

rec'd 8/30/18

FILED
Superior Court of California
County of Los Angeles

AUG 30 2018

Sherri R. Carter, Executive Officer/Clerk of Court
By Aldwin Lim Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JOHN WALTER MADISON, et al.

Plaintiffs,

V.

CITY NATIONAL BANK, N.A., et al.

Defendants.

consolidated with BC655806
Case No. BC666719

Action Filed: June 28, 2017

MICHAEL PAYNE, et al.

Plaintiffs,

V.

CITY NATIONAL BANK, et al.

Defendants.

Case No. BC655806

[related to *Nairn v. City National Bank*,
Case No. BC606667]

Action Filed: March 29, 2017

~~REVISED PROPOSED~~ ORDER
PRELIMINARILY APPROVING
SETTLEMENT AND PROVIDING
FOR NOTICE

Date: August 30, 2018

Time: 10:30 a.m.

Judge: Hon. William F. Highberger

Dept.: 10

1 WHEREAS, putative class actions are pending before the Court entitled *John*
2 *Walter Madison, etc., et al. v. City National Bank, etc., et al.*, Case No. BC666719,
3 and *Michael Payne, etc., et al. v. City National Bank, N.A., et al.*, Case No.
4 BC655806, (collectively, the "Class Actions"), alleging claims relating to Nationwide
5 Automated Systems, Inc. ("NASI");

6 WHEREAS, a motion has been filed with the Court for an order preliminarily
7 approving the settlement of the Class Actions, in accordance with the terms and
8 conditions of the Settlement Agreement dated as of August 23, 2018 (the "Settlement
9 Agreement"), together with the exhibits annexed to it; and

10 WHEREAS, in addition to settling the Class Actions pending before this Court,
11 the settlement also settles several other cases that assert claims relating to NASI
12 and/or its ATM sale-leaseback transactions. Those cases are *Allison v. City National*
13 *Bank*, Los Angeles Superior Court Case No. BC634285; *Hoffman v. City National*
14 *Bank*, Los Angeles Superior Court Case No. BC624542; *Hoffman v. Fitzwilliam*, Los
15 Angeles Superior Court Case No. BC659112; *Hoffman v. Soffa*, Los Angeles Superior
16 Court Case No. BC636780; *Nevada Universal Properties, Inc. v. City National Bank*,
17 8th District Court of Nevada Case No. A-17-762461-C; and *Wilinsky v. City National*
18 *Bank*, U.S. District Court for the Southern District of New York Case No. 17-cv-
19 07463 (JGK) (together with all other actions referenced on this page, the "Litigation").

20 Having reviewed and considered the Settlement Agreement and its exhibits, the
21 Motion for Preliminary Approval, the pleadings and other papers on file in this action,
22 and the statements of counsel, the Court finds that the Motion for Preliminary
23 Approval should be GRANTED and that this Preliminary Approval Order should be
24 entered.

25 NOW THEREFORE, IT IS HEREBY ORDERED that:

26 1. The Court, for purposes of this Order, adopts all defined terms as set
27 forth in the Settlement Agreement.

28 2. Pursuant to § 382 of the California Code of Civil Procedure ("CCP") and

1 Rule 3.767, et seq., of the California Rules of Court ("CRC"), as applicable, the Court
2 conditionally certifies, for purposes of effectuating this settlement only, a provisional
3 Settlement Class that includes the following:

4 Each and every Person or entity whose total investment in ATM
5 sale/leaseback transactions with NASI exceeded the total amount of
6 money that the Person or entity received from NASI, including any return
7 on investment, monthly rent, return of principal (in connection with
8 NASI's repurchase of the Person's or entity's ATMs or otherwise),
9 commissions, assets in kind, fees and other payments ("Net Loss"), but
10 excluding from the Settlement Class (1) any governmental entities, (2)
11 any judge, justice or judicial officer presiding over this matter and the
12 members of his or her immediate family, (3) the Defendants, along with
13 their respective parents, subsidiaries and/or affiliates, (4) the legal
14 representatives, heirs, successors and attorneys of any excluded Person or
15 entity referenced above, and (5) any Person acting on behalf of any
16 excluded Person or entity referenced above. For elimination of any
17 ambiguity, any Person whose claim for his, her or its Net Loss has
18 already been dismissed on motion by one or more Defendants and who
19 has had a judgment of dismissal entered which has not been reversed on
20 appeal by the date of this Preliminary Approval Order, is excluded from
21 the Settlement Class. Those people are Robert Nairn, Carol Van Horst,
22 Barbara Ortwein and Piruz Khorvash.

23 3. Based upon the submissions of the Parties and the evidence contained
24 therein, the Court conditionally makes the following findings for settlement purposes
25 only, subject to final affirmation at the Settlement Hearing referenced below: (a) the
26 Settlement Class Members are so numerous that joinder of all class members in the
27 Class Actions is impracticable; (b) there are questions of law and fact common to the
28 Settlement Class which predominate over any individual questions; (c) the claims of

1 the Class Representatives (identified below) are typical of the claims of the Settlement
2 Class; (d) after hearing, the Court finds that from the inception of the litigation, the
3 Class Representatives appointed by the Court and their respective Class Counsel have
4 fairly and adequately represented and protected the interests of the Settlement Class
5 Members. Those representatives have agreed to and will provide fair and adequate
6 representation throughout the settlement process; and (e) a class action is superior to
7 other methods for the fair and efficient adjudication of the matter, and provides
8 substantial benefits to the Parties, the Settlement Class Members and the Court.

9 4. The Court appoints Dyanne DiRosario Halsted, Pamela Geremia, Penny
10 Barnett Lipp, Marvin A. Blum, Laszlo Hugo Bakos, Richard Rowack, Stephen Green,
11 and Alan Jeffery as Class Representatives. The Court also appoints Robert L. Brace,
12 Esq., Michael P. Denver of Hollister & Brace, Christopher Hagen and Steven Nuñez
13 of Ward & Hagen, and Julio J. Ramos of the Law Offices of Julio J. Ramos LLP, as
14 Class Counsel for purposes of this Settlement.

15 5. Subject to further consideration at the Settlement Hearing described
16 below, the Court does hereby preliminarily approve the Settlement Agreement and the
17 settlement set forth therein, as fair, reasonable and adequate to the Settlement Class,
18 as falling within the range of possible final approval, and as meriting submission to
19 the Settlement Class Members for their consideration.

20 6. The Settlement Hearing shall be held before this Court on January 29,
21 2019, at 1:30 p.m., in Department 10 of the Superior Court of California, County of
22 Los Angeles, located at 312 North Spring Street, Los Angeles, California 90012, to
23 address: (a) whether the proposed settlement of the Class Actions on the terms and
24 conditions provided for in the Settlement Agreement should be finally approved as
25 fair, reasonable and adequate, and whether the Settlement Order and Final Judgment
26 should be entered; and (b) whether Plaintiffs' Counsel's application for attorneys'
27 fees and costs should be approved. Consideration of any application for an award of
28 attorneys' fees and costs shall be separate from consideration of whether or not the

1 proposed settlement should be approved. Any Plaintiffs' Counsel seeking an award
2 of fees and/or costs in connection with this settlement shall file a motion for same by
3 December 3, 2018. The Court may adjourn the Settlement Hearing or other hearing
4 on an award of counsel fees and or costs without further notice to Settlement Class
5 Members.

