

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

FEB 04 2019

DAVID H. YAMASAKI, Clerk of the Court

BY: _____ DEPUTY

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8 SUPERIOR COURT OF THE STATE OF CALIFORNIA
9 COUNTY OF ORANGE – CIVIL COMPLEX CENTER
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11 PAMELA CARTER, DEBORAH
12 MARTIN, CHRISTINE MORALES,
13 STANLEY CARAKER, STANLEY
14 NICKS, MICHAELA VECHT, BERT
15 SCHORLING, JEANETTE BREITEN,
16 RAYMOND BACHAR, KATHERINE
17 MITCHELL, STEPHANIE CASTRO,
18 BRUCE HINSLEY, ARLENE
19 POUNDS, individually and as
20 Representatives of All Others Similarly
21 Situated,

17 Plaintiffs,

18 vs.

19 STRATEGIC EQUITY GROUP;
20 CHRISTOPHER KRAMER;
21 SHORELINE CAPITAL, INC.;
22 EDGEWATER CAPITAL, LLC and
23 DOES 1-100, inclusive,

22 Defendants.

Case No.:
30-2016-00866025-CU-BT-CXC

**[PROPOSED] PRELIMINARY
APPROVAL ORDER OF CLASS
ACTION SETTLEMENT,
PROVISIONALLY CERTIFYING
CLASS FOR SETTLEMENT
PURPOSES, APPOINTING CLASS
COUNSEL, DIRECTING THE
ISSUANCE OF NOTICE TO THE
CLASS, AND SCHEDULING A
FAIRNESS HEARING**

24 WHEREAS, on September 17, 2015, Plaintiffs Pamela Carter, et. al. (the
25 “Representative Plaintiffs”) filed a class action lawsuit against Defendants Strategic
26 Equity Group, Christopher Kramer, Shoreline Capital, Inc.; and Edgewater Capital,
27 LLC (collectively “SEG”), as well as defendants San Pasqual Fiduciary Trust
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1 Company, Fleet Card Fuels, Richard Davies, William Davies in the Central District
2 Court of California, Southern Division (Case No. 8:15-cv-01507).

3 WHEREAS, on May 12, 2016, SEG filed a motion to dismiss the
4 Representative Plaintiff's third amended complaint in the District Court Action. On
5 June 27, 2016, the district court granted in part and denied in part SEG's Motion to
6 Dismiss, dismissing without prejudice Plaintiff's claims for lack of subject-matter
7 jurisdiction.

8 WHEREAS, on July 27, 2016, Representative Plaintiffs filed the Complaint in
9 this Action in Superior Court of California, County of Orange, Civil Complex Center,
10 Case No. 30-2016-00866025-CU-BT-CXC against Defendants Strategic Equity
11 Group, Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC
12 (collectively "SEG"), whereby Representative Plaintiffs asserted claims for (a) breach
13 of fiduciary duty; (b) aiding and abetting known fiduciary's breach, (c) intentional
14 misrepresentation, (d) conflict of interest in violation of public policy, and (e)
15 negligent misrepresentation, that related in losses incurred by the Fleet Card Fuels
16 Employee Stock Ownership Plan. (Hereinafter, "the Action").

17 WHEREAS, the Parties have entered into the Stipulation of Settlement and
18 Release, with its attached exhibits (collectively, the "Agreement"), signed in February
19 2018 and filed with this Court on November 1, 2018, to settle the Action pursuant to
20 the terms and conditions of the Agreement, and which will result in entry of Judgment
21 on the terms of the settlement. A copy of the Stipulation of Settlement and Release
22 is attached as Exhibit 1 to the Declaration of Jeffrey T. Belton, filed on November 1,
23 2018. In addition, the Proposed Class Notice, Claim Form, and Exclusion Form are
24 attached as Exhibits A, B, and C, respectively, to the Stipulation of Settlement and
25 Release and as Exhibits A, B, and C, respectively, to this [Proposed] Preliminary
26 Approval Order.

27 WHEREAS, it appears through the evidence submitted in support of the motion
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1 for preliminary approval that Class Counsel have conducted a thorough examination,
2 investigation, and evaluation of the relevant law, facts, and allegations to assess the
3 merits of the claims and potential claims to determine the strength of both defenses
4 and liability sought in the Action, including pretrial discovery, the evaluation of
5 documents and information provided by SEG, legal research as to the sufficiency of
6 the claims and appropriateness of class certification, and an evaluation of the risks
7 associated with continued litigation, trial, and/or appeal; and

8 WHEREAS, the Parties reached the Agreement as a result of extensive arms'-
9 length negotiations that occurred over the course of several months and a full-day, in-
10 person mediation sessions before Robert Meyer of JAMS, and Counsel;

11 WHEREAS, this Court has carefully reviewed the Agreement, including the
12 exhibits attached thereto and all file, records and prior proceedings to date in this
13 matter, and good cause appearing based on the record,

14
15 IT IS hereby ORDERED, ADJUDGED, AND DECREED as follows:

16 1. Defined Terms. For purposes of this Order, except as otherwise indicated
17 herein, this Court adopts and incorporates the definitions contained in the Stipulation
18 of Settlement and Release.

19 2. Stay of the Action. All proceedings in the Action, other than proceedings
20 necessary to carry out or enforce the terms and conditions of the Stipulation of
21 Settlement and Release and this Order, are hereby stayed.

22 3. Preliminary Class Certification for Settlement Purposes Only. The
23 Action is preliminarily certified as a class action, for settlement purposes only,
24 pursuant to the California Code of Civil Procedure and California Rules of Court. The
25 Court preliminarily finds for settlement purposes only that:

- 26 a. the Class certified herein numbers approximately 155 total class
27 members living throughout California and in several other states, and
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- joinder of all such persons would be impracticable,
- b. there are questions of law and fact that are common to the Class, and those questions of law and fact common to the Class predominate over any questions affecting any individual Class Member;
- c. the claims of the Representative Plaintiffs are typical of the claims of the Class they seek to represent for purposes of settlement;
- d. a class action on behalf of the Class is superior to other available means of adjudicating this dispute; and
- e. as set forth below, Plaintiffs and Class Counsel are adequate representatives of the Class.

