.

1.22 **“Released Parties”** means Defendant, and any or all of its past, present, and future, direct or indirect, current and former owners, parents, subsidiaries, divisions, officers, directors, shareholders, board members, partners, agents, employees, attorneys, insurers, reinsurers, predecessors, successors and assigns.

1.23 **“Releasing Parties”** means Plaintiff and each Settlement Class Member who does not request exclusion from the Settlement Class and their respective present or past heirs, executors, estates, administrators, assigns, and agents.

1.24 **“Settlement Administration Expenses”** means all expenses reasonably incurred by the Settlement Administrator in or relating to administering the Settlement, providing Notice, processing Claim Forms and requests for exclusion, disbursing Settlement Payments by mail, related tax expenses, fees of the escrow agent, and other such related expenses, with all such

expenses to be paid from the Settlement Fund. The Parties anticipate that the Settlement Administration Expenses shall not exceed \$ 17,500.00.

1.25 “**Settlement Administrator**” means Analytics, LLC, subject to approval of the Court, which will provide the Notice, process Claim Forms and requests for exclusion, send Settlement Payments to Settlement Class Members, be responsible for any tax withholding and reporting, and perform such other settlement administration matters set forth herein or contemplated by the Settlement.

1.26 “**Settlement Class**” means all persons who from December 27, 2018 through the date of the Preliminary Approval Order paid Defendant a fee for obtaining Section 22.1 condominium disclosure documents. Excluded from the Settlement Class are persons who properly execute and file a timely request for exclusion from the Settlement Class, and the legal representatives, successors or assigns of any such excluded persons.

1.27 “**Settlement Class Member**” or “**Class Member**” means a person who falls within the definition of the Settlement Class and who does not submit a timely and valid request for exclusion from the Settlement Class.

1.28 “**Settlement Fund**” means the fund that shall be established by Defendant and/or its insurers, in the amount of Three Hundred and Seventy-Five Thousand Dollars (\$375,000.00) to be deposited into the Escrow Account, plus all interest earned thereon. Within thirty (30) days after the entry of the Final Approval Order, Defendant and/or its insurers shall transmit the Settlement Fund to the Escrow Account. The Settlement Fund represents the total monetary obligations of Defendant and any other Released Party under this Settlement Agreement, including the Settlement Payments, Settlement Administration Expenses, Fee Award, litigation costs, Class Representative Award, and any other payments or other monetary obligations contemplated by

this Agreement. Defendant has no obligation to pay any amount that exceeds the Settlement Fund, and there will be no event under which the Defendant will pay any amount in excess of the Settlement Fund for the Action. The Settlement Fund shall be kept in the Escrow Account with permissions granted to the Settlement Administrator to access said funds until such time as the above-listed payments are made. After the Effective Date, any amount remaining in the Settlement Fund, including interest earned, shall revert to Defendant.

1.29 “**Settlement Payment**” means a *pro rata* portion of the Net Settlement Fund pursuant to the formula described in Paragraph 2.1(a).

2. SETTLEMENT RELIEF

2.1 Settlement Payments to Settlement Class Members.

a. Settlement Class Members who wish to participate in the Settlement and receive a Settlement Payment must submit a completed Claim Form to the Settlement Administrator via U.S. mail or electronically no later than the Claim Deadline. The date of the postmark on the mailing envelope or the electronic timestamp of receipt shall be the exclusive means used to determine whether a Claim Form has been timely submitted. The Parties anticipate that the Net Settlement Fund will equal approximately \$196,500.00. The Net Settlement Fund shall be distributed to Class Members who submit valid and timely Claim Forms. The Parties currently anticipate that the minimum settlement payment to Class Members would be approximately \$75.00.

b. Within ten (10) days of the Effective Date, or such other date as the Court may set, the Settlement Administrator shall send Settlement Payments from the Settlement Fund by check along with an accompanying Form 1099 if necessary.

c. Each payment issued to a Class Member will state on the face of the check

that it will become null and void unless cashed within one hundred and fifty (150) calendar days after the date of issuance.

d. To the extent that a check issued to a Class Member is not cashed within one hundred and fifty (150) days after the date of issuance, such funds shall escheat to the State of Illinois as unclaimed property of the particular Class Member.

e. Any amount remaining in the Net Settlement Fund after checks to participating Class Members are issued shall revert to the party or entity that issued payment on behalf of Defendant.

