

**IN THE UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

DEL OBISPO YOUTH BASEBALL,
INC. d/b/a DANA POINT YOUTH
BASEBALL, individually and on behalf
of all other similarly situated individuals
and entities,

Plaintiff,

v.

THE AMBASSADOR GROUP LLC
d/b/a AMBASSADOR CAPTIVE
SOLUTIONS; PERFORMANCE
INSURANCE COMPANY SPC;
BRANDON WHITE; GOLDENSTAR
SPECIALTY INSURANCE, LLC;
DOMINIC CYRIL GAGLIARDI and
DOES 1 through 50,

Defendants.

Case No. 8:21-cv-00199-SPG-DFM

AMENDED SETTLEMENT
AGREEMENT AND
RELEASE

Complaint Filed: January 28, 2021

AMENDED SETTLEMENT AGREEMENT AND RELEASE

This Amended Settlement Agreement and Release (“Agreement” or “Amended Settlement Agreement”), dated as of April 21, 2024, is made and entered into by and among the following Parties: (i) Plaintiff Del Obispo Youth Baseball, Inc. d/b/a Dana Point Youth Baseball (“Plaintiff” or “Representative Plaintiff”), individually and on behalf of the Settlement Class, by and through the undersigned counsel of record; and (ii) Defendants The Ambassador Group LLC and Brandon M. White (together, “Ambassador,” and Ambassador together with Plaintiff, the “Parties”), by and through the undersigned counsel of record, that, in consideration of the promises and covenants set forth in this Agreement and upon entry by the United States District Court for the Central District Of California (the “Court”) of a Final Order and Judgment approving the settlement as set forth in this Agreement, the claims asserted against Ambassador shall be settled, dismissed, and compromised on a class-wide and individual basis upon the terms and conditions set forth in this Agreement.

Article I. RECITALS

1.01 This case was filed on January 28, 2021 (the “Action”). Plaintiff, on behalf of itself and all others similarly situated, alleged that Ambassador and others engaged in a scheme to sell counterfeited and nonexistent insurance policies to thousands of non-profit, youth sports teams, leagues, athletes, and athletic equipment manufacturers throughout the United States (the “Scheme”). In response to Plaintiff’s allegations, Ambassador has denied any wrongdoing.

1.02 The Scheme also involved Gagliardi Insurance Services, Inc. (“Gagliardi Insurance”), which served as the insurance broker in the Scheme selling the Counterfeited Policies to Plaintiff and Class Members.

1.03 After extensive discovery (including into the Defendants' assets), motions practice (including for class certification), and the bankruptcy and liquidation proceedings of other parties involved in the Scheme, the Parties decided it would be best to engage in mediation.

1.04 Throughout this litigation, the Parties have engaged in extensive, arms-length negotiations regarding the settlement of claims involved in this Action.

1.05 The Parties participated in a mediation on November 28, 2022 with the Honorable Gail Andler (Ret.) (JAMS). The negotiations were extensive and conducted at arm's length.

1.06 The Parties and their duly authorized counsel have evaluated the time and expense that will be necessary to prosecute the Action to final judgment, the recoverable assets of Ambassador, and the uncertainty inherent in predicting the outcome of any complex litigation such as this and, based upon such evaluation, have concluded that it is in the best interests of the Parties to settle this Action on the terms set forth herein.

1.07 Without conceding any lack of merit of any of their claims, Plaintiff and Class Counsel have concluded that it is in the best interests of the Class to settle this Action on the terms set forth herein, and that the settlement with Ambassador embodied in this Agreement is fair, reasonable, and adequate to Plaintiff and the Class.

1.08 While denying any fault, wrongdoing, or liability, and relying on the provisions of this Agreement that the settlement embodied here shall in no event be construed as or deemed to be evidence of an admission or a concession on the part of Ambassador (or any of its predecessors, successors, parent or subsidiary companies, affiliates, officers, directors, agents, attorneys, representatives, insurers, suppliers,

distributors, or vendors) of any fault, wrongdoing, or liability whatsoever, or that any of the allegations in the Complaint are true or Class Members' claims meritorious, and without conceding any infirmity in its defenses, Ambassador considers it desirable to enter into this Agreement to avoid further expense, to dispose of burdensome and protracted litigation, and to avoid the uncertain outcome of proceeding with this Action.

1.09 The Parties understand, acknowledge, and agree that the execution of this Agreement constitutes the settlement and compromise of disputed claims. This Agreement is inadmissible as evidence against any of the Parties except to enforce the terms of the Agreement and is not an admission of wrongdoing or liability on the part of any of the Parties to this Agreement. It is the Parties' desire and intention to affect a full, complete and final settlement and resolution of all existing disputes and claims as set forth herein.

