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Attorneys for Petitioners and Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ALAMEDA

Donna Ventura, Gregory M. Bianchini, Alan Hindmarsh,
Calvin Wood and Sharon Wood, on behalf of Themselves
and Others Similarly Situated,

Petitioners,

v.

Regents of University of California,

Respondents.

No. RG 10530492

**Joint Case Management Statement
(Updated)**

Class Action (Settlement)

Date: 8/4/25
Time: 2:30 PM
Dept: 21

Hon. Somnath Raj Chatterjee

On July 25, 2025, the parties filed a Joint Case Management Statement with the Annual Report as Exhibit A. The “Court Monitor Comments” were reserved for the Case Management Conference on September 4, 2025. After Justice Lambden conferred with the parties on July 28, 2025, he provided written comments, which the Settlement Administrator added to an Amended Annual Report on July 28, 2025. The Amended Report is attached hereto as **Exhibit 1** to this Updated Joint Case Management Statement.

Class Counsel

Date: 7/29/25

/s/ Andrew Thomas Sinclair

Andrew Thomas Sinclair
Class Counsel

Date: 7/29/25

/s/ Dov M. Grunschlag

Dov M. Grunschlag
Carter Carter Fries & Grunschlag
Class Counsel

Counsel for The Regents of the University of California

Date: 7/29/25

/s/ Jennifer Romano

Jennifer Romano
Crowell & Moring
Counsel for Regents of Univ. of California

July 28, 2025

The Hon. Somnath Raj Chatterjee
The Superior Court of California—County of Alameda
Department 21
Administration Building
1221 Oak Street
Oakland, California 94612

Re: *Ventura, et al. v. Regents of Univ. of Cal., et al.*, No. RG 10530492 – **AMENDED**
Annual Report¹

Dear Judge Chatterjee:

Pursuant to the Parties’ Stipulation of Class Action Settlement and Release (“Settlement Agreement”), and in particular, V.E.3. Reporting by the Settlement Administrator (Year Four to Seven),

Starting year four following the Effective Date, the Settlement Administrator will take over the role of providing an annual report to the Court by March 1. The reports by the Settlement Administrator shall address the same matters and follow the same procedures as those by the Court Monitor. The cost of the annual reports by the Settlement Administrator shall come out of the Settlement Fund.

As required, the Settlement Administrator, ARCHER Systems, LLC (“ARCHER”), provided a draft copy of this report for comment to The Regents, Class Counsel, who forwarded the same to Petitioners / Class Representatives, and the Court Monitor, the Honorable James Lambden. Those comments are incorporated herein. *See infra* Sections IV, V, and VII, respectively.

I. STATUS OF BENEFITS PROVIDED BY LLNS (OR SUCCESSOR CONTRACTOR)

For calendar year 2024, Lawrence Livermore National Security, LLC (“LLNS”), provided health and welfare benefits to Eligible Class Members who timely enrolled. Similarly, LLNS commenced Open Enrollment for Eligible Class Members on October 15, 2024 (Via Benefits) and October 28, 2024 (Empyrean), for health and welfare benefits, coverages, and options for 2025. The 2025 Retiree Rates were provided to ARCHER by counsel for The Regents on September 12, 2024, by electronic mail. On or about January 16, 2025, the Benefits Group Leader with the Lawrence Livermore National Laboratory (“LLNL”) with counsel for The Regents copied, produced spreadsheets identifying health plan elections by living Class Members for 2025, in

¹ This case was originally filed as *Requa v. Regents of Univ. of Cal., et al.*, on August 11, 2020. After Requa withdrew for medical reasons, the case was designated as *Moen v. Regents of Univ. of Cal., et al.* After Moen withdrew, it has been designated *Ventura v. Regents of Univ. of Cal., et al.* Notwithstanding, the case number has remained RG 10530492.

addition to, information identifying Class Members who passed away in 2024. These spreadsheets were delivered to ARCHER by secure, encrypted MS SharePoint.