SEG retains all rights to assert that the Action may not be certified as a class action, other than for settlement purposes.

4. Class Definition. The Class shall consist of all persons who were participants in the Fleet Card Fuels Employee Stock Ownership Plan (the “ESOP”) as of September 28, 2012. Excluded from the class are the defendants in this action and their affiliates; the officers and directors of any Defendant or of any entity in the District Court Action (as defined in the Stipulation of Settlement and Release, paragraph I.2.); and the legal representatives, successors, and assigns of any such excluded persons.

5. Class Representative and Class Counsel. Plaintiffs Pamela Carter, Deborah Martin, Christine Morales, Stanley Caraker, Stanley Nicks, Michaela Vecht, Bert Schorling, Jeanette Breiten, Raymond Bachar, Katherine Mitchell, Stephanie Castro, Bruce Hinsely, and Arlene Pounds are designated as representatives of the conditionally certified Class. The Court preliminarily finds that the Representative Plaintiffs are similarly situated to absent Class Members and therefore typical of the Class, and that they will be adequate class representatives. Trujillo & Winnick, LLP, whom this Court finds are experienced and adequate counsel for purposes of this

1 Settlement approval proceedings, are hereby designated as Class Counsel.

2 6. Preliminary Settlement Approval. Upon preliminary review, this Court
3 finds that the Stipulation of Settlement and Release and the Settlement it incorporates,
4 appears fair, reasonable and adequate. Accordingly, the Agreement is preliminarily
5 approved and is sufficient to warrant sending notice to the Class. The Court's
6 preliminary approval of the Settlement is not approval of the [Proposed] Final
7 Approval Order or [Proposed] Final Judgment included as Exhibits H and I of the
8 Stipulation of Settlement and Release.

9 7. Fairness Hearing. A Fairness Hearing (also referred to as the Final
10 Approval Hearing) shall be held before this Court on ~~Thursday, July 11, 2019~~ ^{August 22} at
11 2:00 p.m., or whatever date thereafter as set by the Court, at the Superior Court of
12 California, County of Orange, Civil Complex Center, located at 751 W. Santa Ana
13 Blvd, Santa Ana, CA 92701, to determine, among other things

- 14 a. whether the Action should be finally certified as a class action for
15 settlement purposes;
- 16 b. whether the settlement of the Action pursuant to the terms and
17 conditions of the Agreement should be approved as fair, reasonable
18 and adequate, and finally approved;
- 19 c. whether the Action should be dismissed with prejudice pursuant to
20 the terms of the Agreement;
- 21 d. whether Class Members who do not timely request exclusion should
22 be bound by the Release set forth in the Agreement;
- 23 e. whether to grant Class Counsel's Motion for an award of Attorneys'
24 Fees and Expenses. Papers in support of final approval of the
25 Agreement shall be filed with this Court according to the schedule set
26 forth below. Objections to the Agreement shall be submitted to the
27 settlement administrator or Class Counsel on or before the Objection
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1 Deadline set forth below, and papers in response to such objections
2 must be filed on or before **April 10, 2019** The Fairness Hearing may
3 be postponed, adjourned, or continued by order of this Court without
4 further notice to the Class. After the Fairness Hearing, this Court may
5 enter a Final Approval Order and Final Judgment in accordance with
6 the Agreement that will fully and finally adjudicate the rights of the
7 Class Members with respect to the proposed Released Claims.
8 Plaintiffs' Motion for Award of Fees and Costs shall reflect that the
9 Settlement Administration costs are not to exceed \$10,000.

10 At the Fairness Hearing, the settlement administrator will provide a
11 declaration establishing the high and low settlement payments and the individual
12 payouts for each Class member, whose share of the Net Settlement Fund will be
13 allocated pro rata according to the number of shares each Class member owned at the
14 time of the redemption in relation to the total number of shares owned by those Class
15 Members that have submitted claim forms.

16 8. Administration. In consultation with and with the approval of SEG
17 Counsel, Class Counsel is hereby authorized to establish the means necessary to
18 administer the proposed Settlement and implement the claim process, in accordance
19 with the terms of the Agreement.

20 9. Class Notice. The form and content of the proposed Notice attached as
21 Exhibit A to the Agreement is hereby approved. Pursuant to the Agreement, this
22 Court appoints Simpluris, Inc. as the Settlement Administrator to help implement the
23 terms of the Agreement.

24 a. *Notice Date*. No later than **February 11, 2019**, the Settlement
25 Administrator shall provide notice to the Class pursuant to the terms
26 of the Agreement and the deadlines set forth below. The Parties shall
27 coordinate with the Settlement Administrator to provide notice to the
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Class pursuant to terms therein.

b. *Findings Concerning Notice.* The Court finds that the Agreement is fair and reasonable such that Notice should be provided pursuant to the Agreement and this Order.

c. The Court finds that the form, content and method of disseminating notice to the Class as described below:

i. complies with California Code of Civil Procedure and California Rules of Court as it is the best practicable notice under the circumstances, and is reasonably calculated, under all the circumstances, to apprise the members of the Class of the pendency of the Action, the terms of the Agreement, and their right to object to the Settlement or exclude themselves from the Settlement Class;

ii. complies with California Code of Civil Procedure and California Rules of Court as it is reasonably calculated, under the circumstances, to apprise the Class Members of the pendency of the Action, the terms of the proposed Agreement, and their rights under the proposed settlement, including, but not limited to, their right to object to or exclude themselves from the proposed Agreement and other rights under the terms of the Agreement;

iii. constitute due, adequate, and sufficient notice to all Class Members and other persons entitled to receive notice; and

iv. meets all applicable requirements of law, including, but not limited to California Code of Civil Procedure and California Rules of Court, and the Due Process Clause(s) of the United States Constitution. The Court further finds that all of the

1 notices are written in simple terminology and are readily
2 understandable by Class Members.

