

CALIFORNIA SUPERIOR COURT, COUNTY OF SAN FRANCISCO

IF YOU ENTERED INTO AN INCOME SHARE AGREEMENT WITH MAKE SCHOOL PBC/MAKE SCHOOL INC. AFTER JUNE 1, 2015, THIS CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS

The San Francisco Superior Court authorized this Notice. This isn't a solicitation from a lawyer and you aren't being sued.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY.

- This notice summarizes a proposed class action settlement of claims brought against Make School PBC f/k/a Make School Inc. ("Make School PBC"), Make School ABC, LLC, Make School ISA SPV, LLC, and Vemo Education, Inc. (collectively, "Defendants") involving alleged misrepresentations and omissions of material facts concerning Make School PBC's educational program, accreditation, and income share agreement ("ISA") costs. The name of the case is *Botcher, et al. v. Make School PBC, et al.*, Case No. CGC-21-592710.
- You may be entitled to relief and your legal rights will be affected if you are a member of the following Settlement Class:

All persons who obtained at least one income share agreement from Make School between and including June 1, 2015 and September 7, 2023 that remained outstanding as of April 28, 2023. Excluded from the Settlement Class are the judges to whom the Action is assigned and the members of their staff or immediate family.

- The San Francisco Superior Court will hold a hearing on March 22, 2024 to decide whether to give final approval to the Settlement. The Court has not found that Defendants did anything wrong and no party has admitted to any wrongdoing or liability. The purpose of this notice is to inform you of the Settlement and of your rights relating to the Settlement.
- Your legal rights are affected whether you act or do not act. Read this Notice and the information on the Settlement Website carefully.

YOUR LEGAL RIGHTS AND OPTIONS UNDER THE SETTLEMENT	
YOU ARE NOT REQUIRED TO DO ANYTHING.	If the Settlement is approved by the Court and you are a member of the settlement class, you will not need to do anything to receive relief. If the Court approves the Settlement, you will be bound by the Settlement unless you choose to exclude yourself from the class.
YOU MAY OPT OUT OF THE SETTLEMENT BY FEBRUARY 8, 2024.	If you wish to exclude yourself, or “opt out” of the Settlement, you must submit your opt-out notice to the Settlement Administrator. See details below.
YOU MAY OBJECT TO THE SETTLEMENT BY FEBRUARY 8, 2024.	If you wish to object to any part of the Settlement, you may write or e-mail the Settlement Administrator about why you object to the Settlement. See details below.
YOU MAY ATTEND THE FINAL APPROVAL HEARING TO BE HELD ON MARCH 22, 2024.	Whether or not a written objection is made, you may attend the Final Approval Hearing about the Settlement either in person or through counsel hired at your own expense.

THESE RIGHTS AND OPTIONS, INCLUDING THE DEADLINES BY WHICH TO EXERCISE THEM, ARE EXPLAINED IN THIS NOTICE BELOW.

This Notice summarizes the proposed Settlement. For the precise terms and conditions of the Settlement, including the relief you are entitled to, please visit www.makeschoolsettlement.com and use the unique class member ID code and password provided below. You may also contact the Settlement Administrator at the address provided below, access the Court docket online at <https://www.sfsuperiorcourt.org/online-services> or visit the Court during regular business hours at the Civil Records Division, The Civic Center Clerk’s Office, 400 McAllister St., Room 103, San Francisco, CA 94102.

UNIQUE CLASS MEMBER ID CODE: <<ID>>
PASSWORD: <<Passcode>>

1. WHAT IS THIS LAWSUIT ABOUT?

The lawsuit was brought against Defendants alleging that they misrepresented and omitted material facts concerning the Make School PBC educational program, accreditation, and income share agreement (“ISA”) costs.

The Settlement Class Representatives and Class Counsel have concluded, after carefully considering the relevant facts and the applicable law, that it would be in the best interests of the Class to enter into this Settlement in order to avoid the uncertainties of litigation and obtain the benefits of this Settlement for the Class. After careful investigation and evaluation, the Settlement Class Representatives and Class Counsel believe the Settlement is fair, reasonable, adequate, and in the best interests of the Class.

Defendants deny the allegations, any wrongdoing, and any liability whatsoever, and believe they have many defenses to all of the claims asserted against it in the lawsuit. Defendants believe that they complied and continue to comply in all respects with the law and that no Settlement Class Member has sustained any damages or injuries. Nonetheless, Defendants have concluded that continuing the litigation would be protracted and expensive; and therefore have agreed to the Settlement.