6 7. The Court approves of William J. Hoffman (the NASI Receiver
7 appointed by the U.S. District Court) to act as Claims Administrator of the settlement.
8 Within ten days of the date of the Order, the Receiver is directed to establish a
9 designated website, telephone number and mailing address for settlement Claims
10 Administration purposes.

11 8. The Court approves the form of the Long Form Notice of Settlement of
12 Class Action (the "Long Form Notice") and the Summary Notice ("Summary
13 Notice") annexed hereto as Exhibits A-1 and A-2. The Court directs the Receiver to
14 incorporate his Claims Administration website address, telephone number and mailing
15 address into Exhibit A-1 and A-2 and to update the fields for claims deadlines as
16 established by this Order. With those additions, the Court finds that the mailing of the
17 Long Form Notice and the website publishing of the Summary Notice substantially in
18 the manner and form set forth in ¶¶ 8 and 9 of this Order meet the requirements of
19 CCP § 382, CRC Rule 3.769, due process, and any other applicable law, and is the
20 best notice practicable under the circumstances and shall constitute due and sufficient
21 notice to all Persons entitled thereto of the pendency of the Class Actions, conditional
22 certification of the Settlement Class, the terms of the Settlement Agreement, and the
23 Settlement Hearing.

24 (a) Not later than thirty days (30) after the entry of this Order (the
25 "Notice Date"), the Receiver shall cause a copy of the Long Form Notice
26 substantially in the form annexed hereto as Exhibit A-1 to be mailed by first
27 class mail to each and every Person or entity who the Receiver has determined
28 experienced a Net Loss, as defined in the Settlement Agreement, on his, her or

1 its investment(s) in NASI ATM sale/leaseback transactions.

2 (b) Not later than thirty days (30) after the entry of this Order, the
3 Receiver shall cause the Summary Notice to be published on his settlement
4 Claims Administration website and counsel for the respective Settling Parties
5 may publish the Summary Notice, the Long Form Notice, or the Settlement
6 Agreement on their respective law firm websites; and

7 (c) At least five (5) court days prior to the Settlement Hearing, the
8 Receiver shall serve on the Settlement Parties and file with the Court proof, by
9 declaration, of such mailing and publication.

10 9. Nominees who held NASI ATM investments for the beneficial
11 ownership of another shall be requested to mail by first class mail the Long Form
12 Notice to all such beneficial owners within ten (10) days after receipt thereof, or send
13 a list of the names and addresses of such beneficial owners to: *Nationwide Automated*
14 *Systems, Inc. Litigation* c/o William Hoffman, at his settlement Claim Administration
15 mailing address within ten (10) days of receipt thereof. Upon receipt of any such
16 lists, the Claims Administrator shall, within ten (10) days mail the Long Form Notice
17 to all such beneficial owners by first class mail.

18 10. The Court also approves, as to form and content, the Release Form,
19 substantially in the form attached as Exhibit C to the Settlement Agreement, a copy of
20 which is attached hereto as Exhibit A-3.

21 11. The Court further finds that the notice plan described in ¶¶ 8 and 9
22 above, along with the Long Form Notice and Summary Notice, will adequately
23 inform members of the Settlement Class of the terms and conditions of the settlement,
24 and of their right to exclude themselves from the Settlement Class so as not to be
25 bound by the terms of the Settlement Agreement. Any Settlement Class Member who
26 desires to be excluded from the Settlement Class, and therefore not bound by the
27 terms of the Settlement Agreement, must submit to the Receiver, pursuant to the
28 instructions set forth in the Long Form Notice, a timely and valid written Request for

1 Exclusion, submitted online or mailed by first class mail such that it is postmarked no
2 later than sixty (60) days from the earlier of the mailing and/or publication of the
3 Notice to the Settlement Class Members, and must otherwise comply with the
4 requirements set forth in the Notice. Within fifteen (15) court days after the time
5 period for Settlement Class Members to exclude themselves from the settlement has
6 ended, the Receiver shall serve on Plaintiffs' Counsel and Defendants' counsel and
7 file with the Court a report stating the total number of Persons that have submitted
8 timely and valid Requests for Exclusion from the Settlement Class, and the names of
9 such Persons, and shall email to Plaintiffs' Counsel and Defendants' counsel a copy
10 of each request for exclusion and each executed Release Form received to that date.

11 12. Any Settlement Class member who elects to be excluded shall not be
12 entitled to receive any of the benefits of the Settlement Agreement, shall not be bound
13 by the release of any claims pursuant to the Settlement Agreement, and shall not be
14 entitled to object to the Settlement Agreement or appear at the Settlement Hearing.

15 13. Any Settlement Class Member may enter an appearance in the Class
16 Actions, at his, her or its own expense, individually or through counsel of his, her or
17 its own choice, without having to pay the \$1,500 fee for appearance in a complex
18 case. If a Settlement Class Member does not enter an appearance, he, she or it will be
19 represented by Class Counsel.

20 14. With the exception of such proceedings as are necessary to implement,
21 effectuate and grant final approval to the terms of the Settlement Agreement, and
22 unless and until the settlement is canceled or terminated pursuant to the terms of the
23 Settlement Agreement, all proceedings are stayed in the Class Actions and any
24 pending actions which the Court has determined by Court order are related to either of
25 the Class Actions, or are otherwise listed on page 1 of this Order and pending in this
26 Court, and all Settlement Class Members are enjoined from commencing or
27 continuing any action or proceeding in any court or tribunal asserting any Released
28 Claims, as defined in the Settlement Agreement, unless the Settlement Class Member

1 timely submits a valid Request for Exclusion as defined in the Settlement Agreement
2 and in compliance with the Long Form Notice, except for any reporting requirements
3 to any other court, any provision of the Settlement Agreement, or as necessary or
4 expeditious to consummate the settlement.

5 15. Any Settlement Class Member may appear and show cause, if he, she or
6 it has any reason why the proposed settlement of the Class Actions should or should
7 not be approved as fair, just, reasonable and adequate, why the Settlement Order and
8 Final Judgment should or should not be entered thereon, or why Plaintiffs' Counsel's
9 application for attorneys' fees and costs should or should not be approved; provided,
10 however, only Settlement Class Members who have filed and served valid and timely
11 Notices of Intention to Appear, together with any briefs or other supporting papers,
12 shall be entitled to be heard at the Settlement Hearing. No Settlement Class Member
13 shall be heard or entitled to contest the approval of the terms and conditions of the
14 proposed settlement, or, if approved, the Settlement Order and Final Judgment, unless
15 that Person has (a) filed a Notice of Intention to Appear, together with any briefs or
16 other supporting papers, with the Clerk of the Los Angeles County Superior Court,
17 located at 111 N. Hill Street, Los Angeles, California 90012, on or before December
18 17, 2018, and (b) caused the Notice of Intention to Appear, together with any briefs or
19 other supporting papers, to be delivered by hand no later than December 17, 2018 or
20 mailed by first class mail postmarked no later than December 17, 2018, to:

21
22 Michael P. Denver
23 Hollister & Brace
24 1126 Santa Barbara Street
Santa Barbara, California 93101,

25 Steven Nuñez
26 Ward & Hagen, LLP
27 440 Stevens Avenue
Suite 350
28 Solana Beach, California 92075,

1 and

2 Jeanne E. Irving
3 McKool Smith Hennigan, P.C.
4 300 South Grand Avenue
5 Suite 2900
6 Los Angeles, California 90071.

7 Any Settlement Class Member who does not make his, her or its objection in the
8 manner provided above shall be deemed to have waived such objection and shall
9 forever be foreclosed from making any objection as to the fairness or adequacy of the
10 proposed settlement as incorporated in the Settlement Agreement, the adequacy of
11 notice, the award of attorneys' fees and costs, and/or the Settlement Order and Final
12 Judgment.