3 10. Exclusion from Class. Class Members who wish to exclude themselves
4 from the Settlement (“opt out” of the Settlement) must submit to the Settlement
5 Administrator, not later than one hundred twenty (120) days after the Preliminary
6 Approval Date, a completed Exclusion Form. Exclusion Forms may be submitted to
7 the Settlement Administrator via U.S. Mail (postmarked no later than 120 days after
8 the Preliminary Approval Date), fax, and/or email. A Class Member who does not
9 complete and submit a valid and timely Exclusion Form or a valid and timely Claim
10 Form in the manner and by the deadline specified above will automatically become a
11 Class Member who will have Released Claims (i.e., be barred from separately
12 pursuing any of the Class Members’ Released Claims as described in paragraph
13 numbered 68 in the Stipulation of Settlement) and such Class Members will not
14 receive a Settlement Payment, and, if this Court approves the Settlement, will be
15 bound by all terms and conditions of the Settlement and by the Judgment. A Class
16 Member who timely submits a valid Exclusion Form will not participate in, or be
17 bound by, the Settlement or the Judgment in any respect. To be valid, Exclusion
18 Forms must be completed in full, signed, and returned to the Settlement Administrator
19 by the deadline as explained above. Class Members cannot both object to and opt-
20 out of this Settlement.

21 Any Class Member who attempts to both object to and opt-out will be deemed
22 to have opted out and will forfeit the right to object to the Agreement or any of its
23 terms. Any such Request for Exclusion must be postmarked and set to the Settlement
24 Administrator no later than **May 10, 2019** (the “Opt-Out Date”). The Settlement
25 Administrator shall forward copies of any written requests for exclusion to Class
26 Counsel and Defendants’ Counsels. The Settlement Administrator shall file a list
27 reflecting all timely requests for exclusion with this Court no later than seven (7) days
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1 before the Fairness Hearing.

2 If the proposed Settlement is finally approved, any potential Class Member who
3 has not submitted a timely written Request for Exclusion on or before the Opt Out
4 Date shall be bound by all terms of the Agreement and the Final Order and Final
5 Judgment, regardless of whether they have requested exclusion from the Settlement,
6 even if the potential Class Member previously initiated or subsequently initiates any
7 litigation against any or all of the Released Parties relating to Released Claims. All
8 persons or entities who properly exclude themselves from the Class shall not be Class
9 Members and shall relinquish their rights or benefits under the Agreement, should it
10 be approved, and may not file an objection to the Settlement or be entitled to any
11 settlement benefits.

12 11. Objections and Appearances. Any Class Member who intends to object
13 to the fairness, reasonableness, and/or adequacy of the Settlement must, provide a
14 copy of the written objection by U.S. mail to the Settlement Administrator no later
15 than the Objection Deadline. Class Members who object must set forth: (a) the
16 name of the case and case number (*Pamela Carter, et. al. v. Strategic Equity Group,*
17 *et. al.*, Case No. 30-2016-00866025-CU-BT-CXC; (b) their full name; (c) current
18 address; (d) dates of employment; (e) in clear concise terms, (f) the reasons for each
19 objection and any legal support for each objection; (d) a statement of whether they
20 intend to appear at the Fairness Hearing (with or without counsel); (e) their
21 signature; To be effective, your objection must be postmarked by April 10, 2019.
22 Objections may be served on Class Counsel and Defense Counsel as follows:

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24 Upon Class Counsel at:

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Alexander H. Winnick (Bar No. 239430)
TRUJILLO & WINNICK, LLP
2919 1/2 Main Street
Santa Monica, California 90405

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Upon SEG's Counsel at:

Manuel D. Balam, Esq. (Bar No. 236699)
CRUSER, MITCHELL, NOVITZ, SANCHEZ, GASTON &
ZIMET, LLP
800 Wilshire Boulevard, Suite 1400
Los Angeles, California 90017

If any Class Member objects to the settlement, the Parties in the case may seek informal discovery from the Class Member regarding his/her objection, however, the Court retains jurisdiction to determine what discovery, if any, is appropriate.

The Settlement Administrator, together with the Parties' counsel, will attempt to informally resolve any dispute as to the settlement amount for any eligible class member. Unresolved disputes will be decided by the Court, and that decision will be final and binding. The settlement administrator will notify the Class Member of the decision in writing.

Objections shall be sent to the claims administrator and/or Class Counsel, who shall file them with the court at the same time as the Motion for Final Approval. The Settlement Administrator will file with the Court all claim disputes submitted by class members, the evidence submitted, and the resolution of those disputes at the same time as the motion for final approval. The Court will not prohibit any class member from appearing at the hearing and being heard. The Settlement Administrator, Defendants' Counsels, and Class Counsel shall promptly furnish each other copies of any and all objections that might come into their possession.

12. Summary of Deadlines. In summary, the deadlines set by this Order are as follows. If any deadline set forth in this Order falls on a Saturday, Sunday, or state or federal holiday, then such deadline shall extend to the next Court day. These deadlines may be extended by order of this Court, for good cause shown, without further notice to the Class. Class Members must contact the Settlement Administrator

1 for updates and further details regarding this settlement:

- 2 a. The Notice shall be sent to the Class Members no later than thirty (30)
3 days after the Preliminary Approval Date, **February 11, 2019** (the
4 “Notice Date”);
- 5 b. The Toll-Free Telephone Number shall be established and become
6 operational no later than thirty (30) days after the Preliminary
7 Approval Date, , 2/4/19.
- 8 c. All completed Claim Forms must be postmarked and mailed to the
9 Settlement Administrator no later than one hundred twenty (120) days
10 after the Preliminary Approval Date, 2/4/19 (“the Claim
11 Deadline”).
- 12 d. All written objections to the Agreement and written notices of an
13 objector’s intention to appear at the Fairness Hearing shall be filed
14 with this Court and served on Class Counsel and Defense Counsel no
15 later than ninety (90) days after the Preliminary Approval Date,
16 2/4/19 (“the Objection Deadline”).
- 17 e. All Requests for Exclusion shall be postmarked and sent to the
18 Settlement Administrator no later than one hundred twenty days (120)
19 after the Preliminary Approval Date, 2/4/19 (“the Opt
20 Out Date”).
- 21 f. A Fairness Hearing (or Final Approval Hearing) shall be scheduled
22 at least 180 days after the Preliminary Approval Date, or Thursday,
23 8/22/19 at 2:00 p.m., or whatever date thereafter as set
24 by the Court.
- 25 g. Not later than seven (7) calendar days before the date of the Fairness
26 Hearing, the Settlement Administrator shall file with this Court: (a) a
27 list of those persons who have opted out or excluded themselves from
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1 the Settlement; and (b) the details regarding the number of valid
2 Claim Forms received and processed by the Settlement
3 Administrator.

