

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

In Re:) LEAD CASE NO. BC 130 375
PARADISE MEMORIAL PARK)
LITIGATION) CLASS ACTION
_____)

NOTICE OF PENDENCY OF CLASS ACTION
AND PROPOSED PARTIAL SETTLEMENT

THIS NOTICE MAY AFFECT YOUR RIGHTS -- PLEASE READ IT CAREFULLY

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A. INTRODUCTION

THE FOLLOWING PERSONS MAY HAVE A CLAIM AGAINST PARADISE MEMORIAL PARK CEMETERY, ALMA FRACTION, FELICIA FRACTION AND VICTOR FORTNER:

Persons who are or were vested with the right, pursuant to California Health & Safety Code §7100, to control the disposition of the remains of any decedent who was buried at Paradise Memorial Park Cemetery ("Paradise"), located at 11541 East Florence Avenue, Santa Fe Springs, California;

or

Persons who contracted with one or more of the Defendants for funeral or burial services of any decedent interred at Paradise;

or

Persons who are close family members of any decedent interred at Paradise; are relatives who lived in the household of the decedent at the time of death; or are qualified individuals with "exceptional circumstances," and who: (a) were aware of the death of the decedent; (b) were aware that funeral or burial services were being performed for the decedent; and (c) were among those on whose behalf or for whose benefit the funeral or burial services were performed.

IF YOUR DECEDENT WAS BURIED BEFORE JUNE 21, 1995, YOU MAY BE A MEMBER OF THE IN RE: PARADISE MEMORIAL PARK LITIGATION SETTLEMENT CLASS. YOUR RIGHTS MAY BE AFFECTED BY THIS SETTLEMENT.

THIS NOTICE IS NOT AN EXPRESSION BY THE COURT OF AN OPINION CONCERNING THE MERITS OF ANY CLAIM OR DEFENSE OR THE TRUTH OR FALSITY OF ANY OF THE ALLEGATIONS OF THE PARTIES.

The purpose of this Notice is to advise you that:

◆ Your rights may be affected by the proposed settlement pending in this Court.

◆ By Order dated April 20, 1998, the Court has conditionally certified this as a mandatory non-opt-out class action for settlement purposes and determined that the proposed settlement deserves consideration as a possibly fair, reasonable and adequate resolution of the pending claims against Paradise Memorial Park Cemetery, Alma Fraction, Felicia Fraction and Victor Fortner ("Cemetery Defendants") only. This is a partial settlement and this and other actions are continuing against various Mortuary Defendants and others, although no class has been certified to date.

◆ The distribution of settlement proceeds to individual claimants, from this partial settlement, will not take place until all claims have been resolved against all of the remaining defendants. You will be advised in the future when you will be required to file a completed Proof of Claim Form.

◆ If you wish to object to this settlement you must follow the procedures described in paragraphs 11 through 16, below, by the objection postmark deadline.

B. DESCRIPTION OF THE ACTION

1. In June, 1995, shortly after allegations of improper handling of human remains by the Cemetery Defendants came to light, the lawsuits which are now called In Re: Paradise Memorial Park Litigation were filed by a number of surviving relatives and persons who contracted for funeral services, on behalf of themselves and others similarly situated. The lawsuits were consolidated by the Los Angeles County Superior Court. From 1995 through the present time, Commissioner Bruce E. Mitchell (the "Court") has presided over pre-trial proceedings and motions in these cases.

2. The Consolidated actions alleged that, during the period of 1969 through June 16, 1995, Cemetery Defendants, among other things, mishandled, mutilated, improperly buried, and otherwise improperly handled the remains of the decedents entrusted to them, in a manner offensive to human sensibilities and/or expressly prohibited by law. On April 3, 1998, the Court granted preliminary approval of a settlement with the Cemetery Defendants only. Following final approval of this settlement, and final resolution of all Class claims, proceeds will be distributed to certain qualified claimants.

