

If You Signed a Non-Rent Stabilized Lease and Rented an Apartment at 415, 425, 435, 445 and 455 West 23rd Street, or 420, 430, 440, 450 and 460 West 24th Street, New York, New York, At Any Time On or After November 13, 2005, Up Through and Including June 30, 2014 (“Class Period”), A Class Action Settlement May Affect Your Rights.

A court authorized this notice. This is not a solicitation from a lawyer.

Dugan v. London Terrace Gardens, L.P. Class Action Settlement

Case Name: *Dugan v. London Terrace Gardens, L.P.*, Sup. Ct. N.Y. Co., Index No. 603468/2009

Class Period: November 13, 2005 through June 30, 2014

Deadlines:

- **Claim Filing: October 15, 2024**
- **Exclusions: October 15, 2024**
- **Objections: October 15, 2024**
- **Court Hearing on Fairness of Settlement: November 14, 2024**

Settlement Terms: The proposed Settlement provides that all current and former tenants who signed a non rent-stabilized lease and rented a unit (“Unit”) at any time on or after November 13, 2005, up through and including June 30, 2014, at 415, 425, 435, 445 and 455 West 23rd Street, or 420, 430, 440, 450 and 460 West 24th Street, New York, New York (the “Buildings”), may be entitled to damages if they submit a claim. The terms of the proposed Settlement address many issues involving former and current tenants and future rents. The proposed Settlement also requires that the current rents of Class Members who participate in the Settlement and are tenants on the date of the preliminary approval order comport with the Settlement Formula.

Settlement Amount: During the pendency of this action, Defendant sent to Class Members payments totaling \$2,819,237.54, and an additional \$1,572,549.08 is available to be distributed to Class Members who qualify for the additional payment under the Settlement Agreement, who timely and properly file a Claim Form, and who do not elect to exclude themselves from this Settlement and/or Opt-Out.

Benefit Amount: Subject to Court approval and the terms of the Stipulation of Settlement (“Stipulation”), each Class Member who submits a valid claim shall receive a payment for their calculated Past Rent Claim (“Past Rent Claim”), which is defined under paragraph 2 of the Stipulation as the amount of rent paid in excess of the result of the Settlement Formula (which uses a base date of November 13, 2005, plus standard vacancy increases, all Rent Guideline Increases and all rent adjustments permitted by the RSL and RSC after the Base Date)¹ for the term of a lease (“Lease Term”), less any amount paid or credited to a Class Member by Defendant in this action plus Interest (calculated at the non-compounding rate of 6.5% up to the date of December 31, 2017). If an Eligible Class Member during the Class Period paid rent that was less than or equal to the result of the Settlement Formula calculated for that Lease Term, such Eligible Class Member will have a Term Amount of zero for that Lease Term. The Term Amount shall be reduced by any non-payment of rent (subject to corroboration) and any rent concessions that are not reflected in the billing used to calculate the Terms amounts.

Attorney Fees: Court-appointed Class Counsel will ask the Court for up to \$3,031,414.88 in fees and expenses for investigating the facts, litigating the case, and negotiating the Settlement for a period of over 14 years. This amount is separate and apart from the Settlement Amount referenced above.

¹ Any undefined terms have the definitions set forth in the Stipulation.

More Information: London Terrace Gardens Class Action
 c/o JND Class Action Administration
 PO Box 91226
 Seattle, WA 98111

Toll-free: 1-844-552-0063

| Your Legal Rights and Options in this Settlement: | |
|--|---|
| Submit a Claim Form | The only way to get a payment. |
| Exclude Yourself | Get no payment. This is the only option that allows you to ever be part of any other lawsuit against Defendant regarding the legal claims in this case. |
| Object to the Settlement | Write to the Court about why you don't like the Settlement. |
| Go to the Fairness Hearing | Ask to speak in Court about the fairness of the Settlement. |
| Do Nothing | Get no payment. Give up rights. |

WHAT THIS NOTICE CONTAINS

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BASIC INFORMATION

1. Why did I receive this Notice?

You have been identified as a tenant who may have signed a lease and rented a unit at 415, 425, 435, 445 and 455 West 23rd Street, or 420, 430, 440, 450 and 460 West 24th Street, New York, New York, on or after November 13, 2005, up to and including June 30, 2014. The Court sent you this Notice because you have a right to know about a proposed Settlement of a class action lawsuit, and about your options, before the Court decides whether to approve the Settlement. If the Court approves it, and after any objections and appeals are resolved, an administrator appointed by the Court will make the payments that the Settlement allows.

This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them. The Court in charge of the case is the Supreme Court of the State of New York, County of New York, and the cases are known as *Dugan v. London Terrace Gardens, L.P.*, Sup. Ct. N.Y. Co., Index No. 603468/2009. The people who sued are called the Plaintiffs, and the company they sued, London Terrace Gardens L.P., is called the Defendant.