2. WHAT IS A CLASS ACTION?

In a class action, one or more people called class representatives (in this case Eric Botcher and Samuel Galizia) (“Settlement Class Representatives”) sue on behalf of people who have similar claims.

3. WHO IS A CLASS MEMBER?

The Settlement Class includes all persons who obtained an ISA from Make School PBC between and including June 1, 2015 to September 7, 2023, that remained outstanding as of April 28, 2023. Excluded from the Settlement Class are the judges to whom the Action is assigned and the members of their staff or immediate family.

If you received this notice by e-mail or mail, the records of Launch Servicing, LLC (“Launch”), the servicer of the ISAs, show that you may be a Settlement Class Member in this case. Thus, you have received notice regarding settlement of a case that may affect you.

4. WHAT IF I AM NOT SURE IF I AM INCLUDED IN THE CLASS?

If you are still not sure whether you are a Settlement Class Member, you can ask for free help. You can call (888) 910-3208 for more information from the Settlement Administrator or review the Settlement documents on www.makeschoolsettlement.com.

5. WHO REPRESENTS THE SETTLEMENT CLASS?

Eric Botcher and Sam Galizia have been designated by the Court as the Settlement Class Representatives for purposes of the settlement approval process. The Court has appointed Melody L. Sequoia of The Sequoia Law Firm, and William Kennedy of the Consumer Law Office of William E. Kennedy as Class Counsel to represent your interests and those of the Settlement Class. You also have the right to consult with your own attorney, at your own expense, and you may enter an appearance through your own attorney if you desire.

6. WHAT ARE THE SETTLEMENT TERMS?

The Settlement terms (which are subject to court approval) provide for relief based on the type of ISA(s) you obtained, when they were obtained, and whether you qualify for certain benefits as a “Yellow Ribbon Claimant,” as explained below.

If the Settlement is approved by the Court and you do not opt out of the Settlement, your ISAs will be either canceled (so that you owe nothing further on them), restructured into a less expensive, no-interest, income-protected payment plan (“New Agreement”), or a combination of both. The treatment of each of your ISAs depends on a number of factors as explained below.

Under an ISA, you receive an amount of tuition, and/or a stipend for living expenses, in exchange for your agreement to pay a percentage of your income for a set period of time up to a maximum amount, provided that you meet a minimum income requirement. The amount of tuition or stipend you receive is called an “ISA Amount,” which is similar to the principal amount (amount borrowed) on a loan. The maximum amount you are required to pay (that is, the maximum amount of income you are required to share) on each ISA is called the “payment cap.” Most students have more than one ISA.

- **ISAs That Will Be Canceled**

If you obtained one or more ISAs to cover tuition on or before July 12, 2018, the ISA(s) will be voided and canceled and you will owe nothing further on those ISAs.

If you qualify as a “Yellow Ribbon Claimant,” including by submitting a Claim Form confirming that you were eligible for the U.S. Department of Veterans Affairs Yellow Ribbon Program, all of your ISAs for tuition will be voided and canceled regardless of when you obtained them. The Claim Form indicates the qualifications for Yellow Ribbon Claimants, and it must be properly completed and submitted together with the required documentation in order to qualify for Yellow Ribbon Claimant benefits.

- **ISAs That Will Be Restructured**

All other ISAs will be restructured into a single New Agreement that is a no-interest, income-protected payment plan. The payment amount each month will not be based on how much income you earn, and instead will require fixed monthly payments spread out over 180 months (unless you choose a term of 60 or 120 months). The amount you are required to pay under the

New Agreement will be substantially less than what you could have to pay under your ISAs, as explained below.

The New Agreement will require you to make fixed monthly payments over a period of 180 months (or 60 or 120 months if you choose). The total amount you will have to pay under the New Agreement will be equal to the sum of the ISA Amounts for each of your ISAs that were not canceled, minus the total payments you previously made on any ISAs (canceled or not), multiplied by 0.90.

In addition, if your ISAs are restructured into a single New Agreement, you will have an option to pay off your New Agreement in full in exchange for a discount (the “Early Payoff Option”). Under the Early Payoff Option, you may, if you so choose, pay off the New Agreement by paying an amount equal to the sum of the ISA Amounts for each of your ISAs that was not cancelled pursuant to the Settlement, minus the total payments you previously made on any ISAs (cancelled or not), multiplied by 0.75 (i.e., 75% of the total ISA Amounts minus total payments made). You must pay the Early Payoff Amount within 90 days from the date the New Agreement was sent to you. The Settlement Administrator will notify you of the Early Payoff Amount and deadline for payment in a cover letter provided with the New Agreement. Any payments made on a New Agreement during the 90-day period will be credited against the Early Payoff Amount such that you may pay off a New Agreement by paying the Early Payoff Amount less the amounts of any such payments.