Subsequent thereto, ARCHER included a six (6) page informational guide regarding the Settlement Supplement on the settlement website. This guide provides Class Members with information related to Settlement Supplement eligibility by enrolling in a LLNS-sponsored medical plan, help with questions, considerations for Medicare-eligible and non-Medicare eligible Class Members alike, and Settlement Supplement availability. Additionally, the informational guide announced the following as related to the 2025 Settlement Supplement:

As we enter the fifth year of the LLNL Retiree Class Action Settlement program, the professionals responsible for the management and administration of the LCASE HRA Settlement Supplement have re-evaluated the current Supplement levels, taking into account the performance of the trust which funds the LCASE HRA, healthcare inflation, the underlying cost to Class Members of the LLNS medical plans offered, and the level of subsidy provided by LLNS (i.e., the \$2,450 HRA for Medicare-eligible members which has remained the same since 2016). **As a result of our evaluation, we are pleased to announce that we have significantly increased the LCASE HRA Settlement Supplement for 2025.** We have also introduced a Supplement for those non-Medicare eligible members who have elected the Anthem Blue Cross Core Plan (emphasis added).

The guide provides a chart which reflects the amount of the Settlement Supplement by health plan option for 2025.

II. STATUS OF UC'S CONTRIBUTIONS TO THE SETTLEMENT FUND²

Per Section V.A.1, The Regents will pay \$80,000,000³ to create the Settlement Fund. Section V.A.2. sets forth The Regents' Payment Schedule.

- ***Fifth Payment:*** Four years after the Effective Date, The Regents will make a further payment of \$10 million. **The Regents satisfied this obligation on April 10, 2024,** by wire to the 26 C.F.R. 1.468B-1 LLNL Retiree QSF [Qualified Settlement Fund].
- ***Sixth Payment:*** Five years after the Effective Date, The Regents will make a further payment of \$10 million. **The Regents satisfied this obligation on April 10, 2025,** by wire to the 26 C.F.R. 1.468B-1 LLNL Retiree QSF.

Attorneys' Fees and Costs were addressed in Section XII of the Parties' Settlement Agreement. The Regents elected to pay Attorneys' Fees and Expenses over time. At the request of Class Counsel, ARCHER established a sub-account under the LLNL Retiree Qualified Settlement Fund, entitled LLNL Retiree Settlement Attorneys' Fees. The Fund Administrator,

² Settlement Funds are subsequently transferred to a Voluntary Employees Beneficiary Association ("VEBA") designated as the "University of California Livermore Retirees Health Insurance Trust."

³ In addition to \$80 million, The Regents paid \$500,000 for Administrative Costs and \$4 million to provide Benefit Counseling Services in order to facilitate the Class Members' selection, acquisition, and utilization of health insurance.

ARCHER, segregated the Fee and Expense payment into the sub-account. **The Regents previously satisfied all Fee and Expense obligations as of July 8, 2022.**

A summary table of The Regent’s current contributions to the LLNL Retiree QSF can be found in Table 1 below.

TABLE 1 - UC’S CONTRIBUTIONS TO THE SETTLEMENT FUND		
DATE	DIRECTION	AMOUNT
January 3, 2020	LLNL Retiree QSF	\$500,000.00
May 11, 2020	LLNL Retiree QSF	\$19,000,000.00
April 9, 2021	LLNL Retiree QSF	\$15,000,000.00
April 8, 2022	LLNL Retiree QSF	\$15,000,000.00
April 10, 2023	LLNL Retiree QSF	\$10,000,000.00
April 10, 2024	LLNL Retiree QSF	\$10,000,000.00
April 10, 2025	LLNL Retiree QSF	\$10,000,000.00
TOTAL		\$79,500,000.00
July 9, 2020	LLNL Retiree Settlement Attorneys’ Fees Sub-Account	\$5,000,000.00
July 8, 2021	LLNL Retiree Settlement Attorneys’ Fees Sub-Account	\$5,000,000.00
July 8, 2022	LLNL Retiree Settlement Attorneys’ Fees Sub-Account	\$2,000,000.00

Pursuant to the payment schedule set forth in Sections V.A.1.—2. of the Parties’ Settlement Agreement, The Regents have fully and timely funded \$75 million of \$80 million to create the Settlement Fund. In accordance with the Parties’ Settlement Agreement, six years after the Effective Date, The Regents will make a further (and final) payment of \$5 million. The “Seventh Payment” will become due on Friday, April 10, 2026.

