

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and among Defendants SUV Affordable, L.P. (“SUV”), AWI Management Corporation (“AWI”), Michael Burke, and Kiran Chhotu (collectively, “Defendants”); Plaintiff California Civil Rights Department (“CRD” or “Department”); and the estate of the deceased Real Party in Interest Katy Willis (“Katy Willis’ Estate”) (collectively, “Parties,” or referred to individually herein as “Party”). In exchange for the promises and representations set forth herein, the Parties agree to settle the government enforcement action *Civil Rights Department v. SUV Affordable L.P., et al.*, Case No. 2:22-CV-00584-MCE-CSK, currently pending before the United States District Court for the Eastern District of California (“Lawsuit”), as follows:

1. This Agreement is voluntarily entered into by all the above-listed Parties.
2. This Agreement shall be effective as of the date on which all Parties have fully executed this Agreement (“Effective Date”).
3. In consideration of the Defendants’ promises in this Agreement and within ten (10) days of receipt of the monetary amounts described in Paragraph 5, CRD and Defendants agree to execute and file a stipulated request for dismissal with prejudice of the Lawsuit with the Court to retain jurisdiction for one-hundred and twenty (120) days to enforce the terms of this Agreement. Notwithstanding the dismissal of the Lawsuit, the United States District Court for the Eastern District of California will retain jurisdiction over the Lawsuit for one-hundred and twenty (120) days for the purpose of enforcing this Agreement.
4. In consideration of Defendants’ promises in this Agreement, CRD and the Katy Lynn Willis Estate fully and completely release, cancel, and forever discharge Defendants from all claims and causes of action in this Lawsuit and all actions, demands, damages, obligations arising out of or relating to this Lawsuit up to the Effective Date. CRD further waives all claims and causes of actions that are within CRD’s jurisdiction relating to the Lawsuit and/or the factual circumstances alleged therein up to the Effective Date. CRD and the Katy Lynn Willis Estate represent that they have not filed any action or initiated any other proceeding with any court or government authority relating to the factual circumstances in the Lawsuit. This paragraph is subject to CRD’s rights under paragraphs 11 and 16 below.

Monetary Terms

5. Defendants agree to pay within ten (10) days of full execution of this Agreement, and as consideration for the releases set forth in Paragraph 4, the total Settlement Sum of One-Hundred and Twenty Thousand Dollars (\$120,000.00), which will be paid as follows:

- (a) Defendants will pay One-Hundred and Five Thousand Dollars (\$105,000.00) by check payable to the “Katy Lynn Willis Estate,” delivered via overnight mail to the attention of Kenjamin Ho, Civil Rights Department, 651 Bannon St., Suite 200, Sacramento, CA 95811.
- (b) Defendants will pay Fifteen Thousand Dollars (\$15,000.00) by check payable to the Civil Rights Department, delivered via overnight mail to the attention of Kenjamin Ho, Civil Rights Department, 651 Bannon St., Suite 200, Sacramento, CA 95811.

Non-Monetary Terms

6. Defendants agree to the following:

- (a) Within 60 days of the Effective Date, AWI will adopt and provide CRD with the following written policies, procedures, or model forms:
 - i. Fair housing policies that explain obligations for housing providers who own, operate, or manage properties covered under Section 504 of the Rehabilitation Act, including requirements regarding reasonable accommodations and/or modifications.
 - ii. Policies to ensure regular inspection and maintenance of elevators at properties AWI manages in California.
 - iii. Policies and/or procedures regarding elevator service interruptions. These policies and/or procedures will address the following:
 - 1. Procedures for notifying tenants with disabilities that the elevator is out of service.
 - 2. Procedures for ensuring that housing for tenants with mobility disabilities on upper floors remains accessible in the event of elevator outages lasting longer than twenty-four (24) hours.
 - iv. AWI’s emergency plan and evacuation procedures for Sutter Village (1200 Gray Avenue, Yuba City, CA 95991). The emergency plan and evacuation procedures will specify the plans and procedures for persons with disabilities, including for persons with limited mobility and for persons who use wheelchairs.
- (b) Within 60 days of the Effective Date, AWI will designate a fair housing coordinator at Sutter Village who is responsible for reviewing requests for reasonable accommodations from current tenants and prospective tenants and

applicants. AWI will provide CRD with the name and contact information for the fair housing coordinator for Sutter Village.

