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Attorney for Galileo Learning, LLC, Debtor
and Debtor in Possession

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13 **UNITED STATES BANKRUPTCY COURT**
14 **NORTHERN DISTRICT OF CALIFORNIA, OAKLAND DIVISION**

15 In re
16 GALILEO LEARNING, LLC,
17 Debtor.¹

Case Nos. 20-40857 (RLE)
20-40858 (RLE)

Chapter 11

(Jointly Administered)

18 In re
19 GALILEO LEARNING FRANCHISING
20 LLC,
21 Debtor.

**DECLARATIONS OF JOHN A. LOFTON,
DEAN G. RALLIS JR., KEITH BENCHER,
CHRIS LONGLEY, AND ANGELA TSAI
IN SUPPORT OF JOINT MOTION BY
CLASS REPRESENTATIVES AND
DEBTOR FOR ORDER GRANTING
FINAL APPROVAL OF CLASS
SETTLEMENT AGREEMENT AND
RELATED RELIEF**

22 Affects GALILEO LEARNING, LLC
23 Affects GALILEO LEARNING
24 FRANCHISING LLC,

Final Approval Hearing:
Date: February 9, 2021
Time: 10:00 a.m.

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27 ¹ These cases are being jointly administered, and all documents for either case should be filed in lead case number
28 20-40857 (RLE). The last four digits of each Debtor's federal tax identification number are as follows: Galileo
Learning, LLC (9453) and Galileo Learning Franchising LLC (5638). The mailing address for the Debtors is 1021
3rd Street, Oakland, California 94607.

1 **DECLARATION OF JOHN A. LOFTON**

2 I, John A. Lofton, declare as follows:

3 1. I am an attorney licensed to practice before this Court and of counsel with the law
4 firm Aiman-Smith & Marcy, P.C. ("Aiman-Smith & Marcy"), co-counsel appointed by the Court,
5 along with Hahn & Hahn LLP ("Hahn & Hahn"), for the class of individuals certified pursuant to
6 the Court's order of November 9, 2020 (the "Customer Class," and the members of the Customer
7 Class, the "Customer Class Members") in the chapter 11 case of the debtor and debtor in
8 possession Galileo Learning, LLC (the "Debtor").

9 2. I make this declaration in support of the *Joint Motion by Class Representatives and*
10 *Debtor for Order Granting Final Approval of Class Settlement Agreement and Related Relief* (the
11 "Joint Motion").¹ Where the matters stated in this declaration are statements of fact that are within
12 my personal knowledge, they are true and correct. Where the matters stated in this declaration are
13 statements of fact that are not within my personal knowledge, they are derived from information
14 provided to me by Aiman-Smith & Marcy or by the class representatives Nanette Kearney, Krister
15 Johnson, and Sandra Shorago (collectively, the "Customer Class Representatives") or based upon
16 information and belief and are true and correct to the best of my knowledge, information, and
17 belief. If called to testify, I could and would, without waiver of any applicable privilege, testify
18 competently to the matters stated in this declaration. I am duly authorized to make this declaration
19 on behalf of Aiman-Smith & Marcy.

20 3. On April 23, 2020, Aiman-Smith & Marcy, on behalf of Ms. Kearney and others
21 similarly situated, filed a class action complaint against the Debtor, its affiliate Galileo Learning
22 Franchising LLC, and its principal Glen Tripp in the United States District Court for the Northern
23 District of California, commencing the civil case captioned as *Kearney v. Galileo Learning, LLC,*
24 *et al.* and bearing Case No. 3:20-cv-02807-JCS (the "Civil Case").

25 4. On May 6, 2020, the Debtor filed a voluntary petition under chapter 11 of the
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27 ¹ Unless otherwise separately defined herein, all capitalized terms used herein shall have the
28 same respective meanings assigned to them in the Joint Motion and accompanying memorandum.

1 Bankruptcy Code in this Court, commencing this chapter 11 case, which is being jointly
2 administered with the chapter 11 case of Galileo Learning Franchising LLC. The Civil Case
3 remains pending but has been stayed due to the automatic stay.

4 5. On November 9, 2020, the Court entered the *Order Granting Class*
5 *Representative’s Motion for Order Applying Civil Rule 23 to Claims Administration Process and*
6 *Authorizing Filing of Class Proof of Claim* (the “Class Certification Order”), at docket no. 226,
7 that, among other things, certified the Customer Class, designated the Customer Class
8 Representatives as the representatives of the Customer Class, and appointed Aiman-Smith &
9 Marcy and Hahn & Hahn as co-counsel for the Customer Class (together, the “Class Counsel”).