III. STATUS OF PAYMENTS TO CLASS MEMBERS

See infra Table 2 for a summary of Class participation and payments to Class Members.

A. **\$1,000 Initial Payments**

As of the date of this report, ARCHER has received 7,818 Class Member Data Forms (“CMDf” or “CMDfS”) from the approximate 8,904 potential Class Members or their successors-in-interest or personal representatives (excluding those individuals who previously opted out of the class during the pendency of the litigation or those who have declined to participate in the settlement program subsequent to the Effective Date). This reflects a participation rate of **87.8%**. The settlement program allows for a previously nonresponsive Class Member to submit a CMDf, thus enabling them to participate in the settlement program. ARCHER has mailed \$1,000 Initial Payment checks to **7,778** Class Members or their successors-in-interest / personal representatives.

The inconsistency between the sum of CMDfS received by the Settlement Administrator—7,818 and the number of \$1,000 Initial Payments distributed—7,778, is the result of two principal issues: (1) the Class Member or successor-in-interest / personal representative has elected to forego receiving the payment, thus declining to participate and opting out of the settlement process; or (2)

the Class Member's successor-in-interest / personal representative has failed to provide ARCHER with additional documentary information to confirm the personal representative's qualification to receive the payment (e.g., death certificate identifying next-of-kin, birth certificate demonstrating familial relationship, or estate documents satisfying the terms and conditions of the Stipulation of Class Action Settlement and Release—the *Settlement Administrator will take reasonable steps to verify the identity of the personal representative or successor-in-interest before sending any payment.*⁴

B. Past Damage Payments

Approximately \$11,000,000 will be paid in Past Damages Payments to eligible Class Members and/or their heirs, such that the Past Damages Payments plus the Initial \$1,000 Payment will equal \$20,000,000.

See ¶ 3, Schedule A of Stipulation of Class Action Settlement Agreement and Release.

ARCHER has tendered Past Damages Payments to **2,417** eligible Class Members or their successors-in-interest / personal representatives.

As of the date of this report, ARCHER has distributed **\$18,105,829.70** in Damages Payments (Initial \$1,000 Payments and Past Damages Payments) to eligible Class Members or their personal representatives / successors-in-interest.

As to the balance of unclaimed funds from the \$1,000 Initial Payment(s) and Past Damages Payment(s), the Settlement Administrator shall cause to be transferred to the Supplemental Payment for the benefit of living class members upon the conclusion of ARCHER's efforts to reissue stale checks and complete all outstanding payments. *See Ex Parte Application re Closing Class, Disposition of Unclaimed Settlement Funds, Release of Attorneys' Fees, and Order, July 20, 2021.* After the entry of the Court's Order of July 20, 2021, ARCHER held discussions with Petitioners and Class Counsel regarding Class Members who submitted a Class Member Data Form *after* April 10, 2022. Upon recommendations and directions of Petitioners, the Livermore Class Action Settlement Administration and Education Fund, Inc. ("LCASE") Board of Directors, Class Counsel, and counsel to LCASE, with agreement by the Settlement Administrator, Class Members who submitted a Class Member Data Form after April 10, 2022, would remain eligible to receive their \$1,000 Initial Payment(s) and Past Damages Payment(s) (*if applicable*) for good cause shown.