3. RELEASE

3.1 **The Release.** Upon the Effective Date, and in consideration of the settlement relief and other consideration described herein, the Releasing Parties, and each of them, shall be deemed to have released, and by operation of the Final Approval Order shall have, fully, finally, and forever, released, acquitted, relinquished and completely discharged all Released Claims against each and every one of the Released Parties.

4. NOTICE TO THE CLASS

4.1 The Notice process shall include:

a. *Class List.* Within fourteen (14) calendar days of the entry of the Preliminary Approval Order, Defendant shall provide the Settlement Administrator a list of all names, and last known U.S. Mail addresses of all persons in the Settlement Class.

b. All contact information Defendant provides to the Settlement Administrator will be compiled by the Settlement Administrator to form a class list (the "Class List"). Within one business (1) day after the Class List is compiled, the Settlement Administrator shall provide Class Counsel a report detailing the total number of unique names on the

Class List, the number of unique names for whom a U.S. Mail address is available on the Class List, and the number of unique names for whom no address is available on the Class List.

c. The Settlement Administrator shall keep the Class List and all personal information obtained therefrom—including the identity, social security or tax identification numbers (if any), mailing addresses, and e-mail addresses of all persons—strictly confidential. The Class List may not be used by the Settlement Administrator for any purpose other than advising specific individual Settlement Class members of their rights, distributing Settlement Payments, complying with applicable tax obligations, and otherwise effectuating the terms of the Settlement Agreement or the duties arising thereunder, including the provision of Notice of the Settlement. Class Counsel will not receive a copy of the Class List from Defendant, nor will Class Counsel seek a copy of the Class List from the Settlement Administrator.

d. *Update Addresses.* Prior to mailing any Notice and Claim Form, the Settlement Administrator will update the U.S. Mail addresses of persons on the Class List using the National Change of Address database and other available resources deemed suitable by the Settlement Administrator. If the last known address of any person on the Class List is unknown, the Settlement Administrator shall take reasonable steps to discover that person's last known mailing address. The Settlement Administrator shall take all reasonable steps to obtain the correct address of any Settlement Class members for whom Notice is returned by the U.S. Postal Service as undeliverable and shall attempt re-mailings as described below in Section 5.1.

e. *Direct Notice.* No later than the Notice Date, the Settlement Administrator shall send the Notice and Claim Form to all persons in the Settlement Class via First Class U.S. Mail, substantially in the form of **Exhibits A and B**, to the physical address of each person in the Settlement Class for whom an address is available in the Class List.

f. *Uncashed Checks Reminder.* Thirty (30) days after checks for Settlement Payments have been disbursed, the Settlement Administrator shall identify any Settlement Class Members whose checks have not yet been cashed and shall deliver reminders by U.S. Mail to those individuals notifying them that if they do not cash their checks before the expiration date, the checks will be voided and, subject to Court approval, such funds shall escheat to the State of Illinois as unclaimed property of the particular Class Member.

4.2 The Notice shall advise the Settlement Class of their rights under the Settlement Agreement, including the right to submit a Claim Form, or be excluded from or object to the Settlement Agreement or its terms. The Notice shall specify that any objection to this Settlement Agreement, and any papers submitted in support of an objection, shall be received by the Court at the Final Approval Hearing, only if, on or before the Claim Deadline approved by the Court and specified in the Notice, the person making an objection files notice of his or her intention to do so and at the same time (a) files copies of such papers he or she proposes to submit at the Final Approval Hearing with the Clerk of the Court, (b) files copies of such papers through the Court's eFileIL system if the objection is from a Settlement Class Member represented by counsel, who must also file an appearance, and (c) sends copies of such papers via e-mail, U.S. mail, hand, or overnight delivery service to the Settlement Administrator, Class Counsel and Defendant's Counsel.