10 6. From May to December 2020, the Class Counsel negotiated extensively with the
11 Debtor’s counsel. The Debtor provided the Class Counsel with substantial informal discovery in
12 the form of financial documents detailing the Debtor’s present financial condition, as well as its
13 financial projections under a variety of potential settlement scenarios.

14 7. At the start of the case, the Customer Class Representatives and the Debtor worked
15 together to allow the Debtor to offer the 110% Credit Option and 50% Coupon Option to the
16 Customer Class Members under the Summer 2020 Settlement Offer, in order to reduce the amount
17 of debt that would need to be repaid under a plan and allow the Customer Class Members an early
18 means to recover value on account of their claims. Since then, the Class Counsel and the Debtor’s
19 counsel have been able to negotiate creative solutions and an amicable class settlement within the
20 bankruptcy case under unusual time pressures. The product of those negotiations is the settlement
21 between the Customer Class and the Debtor memorialized by that certain *Class Settlement*
22 *Agreement* dated December 2, 2020 (the “Settlement Agreement” or “Settlement”).

23 8. The Customer Class Representatives have been extremely helpful and proactive in
24 prosecuting this matter. Ms. Kearney was instrumental in initiating the Civil Case and acting
25 promptly to protect the Customer Class’s interests in this bankruptcy case. Ms. Kearney has
26 expended significant efforts researching the Debtor’s business practices, seeking out the Class
27 Counsel, assisting in the preparation of the complaint in the Civil Case, finding and producing
28 documents to assist in the litigation, and contacting witnesses who also provided valuable

1 discovery to the Class Counsel.

2 9. Mr. Johnson and Ms. Shorago joined Ms. Kearney as class representatives in this
3 bankruptcy case. All three Customer Class Representatives (1) took a financial risk (and will
4 suffer actual detriment) by refraining from seeking chargebacks in order to represent the Customer
5 Class in this case; (2) met with and communicated with the Class Counsel on numerous occasions;
6 (3) detailed their experiences with the Debtor; (4) reviewed and commented on the documents
7 prepared by the Class Counsel; (5) reviewed the terms of and signed the Settlement Agreement;
8 and (6) assisted in the preparation of the Joint Motion. Throughout this process, the Customer
9 Class Representatives have zealously advocated for the best interests of the Customer Class, and
10 there is no question that the Customer Class has benefited from results of their efforts.

11 10. Aiman-Smith & Marcy's representation of the Customer Class Representatives,
12 and now the Customer Class, has required the firm to forego other work it would have otherwise
13 undertaken. The firm has devoted a substantial amount of hours to this matter, often at the expense
14 of other cases due to the urgency of the various filings and negotiations here. The firm anticipates
15 additional work will be required in this matter for the next five years in connection with the
16 administration of the Settlement, essentially until the reorganized Debtor has completed all
17 payment obligations under the Settlement. For example, following the Court's preliminary
18 approval of the Settlement, I have undertaken significant work in finalizing the final/service
19 versions of the Customer Class Notice and Settlement Response Form, assisting the Settlement
20 Administrator on the contents of the Settlement Website, and fielding numerous inquiries from the
21 Customer Class Members.

22 11. Since December 29, 2020, Dean G. Rallis Jr., Matthew D. Pham, and I have
23 promptly responded to emails and phone calls from over 50 Customer Class Members, answering
24 their questions about the Debtor's chapter 11 case and the Settlement and assisting them with
25 completing the Settlement Response Form and otherwise.

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12. At this time, no objections to the Settlement have been filed, and I am not aware of any Customer Class Members who intend to object or have expressed any interest in objecting to the Settlement.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration was executed on January 12, 2021, at Oakland, California.

/s/ John A. Lofton
John A. Lofton

1 **DECLARATION OF DEAN G. RALLIS JR.**

2 I, Dean G. Rallis Jr., declare as follows:

3 1. I am an attorney licensed to practice before this Court and of counsel with the law
4 firm Hahn & Hahn, LLC (“Hahn & Hahn”), co-counsel appointed by the Court, along with
5 Aiman-Smith & Marcy, P.C. (“Aiman-Smith & Marcy”), for the class of individuals certified
6 pursuant to the Court’s order of November 9, 2020 (the “Customer Class,” and the members of the
7 Customer Class, the “Customer Class Members”) in the chapter 11 case of the debtor and debtor
8 in possession Galileo Learning, LLC (the “Debtor”).