13 16. All reply papers including memoranda or briefs in support of the
14 settlement or attorneys' fees shall be filed and served at least 14 calendar days prior to
15 the Settlement Hearing.

16 17. Neither the Settlement Agreement, nor any of its terms or provisions, nor
17 any of the negotiations or proceedings connected with it, shall be construed as an
18 admission or concession by the Defendants of the truth of any of the allegations in the
19 Class Actions, or of any liability, fault, or wrongdoing of any kind, or by the Settling
20 Plaintiffs of any defenses asserted by the Defendants. In the event that the proposed
21 settlement is not approved by the Court, or in the event that the Settlement Agreement
22 becomes null and void pursuant to its terms, this Order and all orders entered in
23 connection with this Order shall become null and void, shall be of no further force and
24 effect, and shall not be used or referred to for any purposes whatsoever in the
25 Litigation or in any other case or controversy. In such event, the Settlement
26 Agreement and all negotiations and proceedings directly related thereto shall be
27 deemed to be without prejudice to the rights of any and all of the Parties, who shall be
28 restored to their respective positions as of May 1, 2018.

1 18. The Court may, for good cause, extend any of the deadlines set forth in
2 this Order without further notice to the Settlement Class Members.

3 19. The Court retains jurisdiction to consider all further applications arising
4 out of or connected with the proposed settlement. The Court may approve the
5 settlement, with such modifications as may be agreed to by the Settling Parties, if
6 appropriate, without further notice to the Settlement Class.

7
8 Dated this 30th day of August, 2018

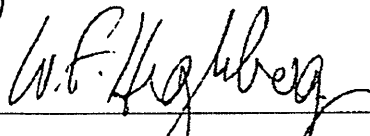
9
10 
11 THE HON. WILLIAM F. HIGHBERGER
12 Los Angeles Superior Court Judge

EXHIBIT A-1

[INVESTOR NAME]
[INVESTOR STREET ADDRESS]
[INVESTOR CITY, STATE and ZIP CODE]

**If you bought any ATMs from
Nationwide Automated Systems, Inc.
("NASI") and lost money, you could get
a payment from a class action
settlement.**

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

- A settlement will provide up to a maximum of \$33,000,000 to pay claims from investors who suffered a "Net Loss" on NASI ATM investments, assuming that no class members exclude themselves, or "opt out," of the settlement. That settlement payment will be reduced in relation to the claims of the Settlement Class Members who opt out.
- The settlement resolves lawsuits over whether City National Bank and its employee and his wife (the "Defendants") aided and abetted the Ponzi scheme that NASI perpetrated regarding the ATM sale-leaseback transactions that NASI sold to investors. The Defendants deny any liability to the Settlement Class Members. The settlement is not an admission by Defendants of any liability or wrongdoing. The settlement avoids costs and risks to you from continuing the lawsuits, pays money to investors like you, and releases the Defendants from liability.
- Lawyers for investors ("Plaintiffs' Counsel" as defined in the Settlement Agreement) will collectively ask the Court for up to \$9,900,000, and costs, and the costs of a Claims Administrator, to be paid from the settlement payment, as fees and expenses for investigating the facts, litigating the case, negotiating the settlement, and administering the Settlement. Plaintiffs' Counsel have agreed to cap their request for fees to up to 30% (\$9.9 million), and costs at \$316,100. If the Court awards less than these requested amounts as fees and costs, the difference will be available for distribution to the Class Members. The Claims Administrator has agreed to cap its costs at \$270,000.
- The two sides disagree on how much money could have been won if investors won a trial.
- Your legal rights are affected whether you act or don't act. Read this notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A RELEASE 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 the Defendants concerning NASI ATM investments.
OBJECT	Write to the Court about why you don't like the settlement.
GO TO A HEARING	Ask to speak in Court about the fairness of the settlement.
DO NOTHING	Get no payment. Give up rights.

- These rights and options and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this matter still has to decide whether to approve the settlement. Payments will be made if the Court approves the settlement and after any appeals are resolved. Please be patient.

NOTICE NOTICE NOTICE

BASIC INFORMATION.....PAGE 4

1. Why did I get this notice package?
2. What are the *Payne* and *Madison* cases about?
3. Why are these lawsuits class actions?
4. Why is there a settlement?

WHO IS IN THE SETTLEMENT..... PAGE 6

5. How do I know if I am part of the settlement?
6. Are there exceptions to being included?
7. I'm still not sure if I am included.

THE SETTLEMENT BENEFITS—WHAT YOU GETPAGE 7

8. What does the settlement provide?
9. How much will my payment be?

HOW YOU GET A PAYMENT—SUBMITTING A RELEASE FORM PAGE 9

10. How can I get a payment?
11. When would I get my payment?
12. What am I giving up to get a payment or stay in the Class?

EXCLUDING YOURSELF FROM THE SETTLEMENT.....PAGE 9

13. How do I get out of the settlement?
14. If I don't exclude myself, can I sue the Defendants for the same thing later?
15. If I exclude myself, can I get money from this settlement?

THE LAWYERS REPRESENTING YOU..... PAGE 10

16. Do I have a lawyer in the case?
17. How will the lawyers be paid?

OBJECTING TO THE SETTLEMENT..... PAGE 11

18. How do I tell the Court that I don't like the settlement?
19. What's the difference between objecting and excluding?

THE COURT'S SETTLEMENT HEARING PAGE 12

20. When and where will the Court decide whether to approve the settlement?
21. Do I have to come to the hearing?
22. May I speak at the hearing?

IF YOU DO NOTHING..... PAGE 13

23. What happens if I do nothing at all?

GETTING MORE INFORMATION..... PAGE 13

24. Are there more details about the settlement?
25. How do I get more information?

UNDERSTANDING YOUR PAYMENT..... PAGE 14

BASIC INFORMATION

1. Why did I get this notice package?

You may have invested in one or more ATM sale-leaseback transactions with NASI and received back from NASI a total amount of money -- including any return on investment, monthly rent, return of principal (in connection with NASI's repurchase of the ATMs or otherwise), commissions, fees and other payments -- that was less than the total amount invested. If so, you incurred a "Net Loss" on your NASI ATM sale-leaseback investments.

The Court authorized this notice because people who incurred a "Net Loss" in NASI investments have a right to know about a proposed settlement of two class action lawsuits, titled *Payne v. City National Bank*, Case No. BC655806, and *Madison v. City National Bank*, Case No. BC666719, and about all of your options, before the Court decides whether to approve the settlement. If the Court approves the settlement after objections and appeals are resolved, a Claims Administrator appointed by the Court will make the payments that the settlement allows. You will be informed of the progress of the settlement.