1.10 The settlement contemplated by this Agreement is subject to preliminary and final approval by the Court, as set forth herein. This Agreement is intended by the Parties to fully, finally, and forever resolve, discharge, and settle all claims and causes of action asserted, or that could have been asserted, against Ambassador and the Released Persons (as defined in Section II, ¶ 2.10 below) arising out of or relating to the Scheme, by and on behalf of the Representative Plaintiff and Settlement Class Members (as defined in Section II, ¶ 2.17 below).

Article II. DEFINITIONS

As used in the Amended Settlement Agreement, the following terms have the meanings specified below:

2.01 "Amended Settlement Agreement" or "Agreement" means this Amended Settlement Agreement.

2.02 “Asset” means any interest in real or personal property including real estate, cash, securities, bonds, patents, loans, and any interests in a pension, profit-sharing, bank account, credit union account, brokerage account, stocks, bonds, mutual funds, or any other rights or claims.

2.03 “Benefit Administration” means the process of determining the Benefit Amounts for each Settlement Class Member by the Settlement Administrator.

2.04 “Benefit Amount” means the specific amount of the Settlement Benefit Fund, approved by the Settlement Administrator to be distributed to each Settlement Class Member.

2.05 “Class Counsel” means Michael F. Ram and Marie N. Appel of Morgan & Morgan and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP.

2.06 Complaint means the Third Amended Class Action Complaint, filed on April 1, 2024.

2.07 “Costs of Settlement Administration” means all actual costs associated with or arising from Benefit Administration and the Notice Program as set forth in Sections III, V, and IX. The Costs of Settlement Administration shall be paid to the Settlement Administrator from the Settlement Fund.

2.08 The “Counterfeited Policies” mean all counterfeited and nonexistent “insurance policies” sold to Plaintiff and Settlement Class Members, which were bounded by Gagliardi Insurance Services, Inc.

2.09 “Effective Date” means the first date by which all of the events and conditions specified in ¶ 11.01 herein have occurred and been met.

2.10 “Judgment” means a final order and judgment rendered by the Court that, among other things, finally approves the Settlement Agreement and is consistent with ¶ 4.2.

2.11 “Preliminary Approval Order” means the order preliminarily approving the Settlement Agreement and, among other things, ordering that notice be provided to the Settlement Class.

2.12 “Released Claims” shall mean any and all claims, rights, rights of set-off and recoupment, demands, actions, obligations, and causes of action of any and every kind, nature, and character, known and unknown, including without limitation, negligence, negligence per se, breach of contract, breach of implied contract, breach of fiduciary duty, breach of confidence, invasion of privacy, misrepresentation (whether fraudulent, negligent, or innocent), unjust enrichment, bailment, wantonness, any federal, state, or local statutory or regulatory claims, including, but not limited to, pursuant to consumer protection laws, unfair and deceptive trade practice laws, and further including, but not limited to, any and all claims for damages, injunctive relief, disgorgement, declaratory relief, equitable relief, attorneys’ fees, costs, and expenses, pre-judgment interest, the creation of a fund for future damages, statutory damages, punitive damages, special damages, exemplary damages, restitution, the appointment of a receiver, and any other form of relief that any Settlement Class Member has, has asserted, could have asserted, or could assert against any of the Released Persons based on, relating to, concerning, or arising out of the Scheme and the allegations, facts, or circumstances described in the Complaint.

2.13 “Released Persons” means Ambassador, Brandon White, and their current and former parents, subsidiaries, affiliated companies, and divisions, whether indirect or direct, as well as these entities’ respective predecessors, successors, directors, officers, employees, principals, agents, attorneys, insurers, and reinsurers. Released persons does not include Dominic Cyril Gagliardi, Gagliardi Insurance, Performance Insurance Company or Goldenstar Specialty Insurance LLC or any of their predecessors, successors, directors, heirs, officers, employees, principals, agents, attorneys, insurers or reinsurers, except that Released Persons expressly includes Brandon White.

2.14 “Service Award” means the cash award paid to Plaintiff for its service in this case.

