

## GUIDELINES FOR SETTLEMENT PAYMENTS

(California Culinary Academy Class Action Cases)

These guidelines (“Guidelines”) shall be implemented in connection with the settlement agreement (“Agreement”) executed in the actions entitled *Alison Amador, et al. v. California Culinary Academy, et al.*, San Francisco County Superior Court Case No. CGC-07-467710 and *Jennifer Adams, et al. v. California Culinary Academy, Inc., et al.*, San Francisco County Superior Court Case No. CGC-08-473866. Defined terms in these Guidelines shall have the same meaning as those set forth in the Agreement.

These Guidelines will be used by the Claims Administrator, and also by the special master if a determination by the Claims Administrator is appealed, to determine whether and what share each individual student submitting a Claim Form shall be entitled to receive from the Settlement Fund under the terms of the Agreement.

### A. Eligibility Criteria:

1. Only students who paid tuition to CCA, and who enrolled in or graduated from CCA from September 28, 2003 to October 8, 2008 shall be eligible to participate in the settlement.
2. Students who were involuntarily dismissed from CCA shall not be eligible for payments. “Dismissal” means removal from the school’s rolls for any reason other than voluntary withdrawal.
3. Non-degree seeking students shall not be eligible for payments.
4. Students who made no tuition payments shall not be eligible for payments.
5. Foreign students attending school on student visas shall not be eligible for payments.

CEC shall provide the Claims Administrator with a database of all Class Members and, for each, all data it has that is relevant to the Claims Administrator’s administration of each Class Member’s claim, including each student’s Base Amount (this term is defined in the Agreement, but without changing that definition means the amount of tuition paid by the student less grants and scholarships the student is not obligated to repay). A student submitting a Claim Form may provide information to rebut the data provided by CEC.

Students who meet these Eligibility Criteria shall be entitled to awards as follows.

- B. Calculation of Awards** (subject to proration of claims, and the discounts provided at Section C below, the Claims Administrator will determine allocations in this category as follows and based on the following tables):

**For all Class Members who first enrolled in CCA from September 28, 2003 through September 27, 2007:**

***Culinary Arts Program Graduates:***

Culinary Income	% Base Amount to be Awarded
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Less than \$25,000	50%
\$25,000 to \$26,999.99	45%
\$27,000 to \$28,999.99	40%
\$29,000 to \$30,999.99	35%
\$31,000 to \$32,999.99	30%
\$33,000 to \$34,999.99	22%
\$35,000 to \$36,999.99	15%
\$37,000 to \$41,999.99	08%
\$42,000 to \$45,000	01%
More than \$45,000	00 %

***Baking & Pastry Program Graduates:***

Culinary Income

≤\$25,000	\$4,000
> \$25,000 ≤ \$35,000	\$2,000
>\$35,000	Zero.

***Hotel and Restaurant Management Program Graduates:***

Culinary Income

≤ \$25,000	\$2,500
> \$25,000 ≤ \$35,000	\$1,500
>\$35,000	Zero.

**Without modifying the foregoing, Class Members who did not secure regular employment in a Culinary Job within 24 months of Graduation have zero culinary income.**

- C. Discounts Applicable to Certain Categories of Claims/Students.** Eligible Class Members falling into the categories described below shall have their awards calculated as described above but then shall be subjected to each discount identified below that applies to them. Some Eligible Class Members will be subjected to multiple discounts if, for example, they enrolled long ago and also withdrew from the school.

1. **Enrollment Date Discounts.** Class Members' awards shall be discounted based upon when the student first enrolled at CCA.
  - a. **Class Members who first enrolled at CCA before September 28, 2002** shall be allowed 5% of the amounts received by students in the same wage categories who enrolled between September 27, 2003 and September 27, 2007.
  - b. **Class Members who first enrolled at CCA from September 27, 2002 through September 27, 2003** shall be allowed 25% of the amounts received by students in the same wage categories who enrolled from September 27, 2003 through September 27, 2007.
  - c. **Class Members who first enrolled at CCA from September 28, 2007 to October 8, 2008** shall be allowed 25% of the amounts received by students in the same wage categories who enrolled between September 27, 2003 and September 27, 2007.

## 2. Student Withdrawal Discounts

- a. Class Members who withdrew from CCA will in most cases have lower Base Amounts, having paid less than full tuition. Their claims also shall be subject to discounts for having withdrawn. Those who withdrew for any reason that is consistent with the allegations of the Actions shall be allowed 75% of their otherwise applicable allowed claim. Reasons Eligible Class Members may have withdrawn that are consistent with the allegations of the Actions shall include but are not limited to: 1) the education was not cost-effective; 2) the education did not have the value or quality it was represented to have; 3) the admissions process was not selective, as represented; 4), the placement rates were not as represented; 5) the opportunities available to graduates were not as represented; 6), the career placement services were not as represented; and 7) generally, any withdrawal which occurred when the student realized that CCA was not as it was represented to be, in advertisements, written or video materials, or by CCA admissions representatives. The Claims Administrator should cross check the student's reason for withdrawal with CCA records, which detail the reasons given by many withdraws. Any reason given by a withdrawing student and reflected in CCA's records shall be the presumptively true reason, but the Eligible Class Member may thereafter submit evidence to rebut that presumption.
- b. Those who withdrew from CCA for any other reason other than one consistent with the allegations of the Actions shall be allowed 25% of their otherwise applicable allowed claim.