C. CLASS CERTIFICATION

3. On April 3, 1998, the Court certified a mandatory non-opt-out Settlement Class defined as follows:

(a) Pursuant to California Health & Safety Code §7100, certain persons who are or were vested with the right to control the disposition of the remains of any decedent who was buried at Paradise Memorial Park Cemetery ("Paradise"), located at 11541 East Florence Avenue, Santa Fe Springs, California; or

(b) persons who contracted with one or more of the Defendants for funeral or burial services of any decedent interred at Paradise; or

(c) persons who are close family members of any decedent interred at Paradise; are relatives who lived in the household of the decedent at the time of death; or are qualified individuals with "exceptional circumstances," and who: (1) were aware of the death of the decedent; (2) were aware that funeral or burial services were being performed for the

decedent; and (3) were among those on whose behalf or for whose benefit the funeral or burial services were performed.

D. CLASS COUNSEL AND CLASS REPRESENTATIVES

4. The Court has appointed the following Plaintiff Class Counsel: Mike Arias, Esq., Arias & Ozzello, P.C., 11766 Wilshire Boulevard, Suite 720, Los Angeles, California 90025; J. Paul Gignac, Esq., Cappello & McCann, 831 State Street, Santa Barbara, California 93101; and Bruce C. Fishelman, Esq., Stanbury & Fishelman, 9200 Sunset Boulevard, Penthouse 30, Los Angeles, California 90069 and has certified the following Class Representatives to represent the Settlement Class: Cheryl Ann Allison, Donna G. Brown, Patsy Fleming, Gloria Duran, Regina Brown, Georgia Williams, Mary Guidry, Samuel Segarra, John M. Harris, Jr., Linda Clark, Barbara Bealey, Ora Greer, Gloria Scott, Daisy Mitchell Glover, Lillie Williams, Alton Forniss, Michael Knox, Cassandra L. Washington, Margaret Duron, Georgia Wise, Gloria Jean Pitts, Sharon Mckissic, Susie Bolden, Betty Hampton, Nellie M. Robinson, Gloria Scott, Bobbie Brooks, Kathy Orozco, Evelyn Brinson, Linda J. Wilson, Raymond Greer, Curtis Raleigh, Renell Woodard, Albertine Conner, Guadalupe Rodriguez, Brenda Elmore, Ruth Naomi Campbrell, Frances Ramirez, Mozell Meriweather, Benita Messenger, Willie Green, Elaine Young, Adela Anaya-ramos, Ernestine Clay, Eugene Taylor, Michelle Miller, Zora Smith, George Jimenez, Dorothy Anderson, Booker Polk, Ianthus Ray, Richard L. Barnes, Arnecia Harris, Mary Sawyers, Lizzie Thomas, Robin Glover, Anna Phelps, Delores Pardner, Albert Campbell, Priscilla Carr, Leon Mcgowan, Patricia Hennessee, and Mischelle Andres.

E. TERMS OF THE SETTLEMENT

5. Class Counsel and counsel for Cemetery Defendants have reached a proposed settlement which has obtained the preliminary approval of the Court. The proposed settlement generates, under certain terms and conditions, a fund of \$4.5 million to be allocated and distributed, under Court supervision, to members of the Settlement Class and to fund the continued operation and maintenance of the cemetery for the benefit of all members of the Class. The proposed settlement is subject to certain conditions. In exchange for the payment of the settlement fund, all members of the class will release all claims which have been or could have been asserted in the In Re: Paradise Memorial Park Litigation cases against Cemetery Defendants. This settlement is the result of extensive Court-supervised and approved negotiations by counsel conducted after Class Counsel engaged in substantial investigation, document review and informal discovery into the allegations against Cemetery Defendants. Cemetery Defendants have denied, and continue to deny, any wrongdoing and deny any liability whatsoever.

6. The amount each class-member claimant will receive is not known at this time, but will depend on the type of damage suffered to claimant, relationship to the decedent and number of qualified timely filed claims.