2.15 “Settlement Account” means the bank account established by the Settlement Administrator pursuant to the terms of this Amended Settlement Agreement from which monies payable under the terms of the settlement shall be paid, as set forth herein. The Settlement Account is intended to be a “qualified settlement fund” (“Qualified Settlement Fund” or “QSF”) within the meaning of Treasury Regulation § 1.468B-1. The Settlement Administrator, within the meaning of Treasury Regulation § 1.468B-2(k)(3), shall be responsible for filing tax returns for the Settlement Fund and paying from the Qualified Settlement Fund any taxes owed with respect to the Settlement Account. The Parties hereto agree that the Settlement Account shall be treated as a “qualified settlement fund” from the earliest date possible, and agree to any relation-back election required to treat the Settlement Account as a “qualified settlement fund” from the earliest date possible. Defense Counsel agree to provide promptly to the Settlement Administrator the statement described in Treasury Regulation § 1.468B-3(e), if necessary. All taxes on any interest

earned by money in the Settlement Account shall be paid out of the Settlement Account, out of the interest earned on the Settlement Account, shall be considered to be a cost of administration of the Settlement, shall be timely paid by the Settlement Administrator without prior order of the Court, and under no circumstance shall Defendants have any tax liability related to the Settlement or the Settlement Account. All funds held in the Settlement Account and all earnings thereon shall be deemed to be in custodia legis of the Court and shall remain subject to the jurisdiction of the Court until such time as the funds shall have been disbursed pursuant to the terms of the Amended Settlement Agreement or further order of the Court. The Settlement Account shall be established for use in the Settlement to facilitate the effectuation and payment of consideration paid to Settlement Class Members, Costs of Settlement Administration, the Service Award, and Class Counsels' Fees and Expenses. The Settlement Administrator may only use the funds paid by the Defendant into the Settlement Account as specified in and consistent with the terms of the Amended Settlement Agreement and pursuant to an Order of the Court.

2.16 "Settlement Administrator" means CPT Group, Inc., as agreed by the Parties, which is experienced in formulating and effectuating notice programs and administering class action claims.

2.17 "Settlement Benefit Fund" means the Settlement Fund less the Costs of Settlement Administration and Proposed Class Counsel's Attorneys' Fees, Costs, and Expenses; and Service Award to Representative Plaintiff, as set forth in Sections III and IX.

2.18 "Settlement Claim" means a claim or request for settlement benefits as provided for in Section III ("Monetary Relief") of this Settlement Agreement.

2.19 “Settlement Class” means all members of PONY National that purchased a general commercial, accident, directors and officers, auto and/or other type of insurance policy bounded by Gagliardi Insurance Services, Inc. and that made such purchase in the United States on or after January 1, 2018 through January 28, 2021 (the “Class Period”). The Settlement Class specifically excludes: (i) Ambassador and its officers and directors; (ii) all Settlement Class Members who timely and validly request exclusion from the Settlement Class; and (iii) the Judge or Magistrate Judge to whom the action is assigned and, any member of those Judges’ staffs or immediate family members.

2.20 “Settlement Class Member” and “Settlement Class Members” mean all persons or entities who fall within the definition of the Settlement Class.

2.21 “Settlement Fund” means \$195,000 in cash that Ambassador has agreed to pay, subject to approval of this Settlement Agreement, for the benefit of the Settlement Class.

2.22 “Unknown Claims” means any of the Released Claims that Representative Plaintiff does not know or suspect to exist in its favor at the time of the release of the Released Persons that, if known by it, might have affected its settlement with, and release of, the Released Persons, or might have affected its decision not to object to and/or to participate in this Settlement Agreement.

With respect to any and all Unknown Claims released under this Agreement, the Parties stipulate and agree that, upon issuance of funds to Settlement Class Members pursuant to Section 3.2 of the Settlement, Representative Plaintiff shall be deemed to have, and by operation of the Order and Judgment shall have, expressly waived and relinquished,

to the fullest extent permitted by law, the provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

Representative Plaintiff shall, upon the issuance of funds to Participating Settlement Class Members pursuant to Section 3.2 of the Settlement, be deemed to have, and by operation of the Order and Judgment shall have, waived any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States, or principle of common law, which is similar, comparable, or equivalent to Section 1542 of the California Civil Code. Representative Plaintiff may hereafter discover facts in addition to or different from those that they now know or believe to be true with respect to the subject matter of the Released Claims, but Representative Plaintiff, upon the issuance of funds to Settlement Class Members pursuant to Section 3.2 of the Settlement, shall be deemed to have, and by operation of the Order and Judgment shall have, fully, finally, and forever settled and released any and all Released Claims, known or unknown, suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden, which now exist, or heretofore have existed upon any theory of law or equity now existing or coming into existence in the future, including, but not limited to, conduct relating to the Released Claims that is negligent, intentional, with or without malice, or any breach of any duty, law, or rule without regard to subsequent discovery or existence of such different or additional fact.

Article III. MONETARY RELIEF.