- (c) Within 60 days of the Effective Date, Defendants Michael Burke and Kiran Chhotu, and the fair housing coordinator (see above) will complete three hours of fair housing training. The training will cover the obligations of housing providers under the Rehabilitation Act. Defendants will provide verification to CRD that its training obligations have been satisfied.
 - (d) Within 60 days of the Effective Date, AWI will post the following fact sheet in a conspicuous location at properties it manages in California: Fair Housing Fact Sheet (available at https://calcivilrights.ca.gov/wp-content/uploads/sites/32/2022/11/Fair-Housing-Fact-Sheet_ENG.pdf).
 - (e) Within 60 days of the Effective Date, AWI will distribute the following fact sheet to all tenants residing at properties it manages in California: Disability Discrimination Fact Sheet (available at https://calcivilrights.ca.gov/wp-content/uploads/sites/32/2022/12/Disability-Discrimination_ENG.pdf).
7. Except as provided for in Paragraphs 5(b) and 16, the Parties shall each bear their own costs and attorneys' fees incurred in connection with or in relation to the Lawsuit and CRD's investigation of the facts giving rise to the Lawsuit.

Acknowledgements

8. This Agreement does not prohibit the Katy Lynn Willis Estate from testifying, assisting, or participating in an investigation, hearing, or proceeding conducted by any state, local, or federal governmental entity, or from helping other individuals to pursue their rights. In addition, nothing in this Agreement prevents the disclosure of factual information by either party as specified in California Code of Civil Procedure section 1001.
9. The existence, terms, and conditions of this Agreement, and underlying factual information related to the Lawsuit, and the Agreement constitute a public record.
10. The Parties acknowledge that this Agreement represents the sole and entire Agreement between the parties and supersedes all prior agreements, negotiations, and discussions among them and/or their respective counsel with respect to the above-referenced lawsuit. In signing this Agreement, the Parties agree that they have not relied on any other promises, inducement, or representations, other than as expressly set forth herein. The Parties further agree and understand that this Agreement may only be modified in a writing signed by all Parties.

11. The Parties acknowledge that the CRD does not waive its right to process any other complaints against Defendants by any other person. The CRD's participation in this Agreement is limited to the particular factual allegations of the underlying lawsuit. CRD does not, nor is it able to, waive the rights of any other person who may want to file a complaint of discrimination against Defendants. Nor is CRD waiving its right to initiate a Director's Complaint based on allegations that are unrelated to any claims released pursuant to Paragraph 5 above.
12. Nothing in this Agreement shall be construed as an admission by Defendants of any misconduct, nor shall compliance with this Agreement constitute or be construed as an admission by Defendants of any misconduct or its agreement with any findings by the CRD to date. This paragraph shall not, however, diminish or otherwise affect Defendants' obligations, responsibilities, and duties under this Agreement.
13. In signing this Agreement, the Parties acknowledge that neither CRD nor any of its agents or employees has served as an attorney or a tax advisor to any party. The Parties further acknowledge that each party has the right to seek tax advice or advice related to how this settlement will affect any public benefits, and to review this Agreement with an attorney or tax consultant, prior to signing.
14. If any provision of this Agreement is held to be invalid and/or unenforceable, the Agreement shall be considered as if the invalid and/or unenforceable portion did not exist, with all remaining portions considered valid and enforceable.
15. This Agreement shall be construed and enforced pursuant to the laws of the State of California.
16. Should any party fail to comply with its obligations under this Agreement, in whole or in part, in any action or proceeding brought to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable attorney fees and costs. In addition, the parties agree and understand that the CRD has the authority to investigate compliance with this Agreement, or to enforce the Agreement in court pursuant to Code of Civil Procedure section 664.6 in the event of a breach.
17. The Parties acknowledge that: (a) they have read and fully understand all of the provisions of this Agreement; (b) they are voluntarily entering into this Agreement, without coercion; (c) they have entered into this Agreement based on their own judgment; and (d) they have not relied upon any representations or promises made by other parties other than those contained herein.
18. The terms of this Agreement are contractual in nature and are not merely recitals.
19. This Agreement may be executed in counterparts and facsimile, e-mail, and photocopies shall be deemed as originals for the purposes of this Agreement. To the extent any of the undersigned individuals is signing on behalf of a Party, that individual hereby certifies