This package explains the lawsuits, the settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

The Court in charge of these cases is the Superior Court of the State of California for the County of Los Angeles. The people who sued are called Plaintiffs, and the bank and individuals they sued are called the Defendants.

In addition to settling the *Payne* and *Madison* cases, the settlement also settles several other cases that assert claims relating to NASI and/or its ATM sale-leaseback transactions. Those cases are *Allison v. City National Bank*, Los Angeles Superior Court Case No. BC634285; *Hoffman v. City National Bank*, Los Angeles Superior Court Case No. BC624542; *Hoffman v. Fitzwilliam*, Los Angeles Superior Court Case No. BC659112; *Hoffman v. Soffa*, Los Angeles Superior Court Case No. BC636780; *Nevada Universal Properties, Inc. v. City National Bank*, 8th District Court of Nevada Case No. A-17-762461-C; and *Wilinsky v. City National Bank*, U.S. District Court for the Southern District of New York Case No. 17-cv-07463 (JGK).

2. What are the *Payne* and *Madison* cases about?

NASI purported to sell investors ATMs and then to lease the ATMs back from those investors in exchange for monthly "lease" or "rent" payments. However, in general, NASI did not actually own the ATMs it pretended to sell. Instead, it took the money that new investors gave it to purchase ATMs, and used those monies to pay earlier investors monthly returns. In other words, NASI was running a Ponzi scheme. NASI was shut down in 2014. The United States District Court for the Central District of California appointed William J. Hoffman as the Receiver to take over NASI when it was discovered that NASI was a Ponzi scheme.

The *Payne* and *Madison* cases are not against NASI. They are against City National Bank, its employee Patrick Brian Fitzwilliam and, in one instance his wife. NASI was a customer of City National. These lawsuits claimed that City National's employee knew that NASI was conducting a Ponzi scheme but nevertheless continued to allow NASI to conduct its banking at City National, thereby aiding and abetting NASI's Ponzi scheme. Plaintiffs also contend that, if City National's employee knew about the Ponzi scheme, then City National should be deemed to have known about it. Defendants deny these allegations and deny they did anything wrong.

6. Why are these lawsuits class actions?

In a class action, one or more people called Class Representatives (in this case, Dyanne DiRosario Halsted, Pamela Geremia, Penny Barnett Lipp, Marvin A. Blum, Laszlo Hugo Bakos, Richard Rowack, Stephen Green and Alan Jeffery) sue on behalf of people who have similar claims. For purposes of the settlement, these people are Settlement Class Members or, collectively, the Settlement Class. One court is handling the issues for all Settlement Class Members, except for those who exclude themselves from the Settlement Class. Superior Court Judge William F. Highberger is in charge of the *Payne* and *Madison* class actions.

With limited exceptions listed in the section below on Question 6, the *Payne* and *Madison* class actions were brought on behalf of a class of all investors who suffered a Net Loss on NASI ATM investments, no matter where they live. The *Wilinsky* case was brought on behalf of all non-Californians who suffered a Net Loss on NASI ATM, and the *Nevada Universal* case was brought on behalf of Nevada residents who suffered a "Net Loss" on NASI ATM. Because the *Payne* and *Madison* classes include all investors no matter where they live, if you are a member of the class defined in the *Wilinsky* or *Nevada Universal* case, you are also a member of the *Payne* and *Madison* classes. The other cases being settled in this settlement are not class actions.

The *Payne* and/or *Madison* cases allege the following claims; aiding and abetting fraud, violation of California Corporations Code §§ 25504.1, conspiracy to commit fraud, aiding and abetting breach of fiduciary duty, violation of California Business and Professions Code § 17200, financial elder abuse, and violation of Penal Code § 496. The *Wilinsky* case alleges claims for aiding and abetting fraud and aiding and abetting breach of fiduciary duty. The *Nevada Universal* case alleges negligence/negligent supervision, violation of Nevada Revised Statutes §§ 90.460, 90.570 and 90.660, conspiracy to commit fraud and deceit, and aiding and abetting fraud.

7. Why is there a settlement?

The Court did not decide in favor of Plaintiffs or Defendants. The Plaintiffs think that the total Net Losses of all Class Members were \$126 million. The NASI Receiver has separately recovered and will separately distribute approximately \$35 million to Settlement Class Members in 2018, leaving a total Net Loss of \$91 million. That \$35 million has nothing to do with the settlement of the Class Actions, but represents other funds the NASI Receiver has recovered. Plaintiffs think that they could have won \$91 million or more if they won these cases at trial. The Defendants

think the Plaintiffs would not have won anything from a trial. But there was no trial. Instead, both sides agreed to a settlement. That way, everyone avoids the cost of a trial, and the people affected will get compensation. The Class Representatives and the attorneys think the settlement is best for all Settlement Class Members.

WHO IS IN THE SETTLEMENT

To get money from this settlement, you must be a Settlement Class Member, that is you must have incurred a Net Loss from your investment in NASI ATM sale/leaseback transactions. Based on NASI's records, among other information, the Receiver has determined which NASI investors incurred a Net Loss. You received this notice because the Receiver has determined that you incurred a Net Loss.

5. How do I know I am part of the settlement?

Judge William F. Highberger decided that everyone who fits the description below is a Settlement Class Member:

Each person or entity who invested in NASI ATM sale/leaseback transactions and incurred a Net Loss by receiving back from NASI a total amount of money including any return on investment, monthly rent, return of principal (in connection with NASI's repurchase of the ATMs or otherwise), commissions, assets in kind, fees and other payments - which was less than the total amount of money that that person or entity paid to invest in NASI ATM sale/leaseback transactions.

If all your NASI ATM purchases occurred before mid-2009, it is unlikely that you suffered a Net Loss and therefore it is unlikely that you are a Settlement Class Member.

6. Are there exceptions to being included?

You are not a Settlement Class Member if you are a governmental entity; a judge, justice or judicial officer presiding over this matter or a member of his or her immediate family; a Defendant or a parent, subsidiary or affiliate of a Defendant; a legal representative, heir, successor or attorney of any excluded person or entity referenced above; or a person acting on behalf of any excluded person or entity referenced above; or any person whose claim for his or her NASI losses was dismissed on a motion filed by one or more Defendants and who has a judgment of dismissal entered which has not already been reversed on appeal.

If you are still not sure whether you are included, you can ask for free help. You can call 1-800-XXX-XXXX toll free, or visit www.NationwideAutomatedSettlement.com for more information.

THE SETTLEMENT BENEFITS—WHAT YOU GET

1. What does the settlement provide?

City National Bank has agreed to pay up to \$33 million to be used to, among other things, make settlement payments to all Settlement Class Members who send in a valid Release Form. If no Class Members opt out of the settlement, the fund will be \$33 million. The number of Class Members who opt out and the amount of their cumulative Net Losses can impact this settlement in two different ways.