7. Approximately \$1,830,000 of the settlement fund will be used to form a California non-profit corporation whose main purpose will be to provide for the future operations, repairs and maintenance of Paradise Memorial Park. The Board of Directors of the Trust will be composed of volunteers who will not be compensated for their time and services. Wahlquist & Company, licensed and insured certified public accountants, will be hired to handle the financial affairs of the cemetery. The Court will be asked to retain continuing jurisdiction over the Trust and the accountant. It will also be requested that: (1) only pre-purchased pre-need burials be allowed at the cemetery; (2) any disinterments, under Court supervision, be completed within six months of the date of this notice; (3)

all burials and disinterments will be performed by outside independent contractors at the expense of the requesting party; and (4) the hours the cemetery will be open to the public will remain the same unless and until the Trust Board determines it is in the best interests of the cemetery to change the cemetery hours. **To effectuate this memorial trust, the Cemetery Defendants have agreed to transfer ownership of Paradise Memorial Park to the California non-profit corporation to be formed.**

8. Any Class Member desiring disinterment of a family member or the person for whom they contracted for burial shall notify the Court, within six (6) months of the date of this Notice, that such disinterment is desired. The Court shall retain jurisdiction to authorize, if appropriate, such disinterment requests. Any disinterment not requested during this time frame shall not otherwise be allowed, except by specific Court Order obtained by the party desiring such action. All costs associated with a disinterment shall be borne by the party requesting the disinterment.

F. RECOMMENDATION OF CLASS COUNSEL

9. Plaintiffs' Counsel believe that class members are best served by participating in the proposed settlement. Plaintiffs' Counsels' extensive investigation, document review, discovery and insurance issues evaluation has lead them to the conclusion that the Preliminary Approval Settlement is in the best interests of all class members.

G. ATTORNEYS' FEES AND COSTS

10. All petitions for attorneys' fees and expenses are subject to Court approval. To date, Class Counsel have incurred out-of-pocket costs and have invested substantial time, on a priority basis, to protect and prosecute the Class claims, without receiving compensation of any kind. In class actions, counsel who generate a monetary recovery for the benefit of the class are entitled to an award of attorneys' fees and costs representing a reasonable percentage of the recovery in recognition of their efforts, expenses, risks, and performance. This percentage generally ranges from 25% to 40% of the class action Settlement Fund. In this case, Class Counsel will apply to the Court for reimbursement of their actual out-of-pocket costs, and an award of attorneys' fees in an aggregate amount which represents 30% of the class action Settlement Fund. The Settlement Fund, less Court-approved attorneys' fees and costs (the "Net Settlement Fund"), will be available for distribution to the Class and for funding the future operations, repairs and maintenance of the cemetery.

11. Class members have the right to comment in support of, or in opposition to, this application. In order to do so, you must follow the procedure described below.

12. In addition, it is anticipated that the Court appointed Receiver and his Counsel will also apply to the Court for payment of unreimbursed out-of-pocket costs and fees, incurred by the Receiver and his counsel in this case, some or all of which may be approved for payment from the class action Settlement Fund.

H. THE SETTLEMENT APPROVAL PROCESS

13. A final Settlement Approval Hearing will be held on July 15, 1998, at the hour of 9:00 a.m., before Commissioner Bruce E. Mitchell, Department 59, of the Los Angeles County Superior Court, 111 North Hill Street, Los Angeles, California 90012, to hear evidence and argument regarding the fairness, adequacy and reasonableness of the proposed

settlement, so that the Court may determine whether it should be granted final approval; whether the action should be dismissed on the merits with prejudice as to Settling Defendants pursuant to the settlement agreement; and the amount of any award of attorneys' fees and costs to plaintiffs' counsel.

