

NOTICE OF CLASS ACTION SETTLEMENT - SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES
**INDIVIDUALS AND BUSINESSES MAY CLAIM REFUNDS
 OF TELEPHONE TAXES PAID TO THE COUNTY OF LOS ANGELES
 BETWEEN AUGUST 25, 2005 AND NOVEMBER 4, 2008**

*Granados v. County of Los Angeles, Los Angeles Superior Court Case No. BC361470
 Judge Maren E. Nelson authorized this notice.*

SUMMARY OF THE SETTLEMENT

- The County of Los Angeles (“County”) has agreed to pay up to \$16.9 million to settle a class action lawsuit seeking refunds of telephone user tax (TUT) paid by residents of the unincorporated areas of the County and collected on certain telephone services from August 25, 2005 to November 4, 2008 (the “Class Period”).
- **You must submit a claim by September 15, 2018 to be eligible to receive a payment.**
- You may claim the following standard refund amounts by completing the claim form and checking the boxes for each kind of service for which you paid telephone bills dated during the time period August 2005-November 2008. No additional documentation is required to claim these amounts:
 - \$46.00 – Mobile Telephone Service (*not including prepaid mobile service)
 - \$27.50 – Residential Landline Service
 - \$46.00 – Business Landline Service
- In the alternative, you may claim a refund based on the actual TUT that you paid for telephone services between August 25, 2005 and November 4, 2008. To do so, you have the following options:
 - **Submit At Least 10 Phone Bills from August 2005 to November 2008** – To claim a refund for the full period under this option, submit at least one bill (or other carrier-provided document showing the TUT paid) from August 2005 to December 2005; at least three bills from 2006; at least three bills from 2007; and at least three bills from January to November 2008; **OR**
 - **Submit 10 Recent Phone Bills** – If you were a resident of the unincorporated areas of the County and paid TUT during the August 2005 through November 2008 time period, but you do not have copies of your phone bills from that time period and you are unable to obtain them from your carrier, you can submit 10 copies of recent telephone bills (or other carrier-provided documents) showing payment of the TUT. To claim a refund for the full Class Period using this option you must submit 3 bills from each of three different calendar years, plus one bill from a fourth calendar year (*e.g.*, three bills from 2013, three bills from 2014, three bills from 2015, and one bill from 2016); **OR**
 - **Verizon and Sprint Customers** – If you had phone service with Verizon or Sprint during the August 2005 to November 2008 time period, and if you provide consent, the carriers will search for your TUT payment data and provide it to the claims administrator.
 - **T-Mobile Customers** - If you had phone service with T-Mobile during the August 2005 to November 2008 time period, T-Mobile will search for and send directly to you whatever TUT payment records they can locate. Email UUTclaimCountyOfLA@T-Mobile.com for details, or call 1-877-453-1304, ask for “Representative”, then request historical tax information as described in T-Mobile’s C2 document #440884.
- You are eligible to submit a claim if you were a resident of the unincorporated areas of the County, paid the TUT at any time from August 25, 2005 to November 4, 2008, and have not already been paid a full refund by the County for such TUT, subject to offset for any refunds the County has already paid you.
- The actual amount of refund you receive may vary based on the number of eligible claims received and other factors.
- **This settlement affects your legal rights, regardless of whether you act or don’t act. Please read this notice carefully!**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

SUBMIT A CLAIM FORM DEADLINE: SEPT. 15, 2018	You must submit a valid claim form to receive a payment in the mail from this settlement.
DO NOTHING	You will not receive any payment and any claim you have for a refund will be released and you will no longer have such a claim.
EXCLUDE YOURSELF DEADLINE: OCT. 15, 2018	You are out of the lawsuit. You get no payment. You keep your right to sue separately with your own lawyer. Exclusion instructions are provided in this notice.
OBJECT DEADLINE: SEPT. 28, 2018	You may write to the Court to comment on or detail why you do not like the settlement by following the instructions in this notice.