Like your ISAs, the New Agreement is income protected, meaning your obligation to make payments is suspended if you earn less than \$5,000 per month (equivalent to \$60,000 per year), and you provide the required income documentation to the servicer of your New Agreement. If you never make more than this amount, you will not have to make any payments.

The following examples show how this will work:

Student 1 obtained two ISAs after July 12, 2018, as follows:

ISA 1 (tuition): \$30,000 ISA Amount, Payment Cap of \$75,000
ISA 2 (stipend): \$18,000 ISA Amount, Payment Cap of \$54,000

Under these ISAs, Student 1 received \$48,000 in exchange for a share of her income up to a maximum amount (combined payment cap) of \$129,000. Student 1 previously made total payments of \$10,000. Under the Settlement, Student 1 would receive a New Agreement with a Principal Amount equal to \$34,200 ($\$30,000 + \$18,000 - \$10,000$, multiplied by 0.90).

The maximum amount Student 1 would have to pay under the Settlement (\$34,200) is \$94,800 less than the maximum amount payable under her ISAs. The monthly payment would be \$190 per month for a 180-month term. Student 1 can elect to pay off the New Agreement faster by selecting a shorter term with higher monthly payments (\$285 per month for a 120-month term, or \$570 per month for a 60-month term). Student 1 also has an Early Payoff Option allowing her to pay off the New Agreement by paying \$28,500 within 90 days after receiving her New Agreement ($\$30,000 + \$18,000 - \$10,000$, multiplied by 0.75).

Student 2 obtained four ISAs, including two ISAs prior to July 12, 2018, as follows:

- ISA 1 (tuition): \$40,000 ISA Amount, Payment Cap of \$100,000 (pre-July 12, 2018)
- ISA 2 (stipend): \$13,500 ISA Amount, Payment Cap of \$40,500 (pre-July 12, 2018)
- ISA 3 (tuition): \$30,000 ISA Amount, Payment Cap of \$75,000
- ISA 4 (stipend): \$13,500 ISA Amount, Payment Cap of \$40,500

Under these ISAs, Student 2 received \$97,000 in exchange for a share of income up to a maximum amount of \$256,000. Student 2 previously made total payments of \$20,000. Under the Settlement, Student 2 would have his \$40,000 tuition ISA canceled, and receive a Payment Agreement with a Principal Amount equal to \$33,300 ($\$13,500 + \$30,000 + \$13,500 - \$20,000$, multiplied by 0.90).

The maximum amount Student 2 would have to pay under the Settlement (\$33,300) is \$222,700 less than the maximum amount payable under his ISAs. The monthly payment would be \$185 per month for a 180-month term. Student 2 can elect to pay off the New Agreement faster by selecting a shorter term with higher monthly payments (\$277.50 per month for a 120-month term, or \$555 per month for a 60-month term). Student 2 also has an Early Payoff Option allowing him to pay off the New Agreement by paying \$27,750 within 90 days after receiving his New Agreement ($\$13,500 + \$30,000 + \$13,500 - \$20,000$, multiplied by 0.75).

To understand how this Settlement impacts your specific situation, including the principal and monthly payment amounts of the New Agreement that will replace your ISAs if you do not opt out of the Settlement, **please visit** www.makeschoolsettlement.com **or call (888) 910-3208 with your unique identifier and password.** By visiting the Settlement Website, you can see how the Settlement will affect you (including which ISAs would be canceled, if any; the funding amounts, payment caps, and income share percentages for each ISA; the New Agreement's principal balance and monthly payment amounts for the New Agreement for such Settlement Class Member assuming a 180-month term; and the Early Payoff Amount).

To dispute the amount you owe under this Settlement, including but not limited to the amount owed pursuant to your New Agreement, you may e-mail or submit a letter concerning the dispute ("Dispute Notice") to the Settlement Administrator within 30 days of your receipt of any document provided by the Settlement Administrator providing a basis for the dispute. The Dispute Notice must contain your full name, address, physical or electronic signature, a description of the dispute, a proposed resolution of the dispute, and any supporting materials. The Administrator shall promptly provide to counsel for the Parties copies of all Dispute Notices it receives. The Parties and the Servicer (if applicable) shall meet and confer in an attempt to resolve the dispute within 14 days of receiving a Dispute Notice. Any such dispute the Parties are not able to resolve shall be submitted to the Settlement Administrator for resolution. The Settlement Administrator shall inform you and counsel for the Parties of the outcome within 14 days of receiving the dispute from the Parties for resolution. *All Settlement Class Members who do not timely submit a Dispute Notice waive all rights to challenge the administration of the Settlement.*

7. DO I HAVE A LAWYER IN THE CASE?

Yes. The Court appointed Melody L. Sequoia of The Sequoia Law Firm and William E. Kennedy of the Consumer Law Office of William E. Kennedy to represent the Settlement Class Members. Together, these lawyers are called “Class Counsel.” You do not need to hire your own lawyers because Class Counsel is working on your behalf. If you want your own lawyer, you have the right to hire your own attorney at your expense to enter an appearance on your behalf in this lawsuit.