4.3 Right to Object or Comment. Any Settlement Class Member who intends to object to this Settlement Agreement must submit the objection in writing, which must be personally signed by the objector and must include: (a) the Settlement Class Member's full name and current address; (b) a statement that he or she believes himself or herself to be a member of the Settlement Class; (c) the specific grounds for the objection; (d) all documents or writings that the Settlement Class Member desires the Court to consider; (e) the name and contact information of any and all attorneys representing, advising, or in any way assisting the objector in connection with the preparation or submission of the objection or who may profit from the pursuit of the objection; and (f) a statement indicating whether the objector intends to appear at the Final Approval Hearing (either personally or through counsel, who must file an appearance or seek *pro hac vice* admission). All written objections must be filed with the Court and postmarked, e-mailed or delivered to the Settlement Administrator, Class Counsel and Defendant's Counsel no later than the Claim Deadline. Any Settlement Class Member who fails to timely file a written objection with the Court and notice of his or her intent to appear at the Final Approval Hearing in accordance with the terms of this Section and as detailed in the Notice, and at the same time provide copies to designated counsel for the Parties, shall not be permitted to object to this Settlement Agreement at the Final Approval Hearing, and shall be foreclosed from seeking any review of this Settlement Agreement, the Final Approval Order, or Alternative Approval Order (as defined in paragraph 9.1(d)), by appeal or other means, and shall be deemed to have waived his or her objections and be forever barred from making any such objections in the Action or any other action or proceeding.

4.4 Right to Request Exclusion. Any person in the Settlement Class may submit a request for exclusion from the Settlement Class on or before the Claim Deadline. To be valid, any request for exclusion must (a) be in writing; (b) identify the case name *Sue Pak v. Advantage*

Management, Inc., now pending in the Circuit Court of Cook County, Illinois, Case No. 2021 CH 06393; (c) state the full name and current address of the person in the Settlement Class seeking exclusion; (d) be signed by the person seeking exclusion; and (e) be postmarked or received by the Settlement Administrator on or before the Claim Deadline. The Settlement Administrator shall create a dedicated e-mail address to receive exclusion requests electronically. Each request for exclusion must also contain a statement to the effect that “I hereby request to be excluded from the proposed Settlement Class in *Sue Pak v. Advantage Management, Inc.*, now pending in the Circuit Court of Cook County, Illinois, Case No. 2021 CH 06393.” A request for exclusion that does not include all of the foregoing information, that is sent to an address or e-mail address other than that designated in the Notice, or that is not postmarked or electronically delivered to the Settlement Administrator within the time specified, shall be invalid and the persons serving such a request shall be deemed to remain Settlement Class Members and shall be bound as Settlement Class Members by this Settlement Agreement, if approved. Any person who elects to request exclusion from the Settlement Class in compliance with this provision shall not (a) be bound by any orders or the Final Approval Order or Alternative Approval Order entered in the Action, (b) receive a Settlement Payment under this Settlement Agreement, (c) gain any rights by virtue of this Settlement Agreement, or (d) be entitled to object to any aspect of this Settlement Agreement or the Final Approval Order or Alternative Approval Order. No person may request to be excluded from the Settlement Class through “mass” or “class” opt-outs, meaning that each individual who seeks to opt out must send an individual, separate request to the Settlement Administrator that complies with all requirements of this Paragraph.

5. SETTLEMENT ADMINISTRATION

5.1 Settlement Administrator’s Duties.

a. *Dissemination of Notices.* The Settlement Administrator shall disseminate the Notice as provided in Section 4 of this Settlement Agreement.

b. *Website:* The Settlement Administrator shall set up and maintain a website that provides relevant information and documents to the Class Members.

c. *Undeliverable Notice via U.S. Mail.* If any Notice sent via U.S. Mail is returned as undeliverable, the Settlement Administrator shall mail it to any forwarding addresses provided by the U.S. Postal Service. If no such forwarding address is provided, the Settlement Administrator shall attempt to obtain the most recent addresses for such Settlement Class Members through, for example, a reasonably entry-level skip trace.

d. *Maintenance of Records.* The Settlement Administrator shall maintain reasonably detailed records of its activities under this Settlement Agreement. The Settlement Administrator shall maintain all such records as required by applicable law in accordance with its business practices and such records will be made available to Class Counsel and Defendant's Counsel upon request. The Settlement Administrator shall also provide reports and other information to the Court as the Court may require. Upon request, the Settlement Administrator shall provide Class Counsel and Defendant's Counsel with information concerning the Notice, any requests for exclusion, and the administration and implementation of the Settlement. Should the Court request, the Parties shall submit a timely report to the Court summarizing the work performed by the Settlement Administrator, including a post-distribution accounting of all Settlement Payments, and the number and value of checks not cashed that will escheat to the State of Illinois as unclaimed property.