ARCHER has tendered 374 \$1,000 Initial Payment(s) and 292 Past Damages Payment(s) post April 10, 2022. However, many of these payments were issued to Class Members or their personal representatives / successors-in-interest who had submitted a Class Member Data Form prior to April 10, 2022, but payment was delayed as personal representatives gathered the necessary documentation to satisfy the Settlement Administrator's verification standards. Moreover, many payments were reissued for stale checks that had been voided or cancelled by ARCHER because previous payments returned as undeliverable, the check was simply never negotiated, or the check payment was lost. While not necessarily atypical in a settlement program

⁴ See Stipulation of Class Action Settlement and Release, V.A.12 (i.—vi.).

of this size, the payment reissue process for the Settlement Administrator has been a bit ambitious. This is likely the result of several factors including the number of deceased Class Members and the age of the Class. A summary of Class participation and damages payments to Class Members or their personal representative(s) may be found in the following table.

TABLE 2 - CLASS PARTICIPATION & DAMAGES PAYMENTS TO CLASS MEMBERS OR PERSONAL REPRESENTATIVES	
PROSPECTIVE CLASS MEMBERS	8,904
CLASS MEMBER DATA FORMS RECEIVED BY SETTLEMENT ADMINISTRATOR	7,818
CLASS PARTICIPATION RATE	87.8%
TOTAL DAMAGES PAYMENTS AVAILABLE TO CLASS	\$20,000,000.00
TOTAL \$1,000 INITIAL PAYMENTS (7,778)	\$7,778,000.00
TOTAL PAST DAMAGES PAYMENTS	\$10,327,829.70
TOTAL DAMAGES PAYMENTS MADE TO CLASS	\$18,105,829.70
BALANCE OF DAMAGES PAYMENTS TO CLASS	\$1,894,170.30
\$1,000 INITIAL PAYMENTS MADE AFTER APRIL 10, 2022	\$374,000.00
PAST DAMAGES PAYMENTS MADE AFTER APRIL 10, 2022	\$806,864.03

Over the past five years, there has been considerable progress in issuing damages payments to Class Members or their personal representatives / successors-in-interest. As of this report, minimal work remains as the total outstanding damages payments currently amount to \$1,101.49. Additionally, despite extensive outreach and follow-up efforts, payments totaling \$40,770.71, associated with 23 Class Members, cannot be disbursed as a result of noncompliant or nonresponsive parties. Notably, 22 of these 23 Class Members concern estate claims requiring qualifying documentation from personal representatives / successors-in-interest.

Subject to further discussions with the Court Monitor, Petitioners, LCASE, and Counsel, ARCHER shall propose reserving known outstanding \$1,000 Initial and Past Damages payments within the QSF. It should be emphasized, while on deposit in the QSF, these funds accrue interest at a current annual percentage yield of 3.51%. Pursuant to the Ex Parte Application re Closing Class, Disposition of Unclaimed Settlement Funds, Release of Attorney’s Fees, and Order entered July 20, 2021, and in particular, “allocate unclaimed funds from the \$1,000 Initial Payment(s) and Past Damages Payment(s) to the Supplemental Payment for the benefit of living class members” ARCHER effected a wire transfer in the amount of \$1,500,000.00 to VEBA Trust on October 29, 2024.

C. Supplemental Payments

As characterized in the Parties’ Settlement Agreement, section V.A.3, in addition to costs of administration, the Initial \$1,000 Payments, and Past Damages, “...Settlement Funds will be used to provide annual payments through the VEBA to Policy Holders going forward to provide a

supplement to benefits provided by LLNS (or a Successor Contractor) for health care coverage or any benefit permissible under IRC § 501(c)(9) ("Supplemental Payments")."

Livermore Class Action Settlement Administration and Education Fund, Inc., the employee organization which formed the VEBA, serves as the Plan Sponsor and Plan Administrator for the Livermore Class Action Settlement Administration and Education Fund, Inc., Retiree Health Reimbursement Arrangement ("LCASE HRA").

Unlike the Initial \$1,000 Initial and Past Damages Payments, the Supplemental Payment is available *only to living, eligible* Class Members who submit requests for reimbursement to Via Benefits Insurance Services. Eligibility is determined by those Class Members who elect medical coverage as of the start of the plan year under one of the LLNS-sponsored plans.