4 h. Plaintiffs' motion in support of final approval of the Settlement shall
5 be filed no later than 150 days after the Preliminary Approval date,
6 2/4/19; or whatever date thereafter as set by the Court. At
7 the same time as Plaintiffs' Motion for Final Approval, the Settlement
8 Administrator will file with the Court all objections submitted by
9 class members, the evidence submitted, and the resolution of those
10 disputes.

11 13. Termination of Settlement. In the event this Court does not grant final
12 approval to the Agreement, or for any reason the parties fail to obtain a Final Approval
13 Order and Final Judgment as contemplated in the Agreement, or the Agreement is
14 terminated pursuant to its terms for any reason or the Effective Date does not occur
15 for any reason, then the following shall apply:

16 a. All orders and findings entered in connection with the Agreement
17 shall become null and void and have no force and effect whatsoever,
18 shall not be used or referred to for any purposes whatsoever, and shall
19 not be admissible or discoverable in this or any other proceeding;

20 b. The conditional certification of the Class pursuant to this Order shall
21 be vacated automatically, and the Action shall proceed as though the
22 Class had never been certified pursuant to the Agreement and such
23 findings had never been made;

24 c. Nothing contained in this Order is, or may be construed as, a
25 presumption, concession or admission by or against Defendants or
26 the Representative Plaintiffs or the Class of any default, liability or
27 wrongdoing as to any facts or claims alleged or asserted in the Action,
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1 or in any actions or proceedings, whether civil, criminal or
2 administrative, including, but not limited to, factual or legal matters
3 relating to any effort to certify the Action as a class action;

4 d. Nothing in this Order or pertaining to the Agreement, including any
5 of the documents or statements generated or received pursuant to the
6 claims administration process, shall be used as evidence in any further
7 proceeding in this case, including, but not limited to, motions or
8 proceedings seeking treatment of the Action as a class action;

9 e. Nothing in this Order or pertaining to the Agreement is, or may be
10 construed as, a presumption, concession or admission by or against
11 Defendants that the Action meets the requisites for certification as a
12 class action under California law; and

13 f. All of this Court's prior Orders having nothing whatsoever to do with
14 the Settlement shall, subject to this Order, remain in force and effect.

15 14. Use of Order. This Order shall be of no force or effect if the Agreement
16 does not become final and shall not be construed or used as an admission, concession,
17 or declaration by or against Defendants of any fault, wrongdoing, breach, or liability,
18 or that any of the claims asserted in the Action meet the requisites for certification as
19 a class action under California law, nor shall this Order be construed or used as an
20 admission, concession, or declaration by or against the Representative Plaintiffs or
21 the other Class Members that their claims lack merit or that the relief requested is
22 inappropriate, improper, or unavailable, or as a waiver by any party of any defenses
23 or claims he, she, or it may have in the Action or in any other lawsuit.

24 15. Alteration of Exhibits. Class Counsel and Defense Counsel are hereby
25 authorized to use all reasonable procedures to further the administration of the
26 Settlement that are not materially inconsistent with this Order or the Agreement,
27 including making, without further approval of this Court, minor changes to the form
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1 or content of the Notice, Claim Form, Exclusion Form, and other exhibits that they
2 jointly agree are reasonable or necessary such as the inclusion of specific dates or
3 other modifications.

4 16. Retaining Jurisdiction. This Court shall maintain continuing jurisdiction
5 over these settlement proceedings to assure the effectuation thereof for the benefit of
6 the Class, and for any other necessary purpose.

7 17. Extension of Deadlines. Upon application of the Parties and good cause
8 shown, the deadlines set forth in this Order may be extended by order of this Court,
9 without further notice to the Class. Class Members must contact the Settlement
10 Administrator for updates and further details regarding settlement deadlines.

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Dated: 2/4/19



Hon. Peter Wilson
SUPERIOR COURT JUDGE

EXHIBIT a
To
[Proposed] Preliminary
Approval Order

Carter et. al. v. SEG, et. al.

Case No. 30-2016-00866025-CU-BT-CXC

NOTICE OF CLASS ACTION SETTLEMENT (II)

*A court authorized this notice. This is not a solicitation.
This is not a lawsuit against you and you are not being sued.
However, your legal rights are affected whether you act or don't act.*

TO: All persons who were participants in the Fleet Card Fuels Employee Stock Ownership Plan as of September 28, 2012, you may be a Class Member and potentially entitled to receive money from the Class Action Settlement described in this Notice.

This Notice explains the terms of the proposed Settlement with Strategic Equity Group, Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC and sets forth the procedures for claiming your pro rata share of the Net Settlement Fund, or alternatively for objecting to or requesting exclusion from the Settlement.

Under the proposed Settlement, your estimated payment will be \$[Estimated Award], based on [ESOP Shares] allocated to your Fleet Card Fuels ESOP account as of September 28, 2012. This is ONLY an estimate. The amount you receive may differ from the estimate, depending on costs of settlement administration and attorneys' fees.