3.01 Settlement Fund. Ambassador agrees that, in exchange for: (i) entry of the Order and Final Judgment; (ii) the release of claims provided pursuant to Article VIII; and (iii) the conditions set forth in Article XI, it will, within thirty (30) days of the Effective Date, pay the Settlement Fund into the Settlement Account.

3.02 Benefit Amount: All Settlement Class Members shall receive a pro rata share of the Settlement Benefit Fund based upon the costs incurred by each Settlement Class Member in purchasing its Counterfeited Policy during the Class Period. The Settlement Administrator will calculate the total amount paid for each Counterfeited Policy by each Settlement Class Member during the Class Period (the “Direct Damages”). If there is not enough money in the Settlement Benefit Fund to pay the Direct Damages for each Settlement Class Member, there will be a pro rata reduction of each Benefit Amount. If there is more money than necessary in the Settlement Benefit Fund to pay the Direct Damages for each Settlement Class Member, there will be a pro rata increase to each Benefit Amount.

3.03 No Need to Submit a Claim Form. Settlement Class Members need not submit a claim form to receive their Benefit Amount.

3.04 Benefit Amount Calculation Process. The Settlement Administrator, in its sole discretion to be reasonably exercised, and based upon pre-litigation documentation provided by Gagliardi Insurance which is currently in the Parties’ possession, will determine each Settlement Class Member’s Direct Damages and Benefit Amount.

3.05 Settlement Expenses. All Costs of Settlement Administration as required under ¶ 3.05 and Sections III, V, and X, shall be paid from the Settlement Fund.

Article IV. PRELIMINARY APPROVAL AND FINAL APPROVAL

4.01 As soon as practicable after the execution of the Agreement, Class Counsel shall submit this Settlement Agreement to the Court and file a revised motion for preliminary approval of the settlement with the Court requesting entry of a Preliminary Approval Order that will, *inter alia*:

- (i) certify the Settlement Class for settlement purposes only;
- (ii) preliminarily approval the Amended Settlement Agreement;
- (iii) appoint Michael F. Ram and Marie N. Appel of Morgan & Morgan and Gretchen M. Nelson and Gabriel S. Barenfeld of Nelson & Fraenkel LLP as Class Counsel;
- (iv) appoint the Representative Plaintiff as settlement class representative;
- (v) approve the Notice Program;
- (vi) approve the mailing of the form of notice (“Mailing Notice”) and approve a long form notice (“Long Notice”), which together shall include a fair summary of the Parties’ respective litigation positions, the general terms of the settlement set forth in the Amended Settlement Agreement, instructions for how to object to or opt-out of the settlement, the process for obtaining the benefits of the settlement and the date, time and place of the final approval hearing; and
- (vii) appoint the Settlement Administrator.

4.02 The Long Notice and Mailing Notice shall be reviewed by the Settlement Administrator and may be revised as agreed upon by the Parties prior to such submission to the Court for approval.

4.03 The proposed Judgment that shall be filed with the motion for final approval shall, among other things:

- (i) Determine that the Settlement Agreement is fair, adequate, and reasonable;
- (ii) Finally certify the Settlement Class for settlement purposes only;
- (iii) Determine that the Notice Program satisfies due process requirements;
- (iv) Dismiss all claims in the Complaint against the Released Parties with prejudice;
- (v) Bar and enjoin any Settlement Class Members who did not timely opt out in accordance with the requirements of the Amended Settlement Agreement from asserting any of the Released Claims; and
- (vi) Release and forever discharge the Released Persons from the Released Claims, as provided for in this Amended Settlement Agreement.

Article V. NOTICE PROGRAM

5.01 Upon entry of the Preliminary Approval Order, the Settlement Administrator shall cause notice to be disseminated to the Settlement Class pursuant to the Preliminary Approval Order and Paragraphs 5.02 to 5.06 of this Amended Settlement Agreement (the “Notice Program”), in order to comply with all applicable laws, including, but not limited to the Due Process clause of the United States Constitution and FED. R. CIV. P. 23.

5.02 Notice shall be provided to Settlement Class Members via a mailing program and notice on a dedicated settlement website.

- (a) Within 30 days after the Preliminary Approval Order, Mailing Notice shall be provided to Settlement Class Members.
- (b) Within 30 days after the Preliminary Approval Order, the Settlement Administrator shall establish a dedicated settlement website and shall maintain and update the website throughout the Claims Period. The website shall

contain at least the Mailing Notice and Long Notice approved by the Court, as well as this Amended Settlement Agreement as well as copies of relevant pleadings. A toll-free help line shall be made available to address Settlement Class Members' inquiries. The Settlement Administrator also will provide copies of the forms of Mailing Notice, and Long Notice approved by the Court, as well as this Amended Settlement Agreement, upon request to any Settlement Class Member who requests such copies.