GO TO A COURT HEARING	You may also ask to speak to the Court about the fairness of the settlement. You do not need to attend the hearing to receive payment. The Final Settlement Hearing is on October 29, 2018, at 9:00 a.m. If you or your attorney go to the Hearing it will be at your own expense.
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- These rights and options—**and the deadlines to exercise them**—are explained further in this notice.

WHAT IS THIS LAWSUIT ABOUT?

The lawsuit, called *Granados v. County of Los Angeles*, case number BC361470, was filed by a County resident, Willy Granados, who believed that the County improperly required telephone service providers to collect TUT on telephone services that were not legally taxable. Specifically, the plaintiff alleged that prior to November 4, 2008, the County’s TUT should have been collected only on local telephone service and long distance service where charges for calls varied by *both time and distance*. The plaintiff filed the lawsuit on behalf of himself and all other similarly situated taxpayers. The County denied and continues to deny that the TUT was improperly collected.

WHY WAS THIS NOTICE ISSUED?

The Court issued this notice because you have a right to know about the proposed class action settlement that the Court has preliminarily approved and which affects your rights under strict deadlines. If the Court grants final approval, and the settlement becomes final pursuant to its terms, valuable cash benefits will be distributed to Class Members who submit approved Claim Forms before September 15, 2018. Those steps may take time. Please be patient.

AM I A CLASS MEMBER?

The Class includes:

All persons, including corporate and non-corporate entities wherever organized and existing, who paid telephone utility user taxes to the County of Los Angeles on telephone service utilized from August 25, 2005 to November 4, 2008, other than local-only telephone services, teletypewriter exchange service, or long distance telephone service where the charge varied by both time and distance, and who have not already received a refund of such tax.

WHAT IF I’M NOT SURE WHETHER I’M INCLUDED IN THE SETTLEMENT?

The TUT was typically collected on residential and commercial landlines if the service address of the phone number was within the unincorporated areas of the County. For mobile service, the TUT was typically collected if the billing address was located within the unincorporated areas of the County. Mobile service with no billing address (*i.e.*, prepaid mobile service) is not included in this settlement. If you are not sure whether you or your business is included in the Class, you may call the toll-free number (833) 807-3690. You may also write with questions to the lawyers appointed to represent the members of the Class whose contact information is on page 4 of this notice. **DO NOT CALL THE COURT.**

WHAT DO I HAVE TO DO TO RECEIVE A REFUND PAYMENT FROM THE SETTLEMENT FUND?

The person who received the phone bill showing payment of TUT must submit a valid claim postmarked by September 15, 2018 and the claim must be approved by the Claims Administrator. Claims can be completed online at www.LACountyTaxRefund.com, or by printing a Claim Form from the settlement website or by requesting one from the Claims Administrator and submitting it via U.S. Mail. You can submit your claim form following any of the options above (*e.g.*, standard refund amount, proof of actual TUT paid, etc.)

You cannot claim an actual refund amount and a standard refund amount for the same kind of service (*e.g.*, you cannot claim a standard mobile refund and also submit mobile bills for an actual refund amount claim). You may, however, claim the standard refund amount for one kind of service and claim the actual amount for another kind of service (*e.g.*, a standard refund claim for mobile and an actual refund claim for landline). For the standard refund claims, one standard refund will be issued for each account regardless of the number of phones affiliated with that account.

A. Standard Refund Claims: You may claim the following standard refund amounts by checking the boxes on the claim form for TUT you paid for each kind of service during the time period August 2005 to November 2008. No additional documentation is required to claim these amounts:

\$46.00 – Mobile Telephone Service¹

¹ Please note: Prepaid mobile telephone service does not qualify for a refund claim.

\$27.50 – Residential Landline Service
\$46.00 – Business Landline Service

You can check more than one box if you paid for more than one kind of telephone service (*e.g.*, you can claim mobile and residential landline).