8. HOW WILL THE LAWYERS BE PAID?

You do not have to pay Class Counsel. Class Counsel will ask the Court to order that the Defendants pay for their attorneys’ fees, costs and expenses of no more than \$450,000. This payment will not affect the benefits and payments available to Settlement Class Members. Class Counsel will file their motion for attorneys’ fees and expenses on or before the Class Notice Deadline. You may continue to check on the progress of Class Counsel’s request for attorneys’ fees, expense and service awards by visiting the website.

9. DO I NEED TO DO ANYTHING TO REMAIN A MEMBER OF THE SETTLEMENT CLASS?

You do not need to do anything to remain a member of the Settlement Class. You will remain a member of the Settlement Class unless you take steps to exclude yourself, described below. If you remain a member of the Settlement Class, you will be bound by any judgment entered whether or not it is favorable to the Settlement Class.

10. HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

If you do not want to remain a Settlement Class Member and participate in the Settlement, then you must send an exclusion request either (1) by mail to CPT Group, 50 Corporate Park, Irvine, CA 92606, or (2) by e-mail to the Settlement Administrator at makeschoolsettlement@cptgroup.com. Your exclusion request will not be valid if submitted to any other address. Your exclusion request must (i) be physically or electronically signed by you (typing your name at the end of your email is sufficient for an electronic signature); (ii) include your full name, address, and (if known) Launch account number(s); and (iii) include a statement that you request to be excluded from the Settlement Class in *Botcher, et al. v. Make School PBC, et al.* No request for exclusion will be valid unless all of this information is included, except for the Launch account number.

Your exclusion request must be e-mailed or postmarked by no later than February 8, 2024. The Court will exclude from the Settlement Class any member who timely and properly requests exclusion. By electing to be excluded from the Settlement Class, you: (1) will not receive any settlement benefits if the settlement is approved; (2) will not be bound by any further orders or judgments entered for or against the Settlement Class; (3) will not be entitled to comment on or object to any proposed settlement; and (4) may present any claims you have against Defendants by filing your own lawsuit at your own expense.

11. WHAT IS THE SETTLEMENT APPROVAL PROCEDURE?

The Court will hold a settlement hearing on March 22, 2024 at 9:00 AM, before the Honorable Ethan P. Schulman, in Department 304 of the Superior Court for the County of San Francisco, 400 McAllister Street, San Francisco, CA 94102, to consider whether the Settlement should be approved, as well as to consider an award of attorneys' fees and costs to Class Counsel and payment to the Settlement Class Representatives for their service as class representatives. You may attend the hearing, but you do not have to. If you exclude yourself from the Settlement Class, you are not entitled to object to the settlement, the award of fees and costs to Class Counsel, or the payment to the Settlement Class Representatives, and you may not be heard at the settlement approval hearing.

The Court has ordered that, pending determination of whether the Settlement should be granted final approval, all proceedings in this action will be stayed (or stopped), except as necessary to comply with the terms of the Settlement. During the stay, Settlement Class Members may not commence or continue prosecution of any action or proceeding involving the Released Claims against the Released Parties.

12. HOW DO I OBJECT TO THE SETTLEMENT?

If you decide to remain in the Settlement Class and you wish to object to the settlement, the award of fees and costs to Class Counsel, or the payments to the Settlement Class Representatives, you must submit your objection to the Settlement Administrator by either (1) mailing your objection to CPT Group, 50 Corporate Park, Irvine, CA 92606, or (2) e-mailing the Settlement Administrator at makeschoolsettlement@cptgroup.com. Your objection must contain your full name, address, physical or electronic signature, and a description of your objection. Class Counsel is required to file your objection with the Court.

Objections must be e-mailed or postmarked no later than February 8, 2024. If the Final Approval Hearing is rescheduled, Class Counsel will notify any Settlement Class Member who submitted an objection of the new date, time, and place of the hearing. If the Court approves the settlement, the approval will bind all members of the Settlement Class except those who have excluded themselves.