e. *Receipt of Requests for Exclusion.* The Settlement Administrator shall receive requests for exclusion from persons in the Settlement Class and provide to Class Counsel and Defendant's Counsel a copy thereof upon request and also within five (5) calendar days of the Claim Deadline. If the Settlement Administrator receives any requests for exclusion or other requests from Settlement Class Members after the Claim Deadline, the Settlement Administrator shall promptly provide copies thereof to Class Counsel and Defendant's Counsel.

f. *Establishment of the Escrow Account.* The Settlement Administrator shall establish the Escrow Account, pursuant to the terms of Section 1.12, and maintain the Escrow Account as a qualified settlement fund throughout the implementation of the Settlement in accordance with the Court's Preliminary Approval Order and Final Approval Order.

g. *Timing of Settlement Payments.* The Settlement Administrator shall make the Settlement Payments contemplated in Section 2 of this Settlement Agreement to all Settlement Class Members within ten (10) days after the Effective Date.

h. *Tax Reporting.* The Settlement Administrator shall be responsible for all tax filings related to the Escrow Account, including requesting Form W-9s from Class Members if necessary, processing any tax information from the Class List, transmitting Form 1099s to Class Members if necessary, performing back-up withholding if necessary, and making any required tax returns.

6. PRELIMINARY APPROVAL AND FINAL APPROVAL

6.1 **Preliminary Approval.** Promptly after execution of this Settlement Agreement, Class Counsel shall submit this Settlement Agreement to the Court and shall move the Court to

enter a Preliminary Approval Order, which shall include, among other provisions, a request that the Court:

- a. Appoint Plaintiff as Class Representative of the Settlement Class;
- b. Appoint Class Counsel to represent the Settlement Class;
- c. Certify the Settlement Class under 735 ILCS 5/2-801 *et seq.*, for settlement purposes only;
- d. Preliminarily approve this Settlement Agreement for purposes of disseminating Notice to the Settlement Class;
- e. Approve the form and contents of the Notice and Claim Form and the method of their dissemination to members of the Settlement Class; and
- f. Schedule a Final Approval Hearing to review any comments and/or objections regarding this Settlement Agreement, to consider its fairness, reasonableness and adequacy, to consider the application for a Fee Award and Class Representative Award, and to consider whether the Court shall enter a Final Approval Order approving this Settlement Agreement and dismissing the Action with prejudice.

6.2 Final Approval. Within fourteen (14) days after the Claim Deadline, Class Counsel shall move the Court for entry of a Final Approval Order, which shall include, among other provisions, a request that the Court:

- a. find that it has personal jurisdiction over all Settlement Class Members and subject matter jurisdiction to approve this Settlement Agreement, including all attached Exhibits;
- b. approve the Settlement as fair, reasonable and adequate as to, and in the best interests of, the Settlement Class Members;

c. direct the Parties and their counsel to implement and consummate the Settlement according to its terms and conditions;

d. declare the Settlement to have *res judicata* and preclusive effect in all pending and future lawsuits or other proceedings maintained by or on behalf of Plaintiff and all other Settlement Class Members and Releasing Parties;

e. find that the Notice implemented pursuant to the Settlement Agreement (1) constitutes the best practicable notice under the circumstances, (2) constitutes notice that is reasonably calculated, under the circumstances, to apprise the Settlement Class of the pendency of the Action and their rights to object to or exclude themselves from this Settlement Agreement and to appear at the Final Approval Hearing, (3) is reasonable and constitutes due, adequate, and sufficient notice to all persons entitled to receive notice, and (4) fulfills the requirements of 735 ILCS 5/2-801 *et seq.*, Due Process, and the rules of the Court;

f. find that the Class Representative and Class Counsel adequately represented the Settlement Class for purposes of entering into and implementing the Settlement Agreement;

g. dismiss the Action on the merits and with prejudice, without fees or costs to any Party except as provided in this Settlement Agreement;

h. incorporate the release set forth above, make the release effective as of the Effective Date, and forever discharge the Released Parties as set forth herein;

i. authorize the Parties, without further approval from the Court, to agree to and adopt such amendments, modifications and expansions of the Settlement and its implementing documents (including all Exhibits to this Settlement Agreement) that

(i) shall be consistent in all material respects with the Final Approval Order, and (ii) do not limit the rights of Settlement Class Members;

j. without affecting the finality of the Final Approval Order for purposes of appeal, retain jurisdiction as to all matters relating to administration, consummation, enforcement and interpretation of the Settlement Agreement and the Final Approval Order, and for any other necessary purpose; and

k. incorporate any other provisions, consistent with the material terms of this Settlement Agreement, as the Court deems necessary and just.