B. Actual Amount Refund Claims: You may also claim a refund based on the actual amount of TUT you paid for telephone services between August 2005 and November 2008 by submitting copies of telephone bills or other carrier-provided proof. There are several options for submitting the required documentary evidence.

- **Submit At Least 10 Phone Bills from August 2005 to November 2008** – To claim a refund for the full period under this option, submit at least one bill (or other carrier-provided document showing the TUT paid) from August 2005 to December 2005; at least three bills from 2006; at least three bills from 2007; and at least three bills from 2008;
OR
- **Submit 10 Recent Phone Bills** – If you paid TUT between August 2005 and November 2008, but you do not have copies of your phone bills from that time period and you are unable to obtain them from your carrier, you can submit 10 copies of recent telephone bills (or other carrier-provided documents) showing payment of the TUT to the County of Los Angeles. In order to claim a refund for the full Class Period using this option you must submit 3 bills from each of three different calendar years, plus one bill from a fourth calendar year (*e.g.*, three bills from 2013, three bills from 2014, three bills from 2015, and one bill from 2016); **OR**
- **Verizon and Sprint Customers** – If you had phone service with Verizon or Sprint during the August 2005–November 2008 time period, and if you provide consent, the carriers will search for your TUT payment data and provide it to the claims administrator.
- **T-Mobile Customers** – If you had phone service with T-Mobile during the August 2005 to November 2008 time period, T-Mobile will search for and send directly to you whatever TUT payment records they can locate. Email UUTclaimCountyOfLA@T-Mobile.com for details, or call 1-877-453-1304, ask for “Representative”, then request historical tax information as described in T-Mobile’s C2 document #440884.

You must submit bills or other proof of the amount paid for telephone services between August 2005 and November 2008 or provide consent for Verizon or Sprint to search for your TUT payment data, or call T-Mobile to obtain your TUT payment data, and your anticipated refund amount will be based solely on the amount reflected on the proof submitted. For landline service, your anticipated refund amount will be 70% of the amount of the TUT paid. For mobile service, your anticipated refund amount will be 100% of the amount of the TUT paid.

HOW MUCH CAN I GET FROM THIS SETTLEMENT?

The actual amount refunded to you will depend on the number of claims submitted and other factors. Please see the Settlement Agreement available on the Settlement website, www.LACountyTaxRefund.com, for additional information. Please note, if you previously received a refund of TUT paid during the Class Period, such as through the prior *Oronoz* class action settlement, any amount of telephone TUT previously refunded to you will be an offset against any refund amount you are due here.

WHEN WILL I RECEIVE MY REFUND PAYMENT?

Payments cannot be made until the settlement is approved by the Court, becomes final pursuant to its terms, and the claims process and administration process is complete. Please be patient. Status updates will be posted to www.LACountyTaxRefund.com.

IF YOU MOVE

If your claim is approved, your payment will be sent to the address you provide. If you change addresses, you must contact the Claims Administrator at (833) 807-3690 to report any change of your address. Failure to report a change of address may result in you not receiving the monetary benefits of the settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

The deadline to exclude yourself from this settlement is October 15, 2018. If you don’t want a payment from this settlement, and you want to keep the right to sue or continue to sue the County about the taxes at issue in this lawsuit on your own, then you must ask to be excluded by doing so online or by sending a letter via U.S. Mail to: *Granados v. County of Los Angeles, c/o*

QUESTIONS? CALL (833) 807-3690 TOLL FREE, OR VISIT WWW.LACOUNTYTAXREFUND.COM

JND Legal Administration, P.O. Box 91348, Seattle, WA 98111. Be sure to include your name, address, telephone number, and signature. You must also verify that you are a Class Member by providing your telephone number(s) and address(es) during the Class Period.