If you are a Class Member as described above, your options with respect to the Settlement are set forth in the following chart:

YOUR RIGHTS AND OPTIONS REGARDING THE SETTLEMENT	
A. Get a Settlement Payment	<p>If you are a Class Member (i.e., you were a participant in the Fleet Card Fuels Employee Stock Option Plan (ESOP) as of September 28, 2012), you will receive a pro rata share of the Settlement described in this Notice <i>only if</i> you sign, date, and return the enclosed Claim Form postmarked on or before ____, 2019.</p> <p>For instructions on how to submit a Claim Form entitling you to a pro rata share of the Net Settlement Fund, see numbered section 7 below. The enclosed Claim Form sets forth an estimate of your pro rata share of the Net Settlement Fund (based on the Settlement Distribution formula that is discussed in numbered sections 12 and 13 below).</p>

<p>B. Object to the Settlement</p>	<p>You may object to the Settlement if you return your written objection in the manner set forth in subsection 8, postmarked on or before ____, 2019</p>
<p>C. Opt Out of The Settlement</p>	<p>You may opt out of the settlement by returning the Exclusion Form. You must do this no later than ____. If you exclude yourself, you will not receive any money from the settlement. Your right to opt out is discussed in section 10 below.</p>

PLEASE READ THIS NOTICE CAREFULLY

A. BASIC INFORMATION.

1. What Is This Class Action About?

On July 27, 2016, Representative Plaintiffs Pamela Carter, Deborah Martin, Christine Morales, Stanley Caraker, Stanley Nicks, Michaela Vecht, Bert Schorling, Jeanette Breiten, Raymond Bachar, Katherine Mitchell, Stephanie Castro, Bruce Hinsely, and Arlene Pounds (Representative Plaintiffs), through their attorneys, Trujillo & Winnick (Class Counsel) commenced a class action and representative action lawsuit on behalf of themselves and all other individuals allegedly similarly situated against Defendants Strategic Equity Group (SEG), Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC. This lawsuit shall be referred to in this notice as “the Action.”

Originally, Representative Plaintiffs filed an action against SEG, Kramer, Shoreline and Edgewater, as well as Fleet Card Fuels, San Pasqual Fiduciary Trust Company, Richard Davies, and William Davies in United States District Court (the “District Court Action”). However, the District Court dismissed defendants SEG, Kramer, Shoreline and Edgewater for lack of subject matter jurisdiction. Representative Plaintiffs refiled against SEG, Kramer, Shoreline and Edgewater in California Superior Court in Orange County. The District Court Action has been settled, and a separate Notice, Claim Form, and Exclusion Form was sent to you already. **You will need to fill out the enclosed Claim Form to collect your settlement payments for this Action, or if you wish to opt out of this Action, you will need to fill out and return the enclosed Exclusion Forms. Having returned a Claim Form or Exclusion Form for the District Court Action will not enable you to collect or opt out for this Action.**

"Class" or "Class Member(s)" means all persons who were participants in the Fleet Card Fuels Employee Stock Ownership Plan (the "ESOP") as of September 28, 2012.

Excluded from the class are the Defendants in this action and their affiliates; the officers and directors of any defendant or of any entity in the District Court Action (hereinafter defined); and the legal representatives, successors, and assigns of any such excluded persons.

Representative Plaintiffs allege that Defendants Strategic Equity Group (SEG), Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC breached certain duties and made misrepresentations to the ESOP participants, and that the Defendants are liable to the Representative Plaintiffs and to all Class Members for monetary damages.

The Defendants deny that they breached any duties to the ESOP participants or made any misrepresentations, and deny that they bear any liability to the Representative Plaintiffs or to any ESOP participants. The Defendants further deny that Plaintiffs' case should be maintained as a class action.

After reviewing all of the documents produced thus far in the Action, Class Counsel was able to evaluate the probability of class certification, success on the merits, and the maximum monetary exposure of the Defendants.

On December 14, 2016, after good-faith negotiations at a mediation presided over by neutral third-party mediator Robert Meyer, Esq., during which the Representative Plaintiffs, Strategic Equity Group (SEG), Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC., represented by their respective counsel, recognized the risk, substantial expense, and time consumption in further litigating this lawsuit, those Parties agreed to settle the lawsuit. Class Counsel and Counsel for Defendants negotiated a settlement agreement that was preliminarily approved by the Court on [REDACTED]. As discussed herein, this Notice concerns that Settlement.

2. Why Did I Receive This Notice?

Because it appears that you were a participant in the ESOP as of September 28, 2012, you appear to be a Class Member, and if you submit a valid and timely Claim Form, you will be entitled to a pro rata share of the Net Settlement Fund, which will be distributed after, and is contingent upon, final approval of the Settlement by the Court.

3. What are the Defendants' Positions Regarding These Allegations?

All the Defendants have denied and continue to deny all of the allegations made by the Representative Plaintiffs. The Defendants contend that they have at all times satisfied their duties to the ESOP participants and therefore deny that they bears any liability to any of the ESOP participants.

4. Who Are the Parties In This Action?

On _____ 2019 [date when Court grants preliminary approval] the Court certified a Class of people described above for settlement purposes only and appointed Representative Plaintiffs as Class Representatives to represent the interests of all Class Members. The Representative Plaintiffs have provided class counsel with their documents related to the ESOP, have met with class counsel, and have assisted class counsel with the prosecution of the case.

The Defendants participating in this Settlement (referred to as Settlement II) are Strategic Equity Group (SEG), Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC.

5. Why Is This Class Action Being Settled?

After arm's-length and good-faith settlement negotiations presided over by Robert Meyer, Esq., an experienced ERISA mediator, the parties have reached a Settlement Agreement that if approved by

the Court will resolve this class action as against the Defendants rather than having to proceed with the uncertainty and protracted and significant expense of further litigation. Counsel for the Representative Plaintiffs and Class Members believes the proposed Settlement is in the best interests of the Class. Without a settlement, continued litigation would present further delay and additional risk, not only with respect to establishing damages, but also regarding liability and class certification given the Defendant's denial of the Representative Plaintiffs' allegations. Without a settlement there could be more years of litigation in the trial court against the Defendants and potentially an appeal. The Settlement ends the continued expense of further litigation, the risk and uncertainty of possible negative future outcomes and attendant delay.

6. Has the Court Made a Determination of Who Is Right?

No, the Court has not made any determination of whether Representative Plaintiffs' claims have any merit. Defendants contend that they have engaged in no acts or omissions which would result in their bearing liability to any of the ESOP participants. The Settlement, if it is approved, removes the need to continue litigating these issues against the Defendants.