5.03 The Notice Program shall be subject to approval by the Court as meeting constitutional due process requirements.

5.04 The Long Notice and Mailing Notice approved by the Court may be adjusted by the Settlement Administrator, respectively, in consultation and agreement with the Parties, as may be reasonable and necessary and not inconsistent with the Court's approval.

5.05 Prior to the final approval hearing, Class Counsel and Ambassador's counsel shall cause to be filed with the Court an appropriate affidavit or declaration from the Settlement Administrator confirming compliance with the Court-approved Notice Program.

5.06 The Notice Program shall be deemed to commence 30 days following entry by the Court of a Preliminary Approval Order.

Article VI. OPT-OUT PROCEDURES

6.01 Each Settlement Class Member wishing to opt out of the Settlement Class shall individually sign and timely submit written notice of such intent to the designated

Post Office box established by the Settlement Administrator. The written opt out notice must clearly manifest a person's intent to be excluded from the Settlement Class.

- (a) The written opt out notice must include the individual's name and address; a statement that he/she/it wants to be excluded from the Settlement Class; and be dated and include the individual's signature or the signature of an authorized representative of any entity. The Settlement Administrator shall provide the Parties with copies of all completed opt-out notifications, and a final list of all who have timely and validly excluded themselves from the Settlement Class, which Class Counsel may move to file under seal with the Court no later than 10 days prior to the final approval hearing.
- (b) To be effective, written opt out notice must be postmarked no later than 120 days from the date of entry of the Court's Preliminary Approval Order.

6.02 All persons or entities who submit valid and timely notices of their intent to be excluded from the Settlement Class shall not receive any benefits of or be bound by the terms of this Amended Settlement Agreement. All persons or entities falling within the definition of the Settlement Class who do not submit valid and timely notices of their intent to be excluded from the Settlement Class shall be bound by the terms of this Amended Settlement Agreement and the Judgment entered thereon.

Article VII. OBJECTION PROCEDURES

7.01 Each Settlement Class Member desiring to object to the Amended Settlement Agreement shall submit a timely written notice of his or her objection. Such notice shall state: (i) the objector's full name, address, telephone number, and e-mail address (if any); (ii) information identifying the objector as a Settlement Class Member,

including proof that the objector is a member of the Settlement Class; (iii) a written statement of all grounds for the objection, accompanied by any legal support for the objection the objector believes applicable; (iv) the identity of all counsel representing the objector; (v) the identity of all counsel representing the objector who will appear at the final approval hearing; (vi) a list of all persons who will be called to testify at the final approval hearing in support of the objection; (vii) a statement confirming whether the objector intends to personally appear and/or testify at the final approval hearing; (viii) the objector's signature and the signature of the objector's duly authorized attorney or other duly authorized representative (along with documentation setting forth such representation); (ix) a list, by case name, court, and docket number, of all other cases in which the objector (directly or through counsel) has filed an objection to any proposed class action settlement within the last 3 years; (x) a list, by case name, court, and docket number, of all other cases in which the objector's counsel (on behalf of any person or entity) has filed an objection to any proposed class action settlement within the last 3 years; and (xi) a list, by case name, court, and docket number, of all other cases in which the objector has been a named plaintiff in any class action or served as a lead plaintiff or class representative.

- (a) To be timely, written notice of an objection in the appropriate form must be filed with the Clerk of the Court no later than 120 days from the Preliminary Approval date.

7.02 Except upon a showing of good cause, any Settlement Class Member who fails to substantially comply with the requirements for objecting set forth in ¶ 7.1 shall waive and forfeit any and all rights he/she/it may have to appear separately and/or to object

to the Amended Settlement Agreement, and shall be bound by all the terms of the Amended Settlement Agreement and by all proceedings, orders and judgments in the Litigation. The exclusive means for any challenge to the Amended Settlement Agreement shall be through the provisions of ¶ 7.1. Without limiting the foregoing, any challenge to the Amended Settlement Agreement, the final order approving this Amended Settlement Agreement, or the Judgment to be entered upon final approval shall be pursuant to appeal under the Federal Rules of Appellate Procedure and not through a collateral attack.