First, if (i) the number of Settlement Class Members opting out of the settlement constitutes more than 3% of the total number of Settlement Class Members or (ii) the cumulative Net Losses of the Settlement Class Members opting out of the settlement represent more than \$3,000,000 of the total Net Losses of the Settlement Class Members, City National has the right to terminate the settlement in its entirety. If that happens, you will not receive any payment in connection with this settlement.

Second, if there are Opt-Outs but they do not reach either of the thresholds mentioned in the paragraph above (i.e., (i) the number of Settlement Class Members opting out is less than 3% of Settlement Class Members and (ii) the cumulative Net Losses of the Opt-Outs represent less than \$3,000,000 of the total Net Losses), then the settlement will go forward, but the amount of the Bank's Settlement Payment will be reduced by 1.03 times the percentage that the cumulative Net Losses of Opt-Outs represents as a portion of the cumulative Net Losses of all Settlement Class Members. For example, if the cumulative Net Losses of Class Members who opt out of the settlement constitutes 2% of the total Net Losses of all Settlement Class Members, the amount of the Settlement Class Payment will be reduced by 2.06% (i.e., \$679,800). Thus, the Bank would then pay a Settlement Class Payment of \$32,320,200.

2. How much will my payment be?

Your share of the money being distributed to Settlement Class Members will depend on the number of valid Release Forms that Class Members send in, how much money you paid to NASI for ATMs, and how much money you received back from NASI. Here's how it works:

NASI paid investors monthly "lease" or "rent" payments for their ATMs, and promised that those payments would equal at least a 20% return on an investor's ATM purchase price. NAS also agreed that, after an investor owned an ATM for at least two years, NAS would repurchase the ATM for the full purchase price if the investor wanted to sell it. NAS also paid some people commissions or other fees in connection with its business. If the amount of all the money you paid NAS to buy ATMs was greater than all the money you received back from NAS (including any return on investment, monthly rent, return of principal (in connection with NAS's repurchase of the Settlement Class Member's ATMs or otherwise), commissions, assets in kind, fees and other payments), then the difference between what you paid and what you got back from NAS is your "Net Loss." The NASI Receiver will act as Claims Administrator for

this settlement and will calculate your Net Loss and your share of the settlement funds. However, by following the instructions on page 14 of this Notice, you can estimate your Net Loss for yourself.

There were about 1,350 NAS investors (or investor accounts) who experienced a Net Loss. If you have a Net Loss, you are entitled to make a claim in the amount of your Net Loss.

In a separate process not related to the Class Actions, the NASI Receiver is charged with collecting NASI assets for the benefit of NASI's creditors, the majority of whom are investors in NASI ATM sale/leaseback transactions. To date, the Receiver has collected more than \$35 million, the majority of which will be distributed to NASI creditors (the "Receiver's Distribution") – separate and apart from, and in addition to the settlement with City National. This \$35 million is not affected by the settlement of the Class Actions. The Receiver has undertaken a process to determine the amount of each creditor's claim (including the amount of each Settlement Class Member's Net Loss) that the Receiver will then use in calculating each creditor's share of the Receiver's Distribution.

The amount of your Net Loss as determined for the Receiver's Distribution will be the same Net Loss used to determine the amount that you will receive from the Class Settlement Payment.

It's very unlikely that you will get a payment for all of your Net Loss from this settlement. After all Class Members have sent in their Release Forms, the payment you get will reflect your Net Loss in relation to the cumulative Net Losses of all Settlement Class Members. Class Members who bought more ATMs, or received back from NAS a smaller amount of money, and so have a larger Net Loss, will get more money. Those who bought fewer ATMs, or held them longer, and so have a smaller Net Loss, will get less.

Plaintiffs' Counsel will ask the Court to award them fees and costs from the Settlement Payment. After deducting the amount of the fees and costs awarded by the Court, all the remainder of the Settlement Payment will be distributed to Class Members.

Here's an example. In order to receive your portion of the Class Settlement Payment, you must send in a Release Form. If every eligible Class Member does not opt out, the Class Settlement Payment would be \$33 million. If the Court awarded Plaintiffs' Counsel \$9.9 million in fees, plus \$200,000 in costs, and there is another \$200,000 in costs for the Claims Administrator to administer the settlement, that would leave \$22.7 million for distribution to the Class Members. In that example, the average Class Member would receive approximately 24.95% ($\$22,700,000 \div \$91,000,000$ unrecovered Net Losses) of his Net Loss. Typically in class actions, the number of claimants who opt out is low but varies from case to case. If a Class Member does not send in a Release Form, he will not receive a share of the Settlement Proceeds. Instead, his share may be made available to other Class Members or be used as determined by the Court. Plaintiffs' Counsel have agreed to cap their collective request for fees to 30% of the Settlement Amount. If the Court does not grant the full application for Plaintiffs' Counsel's fees of 30%, the difference between the 30% and the amount awarded will be available for distribution to the Class Members.

HOW YOU GET A PAYMENT—SUBMITTING A RELEASE FORM

10. How can I get a payment?

To qualify for a payment, you must send in a Release Form. A Release Form is attached to this Notice. You may also get a Release Form on the internet at www.NationwideAutomatedSettlement.com. Read the instructions carefully, fill out the form, include all the information the form asks for, and sign it. Then, either mail it postmarked no later than May 1, 2019, or submit it no later than May 1, 2019 by following the instructions on the website www.NationwideAutomatedSettlement.com.

11. When will I get my payment?

The Superior Court will hold a hearing on January 29, 2019, to decide whether to approve the settlement. If the Superior Court approves the settlement, there may be appeals. It's always uncertain how long it takes for any appeals to be resolved. It's possible it could take more than a year. Everyone who sends in a Release Form will be informed of the progress of the settlement by posting on the website www.NationwideAutomatedSettlement.com. Please be patient. The Court may adjourn the hearing for approval or for attorneys' fees and costs.

12. What am I giving up to get a payment or stay in the settlement 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 the Defendants about the legal issues in this matter. It also means that all of the Court's orders will apply to you and legally bind you. If you sign the Release Form, you will agree to a release of claims. The Release Form describes the legal claims that you give up in exchange for receiving a settlement payment.

EXCLUDING YOURSELF FROM THE SETTLEMENT

You are bound by the settlement and cannot exclude yourself from the settlement if you are a named plaintiff or a cross-complainant in any of the following lawsuits: *Allison v. City National Bank*, Los Angeles Superior Court Case No. BC634285; *Hoffman v. City National Bank*, Los Angeles Superior Court Case No. BC624542; *Hoffman v. Fitzwilliam*, Los Angeles Superior Court Case No. BC659112; *Hoffman v. Soffa*, Los Angeles Superior Court Case No. BC636780; *Madison v. City National Bank*, Los Angeles Superior Court Case No. BC666719; *Nevada Universal Properties, Inc. v. City National Bank*, 8th District Court of Nevada Case No. A-17-762461-C; *Payne v. City National Bank*, Los Angeles Superior Court Case No. BC655806; and *Wilinsky v. City National Bank*, U.S. District Court for the Southern District of New York Case No. 17-cv-07463 (JGK).

However, if you are not a named plaintiff in any of the lawsuits mentioned above and you don't want a payment from this settlement, but you want to keep the right to sue or continue to sue one or more of the Defendants in a lawsuit not listed above, on your own, about the legal issues

in this matter, then you must take steps to get out. This is called excluding yourself—or is sometimes referred to as opting out of the Settlement Class.