B. YOUR RIGHTS AND OPTIONS.

7. How Do I Make a Claim to Get a Settlement Payment?

Your share of the Net Settlement Fund will depend on the number of shares in your ESOP account as of September 28, 2012. This is the date that the ESOP shares were redeemed. Your share of the Net Settlement Fund will be allocated pro rata according to the number of shares you owned at the time of the redemption in relation to the total number of shares owned by those Class Members that have submitted claim forms. Your share of the Net Settlement Fund, however, will be less than your actual losses. You are not responsible for calculating the amount you may be entitled to receive under the settlement, because this will be done by the Settlement Administrator.

To claim your pro rata share of the Net Settlement Fund, you must sign, date, and return the enclosed Claim Form to the Settlement Administrator postmarked on or before _____, 2019. A pre-printed postage paid envelope has been enclosed for your convenience. If you have lost or misplaced the return envelope, you may return your Claim Form to the Settlement Administrator at the following address:

NOTE- this Settlement payment will be provided IN ADDITION TO the settlement payment received in the District Court Action (*Carter v. San Pasqual, et. al.*). You will need to fill out the Claim Form to collect your settlement payment for this Action, or if you wish to opt out of this Action, you will need to fill out and return the Exclusion Forms.

BY U.S. MAIL: Carter v. Strategic Equity Group
c/o Simpluris, Inc.
P.O. Box 26170
Santa Ana, CA 92799

8. How Do I Object to the Settlement?

If you believe any term of the Settlement is unfair or inadequate, you may object by mailing a copy of your objection to the Settlement Administrator at the following address:

BY U.S. MAIL: Carter v. Strategic Equity Group
c/o Simpluris, Inc.
P.O. Box 26170
Santa Ana, CA 92799

Your objection must include: (1) the name of the case and case number (*Pamela Carter, et al. v. Strategic Equity Group, et al.*, Case No. 30-2016-00866025-CU-BT-CXC) (2) your full name, (3) your address; (4) the dates of your employment; (5) in clear concise terms, the reason why you are objecting to the settlement and any legal support for each objection; (6) a statement of whether you intend to appear at the final approval hearing; (7) your dated signature. To be effective, your objection must be postmarked by ____, 2019. **Do not telephone the Court or Defendants' attorneys.**

Whether or not you submit an objection, you must submit a Claim Form in order to receive a Settlement Payment.

If you object to the settlement, the parties in the case may seek informal discovery from you regarding your objection, however, the Court retains jurisdiction to determine what discovery, if any, is appropriate.

9. What if I Do Not Return a Claim Form?

If you do not return a timely Claim Form, you will not participate in the Settlement, and unless you exclude yourself from the Settlement by returning a timely Exclusion Form as set forth below, you will be bound by the Released Claims as set forth in numbered section 15 below. In addition, given the Settlement distribution formula (discussed in numbered section 12 below), if you do not submit a timely claim, your share of the Settlement will be paid on a pro rata basis to the Participating Class Members (*i.e.*, those Class Members who timely submit valid Claim Forms).

NOTE- If you returned the Claim Form in the District Court Action but not in this Action, you will NOT receive any money for this Action's Settlement. In order to receive your settlement for this Action, you must return the Claim Form for this Action.

10. May I Exclude Myself from the Class Action Settlement?

If you wish to exclude yourself from the Settlement, you must provide to the Settlement Administrator a timely, signed, dated and completed Exclusion Form mailed by First Class Mail and postmarked on or before ____, 2019 at the following address:

BY U.S. MAIL: Carter v. Strategic Equity Group
c/o Simpluris, Inc.
P.O. Box 26170
Santa Ana, CA 92799

Exclusion Forms that are not timely submitted will be disregarded. If you should request to be excluded by timely submitting an Exclusion Form, you will not receive any money from the Settlement, and you will not give up any rights you may have.

Do NOT return both a Claim Form and an Exclusion Form. Should you do so, your Exclusion Form will be deemed to be invalid and your Claim Form will be accepted for payment

NOTE- If you returned the Exclusion Form in the District Court Action but not in this Action, you will NOT be excluded from this Action's Settlement. In order to opt out of this Action, you must return the Exclusion Form for this Action.

C. THE LAWYERS WHO REPRESENT YOU.

11. Who Represents Me in this Class Action?

As Class Members, the Court has determined that the law firm of Trujillo & Winnick LLP is qualified and was appointed to represent you ("Class Counsel"). Class Counsel is experienced in handling employment litigation and class action cases. Class Counsel's contact information is provided at the end of this Notice.

Class Counsel undertook this case approximately three years ago on a wholly contingent basis. To date, they have expended more than 120 hours in attorney and professional hours and have invested approximately \$12,000 in expenses and costs and have not been paid or compensated in any form for their services. In addition, Class Counsel have not yet recovered any of the money they have advanced for litigation of the case. Class Counsel has vigorously and diligently litigated this case and has invested substantial time, effort and skill in this matter in order to bring about this proposed Settlement. In order to receive their attorney's fees for this work and for achieving this result, Class Counsel intend to apply to the Court for a common fund fee award of up to, but no more than, a third of the Settlement Amount, subject to Court approval.

You do not have to pay Class Counsel's fees and litigation expenses. You are only responsible for the fees of any attorney you hire on your own. The fees and litigation expenses that the Court approves for Class Counsel will be paid from the proposed Settlement.

D. TERMS OF THE SETTLEMENT

12. The Proposed Settlement and Net Settlement Fund

The total Settlement Amount will be \$100,000 to fully resolve the claims regarding liability and for Class Counsel's attorney's fees in this Class Action.

NOTE- this Settlement Amount is in addition to the settlement amount of \$562,500 in the District Court Action.

Subject to Court approval, a number of deductions will be made to the Settlement Amount in order to pay and account for (a) attorney fees of up to one third of the Settlement Amount; (b) litigation expenses not to exceed \$12,000; and (c) settlement administration costs not to exceed \$10,000.

After these deductions, and subject to Court-approval, the remaining sum (*i.e.*, Net Settlement Fund) is estimated to be approximately \$44,666.67. This amount will be disbursed pro-rata among all the Class Members that submit timely Claim Forms according to the number of shares that they owned.

The Net Settlement Fund will vary if the Court does not approve the requested amount for fees, litigation expenses, and settlement administration costs, or if the costs of administration are different than estimated.