6.3 **Cooperation.** The Parties shall, in good faith, cooperate, assist and undertake all reasonably necessary actions and steps in order to accomplish these required events on the schedule set by the Court, subject to the terms of this Settlement Agreement.

7. TERMINATION OF THE SETTLEMENT AGREEMENT

7.1 **Termination.** Subject to Section 9 below, the Class Representative, on behalf of the Settlement Class, or Defendant, shall have the right to terminate this Agreement by providing written notice of the election to do so to Class Counsel and Defendant's Counsel within ten (10) calendar days of any of the following events: (i) the Court's refusal to enter the Preliminary Approval Order approving of this Agreement in any material respect; (ii) the Court's refusal to enter the Final Approval Order and final judgment in this Action in any material respect; (iii) the date upon which the Final Approval Order is modified or reversed in any material respect by the appellate court or the Illinois Supreme Court; or (iv) the date upon which an Alternative Approval Order is entered, as defined in Section 9.1 of this Agreement, is modified or reversed in any material respect by the appellate court, the Illinois Supreme Court, or the Supreme Court of the United States.

8. CLASS REPRESENTATIVE AWARD AND CLASS COUNSEL'S ATTORNEYS' FEES AND REIMBURSEMENT OF EXPENSES

8.1 Defendant agrees that Class Counsel and the attorneys who initially filed this lawsuit are entitled to reasonable attorneys' fees and unreimbursed expenses incurred in the Action as the Fee Award from the Settlement Fund. The amount of the Fee Award shall be determined by the Court based on a petition from Class Counsel. Class Counsel has agreed, with no consideration from Defendant, to limit their request for attorneys' fees and costs to One Hundred Fifty Thousand Dollars (\$150,000.00) for fees plus costs not to exceed \$6,000.00. Defendant may challenge the amount requested. Payment of the Fee Award shall be made from the Settlement Fund, and should the Court award less than the amount sought by Class Counsel, the difference in the amount sought and the amount ultimately awarded shall remain in the Escrow Account and be distributed to Settlement Class Members as Settlement Payments. The Fee Award shall be payable within five (5) business days after the Effective Date. Payment of the Fee Award shall be made by the Settlement Administrator via wire transfer to accounts designated by Class Counsel after providing necessary information for electronic transfer. Class Counsel has sole discretion as to determining the allocation of fees and costs.

8.2 Defendant agrees that the Class Representative may move the Court for the Class Representative Award in the amount of Five Thousand Dollars (\$5,000.00) from the Settlement Fund, in addition to any Settlement Payment pursuant to this Settlement Agreement and in recognition of her efforts on behalf of the Settlement Class, subject to Court approval. Should the Court award less than this amount, the difference in the amount sought and the amount ultimately awarded pursuant to this Section shall remain in the Escrow Account and be distributed to Settlement Class Members as Settlement Payments. Any Class Representative Award shall be paid by the Settlement Administrator from the Escrow Account (in the form of a check to the Class

Representative) within five (5) business days after the Effective Date.

9. CONDITIONS OF SETTLEMENT, EFFECT OF DISAPPROVAL, CANCELLATION OR TERMINATION.

9.1 The Effective Date shall not occur unless and until each and every one of the following events occurs, and shall be the date upon which the last (in time) of the following events occurs:

a. This Agreement has been signed by the Parties, Class Counsel, and Defendant's Counsel;

b. The Court has entered a Preliminary Approval Order approving the Agreement;

c. The Court has entered a Final Approval Order finally approving the Agreement, or a judgment substantially consistent with this Settlement Agreement that has become final and unappealable, following Notice to the Settlement Class and a Final Approval Hearing; and

d. In the event that the Court enters an approval order and final judgment in a form other than that provided above ("Alternative Approval Order") to which the Parties have consented, that Alternative Approval Order has become final and unappealable.