THE LAWYERS REPRESENTING YOU

The Court has appointed the following Class Counsel to represent the Class:

Daniel Krasner Rachele R. Rickert Marisa C. Livesay WOLF HALDENSTEIN ADLER FREEMAN & HERZ LLP 750 B Street, Suite 2770 San Diego, CA 92101	Nicholas E. Chimicles Timothy N. Mathews CHIMICLES & TIKELLIS, LLP One Haverford Centre 361 West Lancaster Avenue Haverford, PA 19041
Jonathan W. Cuneo CUNEO GILBERT & LADUCA, LLP 4725 Wisconsin Avenue, Suite 200 Washington, DC 20016	Jon Tostrud TOSTRUD LAW GROUP PC 1925 Century Park East, Suite 2125 Los Angeles, CA 90067

ADMINISTRATIVE EXPENSES, ATTORNEYS' FEES AND EXPENSES, AND PLAINTIFF INCENTIVE AWARD

Class Counsel will ask the Court to approve payment of administrative expenses to be paid from the settlement amount to cover the costs of claims processing and administration of the settlement, as well as any notice costs. Class Counsel will also ask the Court to award up to \$4 million for attorneys' fees and will also request reimbursement of their expenses up to \$150,000. Class Counsel undertook the investigation and litigation of this action on a contingent basis. They have litigated this case for over ten years, including successfully overturning a lower court decision on appeal to the California Court of Appeal. They have received no compensation to date, and they have incurred significant out-of-pocket costs that have not been reimbursed. The named plaintiff will also ask the Court for \$10,000 to compensate him for the time and effort he devoted to this case as a Class Representative.

OBJECTING TO THE SETTLEMENT

You may only object if you are a Class member and you do not exclude yourself from the settlement. You can object on your own or you may hire a lawyer. You can tell the Court that you don't agree with all or part of the settlement by sending a letter to the Claims Administrator so that it is received **on or before September 28, 2018**, saying that you object to the settlement. Your objection must contain all of the following: (1) a heading referring to: *Granados v. County of Los Angeles*, Case No. BC361470; (2) a statement of the legal and factual bases for your objection; (3) your name, address, telephone number, and email address; (4) copies of telephone bills dated during the Class Period or other evidence of membership in the Class; and (5) your signature and the signature of your counsel (if you are represented by counsel). The Court will consider your objection. If your objection is mailed in time, you do not have to attend the Final Settlement Hearing described below.

Any objection to the settlement must be served by first class mail, or email, or otherwise delivered to the Claims Administrator so that it is received by September 28, 2018. The address for the Claims Administrator is: *Granados v. County of Los Angeles*, c/o JND Legal Administration, P.O. Box 91348, Seattle, WA 98111.

THE COURT'S FINAL APPROVAL HEARING

The Court will hold a hearing at 9:00 am on October 29, 2018, at 312 North Spring Street, Los Angeles CA 90012 in Department 17 to decide whether the proposed settlement is fair and reasonable. You may attend at your own expense, and you may ask to speak, but you are not required to do so. If the Final Settlement Hearing is rescheduled, a notice of the new date or time will be posted to www.LACountyTaxRefund.com. After the hearing, the Court will decide whether to approve the settlement. We do not know how long the decision will take. Please be patient.

GETTING MORE INFORMATION

This notice summarizes the proposed settlement. More details are in the Settlement Agreement. All court records in this litigation, including complete copies of the Settlement Agreement, may be examined during regular court hours at the office of the Clerk of the Court, 600 South Commonwealth Avenue, Los Angeles, CA 90005. You can also get a copy of the Settlement Agreement and other important information as well as answers to frequently asked questions by visiting www.LACountyTaxRefund.com or by calling the Claims Administrator at (833) 807-3690 toll free. **DO NOT CONTACT THE COURT DIRECTLY WITH ANY QUESTIONS ABOUT THE SETTLEMENT.**

QUESTIONS? CALL (833) 807-3690 TOLL FREE, OR VISIT WWW.LACOUNTYTAXREFUND.COM