13. HOW DO I APPEAR AT THE SETTLEMENT HEARING?

Whether or not you file a written objection, you may still attend the settlement hearing, either in person, or through counsel hired at your own expense, to address the Court. The Court will hold a settlement hearing on March 22, 2024 at 9:00 AM, before the Honorable Ethan P. Schulman, in Department 304 of the Superior Court for the County of San Francisco, 400 McAllister Street, San Francisco, CA 94102. Please check the Settlement Website for updates.

14. WHEN DOES THE TERM OF MY NEW AGREEMENT START?

If the Settlement is approved by the Court, and you did not exclude yourself from the Settlement Class, your New Agreement will be sent to you within 15 days after the Settlement has been

approved and become final. The term of your New Agreement will start 60 days after the Effective Date specified in the Settlement Agreement.

15. WHAT ARE THE RELEASED CLAIMS?

If the settlement is approved and you do not exclude yourself from the settlement, the following release will apply:

Except as to the rights and obligations provided for under the terms of this Agreement, the Settlement Class Representatives and the Settlement Class Members, on behalf of themselves and their respective heirs, executors, administrators, representatives, agents, attorneys, partners, successors, predecessors-in-interest and assigns, shall be deemed to have, and by operation of the Judgment shall have, as of the Effective Date, fully released and forever discharged Defendants and each and all of their present, former and future direct and indirect parent companies, affiliates, subsidiaries, lenders, investors, agents, successors, or predecessors-in-interest, or any financial institutions, corporations, trusts, or other entities that may hold or have held any interest (including, without limitation, any security interest) in any account or any receivables relating to any account, or any receivables or group of receivables, or any interest in the operation or ownership of Defendants, and all of the aforementioned's respective officers, directors, employees, attorneys, representatives, shareholders, members, agents, vendors and assigns, from any and all rights, duties, obligations, claims, actions, causes of action or liabilities, whether arising under local, state or federal law (including, without limitation, under any state consumer-protection laws or laws prohibiting unfair or deceptive acts or practices), whether by constitution, statute, contract, common law or equity, whether actual or contingent, liquidated or unliquidated, that were alleged in the Third Amended Complaint or that were raised or could have been raised based upon the facts set forth in the Third Amended Complaint. For the avoidance of doubt, this release does not release the Released Parties from any claims arising from acts, omissions, or events occurring after the Effective Date or that do not arise from the facts alleged in the Third Amended Complaint.

To the extent that the foregoing release is determined to be a general release (and Defendants deny that it is a general release), the Settlement Class Representatives waive any right to challenge the foregoing release based on Section 1542 of the California Civil Code, or any other applicable law relating to limitations on releases. California Civil Code Section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR.

16. IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANT FOR THE SAME THING LATER?

No. Unless you exclude yourself, you give up any right to sue Defendants and/or any of the Released Parties for the claims that this settlement resolves. If you have a pending lawsuit covering these same claims, speak to your lawyer in that case immediately. You must exclude yourself from this Settlement Class to continue your own lawsuit.

17. HOW DO I GET ADDITIONAL INFORMATION?

The above is a summary of the basic terms of the settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement. You can inspect many of the court documents connected with this case at www.makeschoolsettlement.com by using the links provided. Please login using your unique class member ID code and password.

If you want further information, you can contact the Settlement Administrator by calling (888) 910-3208, sending an e-mail to makeschoolsettlement@cptgroup.com, or writing to CPT Group, 50 Corporate Park, Irvine, CA 92606. Please refer to your unique class member ID code and password.

You can also obtain additional information by contacting Class Counsel, Melody L. Sequoia of The Sequoia Law Firm and/or William Kennedy of the Consumer Law Office of William E. Kennedy. Class Counsel's contact information is below:

Melody L. Sequoia The Sequoia Law Firm 3000 El Camino Real, Suite 4-200 Palo Alto, CA 94306 melody@sequoialawfirm.com (650) 561-4791	William Kennedy Consumer Law Office of William E. Kennedy 2797 Park Avenue, Suite 203 Santa Clara, CA 95050 wkennedy@kennedyconsumerlaw.com (408) 241-1000
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You may seek the advice of your own attorney, at your expense, if you so desire.

You may also review the papers on file in the lawsuit, including the pleadings and other records in this litigation, during regular business hours at the Civil Records Division, The Civic Center Clerk's Office, 400 McAllister St., Room 103, San Francisco, CA 94102-4514 or online at <https://www.sfsuperiorcourt.org/online-services>.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. DO NOT CONTACT YOUR SERVICER. TELEPHONE REPRESENTATIVES ARE NOT AUTHORIZED TO CHANGE THE TERMS OF THE SETTLEMENT OR THIS NOTICE.