9.2 If some or all of the conditions specified in Section 9.1 are not met, or in the event that this Agreement is not approved by the Court, or the settlement set forth in this Agreement is terminated or fails to become effective in accordance with its terms, then this Agreement shall be canceled and terminated subject to Section 9.3, unless Class Counsel and Defendant's Counsel mutually agree in writing to proceed with this Settlement Agreement. If any Party is in material breach of the terms hereof, any other Party, provided that it is in substantial compliance with the terms of this Agreement, may terminate this Settlement Agreement upon (a) a notice to all other

Parties and a ten (10) day right to cure in the event of a monetary default or (b) a notice and a thirty (30) day right to cure in the event of a non-monetary and/or non-bankruptcy subject to the expiration of any applicable cure period. Notwithstanding the foregoing, the aforesaid cure period is applicable only to such defaults as are reasonably susceptible of cure. Notwithstanding anything herein, the Parties agree that the Court's decision as to the amount of the Fee Award to Class Counsel set forth above or the Class Representative Award, regardless of the amounts awarded, shall not prevent the Settlement Agreement from becoming effective, nor shall it be grounds for termination of the Agreement.

9.3 If this Settlement Agreement is terminated or fails to become effective for the reasons set forth above, the Parties shall be restored to their respective positions in the Action as of the date of the signing of this Agreement. In such event, any Final Approval Order or other order entered by the Court in accordance with the terms of this Agreement shall be treated as vacated, *nunc pro tunc*, and the Parties shall be returned to the *status quo ante* with respect to the Action as if this Settlement Agreement had never been entered into and any amount paid by or on behalf of Defendant into the Escrow Account, or any interest earned thereon, shall be returned to Defendant or any other entity paying on its behalf, including, but not limited to, any insurer, except that any fees already incurred in the administration of the settlement shall be retained by Settlement Administrator.

10. MISCELLANEOUS PROVISIONS.

10.1 The Parties: (a) acknowledge that it is their intent to consummate this Agreement; and (b) agree, subject to their fiduciary and other legal obligations, to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Agreement and to exercise their reasonable best efforts to accomplish the foregoing terms and conditions of this

Settlement Agreement. Class Counsel and Defendant's Counsel agree to cooperate with one another to the extent reasonably necessary in seeking entry of the Preliminary Approval Order and the Final Approval Order, and promptly to agree upon and execute all such other documentation as may be reasonably required to obtain final approval of the Settlement Agreement.

10.2 Each signatory to this Agreement represents and warrants (a) that the signatory has all requisite power and authority to execute, deliver and perform this Settlement Agreement and to consummate the transactions contemplated herein, (b) that the execution, delivery and performance of this Settlement Agreement and the consummation by it of the actions contemplated herein have been duly authorized by all necessary corporate action on the part of each signatory, and (c) that this Settlement Agreement has been duly and validly executed and delivered by each signatory and constitutes its legal, valid and binding obligation.

10.3 The Parties intend this Settlement Agreement to be a final and complete resolution of all disputes between them with respect to the Released Claims by Plaintiff and the other Settlement Class Members, and each or any of them, against the Released Parties. Accordingly, the Parties agree not to assert in any forum that the Action was brought by Plaintiff or defended by Defendant, or each or any of them, in bad faith or without a reasonable basis.

10.4 The Parties have relied upon the advice and representation of their respective counsel, selected by them, concerning the claims hereby released. The Parties have read and understand fully this Settlement Agreement and have been fully advised as to the legal effect hereof by counsel of their own selection and intend to be legally bound by the same.

10.5 Whether the Effective Date occurs or this Settlement is terminated, neither this Settlement Agreement, nor the Settlement contained herein, nor the fact of settlement, nor settlement proceedings or negotiations, nor any act performed or document executed pursuant to

or in furtherance of this Settlement Agreement or the Settlement, nor any related drafts, motions, pleadings, conversations, negotiations, correspondence, orders or other documents entered in furtherance of this Settlement Agreement is, may be deemed, or shall be used, offered or received against the Released Parties, or each or any of them as an admission, presumption, inference, or concession or evidence of, the validity of any Released Claims, the appropriateness of class certification, the truth of any fact alleged by Plaintiff, the deficiency of any defense that has been or could have been asserted in the Action, the violation of any law or statute, the reasonableness of the Settlement Fund, Settlement Payment, or the Fee Award, or of any alleged wrongdoing by Defendant, liability, negligence, or fault of the Released Parties, or any of them.