13. What Will I Receive From the Proposed Settlement?

If you are a Class Member and you return the enclosed Claim Form signed, dated, and postmarked on or before _____, 2019, you become a "Participating Class Member" and you can expect to receive your pro rata share of the Net Settlement Fund after the court has issued final approval of the settlement. The Net Settlement Fund will be disbursed pro-rata among the Participating Class Members according to the number of shares that they owned.

14. If I Disagree With My Proportionate Share of the Settlement Listed On My Claim Form, What May I Do?

Your Claim Form shows the number of shares you owned on September 28, 2012. If you believe this number is incorrect, you can submit any documents or other evidence supporting your position to the Settlement Administrator. The Claim Form and supporting data must be postmarked on or before _____, 2019. (You may need to add additional postage to the enclosed pre-printed postage paid envelope, if the supporting information and/or documentation weighs more than one ounce.) The Settlement Administrator will evaluate the information and/or documents you submit and, after reviewing these items, the Settlement Administrator, together with the Parties' counsel, will attempt to informally resolve the dispute as to the settlement amount for any eligible class member. Unresolved disputes will be decided by the Court, and that decision will be final and binding. The Administrator will notify you of the decision in writing.

E. RELEASE OF CLAIMS

15. What Claims Will Be Released?

Upon the Court's final approval of the Settlement, the Representative Plaintiffs and the Class Members (other than those who submit valid and timely Exclusion Forms) will release and discharge Strategic Equity Group, Christopher Kramer, Shoreline Capital, Inc., and Edgewater Capital, LLC, and any of their former and present parents, subsidiaries, divisions, affiliates, and related companies, whatever their current or former legal names or legal entity status, any of Defendants or their respective officers, directors, owners, employees, partners, shareholders, agents, attorneys, insurers, re-insurers, successors, assigns, or legal representatives, and any individual or entity that could be jointly liable with any Defendant ("Class Members' Released Parties" or "Released Parties"), from any and all claims, rights, demands, debts, obligations, guarantees, liabilities and causes of action of every nature and description, whether known or unknown, arising

out of their participation in the ESOP including without limitation statutory, constitutional, contractual or common law claims, damages, unpaid costs, penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation costs, restitution, or equitable relief, arising out of and based on any of the claims asserted in the Complaint filed in this proceeding. The Released Claims include, without limitation, all claims known and unknown meeting the above definition(s) under any and all applicable statutes.

F. FINAL SETTLEMENT APPROVAL HEARING

16. When Will the Court Consider Whether to Finally Approve the Settlement?

The Court will hold a hearing at the Superior Court of California- County of Orange, Civil Complex Center, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701, on _____, 2019 at _____:00 _____m in Department ____ to decide whether to finally approve the Settlement as fair, reasonable, and adequate. At the time of the final approval hearing, the Court also will be asked to approve Class Counsel's request for attorneys' fees, reimbursement of litigation costs, and settlement administration costs.

It is not necessary for you to appear at this hearing. If you have timely submitted an objection to the Settlement and a notice of intent to appear, you may appear at the hearing to argue your objection to the Court, or have an attorney represent you at the hearing at your own expense, but **only if** you have returned a notice of your intention to appear at the hearing to the Settlement Administrator, in accordance with the instructions above in Paragraph 8.

The hearing may be postponed without further notice to the Class. If the Settlement is not approved, the lawsuit will continue to be prepared for trial or other judicial resolution.

G. FURTHER INFORMATION

17. How Do I Get More Information?

This Notice provides a summary of the basic terms of the Settlement. The settlement administrator will post the relevant legal documents from this case on a special page on their website if you wish to view them (<http://www.simpluris.com/case-information/>). When you get to the page, find and click "Carter v. Strategic Equity Group." If you have more questions about this Notice or this class action litigation, you can contact Class Counsel, whose contact information is shown below, or call the Settlement Administrator at 888-369-3780.

Trujillo & Winnick, LLP	Business: (310) 210-9302
2919 1/2 Main Street	Bus. Fax: (310) 921-5616
Santa Monica, CA 90405	Mobile: (310) 210-9302
Anthony W. Trujillo, Esq.	
Alexander H. Winnick, Esq.	awinnick@trujillowinnick.com
Jeffrey T. Belton, Esq., Of Counsel	

For the Settlement's complete terms and conditions, please consult the detailed Stipulation of Settlement and Release located in the files and records maintained for this case located in the Superior Court of California- County of Orange, Civil Complex Center, located at 751 W. Santa Ana Blvd., Santa Ana, CA 92701. You can access the Court file through the Court's website by

going to [http:// www.occourts.org/online-services/case-access/](http://www.occourts.org/online-services/case-access/); Click "Civil Case & Document Access"; Click "Accept Terms"; Enter "00866025" into "Case Number" and enter "2016" into "Year Filed"; Click "Search." Click "Register of Actions" to obtain documents (check the document you want and click "Cart")

VERY IMPORTANT:

1. **Do not telephone the court or any of the employees, or attorneys of Defendants regarding this settlement or the claim process! Any questions regarding the settlement should be directed to the Settlement Administrator or Class Counsel, Trujillo & Winnick, LLP.**
2. **If you plan to submit a Claim Form, Your Settlement Payment check will be mailed to the address on file with the Settlement Administrator (which is shown on the Notice and/or Claim Form.) You may correct your address where indicated on the Claim Form before mailing it back to the Settlement Administrator.**
3. **If you move to a different address after returning your Claim Form, you must immediately notify the Settlement Administrator of your new address and contact information. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Settlement Payment.**
4. **It is strongly recommended that you keep a copy of your completed Claim Form and proof of its timely submission until after you have received your Settlement Payment check. On receipt of your Settlement Payment check, YOU MUST CASH IT IMMEDIATELY. Checks not cashed before the stale date (noted on the check), will be voided and the funds represented by those voided checks sent to the State of California, Controller – Unclaimed Property Division, for further handling on behalf of the Class Member.**

EXHIBIT b

To

[Proposed] Preliminary

Approval Order

Carter et. al. v. SEG, et. al.