9 2. I make this declaration in support of the *Joint Motion by Class Representatives and*
10 *Debtor for Order Granting Final Approval of Class Settlement Agreement and Related Relief* (the
11 “Joint Motion”).¹ Where the matters stated in this declaration are statements of fact that are within
12 my personal knowledge, they are true and correct. Where the matters stated in this declaration are
13 statements of fact that are not within my personal knowledge, they are derived from information
14 provided to me by Hahn & Hahn or by the class representatives Nanette Kearney, Krister Johnson,
15 and Sandra Shorago (collectively, the “Customer Class Representatives”) or based upon
16 information and belief and are true and correct to the best of my knowledge, information, and
17 belief. If called to testify, I could and would, without waiver of any applicable privilege, testify
18 competently to the matters stated in this declaration. I am duly authorized to make this declaration
19 on behalf of Hahn & Hahn.

20 3. Hahn & Hahn’s representation of the Customer Class Representatives, and now the
21 Customer Class, has required the firm to forego other work it would have otherwise undertaken.
22 The firm has devoted a substantial amount of hours to this matter, often at the expense of other
23 cases due to the urgency of the various filings and negotiations here. The firm anticipates
24 additional work will be required in this matter for the next five years in connection with the
25 administration of the Settlement, essentially until the reorganized Debtor has completed all

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27 ¹ Unless otherwise separately defined herein, all capitalized terms used herein shall have the
28 same respective meanings assigned to them in the Joint Motion and accompanying memorandum.

1 payment obligations under the Settlement. For example, following the Court's preliminary
2 approval of the Settlement, Matthew D. Pham and I have undertaken significant work in finalizing
3 the final/service versions of the Customer Class Notice and Settlement Response Form, assisting
4 the Settlement Administrator on the contents of the Settlement Website, and fielding numerous
5 inquiries from the Customer Class Members.

6 I declare under penalty of perjury under the laws of the United States of America that the
7 foregoing is true and correct and that this declaration was executed on January 12, 2021, at
8 Pasadena, California.

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/s/ Dean G. Rallis Jr.
Dean G. Rallis Jr.

1 **DECLARATION OF KEITH BENCHER**

2 I, Keith Bencher, declare as follows:

3 1. I am the chief financial officer of the debtor and debtor in possession Galileo
4 Learning, LLC (the “Debtor”).

5 2. I make this declaration in support of the *Joint Motion by Class Representatives and*
6 *Debtor for Order Granting Final Approval of Class Settlement Agreement and Related Relief* (the
7 “Joint Motion”).¹ Where the matters stated in this declaration are statements of fact that are within
8 my personal knowledge, they are true and correct. Where the matters stated in this declaration are
9 statements of fact that are not within my personal knowledge, they are derived from my review of
10 the Debtor’s business records, are based upon information provided to me by the Debtor, or are
11 based upon information and belief, and are true and correct to the best of my knowledge,
12 information, and belief. The Debtor’s business records were (1) made at or near the time of the
13 occurrence of the matters set forth therein by, or from information transmitted by, a person having
14 knowledge of those matters, (2) kept in the course of the regularly conducted business activities of
15 the Debtor, and (3) by custom and practice of the Debtor, made as part of the Debtor’s regularly
16 conducted business activities. If called to testify, I could and would testify competently to the
17 matters stated in this declaration. I am duly authorized to make this declaration on behalf of the
18 Debtor.

19 3. From late 2019 to early 2020, thousands of customers paid money to or for the
20 benefit of the Debtor as deposits for the Debtor’s in-person camp programs scheduled for 2020
21 and other goods and services offered in connection with those camp programs. However, due to
22 the Covid-19 pandemic and the governmental orders and directives in response thereto, in April
23 2020, the Debtor canceled all of its camp programs and was unable to, and did not, provide
24 refunds to any customers.

25 4. On May 20, 2020, the Debtor was authorized to offer its customers the opportunity

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27 ¹ Unless otherwise separately defined herein, all capitalized terms used herein shall have the
28 same respective meanings assigned to them in the Joint Motion and accompanying memorandum.

1 to resolve their pending claims against the Debtor in exchange for either (a) a credit equal to 110%
2 of the customer’s claim (the “110% Credit Option”) or (b) a coupon good for five years entitling
3 the customer to a 50% discount off of the Debtor’s camp programming (the “50% Coupon
4 Option”). The customers were not obligated to take either option, and could instead continue to
5 retain their monetary claim against the Debtor.

6 5. The Debtor estimated that, as of November 13, 2020, (1) 4,054 customers holding
7 claims totaling \$4,497,008.15 elected the 110% Credit Option, (2) 1,090 customers holding claims
8 totaling \$1,075,299.29 elected the 50% Coupon Option, and (3) 4,106 customers holding claims
9 totaling \$4,351,274.86 made no election and continue to retain their monetary claim against the
10 Debtor.