14. How do I get out of the Settlement?

To exclude yourself from the settlement, you must send a letter by mail saying that you want to be excluded from the Settlement Class in *Payne v. City National Bank* and *Madison v. City National Bank*. Be sure to include your name, address, telephone number, and your signature. You must mail your exclusion request postmarked no later than November 30, 2018 to:

Nationwide Automated Systems, Inc.
Bank Exclusions
c/o William Hoffman, Receiver
P.O. Box XXXX
City, ST XXXXX- XXXX

If you ask to be excluded, you will not get any settlement payment, and you cannot object to the settlement. You will not be legally bound by anything that happens in these lawsuits. You may be able to sue (or continue to sue in a lawsuit not listed in this Notice) one of more of the Defendants in the future. You should consult your own attorney or advisor about this.

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

No. Unless you exclude yourself, you give up any right to sue Defendants for the claims that this settlement resolves. If you have a pending lawsuit that is not listed in this notice, speak to your lawyer in that case immediately. (The lawsuits listed in this notice are being settled and will not continue if the Court grants final approval of the settlement.) You must exclude yourself from this Settlement Class to continue your own lawsuit in a case not listed in this Notice. Remember, the exclusion deadline is November 30, 2018.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, do not send in a Release Form to ask for any money. But, you may sue, continue to sue in a lawsuit not listed in this Notice, or be part of a different lawsuit against the Defendants.

THE LAWYERS REPRESENTING YOU

15.1 Do I have a lawyer in this case?

The Court appointed the law firms of Hollister & Brace, 1126 Santa Barbara Street, Santa Barbara, California 93101, Robert L. Brace, Esq., 1807 Santa Barbara Street, Santa Barbara, California 93101, Ward & Hagen, LLP, 440 Stevens Avenue, Suite 350, Solana Beach, California 92075, and the Law Offices of Julio J. Ramos, 35 Grove Street, Suite 107, San

Francisco, California 94102, to represent you and other Class Members. These lawyers are called Class Counsel. If you want to be represented by your own lawyer, you may hire one at your own expense.

17. How will the lawyers be paid?

Plaintiffs' Counsel will ask the Court to approve payment of up to \$9.9 million for attorneys' fees and \$ 316,100 for expenses. The fees would pay Plaintiffs' Counsel for investigating the facts, litigating the case, and negotiating the settlement. The Court may award less than these amounts and any amount less will be available for distribution to the Class Members. The Claims Administrator will also have expenses to administer the settlement, which he has agreed to cap at \$270,000. These amounts will be deducted from the Settlement Payment that City National Bank is paying, and will reduce the amount that is available for Class Members. The Defendants have agreed not to oppose Plaintiffs' Counsel's application for these fees and expenses up to these amounts.

OBJECTING TO THE SETTLEMENT

You can tell the Court that you don't agree with the settlement or some part of it.

18. How do I tell the Court that I don't like the settlement?

If you're a Settlement Class Member, you can object to the settlement if you don't like any part of it or can comment in favor of it. You can give reasons why you think the Court should not approve it. The Court will consider your views. If you want to tell that Court that you approve of the settlement, you can do it the same way.

To object or to voice your approval, you must send a letter saying that you object to or approve of the settlement of *Payne v. City National Bank* and *Madison v. City National Bank*. Be sure to include your name, address, telephone number, your signature, and the reasons (if any) that you object to the settlement. Mail the objection and any supporting briefs or other papers to these four different places postmarked no later than December 17, 2018:

COURT	CLASS COUNSEL	DEFENSE COUNSEL
Clerk of the Court Superior Court of California for the County of Los Angeles 111 N. Hill Street Los Angeles, California 90012	Steven Nuñez Ward & Hagen LLP 440 Stevens Avenue Suite 350 Solana Beach, California 90275 Michael P. Denver Hollister & Brace 1126 Santa Barbara Street Santa Barbara, California 93101	Jeanne Irving McKool Smith Hennigan, PC 300 South Grand Avenue Suite 2900 Los Angeles, California 90071

If the Court disagrees with your objection or other position that you voice, you may want to appeal the Court's ruling in that regard. If you wish to preserve the right to appeal, then you

should consider filing a motion to intervene in the *Madison* and/or *Payne* cases at or before the deadline for objecting. If you wish to intervene, you may want to consult an attorney to advise you, at your own expense. Any such motion to intervene and any supporting brief or other papers must be mailed to the Court, Class Counsel and Defense Counsel at the four different addresses listed above postmarked no later than December 17, 2018.

19. What's the difference between objecting and excluding?

Objecting is simply telling the Court that you don't like something about the settlement. You can object only if you stay in the Class. Excluding yourself is telling the Court that you don't want to be part of the Class. If you exclude yourself, you have no basis to object because the case no longer affects you.

THE COURT'S SETTLEMENT HEARING

The Court will hold a hearing to decide whether to approve the settlement. You may attend and you may ask to speak, but you don't have to.

20. When and where will the Court decide whether to approve the settlement?

The Court will hold a Settlement Hearing at XX:00 X.M. on Tuesday, January 29, 2019, at the Superior Court of the State of California for the County of Los Angeles, 312 North Spring Street, Los Angeles, California, in Courtroom 10. *(Please note that the address for the hearing is different from the Court address where you send any objection or Notice of Intent to Appear to be filed with the Clerk of the Court.)* The Court may adjourn this date without further notice. At this hearing the Court will consider whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. Judge Highberger will listen to people who have asked to speak at the hearing. The Court may also decide how much to pay to Plaintiffs' Counsel. After the hearing, the Court will decide whether to approve the settlement. We do not know how long these decisions will take.

21. Do I have to come to the hearing?

No. Plaintiffs' Counsel will answer questions Judge Highberger may have. But, you are welcome to come at your own expense. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

22. May I speak at the hearing?

You may ask the Court for permission to speak at the Settlement Hearing. To do so, you must send a letter saying that it is your "Notice of Intention to Appear in *Payne v. City National Bank* and *Madison v. City National Bank*." Be sure to include your name, address, telephone number,

and your signature. Your Notice of Intention to Appear must be postmarked no later than December 17, 2018, and be sent to the Clerk of the Court, Class Counsel, and Defense Counsel, at the four addresses in Question 18 above. You cannot speak at the hearing if you excluded yourself from the settlement.

IF YOU DO NOTHING

24. What happens if I do nothing at all?

If you do nothing, you'll get no money from this settlement. But, unless you exclude yourself, you won't be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against any of the Defendants about the legal issues in this matter, ever again.

GETTING MORE INFORMATION

24. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in the parties' Settlement Agreement. You can get a copy of the Settlement Agreement by writing to Steven Nuñez, Ward & Hagen, LLP, 440 Stevens Avenue, Suite 350, Solana Beach, California 92075 or Michael P. Denver, Hollister & Brace, 1126 Santa Barbara Street, Santa Barbara, California 93101, or by visiting www.NationwideAutomatedSettlement.com.