Article VIII. RELEASE

8.01 Upon the Effective Date, Representative Plaintiff and each Settlement Class Member shall be deemed to have, and by operation of the Judgment shall have, completely, fully, finally, irrevocably, and forever released, relinquished, and discharged all Released Claims. Settlement Class Members, including Representative Plaintiff, may hereafter discover facts in addition to, or different from, those that they, and any of them, now know or believe to be true with respect to the subject matter of the Released Claims, but Representative Plaintiff expressly shall have, and each other Settlement Class Member shall be deemed to have, and by operation of the Judgment shall have, upon the Effective Date, fully, finally and forever settled and released any and all Released Claims. The Parties acknowledge, and Settlement Class Members shall be deemed by operation of the Judgment to have acknowledged, that the foregoing is a material element of the Amended Settlement Agreement. Further, upon the Effective Date, and to the fullest extent permitted by law, each Settlement Class Member, including Representative Plaintiff, shall, either directly, indirectly, representatively, as a member of or on behalf of the general public or in any capacity, be permanently barred and enjoined from commencing, prosecuting, or

participating in any recovery in any action in this or any other forum in which any of the Released Claims are asserted.

This Release shall not be considered, interpreted, or construed to prevent Settlement Class Members from pursuing claims related to the Scheme and the allegations, facts and circumstances alleged in the Complaint against any person who is not a Released Person.

Article IX. PROPOSED CLASS COUNSEL'S ATTORNEYS' FEES, COSTS, AND EXPENSES; AND SERVICE AWARD TO REPRESENTATIVE PLAINTIFF.

9.01 The Parties did not negotiate the payment of the Representative Plaintiff's attorneys' fees, costs, expenses and/or Service Award to Representative Plaintiff, as provided for in ¶¶ 9.2 and 9.3, until after the substantive material terms of the settlement had been agreed upon, other than that it was agreed that Ambassador would pay reasonable attorneys' fees, costs and expenses, and a service award to Representative Plaintiff as may be agreed to by Ambassador and Class Counsel and/or as ordered by the Court. Ambassador and Class Counsel then negotiated and agreed as follows:

9.02 Class Counsel will request up to \$65,000 from the Court for their attorneys' fees, costs, and expenses to be paid from the Settlement Fund. Ambassador agrees not to object to this request. The Parties agree that any amount of attorneys' fees, costs, and expenses awarded shall be paid from the Settlement Fund and that Ambassador shall not have to pay any additional amounts other than the Settlement Fund.

9.03 Class Counsel will request that the Court award a Service Award for Representative Plaintiff in the amount of \$1,000.00. Ambassador agrees not to object to this request. The Parties agree that any amount of a Service Award shall be paid from the Settlement Fund and that Ambassador shall not have to pay any additional amounts other than the Settlement Fund.

9.04 The finality or effectiveness of the Settlement Agreement shall not depend upon the Court awarding any particular amount of attorneys' fees, costs, expenses, or service awards. No order of the Court, or modification or reversal or appeal of any order of the Court, concerning the amount(s) of any attorneys' fees, costs and expenses, and/or service awards ordered by the Court to Class Counsel or Representative Plaintiff shall affect whether the Judgment is final or constitute grounds for cancellation or termination of this Amended Settlement Agreement.

Article X. ADMINISTRATION OF CLAIMS

10.01 The Settlement Administrator shall administer and calculate the Benefit Amounts for each Settlement Class Members and give reports as to distributions to Class Counsel and Ambassador. Class Counsel and Ambassador have the right to review and obtain supporting documentation and challenge those reports if they believe them to be inaccurate or inadequate. All Benefit Amounts agreed to be paid in full or in part by Ambassador shall be deemed valid up to the amount paid.

10.02 Payment of Benefit Amounts shall be made by check and shall be mailed and postmarked within 90 days after the Effective Date.

10.03 No person shall have any claim against the Settlement Administrator, Released Persons, Lead Counsel, Class Counsel, Ambassador's counsel, and/or Representative Plaintiff based on calculations or distributions of Benefit Amounts to Settlement Class Members.

Article XI. CONDITIONS OF SETTLEMENT, CANCELLATION, OR TERMINATION.

11.01 The Effective Date of the settlement shall be conditioned on the occurrence of all of the following events:

- (i) the Court has entered the Order of Preliminary Approval with notice of a final approval hearing, as required by ¶ 4.01;
- (ii) the Court has entered the Judgment granting final approval to the Amended Settlement Agreement (among other things) as set forth herein; and
- (iii) Either (i) thirty (30) days have passed after entry of the final Judgment (i.e., the Judgment is entered as a final judgment) and no appeal is taken after the Judgment's entry and no motion or other pleading has been filed with the Court (or with any other court) seeking to set aside, enjoin, or in any way alter the Judgment or to toll the time for appeal of the Judgment; or (ii) all appeals, reconsideration, rehearing, or other forms of review and potential review of the Judgment are exhausted, and the Judgment is upheld without any material modification of the terms of this Agreement.