11 I declare under penalty of perjury under the laws of the United States of America that the
12 foregoing is true and correct and that this declaration was executed on January 12, 2021, at
13 Oakland, California.

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15 /s/ Keith Bencher
16 Keith Bencher
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1 **DECLARATION OF CHRIS LONGLEY**

2 I, Chris Longley, declare as follows:

3 1. I am the Chief Executive Office of Atticus Administrator, LLC (“Atticus”), the
4 settlement administrator in this action.

5 2. I make this declaration in support of the *Joint Motion by Class Representatives and*
6 *Debtor for Order Granting Final Approval of Class Settlement Agreement and Related Relief* (the
7 “Joint Motion”).¹ Where the matters stated in this declaration are statements of fact that are within
8 my personal knowledge, they are true and correct. Where the matters stated in this declaration are
9 statements of fact that are not within my personal knowledge, they are derived from my review of
10 Atticus’s business records, are based upon information provided to me by Atticus, or are based
11 upon information and belief, and are true and correct to the best of my knowledge, information,
12 and belief. Atticus’s business records were (1) made at or near the time of the occurrence of the
13 matters set forth therein by, or from information transmitted by, a person having knowledge of
14 those matters, (2) kept in the course of the regularly conducted business activities of Atticus, and
15 (3) by custom and practice of Atticus, made as part of Atticus’s regularly conducted business
16 activities. If called to testify, I could and would testify competently to the matters stated in this
17 declaration. I am duly authorized to make this declaration on behalf of Atticus.

18 3. On December 29, 2020, Atticus published the settlement website located at
19 <https://www.galileosettlement.com> (the “Settlement Website”). By visiting the Settlement
20 Website, any Customer Class Member could (1) review what the Debtor’s records reflected to be
21 the amount of their claim against the Debtor (including whether they had obtained a chargeback),
22 their election under the Summer 2020 Settlement Offer, if any, and their contact information;
23 (2) complete and submit the online version of the Settlement Response Form; (3) update their
24 contact information; and (4) download the Settlement Agreement, Customer Class Notice, and
25 other relevant documents and filings.

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27 ¹ Unless otherwise separately defined herein, all capitalized terms used herein shall have the
28 same respective meanings assigned to them in the Joint Motion and accompanying memorandum.

1 4. As of January 8, 2021, approximately 1,050 Customer Class Members have
2 submitted the Settlement Response Form to Atticus. From the 1,050 submitted Settlement
3 Response Forms, the elections of the various treatment options by the Customer Class Members
4 can be broken down as follows:

Election	Number
Prior election of the 110% Credit Option under the Summer 2020 Settlement Offer	157
Prior election of the 50% Coupon Option under the Summer 2020 Settlement Offer	47
Election of the New Credit Option	104
Election of the New Coupon Option	26
Election of the Deferred Cash Payment Option	710
No election made (deemed to elect the Deferred Cash Payment Option)	6
	1,050

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13 5. Additionally, out of the 1,050 Customer Class Members who have submitted their
14 Settlement Response Forms, 267 have opted out of the releases contained in the Settlement.

15 6. Atticus has been diligently performing its duties as the Settlement Administrator,
16 including, publishing and updating the Settlement Website, responding to inquiries from the
17 Customer Class Members, receiving the Customer Class Members' Settlement Response Forms
18 and tabulating the responses made therein, and working closely with the Class Counsel and the
19 Debtor's counsel regarding any administration-related issues.

20 I declare under penalty of perjury under the laws of the United States of America that the
21 foregoing is true and correct and that this declaration was executed on January 12, 2021, at
22 Mendota Heights, Minnesota.

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Chris Longley
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4. As of January 8, 2021, approximately 1,050 Customer Class Members have submitted the Settlement Response Form to Atticus. From the 1,050 submitted Settlement Response Forms, the elections of the various treatment options by the Customer Class Members can be broken down as follows:

Election	Number
Prior election of the 110% Credit Option under the Summer 2020 Settlement Offer	157
Prior election of the 50% Coupon Option under the Summer 2020 Settlement Offer	47
Election of the New Credit Option	104
Election of the New Coupon Option	26
Election of the Deferred Cash Payment Option	710
No election made (deemed to elect the Deferred Cash Payment Option)	6
	1,050

5. Additionally, out of the 1,050 Customer Class Members who have submitted their Settlement Response Forms, 267 have opted out of the releases contained in the Settlement.