25. How do I get more information?

You can call 1-800-XXX-XXXX toll free; write to Nationwide Automated Systems, Inc. Settlement, P.O. Box XXXX, City ST XXXXX - XXXX; or visit the website at www.NationwideAutomatedSettlement.com, where you will find answers to common questions about the settlement, a Release Form, plus other information to help you determine whether you are a Class Member and whether you are eligible for a payment.

DATE: XX XX, XXXX

UNDERSTANDING YOUR PAYMENT

STEP 1: Total all the amounts that you paid to NASI to buy ATMs.

STEP 2: Total all the amounts that NASI paid to you, including any return on investment, monthly rent, return of principal (in connection with NASI's repurchase of the ATMs or otherwise), commissions, assets in kind, fees and other payments.

STEP 3: Subtract the total calculated in Step 2 from the total calculated in Step 1. This is your Net Loss. If your Net Loss is less than zero, you do not have a claim in this settlement.

STEP 4: Your pro rata share of the settlement funds to be distributed to Settlement Class Members will be the percentage that your Net Loss represents as a proportion of the total dollar amount of the cumulative Net Losses of all Participating Class Members. This percentage (your pro rata share) is the same percentage of the settlement funds being distributed to Settlement Class Members that you will get. This amount can be estimated precisely only after the Receiver receives all the Release Forms.

STEP 5: The Receiver will calculate your Net Loss and your payment from the settlement fund.

EXAMPLE PAYMENT CALCULATION	
Suppose John Smith bought 50 ATMs at \$12,000 per ATM, and received back from NASI only \$100,000 in monthly returns and other payments:	
STEP 1:	John Smith paid total amount of \$600,000 for 50 ATMs. (\$600,000 equals 50 times \$12,000)
STEP 2:	Total amount received from NASI was \$100,000.
STEP 3:	John Smith's Net Loss is \$500,000. (\$500,000 equals \$600,000 minus \$100,000)
STEP 4:	Assume that John Smith receives \$138,889 as his share of the Receiver Distribution, leaving him with uncompensated \$361,222 in Net Loss. (\$500,000 minus \$138,889 equals \$361,222)
STEP 4:	Suppose in this example that the cumulative Net Losses of all Settlement Class Members who timely provide Release Forms is \$91,000,000. Then John Smith's pro rate share of the settlement funds being distributed to Settlement Class Members is 0.4%. (\$500,000 divided by \$91,000,000 equals 0.4%)
STEP 5:	Suppose that that there are no opt-outs from the settlement, so that the Class Settlement Payment that City National makes is \$33,000,000, and that the Court awards the Plaintiffs' Counsel and the Receiver (for Claims Administrator duties) a total of \$10,300,000 in fees and costs, leaving \$22,700,000 in settlement funds to be distributed to Settlement Class Members. In that case, John Smith's payment would be \$90,079. (\$22,700,000 times 0.4% equals \$90,079)

EXHIBIT A-2

LEGAL NOTICE

If you bought any ATMs from Nationwide Automated Systems, Inc. ("NASI") and lost money, you could get a payment from a class action settlement.

A settlement has been proposed in a class action lawsuit over the sale of ATMs by Nationwide Automated Systems, Inc. ("NASI"). The settlement will provide up to a maximum of \$33 million to pay claims from certain investors who lost money on NASI ATMs. If you qualify, you may send in a Release Form to get benefits, or you can exclude yourself from the settlement, or object to it.

The Superior Court of California, County of Los Angeles, authorized this notice. Before any money is paid, the Court will have a hearing to decide whether to approve the settlement.

WHO IS INCLUDED?

You may be a Settlement Class Member and could get benefits if you purchased ATMs from NASI and lost money. You must have incurred a Net Loss from your investment in NASI ATM sale/leaseback transactions. The United States District Court for the Central District of California appointed a Receiver to take over NASI when it was discovered that NASI was a Ponzi scheme. Based on NASI's records, among other information, the Receiver has determined which NASI investors incurred a Net Loss.

WHAT'S THIS ABOUT?

The settlement resolves a lawsuit over whether City National Bank aided and abetted the Ponzi scheme that NASI perpetrated through the ATM sale-leaseback transactions NASI sold to investors. The Court did not decide in favor of Plaintiffs or Defendants. The two sides disagree about who would have prevailed at trial and about how much money could have been obtained if the investors had won. But both sides agreed to the settlement to resolve the case and get benefits to investors.

WHAT DOES THE SETTLEMENT PROVIDE?

City National Bank agreed to pay up to \$33 million to be used to, among other things, make settlement payments to all Settlement Class Members who send in valid Release Forms. If no Settlement Class Members opt out of the settlement, the fund will be \$33 million. However, the Settlement Payment will be reduced by 1.03 times the percentage that the cumulative Net Losses of Settlement Class Members opting out of the settlement represents as a portion of the cumulative Net Losses of all Settlement Class Members. For example, if the cumulative Net Losses of the Class Members who opt out constitutes 2% of the sum of the damages asserted by the entire Class, the amount of the Settlement Payment will be reduced by 2.06% of \$33,000,000 (i.e., \$679,800) to equal \$32,320,000. The funds available to be distributed to investors will be further reduced by the amount of fees and costs that the Court awards to Plaintiffs' Counsel.

There were about 1350 NASI investors who experienced a Net Loss. The Receiver calculates the cumulative Net Losses of these investors to be approximately \$126,000,000. The Receiver has recovered \$35,000,000 independent of this settlement, leaving \$91,000,000 of unrecovered Net Losses.

If you have a Net Loss, you are entitled to make a claim in the amount of your Net Loss. You will not get a payment from this settlement in the amount of your entire Net Loss. After all Class Members have sent in their Release Forms, the payment you get will reflect your Net Loss in relation to the cumulative Net Losses of all Settlement Class Members. Settlement Class Members who bought more ATMs, or received back from NASI a smaller amount of money, have a larger Net Loss and will receive more money; those who bought fewer ATMs, or held them longer, have a smaller Net Loss and will receive less.

If every eligible Class Member does not opt out, the Settlement Payment would be \$33 million. If the Court awarded Plaintiffs' Counsel \$9.9 million in fees plus \$200,000 in costs [Plaintiffs' Counsel have agreed to request no more than 30% for fees], and there is \$200,000 of costs to administer the Settlement, that would leave \$22.7 million for distribution to the Class Members. In that example, the average Class Member would receive approximately 24.95% ($\$22,700,000 \div \$91,000,000$ unrecovered Net Losses) of his or her Net Loss. Generally, in class settlements, the number of claimants who opt out is low but varies from case to case. If a Class Member does not send in a Release Form, he will not receive a share of the Settlement Proceeds. Instead, his share may be made available to other Class Members or be used as determined by the Court. If the Court does not grant the full application for Plaintiffs' Counsel fees of 30%, the difference between the 30% and the amount awarded will be available for distribution to the Class Members.

HOW DO YOU ASK FOR A PAYMENT?

To qualify for a payment, you must send in a Release Form. A detailed notice and Release Form package containing everything you need will be mailed to you. You can also call or visit the website to get one. Release Forms are due by May 1, 2019.

WHAT ARE YOUR OTHER OPTIONS?