2. What is this lawsuit about?

The Plaintiffs, on behalf of themselves and all others similarly situated, brought claims challenging the deregulation from rent stabilization of apartments at 415, 425, 435, 445 and 455 West 23rd Street, and 420, 430, 440, 450 and 460 West 24th Street. Plaintiffs alleged that certain apartment units had been impermissibly deregulated pursuant to the "high rent/vacancy" and "high rent/high income," or so-called "luxury decontrol," provisions of the Rent Stabilization Law while the Buildings were participating in the J-51 Program.

The Defendant denies any and all liability or wrongdoing with respect to the claims alleged in the lawsuit, but desires to settle the case because a settlement will avoid the risk, expense and distraction of continued litigation.

3. Why is this a class action?

In a class action, one or more people, called Class Representatives, sue on behalf of people who have similar claims. All these people are a Class or Class Members. One court resolves the issues for all Class Members, except for those who exclude themselves from the Class.

4. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendant. Instead, Class Counsel and Defendant agreed to a settlement. That way, they avoid the cost of a trial, and the people affected will get compensation if they submit a claim.

WHO IS IN THE SETTLEMENT

5. How do I know if I am part of the Settlement?

The Court has decided that for settlement purposes, Class Members are defined as all persons who paid a rent for a Unit, pursuant to a non-rent stabilized lease, that was not calculated pursuant to the RSL and RSC, between November 13, 2005, and June 30, 2014, that exceeded the amount allowed by the Rent Stabilization Law and Code, the period when Defendant was participating in the J-51 tax benefit program.

6. I'm still not sure if I am included.

If you are still not sure if you are included in the Class, you may speak with a settlement specialist by calling the Claims Administrator toll-free at 1-844-552-0063.

THE SETTLEMENT BENEFITS

7. What does the Settlement provide?

Defendant has previously paid \$2,819,237.54 to Class Members for their Past Rent Claims while this lawsuit has been pending. Defendant has agreed to pay to Class Members Past Rent Claims that have not been paid, if any, plus interest on the Past Rent Claim calculated at the non-compounding rate of 6.5% up to the date of December 31, 2017, less any non-payment of rent and any rent concessions that are not reflected in the billing used to calculate the amounts, which amounts will be distributed to each Class Member who has a Past Rent Claim, who has timely and properly filed a Claim Form, and who has not elected to be an Opt-Out.

Class Counsel will apply to the Court, unopposed by Defendant, for an award of fees and costs in the amount of \$3,031,414.88 (the "Attorneys' Fee Award and Expenses"). This amount will be paid separate and apart from the amounts to each Class Member as set forth in this notice.

Plaintiffs will also apply to the Court for a payment to be made to each Named Plaintiff for their time and effort pursuing this lawsuit for over fourteen years in the amount of \$15,000 per Named Plaintiff apartment.

In exchange for the cash settlement, each Class Member who has not validly and timely requested exclusion from the Settlement shall be deemed to have fully, finally, and forever released any and all claims against the Defendant relating to the nature of the lawsuit.

8. How much will my payment be?

Each Settlement Class Member who files a valid Claim Form will receive a payment, provided such payment is warranted, based on the alleged overcharge of rents for the Units calculated as the difference between the rent that would have been charged had the Units been subject to rent stabilization and the rent actually charged for the Units, minus any amounts already received from Defendant in connection with this case, less any unpaid rent, plus interest of 6.5% annually for the period of payment by the tenant to when the money was paid back, but without any interest beyond December 31, 2017. If a Class Member leased more than one Unit during the Class

Period, all of the Term Amounts will be combined into one amount. You can find out what your damage payout (if any) would be by going to the claims administrator's website www.londonterracegardensettlement.com.

HOW YOU GET A PAYMENT

9. How can I get a payment?

To qualify for a payment from the Settlement, you must complete the enclosed Claim Form and mail it to the Claims Administrator at the following address, **postmarked on or before October 15, 2024**, or submit the claim form online at www.londonterracegardensettlement.com, **on or before, October 15, 2024**.

London Terrace Gardens Class Action
c/o JND Class Action Administration
PO Box 91226
Seattle, WA 98111

10. When would I get my payment?

The Court will hold a settlement hearing on **November 14, 2024**, to decide whether to approve the Settlement. If the Settlement receives final approval, benefit payments will be mailed out in a timely manner, provided there are no appeals to the Court's decision. Please be patient.

11. What am I giving up to get a payment or stay in the Class?

Unless you exclude yourself, you are staying in the Class, and that means that you can't sue, continue to sue, or be part of any other lawsuit against Defendant that pertains to the same legal issues in *this* case. It also means that all of the Court's orders will apply to you and legally bind you. By signing the Claim Form, you will agree to a "Release of Claims," which describes exactly the legal claims that you give up in order to get payment from the Settlement.