14. Class members are entitled, but not required, to attend. If you wish to comment in support of or opposition to any aspect of the settlement or applications described in this Notice, you are entitled to do so. You must submit any written comments postmarked no later than June 15, 1998. Written comments must be mailed to each of the following:

Commissioner Bruce C. Mitchell
Los Angeles County Superior Court
Department 59
111 North Hill Street
Los Angeles, California 90012

For Plaintiffs' Liaison Counsel:
Mike Arias, Esq.
Arias & Ozzello, P.C.
11766 Wilshire Boulevard, Suite 720
Los Angeles, California 90025

For Cemetery Defendants' Counsel:
Edith Matthai, Esq.
Robie & Matthai
500 S. Grand Avenue, Suite 1500
Los Angeles, CA 90071

15. In order to be considered by the Court, all written comments must be postmarked by the June 15, 1998, deadline. If you wish to appear and be heard in person at the final approval hearing, you must mail a letter stating your intention to appear to the Court, Plaintiffs' Class Counsel, and Counsel for Cemetery Defendants as listed above, by the June 15, 1998, deadline. The Court may, in its discretion, limit the number of persons and time permitted for comments at the hearing.

16. Any member of the Class may comment in writing or in person on whether: (1) the terms of the settlement are fair, reasonable and adequate; (2) the action should be dismissed as to Cemetery Defendants; or (3) an award should be made to Plaintiffs' Counsel of their reasonable fees and costs.

17. Whether or not you submit any written comments, appear at the hearing, or submit a timely Claim Form, as a class member you will be bound by the determination, order and judgment of the Court on final settlement approval.

18. If you come within the Class definition, you are bound by all orders of the Court regarding the final approval of the settlement, and the release of claims, described in this Notice, whether or not you make a claim.

19. Any member of the Class will be able to file a Claim Form and share in the Net Settlement Fund whether or not they have objected to the proposed settlement. ANY MEMBER OF THE CLASS WHO DOES NOT TIMELY RETURN A COMPLETED CLAIM FORM (ONCE THE CLAIMS PROCESS BEGINS) WILL NOT BE PERMITTED TO SHARE IN THE DISTRIBUTION OF THE NET SETTLEMENT FUND BUT WILL NEVERTHELESS BE BOUND BY THE PROPOSED SETTLEMENT AND JUDGMENT ENTERED IN THIS LITIGATION. YOU WILL BE NOTIFIED BY A SEPARATE FUTURE MAILING OF THE SCHEDULE FOR SUBMITTING A CLAIM.

20. Additional Notices can be obtained by writing to the following address:

Paradise Memorial Park Litigation

2801 Ocean Park Boulevard, PMB #10
Santa Monica, California 90405
website: www.usexchange.com/classaction

I. REPRESENTATION BY COUNSEL AND FURTHER PROCEEDINGS

21. As a member of the Class, you may communicate with, seek the advice of, or enter an appearance through counsel of your own choice. Any member of the Class who does not enter an appearance either individually or through his or her own counsel will be represented by counsel for the Class Plaintiffs, who are proponents of the settlement, and will have no individual liability for attorneys' fees and costs, both of which will be payable from the Settlement Fund.

22. If the settlement does not receive final approval by the Court, the case will continue to be prepared for trial. In any event, this case will continue to be prosecuted against all other non-settling defendants.

J. FOR MORE INFORMATION

23. This Notice summarizes the basic terms of the settlement. For more detailed information you may review and copy the pleadings, records and other papers on file in this litigation during regular business hours at the office of the Clerk, Los Angeles County Superior Court, 111 North Hill Street, Room 111, Los Angeles, California, 90012 or you may contact Plaintiffs' Liaison Counsel:

Mike Arias, Esq.
ARIAS & OZZELLO, P.C.
11766 Wilshire Boulevard, Suite 720
Los Angeles, California 90025
Telephone: (310) 478-1212
e-mail: aolaw@ariasozzello.com

PLEASE DO NOT ADDRESS QUESTIONS OR REQUESTS FOR INFORMATION TO THE COURT.

DATED: April 20, 1998

Honorable Bruce E. Mitchell
Commissioner of the
Los Angeles Superior Court