If you don't want to be legally bound by the settlement, you must exclude yourself (opt out) by November 30, 2018, or you won't be able to sue City National Bank or any of its employees about NASI. If you exclude yourself, you can't get money from this settlement. If you stay in the settlement, you may object to it by December 17, 2018. The detailed notice received by you and available on the website referenced below explains how to exclude yourself or object. If requests for exclusion exceed

certain thresholds, City National Bank will have the right to terminate the settlement.

The Court will hold a hearing in *Madison v. City National Bank*, Case No. BC666719, and *Payne v. City National Bank*, Case No. BC655806 on January 29, 2019 to consider whether to approve the settlement and also whether to approve the requests of Plaintiffs' Counsel (as defined in the settlement), including the lawyers representing all Settlement Class Members (Robert L. Brace, Esq., Michael P. Denver of Hollister & Brace, Christopher Hagen and Steven Nuñez of Ward & Hagen, and Julio J. Ramos of the Law Offices of Julio J. Ramos LLP) for attorneys' fees and

costs for investigating the facts, litigating the case, and negotiating the settlement. The fees and costs will come out of the settlement fund. You may ask to appear at the hearing, but you don't have to. For more information, call toll free 1-800-xxx-xxxx, write to _____, or visit the website NationwideAutomatedSettlement.com. You can get a copy of the Settlement Agreement by writing to [Class Counsel appointed by the Court] or by visiting www.NationwideAutomatedSettlement.com.

1-800-xxx-xxxx

www.NationwideAutomatedSettlement.com

EXHIBIT A-3

RELEASE FORM

1. ____ [Releasor] _____

(the "Releasor") provides this Release in connection with the settlement of two class actions, *Madison v. City National Bank*, No. BC666719, and *Payne v. City National Bank*, No. BC655806, pending in the Superior Court for the State of California, in and for the County of Los Angeles (the "Class Actions"). The parties to the Class Actions have entered into a Settlement Agreement, along with the parties to the following lawsuits: *Allison v. City National Bank*, Los Angeles Superior Court Case No. BC634285; *Hoffman v. City National Bank*, Los Angeles Superior Court Case No. BC624542; *Hoffman v. Fitzwilliam*, Los Angeles Superior Court Case No. BC659112; *Hoffman v. Soffa*, Los Angeles Superior Court Case No. BC636780; *Nevada Universal Properties, Inc. v. City National Bank*, 8th District Court of Nevada Case No. A-17-762461-C; and *Wilinsky v. City National Bank*, U.S. District Court for the Southern District of New York Case No. 17-cv-07463 (JGK) (collectively with the Class Actions, the "Litigation").

2. The Releasor provides this Release to Defendants City National Bank, Patrick Brian Fitzwilliam and Betty Saleh Fitzwilliam (the "Defendants"), as well as any and all of the Defendants' past or present directors, officers, employees, general or limited partners or partnerships, members, principals, underwriters, controlling shareholders, attorneys, accountants, agents, auditors, insurers, financial advisors, banks, investment bankers, consultants, legal representatives, predecessors, successors, parents, subsidiaries, related or affiliated entities, divisions, joint ventures, assigns, spouses, heirs, executors, administrators, any entity in which any Defendant has a controlling interest or which has a controlling interest in any Defendant, any member of any Defendant's immediate family, and any trust of which any Defendant is the settlor or which is for the benefit of any individual Defendant or any member(s) of any Defendant's family (collectively, "Related Parties"). For avoidance of doubt, City National Bank's "Related Parties" include but are not limited to Royal Bank of Canada and all of its

wholly or partially owned subsidiaries. "Related Parties" shall not include any businesses or entities solely in their capacities as individual retirement account administrators for the Releasee, including, but not limited to, The Entrust Group, Inc., Pensco Trust Company LLC, IRA Administrators, Inc. Premier Trust, Inc., Polycom Trust Company, and each of their successors, directors, officers or employees.

3. The Releasor hereby fully, finally, and forever releases, relinquishes, and discharges any and all actions, causes of action, claims, suits, demands, debts, obligations, liabilities, damages, dues, accounts, bonds, covenants, contracts, agreements, judgments, losses, costs, and expenses whatsoever, including, but not limited to, claims for violations of California Corporations Code §§ 25400 and 25401, fraud, breach of fiduciary duty, violation of California Business and Professions Code § 17200, negligent misrepresentation, negligent supervision, conversion, fraudulent transfer, financial elder abuse, violation of Penal Code § 496, negligence, and violations of any other statutes, rules, or regulations, and aiding and abetting or conspiracy to commit any of the above, whether known or unknown, suspected or unsuspected, that have been, could have been, or could hereafter be, asserted by the Releasor, or that the Releasor ever had, now has, or may or could hereafter have against any or all of Defendants and Related Parties, whether under state or federal law, at law or in equity, of every kind and nature whatsoever and whether arising directly, indirectly, derivatively, individually, or in any other capacity, that in any way concern, arise out of, relate to, or are connected to investment in or business or employment transactions with Nationwide Automated Systems, Inc. ("NASI") or any acts, omissions, facts, matters, transactions, occurrences, conduct, statements, or representations concerning or relating in any way to the subject matter of, or any allegations or assertions in any papers filed in, the Litigation or any related lawsuit. Without limiting any of the above, the claims covered by this Release expressly include any claim for any such actions, causes of action, claims, suits, demands, debts, obligations, liabilities, damages, dues, accounts, bonds, covenants, contracts, agreements, judgments, losses, costs, and expenses (including but not limited to any portion or all of the Releasee's Net Loss incurred in connection with his, her or its investment in ATM sale-leaseback transactions with NASI, or other assertable losses from interactions with NASI) that might be sought to be recovered from one or more of the

Defendants by any other Person or entity, including but not limited to the NASI Receiver. Notwithstanding any other provision of this Release, it shall not bar any claims by the Releasee concerning a dispute with City National Bank or any of the Bank's Related Parties on any matter unrelated to NASI nor bar any claims to enforce the terms of the Settlement Agreement.

4. a. The Releasor may hereafter discover facts in addition to or different from those which, he, she, or it now knows or believes to be true with respect to the subject matter of this Release. However, without limitation, the Releasor fully, finally, and forever settles and releases any and all claims referenced above, 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 which is negligent, intentional, with or without malice, or a breach of any duty, law or rule, without regard to the subsequent discovery or existence of such different or additional facts. Releasor specifically releases claims which he, she, or it does not know or suspect to exist in his, her, or its favor at the time of this Release which, if known by him, her, or it, might have affected his, her, or its decision not to enter into this release, or to object to or opt out of the settlement referenced above.

b. The Releasor waives and relinquishes, to the fullest extent permitted by law, the provisions, rights and benefits of § 1542 of the California Civil Code, which provides:

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

c. The Releasore waives 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 § 1542 of the California Civil Code as to the Defendants and their Related Parties.

d. The Releasor acknowledges that the foregoing waivers referenced in Section 4 of this Release were bargained for and are key elements of this Release and the settlement of which this Release is a part.

5. A copy of an executed signature page of this Release or a copy of the Release itself, including a PDF copy or those that are transmitted by email or facsimile, or are submitted online, shall be deemed and treated in all manner and respects as an original signature page or as an original Release, and shall have the same binding legal effect as if it were the original thereof delivered in person.

DATED: _____, 2018

[Releasor's Name]

By _____

[Signor's Name]

Its [Title]