10.6 Notwithstanding the preceding Paragraph 10.5, the Settlement, this Settlement Agreement, any acts performed and/or documents executed in furtherance of or pursuant to this Settlement Agreement and/or Settlement, and any related drafts, motions, pleadings, conversations, negotiations, correspondence, orders or other documents entered in furtherance of this Settlement Agreement may be used in any proceedings as may be necessary to effectuate the provisions of this Settlement Agreement. Moreover, if this Settlement Agreement is approved by the Court, any of the Released Parties may file this Settlement Agreement and/or the Final Approval Order in any action that may be brought against such Released Parties in order to support a defense or counterclaim.

10.7 The headings used herein are used for the purpose of convenience only and are not meant to have legal effect.

10.8 The waiver by one Party of any breach of this Settlement Agreement by any other Party shall not be deemed as a waiver of any other prior or subsequent breaches of this Settlement Agreement.

10.9 All of the Exhibits to this Settlement Agreement are material and integral parts hereof and are fully incorporated herein by reference.

10.10 This Settlement Agreement and its Exhibits set forth the entire agreement and understanding of the Parties with respect to the matters set forth herein, and supersede all prior negotiations, agreements, arrangements and undertakings with respect to the matters set forth herein. No representations, warranties or inducements have been made to any Party concerning this Settlement Agreement or its Exhibits other than the representations, warranties and covenants contained and memorialized in such documents. This Settlement Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

10.11 Except as otherwise provided herein, each Party shall bear its own attorneys' fees and costs incurred in any way related to the Action.

10.12 Plaintiff represents and warrants that she has not assigned any claim or right or interest relating to any of the Released Claims against the Released Parties to any other person or party and that she is fully entitled to release the same.

10.13 Plaintiff shall not file a suit of any kind, or participate voluntarily in any suit brought by any other party, against any of the Released Parties, in any court of law in any jurisdiction, asserting any Released Claims under this Agreement. Plaintiff shall not pursue such a lawsuit or accept any money damages or any other relief in connection with any such lawsuit.

10.14 Each counsel or other Person executing this Settlement Agreement, any of its Exhibits, or any related settlement documents on behalf of any Party hereto, hereby warrants and represents that such Person has the full authority to do so and has the authority to take appropriate

action required or permitted to be taken pursuant to the Settlement Agreement to effectuate its terms.

10.15 This Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. Signature by digital, facsimile, or in PDF format will constitute sufficient execution of this Settlement Agreement. A complete set of original executed counterparts shall be filed with the Court if the Court so requests.

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

10.17 This Settlement Agreement shall be governed by and construed in accordance with the laws of the State of Illinois without reference to the conflicts of law provisions thereof.

10.18 This Settlement Agreement is deemed to have been prepared by counsel for all Parties, as a result of arm's-length negotiations among the Parties. Whereas all Parties have contributed substantially and materially to the preparation of this Settlement Agreement, it shall not be construed more strictly against one Party than another.

10.19 Where this Settlement Agreement requires notice to the Parties, such notice shall be sent to the undersigned counsel: James X. Bormes, bormeslaw@sbcglobal.net, LAW OFFICE OF JAMES X. BORMES, P.C., 8 S. Michigan Ave., Suite 2600, Chicago, IL 60603; Thomas G. Cronin, tcronin@grsm.com, Elizabeth Hardage, lhardage@grsm.com, GORDON REES SCULLY MANSUKHANI, LLP, 1 N. Wacker Street, Suite 1600, Chicago, Illinois 60606.

10.20 This Settlement Agreement shall be binding upon and inure to the benefit of each

of the Released Parties and the Releasing Parties and their respective officers, directors, shareholders, agents, employees, attorneys, legal representatives, heirs, legatees, insurers, reinsurers, predecessors, successors, and assigns.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

SUE PAK

Dated: _____

By (signature): _____

Name (printed): _____

ADVANTAGE MANAGEMENT, INC.

Dated: _____

By (signature): _____

Name (printed): _____

Its (title): _____

AS TO FORM ONLY:

LAW OFFICES OF JAMES X. BORMES, P.C.

Dated: _____

By (signature): _____

Name (printed): _____

Its (title): _____

LAW OFFICES OF THOMAS M. RYAN, P.C.

Dated: _____

By (signature): _____

Name (printed): _____

Its (title): _____

GORDON REES SCULLY MANSUKHANI LLP

Dated: _____

By (signature): _____

Name (printed): _____

Its (title): _____