EXCLUDING YOURSELF FROM THE SETTLEMENT

12. How do I exclude myself from the Settlement?

If you do not want to be legally bound by the terms of the Settlement, you must exclude yourself or opt-out by sending a letter saying that you "request exclusion from the London Terrace Gardens Class Action." The letter must contain your name, current address, your leased Unit(s), and your signature. Your request for exclusion must be mailed to the address below, **postmarked no later than October 15, 2024**:

London Terrace Gardens Class Action
c/o JND Class Action Administration
PO Box 91226
Seattle, WA 98111

If one co-tenant of a Unit chooses to opt-out of the Class, all co-tenants of that Unit, including those co-tenants who timely submit a Claim Form, shall likewise be deemed to be opt-outs for each Lease Term for which they were co-tenants. Opt-outs will not receive any payment from the Settlement and cannot object to the Settlement; however, opt-outs will not be legally bound by anything that happens in this lawsuit.

13. If I don't exclude myself, can I sue for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Defendant for the same claims that this settlement resolves. If you have a pending lawsuit, speak to your lawyer in that lawsuit immediately. You must exclude yourself from this Class to continue your own lawsuit.

14. If I exclude myself, can I receive payment from this settlement?

No. If you exclude yourself from the Settlement, you will no longer be entitled to payment. Do not send in a Claim Form if you also exclude yourself.

THE LAWYERS REPRESENTING YOU

15. Do I have a lawyer in this case?

The Court has appointed the law firms of Himmelstein McConnell Gribben & Joseph LLP, Emery Celli Brinckerhoff Abady Ward & Maazel LLP, and Bernstein Liebhard LLP to represent you and other members of the Class. Together, the lawyers are called Class Counsel. You will not be charged for these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

16. How will the lawyers be paid?

Class Counsel will ask the Court to award them attorneys' fees (and unreimbursed expenses) in the amount of \$3,031,414.88. Proposed attorneys' fees will not come out of the payments due to Class Members.

The attorneys' fees and expenses requested will be the only payment to Class Counsel for their efforts in achieving this settlement and for their risk in undertaking this representation on a wholly contingent basis. To date, Class Counsel has not been paid for their fourteen years of services in conducting this litigation on behalf of the Plaintiff and the Class, nor for their expenses.

OBJECTING TO THE SETTLEMENT

17. How do I tell the Court that I don't like the Settlement?

If you're a Class Member and have not excluded yourself from the Settlement, you can object to the Settlement if you don't like any part of it. You can give reasons why you think the Court should not approve it, and the Court will consider your views. To object, you must file with the Court and serve upon the counsel listed below a written objection saying that you object to the Settlement in the London Terrace Gardens Class Action. Your written objection must include: (a) a written notice of intention to appear containing a notarized statement attesting to the fact that such person is a member of the Class, and setting forth the Unit(s) in the Building in which the member resides or resided and the dates of said residence; (b) a detailed statement of such person's specific position with respect to the matters to be considered at the Settlement Hearing and the grounds therefor; and (c) copies of any papers such person intends the Court to consider. This objection must be filed with the court and served upon counsel **no later than October 15, 2024**:

| Class Counsel | | Defense Counsel | |
|---|---|---|---|
| Ronald Languedoc William Gribben HIMMELSTEIN MCCONNELL GRIBBEN & JOSEPH LLP 15 Maiden Lane 17 th Fl New York, NY 10038 Tel: (212) 349-3000 | Matthew D. Brinckerhoff EMERY CELLI BRINCKERHOFF ABADY WARD & MAAZEL LLP 600 Fifth Ave, 10th Fl New York, NY 10020 Tel: (212) 763-5000 | Stanley D. Bernstein Joseph R. Seidman, Jr. BERNSTEIN LIEBHARD LLP 10 East 40th Street New York, NY 10016 Tel: (212) 779-1414 | Robert Goldstein Paul Gruber BORAH GOLDSTEIN ALTSCHULER NAHINS & GOIDEL LLP 377 Broadway New York, NY 10013 Tel: (212) 431-1300 |

18. What's the difference between objecting and excluding myself?

Objecting is simply telling the Court that you do not like something about the Settlement. You can object only if you do not exclude yourself from the Class. Excluding yourself is telling the Court that you do not want to be part of the Class or the lawsuit. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S FAIRNESS HEARING

19. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Fairness Hearing on **November 14, 2024**, in the New York Supreme Court, 71 Thomas Street, Room 210, New York, New York. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Judge will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the Settlement.

20. Do I have to come to the hearing?

No. Class Counsel will answer questions the Judge may have. But you are welcome to attend. If you submit an objection, you do not have to speak to the Court about it. As long as you delivered your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not necessary.

21. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you must send a letter saying that it is your intention to appear in the London Terrace Gardens Class Action. Be sure to include your name, address, telephone number, and your signature. Your notice of intention to appear must be sent to the Counsel at the addresses listed above by **October 15, 2024**. You cannot speak at the hearing if you exclude yourself from the Class.

GETTING MORE INFORMATION

22. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the full version of the Stipulation of Settlement. You can obtain a copy of the Stipulation from the Claims Administrator at www.londonterracegardensettlement.com or by calling toll-free 1-844-522-0063.

23. How do I get more information?

If you would like more information about the Settlement, you can call the Claims Administrator toll-free at 1-844-522-0063.

It is your responsibility to inform the Claims Administrator of address changes until your benefit is received.

DO NOT CONTACT THE COURT WITH QUESTIONS ABOUT THIS NOTICE.