that he or she has full authority to enter into this agreement for the Party on whose behalf he or she has signed and agreed. This document may be executed in duplicate originals, each of which shall be equally admissible in evidence.

20. Nothing in this Agreement, whether express or implied, is intended to or shall (a) confer any rights or remedies under or by reason of this Agreement on any persons other than the Parties hereto and their respective successors and assigns; (b) relieve or discharge the obligation or liability of any third person to any Party hereto, or (c) give any third person any right of subrogation or action against any Party to this Agreement.

It is so agreed.

Plaintiff CRD:

[REDACTED]

Azadeh Hosseinian
Associate Chief Counsel

Dated: 2/10/2025

Defendant SUV:

Kristoffer Kaufmann
Principal of SUV

Dated: _____

Defendant AWI:

Michael Burke
Senior Vice President of AWI

Dated: _____

Defendant Michael Burke:

Michael Burke, as an Individual

Defendant Kiran Chhotu:

Kiran Chhotu, as an Individual

Katy Lynn Willis Estate:

A handwritten signature is present above a large black rectangular redaction box.

Administrator of the Katy Lynn Willis Estate

Dated:  _____

APPROVED AS TO FORM:

Attorney for AWI, Mr. Burke, and Ms. Chhotu:

David Dalby
Hinshaw & Culbertson LLP

that he or she has full authority to enter into this agreement for the Party on whose behalf he or she has signed and agreed. This document may be executed in duplicate originals, each of which shall be equally admissible in evidence.

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It is so agreed.

Plaintiff CRD:

Azadeh Hosseinian
Associate Chief Counsel

Dated: _____

Defendant SUV:

Kristoffer Kaufmann
Principal of SUV

Dated: _____

Defendant AWI:



Michael Burke
Senior Vice President of AWI

Dated: February 4, 2025

Defendant Michael Burke:

[Redacted signature]

Michael Burke, as an Individual

Defendant Kiran Chhotu:

[Redacted signature]

Kiran Chhotu, as an Individual

APPROVED AS TO FORM:

Attorney for AWI, Mr. Burke, and Ms. Chhotu:

[Redacted signature]

David Dalby
Hinshaw & Culbertson LLP

Dated: February 6, 2025

Attorney for SUV:

Justin Hein
Carle Mackie Power & Ross LLP

Dated: _____

Dated: _____

Attorney for SUV:

Justin Hein
Carle Mackie Power & Ross LLP

Dated: _____

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It is so agreed.

Plaintiff CRD:

Azadeh Hosseinian
Associate Chief Counsel

Dated: _____

Defendant SUV:



Kristoffer Kaufmann
Principal of SUV

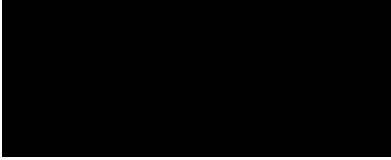
Dated: 2/5/2025

Defendant AWI:

Michael Burke
Senior Vice President of AWI

Dated: _____

Attorney for SUV:



Carle Mackie Power & Ross LLP

Dated: February 4, 2025 _____