Case No. 30-2016-00866025-CU-BT-CXC

CLAIM FORM INSTRUCTIONS

**YOU WILL NOT RECEIVE YOUR PORTION OF THE SETTLEMENT
UNLESS YOU RETURN THE CLAIM FORM BY THE DEADLINE**

*Pamela Carter, et al. v. Strategic Equity Group, et al.
Case No. 30-2016-00866025-CU-BT-CXC*

**IF YOU SUBMIT A VALID AND TIMELY CLAIM FORM AND THE
COURT APPROVES THE SETTLEMENT PLAN, YOU SHOULD
RECEIVE A SETTLEMENT PAYMENT OF APPROXIMATELY**

_____.

YOU MUST COMPLETE, SIGN AND RETURN THE CLAIM FORM TO THE
SETTLEMENT ADMINISTRATOR ON OR BEFORE _____, 2019, TO RECEIVE
YOUR SHARE OF THE SETTLEMENT. YOU MAY RETURN THE CLAIM FORM TO
THE SETTLEMENT ADMINISTRATOR BY U.S. MAIL IN THE ENCLOSED POSTAGE
PREPAID ENVELOPE

BY U.S. MAIL: Carter v. Strategic Equity Group
c/o Simpluris, Inc.
P.O. Box 26170
Santa Ana, CA 92799

INSTRUCTIONS

1. You must complete, sign and return the Claim Form on or before _____, 2019, to receive your Settlement Payment described in the enclosed Notice. It is strongly recommended that you retain proof that you submitted your Claim Form on time until you receive your Settlement Payment check.
2. If you move, you MUST notify the Settlement Administrator and provide it your new address. It is your responsibility to keep a current address on file with the Settlement Administrator to ensure receipt of your Settlement Payment.
3. If you wish to challenge the data below upon which your Settlement Payment is calculated, you must submit your challenge on or before _____, 2019, along with the Claim Form and any supporting information and/or documentation.

CLAIM FORM
DEADLINE TO SUBMIT A CLAIM: _____
QUESTIONS? Call 888-369-3780

(Additional postage may be needed on the return envelope if returning additional documentation with the Claim Form.)

|

CLAIM FORM
DEADLINE TO SUBMIT A CLAIM: _____
QUESTIONS? Call 888-369-3780

CLASS MEMBER CLAIM FORM

<<Claim Number>>

Name/Address Changes, if any:

<<Name>>

<<Address>>

<<City>>, <<State>> <<Zip Code>>

() - - - - -

Home or Cell Telephone Number

PARTICIPATION IN FLEET CARD FUELS EMPLOYMENT STOCK OPTION PLAN

A. Based on documents and records obtained during the case, the parties believe that in 2012 you received a payment of approximately _____ for the redemption of your ESOP shares and that you owned _____ shares as of September 28, 2012 when the ESOP was terminated. This information will be used to determine your Settlement Amount.

Please Check One Box:

(If neither box below is marked, it will be assumed the participation in the Fleet Card Fuels Employment Stock Option Plan data shown above is accurate.)

This data appears accurate. I do not wish to challenge the data.

OR

I wish to challenge the data.

Write why you believe the data is incorrect and please attach your written statement to this Claim Form, sign the Claim Form, and return it on or before _____, 2019.

RELEASE AND SIGNATURE My signature constitutes a full and complete release of the settling Defendants as set forth in the Stipulation of Settlement and Release that has been filed with the court in exchange for the estimated Settlement Payment.

To receive your Settlement Payment, you must sign and date this Claim Form and return it to the Settlement Administrator on or before _____, 2019.

Dated: _____, 2019

[print name] - required

[signature] - required

CLAIM FORM

DEADLINE TO SUBMIT A CLAIM: _____

QUESTIONS? Call 888-369-3780

EXHIBIT c

To

[Proposed] Preliminary

Approval Order

Carter et. al. v. SEG, et. al.

Case No. 30-2016-00866025-CU-BT-CXC

EXCLUSION FORM

IF YOU TIMELY SUBMIT A VALID EXCLUSION FORM, YOU WILL BE EXCLUDED FROM THE SETTLEMENT AND WILL NOT RECEIVE ANY SETTLEMENT MONEY

Pamela Carter, et al. v. Strategic Equity Group, et al.
Case No. 30-2016-00866025-CU-BT-CXC

ONLY COMPLETE THIS EXCLUSION FORM IF YOU WANT TO OPT OUT OF (NOT PARTICIPATE IN) THE SETTLEMENT OF THE ABOVE REFERENCED CASE. IF YOU OPT OUT OF THE SETTLEMENT, YOU WILL NOT RECEIVE ANY PORTION OF THE SETTLEMENT AMOUNT. **DO NOT RETURN BOTH THIS FORM AND A CLAIM FORM.**

NOTE- this Settlement is made **IN ADDITION TO** the settlement made in the District Court Action (*Carter v. San Pasqual, et. al.*). If you wish to opt out of both this Action and the District Court Action, you will need to fill out and return both Exclusion Forms. If you return the Exclusion Form in the District Court Action but not in this Action, you will only have opted out of the District Court Action and not this Action. If you return the Exclusion Form in this Action but not in the District Court Action, you will have opted out of only this Action. In order to Opt Out of both this Action and the District Court Action, you must return two Exclusion Forms.

I confirm that I was a participant in the Fleet Card Fuels Employee Stock Option Plan as of September 28, 2012.

I do not wish to receive compensation under the terms of the proposed class action settlement or to otherwise participate in the proposed settlement.

Date: _____

Signature: _____

Print Name: _____

Residence Street
Address: _____

City, State and Zip
Code: _____

Cell or Work
Telephone Number: _____

IN ORDER TO BE VALID, THIS REQUEST FOR EXCLUSION FORM MUST BE COMPLETED, SIGNED, AND SUBMITTED TO THE SETTLEMENT ADMINISTRATOR ON OR BEFORE _____, 2019. Send the signed Exclusion Form to the Settlement Administrator at:

BY U.S. MAIL: Carter v. Strategic Equity Group
 c/o Simpluris, Inc.
 P.O. Box 26170
 Santa Ana, CA 92799