11.02 If all of the conditions specified in ¶ 11.01 hereof are not satisfied, the Settlement Agreement shall be deemed terminated and/or canceled unless Class Counsel and Ambassador counsel mutually agree in writing to proceed with the Amended Settlement Agreement.

11.03 The Parties agree, for purposes of this settlement only, to the certification of the Settlement Class. If the Amended Settlement Agreement is not approved by the Court or the Settlement Agreement is terminated and/or cancelled in accordance with its terms (including without limitation in accordance with ¶ 11.2 or ¶ 11.4), then (a) the Parties

shall be restored to their respective positions in the Litigation as if the Agreement had never been entered into (and without prejudice to any of the Parties' respective positions on the issue of class certification or any other issue), and (b) the terms and provisions of the Amended Settlement Agreement and statements made in connection with seeking approval of the Amended Settlement Agreement shall have no further force and effect with respect to the Parties and shall not be used in the Litigation or in any other proceeding for any purpose, and any judgment or order entered by the Court in accordance with the terms of the Amended Settlement Agreement shall be treated as vacated, *nunc pro tunc*. The Parties' agreement to the certification of the Settlement Class is also without prejudice to any position asserted by the Parties in any other proceeding, case or action, as to which all of their rights are specifically preserved. Further, notwithstanding any statement in this Amended Settlement Agreement to the contrary, Ambassador shall be obligated to pay amounts already billed or incurred for costs of notice to the Settlement Class and Claims Administration and shall not, at any time, seek recovery of same from any other party to the Litigation or from counsel to any other party to the Litigation.

11.04 The Amended Settlement Agreement may be terminated and/or cancelled by any of the Parties if (i) the Court rejects, materially modifies, materially amends or changes, or declines to preliminarily approve or finally approve the Amended Settlement Agreement; (ii) an appellate court reverses the final approval order and/or Judgment, and the Amended Settlement Agreement is not reinstated and finally approved without material change by the Court on remand; or (iii) the Court or any reviewing appellate court incorporates material terms or provisions into, or deletes or strikes material terms or provisions from, or materially modifies, amends, or changes, the proposed Preliminary

Approval Order, Preliminary Approval Order, the proposed Judgment, the Judgment, or the Amended Settlement Agreement.

11.05 Notwithstanding any provision of this Amended Settlement Agreement to the contrary, including but not limited to ¶ 11.4, and for the avoidance of any doubt, the finality or effectiveness of the Amended Settlement Agreement shall not depend upon the Court awarding any particular amount of attorneys' fees, costs, expenses, or service awards. No order of the Court, or modification or reversal or appeal of any order of the Court, concerning the amount(s) of any attorneys' fees, costs and expenses, and/or service awards ordered by the Court to Class Counsel or Representative Plaintiff shall affect whether the Judgment is final or constitute grounds for cancellation and/or termination of this Amended Settlement Agreement.

Article XII. MISCELLANEOUS PROVISIONS

12.01 The Parties (i) acknowledge that it is their intent to consummate this Amended Settlement Agreement; and (ii) agree to cooperate to the extent reasonably necessary to effectuate and implement all terms and conditions of this Amended Settlement Agreement, and to exercise their best efforts to accomplish the terms and conditions of this Amended Settlement Agreement.

12.02 The Parties intend this Amended Settlement Agreement to be a final and complete resolution of all disputes between them with respect to the Litigation. The Amended Settlement Agreement compromises claims that are contested and shall not be deemed an admission by any of the Parties as to the merits of any claim or defense. The Parties each agree that the settlement was negotiated in good faith by the Parties and reflects a settlement that was reached voluntarily after consultation with competent legal

counsel. The Parties reserve their right to rebut, in a manner that such party determines to be appropriate, any contention made in any public forum that the Litigation was brought or defended in bad faith or without a reasonable basis.

12.03 The Amended Settlement Agreement may be amended or modified only by a written instrument signed by or on behalf of all Parties or their respective successors-in-interest.

12.04 The Amended Settlement Agreement constitutes the entire agreement among the parties hereto, and no representations, warranties or inducements have been made to any party concerning the Amended Settlement Agreement other than the representations, warranties and covenants contained and memorialized in such document. Except as otherwise provided herein, each party shall bear its own costs. This Agreement supersedes all previous agreements made by the Parties.