6. Atticus has been diligently performing its duties as the Settlement Administrator, including, publishing and updating the Settlement Website, responding to inquiries from the Customer Class Members, receiving the Customer Class Members' Settlement Response Forms and tabulating the responses made therein, and working closely with the Class Counsel and the Debtor's counsel regarding any administration-related issues.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct and that this declaration was executed on January 12, 2021, at Mendota Heights, Minnesota.



 Chris Longley

1 **DECLARATION OF ANGELA TSAI**

2 I, Angela Tsai, declare as follows:

3 1. I am a director of Stretto, the claims and noticing agent for the debtor and debtor in
4 possession Galileo Learning, LLC (the “Debtor”).

5 2. I make this declaration in support of the *Joint Motion by Class Representatives and*
6 *Debtor for Order Granting Final Approval of Class Settlement Agreement and Related Relief* (the
7 “Joint Motion”).¹ Where the matters stated in this declaration are statements of fact that are within
8 my personal knowledge, they are true and correct. Where the matters stated in this declaration are
9 statements of fact that are not within my personal knowledge, they are derived from my review of
10 Stretto’s business records, are based upon information provided to me by Stretto and the Debtors,
11 or are based upon information and belief, and are true and correct to the best of my knowledge,
12 information, and belief. Stretto’s business records were (1) made at or near the time of the
13 occurrence of the matters set forth therein by, or from information transmitted by, a person having
14 knowledge of those matters, (2) kept in the course of the regularly conducted business activities of
15 Stretto, and (3) by custom and practice of Stretto, made as part of Stretto’s regularly conducted
16 business activities. If called to testify, I could and would testify competently to the matters stated
17 in this declaration. I am duly authorized to make this declaration on behalf of Stretto.

18 3. On December 29, 2020, at my direction and under my supervision, employees of
19 Stretto caused an initial email to be sent to 9,401 persons. According to the Debtor, those 9,401
20 persons on that service list represented all of the presumed members of the Customer Class and
21 did not include any customers who otherwise received a full chargeback. That initial email
22 contained individual links to electronic copies of the following documents (collectively, the “Class
23 Service Documents”):

- 24 • Notice Regarding Class Certification, Settlement, and Final Approval Hearing;
25 • Settlement Response Form;

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27 ¹ Unless otherwise separately defined herein, all capitalized terms used herein shall have the
28 same respective meanings assigned to them in the Joint Motion and accompanying memorandum.

- 1 • Letter dated December, 28, 2020, with the subject line “Re: Class Representatives and Class
2 Counsel’s Recommendation Regarding Proposed Class Settlement and Proposed Plan of
3 Reorganization in Galileo Learning, LLC’s Bankruptcy Case;”
- 4 • Disclosure Statement, as Filed on December 29, 2020 (including Debtor’s First Amended Plan
5 of Reorganization, as Filed on December 29, 2020 attached as Exhibit A) (the “Disclosure
6 Statement”);
- 7 • Order (I) Approving Disclosure Statement; (II) Establishing Solicitation and Voting
8 Procedures; and (III) Scheduling Hearing and Establishing Notice and Objection Procedures
9 with Respect to Confirmation of Debtor’s First Amended Plan of Reorganization (the
10 “Disclosure Statement Order”);
- 11 • Notice of Entry of Order (I) Approving Disclosure Statement; (II) Establishing Solicitation
12 and Voting Procedures; and (III) Scheduling Hearing and Establishing Notice and Objection
13 Procedures with Respect to Confirmation of Debtor’s First Amended Plan of Reorganization
14 (the “Confirmation Hearing Notice”)

15 4. On December 30, 2020, at my direction and under my supervision, employees of
16 Stretto caused a second email to be sent to 9,401 persons. That second email stated that the
17 settlement website (located at <https://www.galileosettlement.com>), after experiencing some initial
18 functionality issues, was now fully operational.

19 5. From the initial and second emails, Stretto received “bounced-back” emails that
20 had been sent to 29 undeliverable email addresses. Accordingly, on December 30, 2020, at my
21 direction and under my supervision, employees of Stretto caused an USB drive containing the
22 Disclosure Statement, the Disclosure Statement Order and the Confirmation Hearing Notice, along
23 with physical copies of the remaining Class Service Documents and printouts of the two emails, to
24 be served on the 29 persons by first class mail to their respective physical addresses that the
25 Debtor had on file.

26 I declare under penalty of perjury under the laws of the United States of America that the
27 foregoing is true and correct and that this declaration was executed on January 12, 2021, at New
28 York, New York.

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/s/ Angela Tsai
Angela Tsai