12.05 Class Counsel, on behalf of the Settlement Class, is expressly authorized by Representative Plaintiff to take all appropriate actions required or permitted to be taken by the Settlement Class pursuant to the Amended Settlement Agreement to effectuate its terms, and also are expressly authorized to enter into any modifications or amendments to the Amended Settlement Agreement on behalf of the Settlement Class which they deem appropriate in order to carry out the spirit of this Settlement Agreement and to ensure fairness to the Settlement Class.

12.06 Each counsel or other person executing the Settlement Agreement on behalf of any party hereto hereby warrants that such person has the full authority to do so.

12.07 Ambassador warrants and represents that Ambassador (1) does not possess, own, hold an interest, or control Assets in addition to the real properties located at 5019

Hickory Hill Dr Lagrange, KY 40031-8670 and 5008 Hickory Hill Dr Lagrange, KY 40031-8645, or (2) made any fraudulent conveyances of Assets sufficient to have a material impact on recovery in this Action. Ambassador understands that Plaintiff is expressly relying upon the representations in this paragraph as being the complete truth in deciding whether to settle its claims.

12.08 Ambassador warrants and represents that as of the date of the Parties' mediation (November 28, 2022) only \$451,000 remained on Ambassador's applicable insurance policy and that Ambassador or its actions are covered under no other insurance policies which could affect recovery in this Action. Ambassador understands that Plaintiff is expressly relying upon the representations in this paragraph as being the complete truth in deciding whether to settle its claims.

12.09 Within 14 days of signing this Agreement, Ambassador will make an accurate and complete declaration and provide pre-litigation financial statements confirming that Ambassador does not possess, own, hold an interest, or control Assets—in addition to the real properties located at 5019 Hickory Hill Dr Lagrange, KY 40031-8670 and 5008 Hickory Hill Dr Lagrange, KY 40031-8645—sufficient to have a material impact on recovery in this Action.

12.10 Within 14 days of signing this Agreement, Ambassador will make an accurate and complete declaration and provide documents (created prior to November 28, 2022) confirming that as of the date of mediation (November 28, 2022) only \$451,000 remained on Defendants' applicable insurance policy and that Ambassador or its actions are covered under no other insurance policies which could affect recovery in this Action.

12.11 The Amended Settlement Agreement may be executed in one or more counterparts. All executed counterparts and each of them shall be deemed to be one and the same instrument. A complete set of original executed counterparts shall be filed with the Court.

12.12 The Amended Settlement Agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the parties hereto.

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

12.14 The Amended Settlement Agreement shall be considered to have been negotiated, executed, and delivered, and to be wholly performed, in the State of California, and the rights and obligations of the parties to the Amended Settlement Agreement shall be construed and enforced in accordance with, and governed by, the internal, substantive laws of the State of California without giving effect to choice of law principles.

12.15 The final approval hearing shall be scheduled no earlier than 90 days after the notices are made in order to comply with the Class Action Fairness Act (“CAFA”), 28 U.S.C. § 1715.

12.16 As used herein, “he” means “he, she, or it;” “his” means “his, hers, or its,” and “him” means “him, her, or it.”


12.17 All dollar amounts are in United States dollars.

12.18 Cashing a settlement check is a condition precedent to any Settlement Class Member’s right to receive settlement benefits. All settlement checks shall be void 90 days


after issuance and shall bear the language: “This check must be cashed within 90 days, after which time it is void.” If a check becomes void, the Settlement Class Member shall have until 150 days after the Effective Date to request re-issuance. If no request for re-issuance is made within this period, the Settlement Class Member will have failed to meet a condition precedent to recovery of settlement benefits, the Settlement Class Member’s right to receive monetary relief shall be extinguished. The same provisions shall apply to any re-issued check. For any checks that are issued or re-issued for any reason more than 180 days from the Effective Date, requests for re-issuance need not be honored after such checks become void.

12.19 All agreements made and orders entered during the course of the Litigation relating to the confidentiality of information shall survive this Amended Settlement Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused the Amended Settlement Agreement to be executed, as follows:

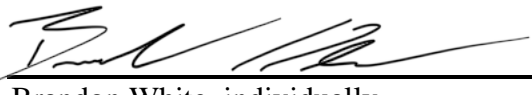


Dana Kislig, President
Del Obispo Youth Baseball, Inc. d/b/a Dana
Point Youth Baseball



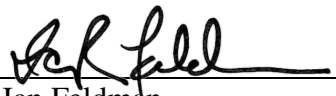
Brandon White as President of
The Ambassador Group LLC

APPROVED AS FOR FORM AND
CONTENT



Brandon White, individually

Michael F. Ram
Counsel for Representative Plaintiff and the
Settlement Class



Ian Feldman
Counsel for Settling Defendants