For calendar year 2024, the LCASE HRA Settlement Supplement for participating, eligible Class Members equaled **\$3,346,822**. Over the course of the year, **\$1,722,211** was reimbursed to Class members for premium costs and eligible expenses as defined by §213(d) of the Internal Revenue Code. Since inception, the LCASE HRA has reimbursed more than **\$7,312,577** to Class Members and that number continues to increase daily. It is expected that as premiums continue to rise, Class Members will utilize plan reimbursements at a higher rate.

To remind and encourage plan participants to access their HRA funds for eligible expenses, twice yearly in the spring and fall, typically February and September, Via Benefits mails a "Balance Reminder" letter to any plan participant who has had no payment activity in the preceding 90 days.

Together with the Settlement Administrator's retained actuarial and employee benefits experts, Phillips Consulting Partners, LLC ("Phillips"), ARCHER determined that Extend Health, LLC, d/b/a Via Benefits Insurance Services, remains best positioned to provide recordkeeping and administrative services for the Livermore Class Action Settlement Administration and Education Fund, Inc., Retiree Health Reimbursement Arrangement for calendar year 2025. The company is owned by human resources consulting firm Willis Towers Watson ("WTW").

Via Benefits has been and continues to be promptly responsive engaging a large interdisciplinary team to address the needs and requests of the Settlement Administrator and its benefits experts. In conjunction with their experience in delivery with LLNS and the Class Member retiree population, WTW/Via Benefits continues to be the Settlement Administrator's preferred partner with a team of implementation experts, data analysts, retiree plan specialists, operations staff, and in-house legal counsel.

Working with Phillips, the Settlement Administrator will continue to evaluate the performance of WTW/Via Benefits in its delivery of services and administration of the HRA, which was funded February 26, 2025. For calendar year 2025, the LCASE HRA Settlement Supplement for participating, eligible Class Members amounts to **\$4,175,175**. Since inception, the LCASE HRA has provided Class Members with **\$16,737,589** in available Supplemental Payments. Additional comments related to plan participant experience follows:

- The LCASE HRA provides an option to allow plan participants to request recurring reimbursements by submitting documentation at the beginning of each year. Via Benefits will reimburse the premium shown each month until funds are exhausted. The claim form has a barcode, *which is specific to each member*. Class Members may download their individual form from the LCASE HRA website or call Via Benefits and have a representative send it by mail.
- The Via Benefits Reimbursement Guide provides the details for how to submit claims, including by phone and by mail— (<https://app.viabenefits.com/static/cdn/documents/website/lcase/991009-200526-FundingGuide-LCASE-1.pdf>). Anticipating the common need for assistance, this guide also advises that Class Members may assign an authorized representative to manage issues, claims, and related matters. This assignment can be completed by telephone or mail. Funds also remain available for reimbursement for six (6) months following a participant's death.
- Remaining individual Class Member HRA funds from prior years will roll forward to pay expenses if current plan year contributions are exhausted. Funds remain in the allocated year unless needed to pay expenses in future years. There is no plan year expense submission deadline. The plan year is determined by the date of service not the date paid. *Reimbursement for prior year expenses is permitted if funds for that year remain available.*
- Via Benefits determines reimbursement amounts based upon the Class Member's documentation to avoid duplicate payments for the same expense. A Class Member may *not* request a reimbursement for more or less than the amount indicated in Class Member's submitted documentation.

D. VEBA Trust (University of California Livermore Retirees Health Insurance Trust)

At December 31, 2024, the VEBA's investments included equity mutual funds diversified between domestic and foreign securities and among companies with small, mid, and large capitalization. At December 31, 2024, the VEBA also held fixed income mutual funds diversified by credit type and maturity, and individual bonds diversified by maturity and issuer. At December 31, 2024, the VEBA's investments were allocated 2.88% to cash and money market mutual funds, 44.12% to equities, and 53.00% to fixed income. In 2024 the VEBA received dividends and interest on VEBA investments of \$1,471,286.54 and additionally earned \$220,110.17 of accrued income. During 2024, the VEBA's investment portfolio gained 8.65% net of investment management fees.

Stated above, the 2024 investment gains are calculated as net of investment management fees. Argent Trust Company was hired to invest VEBA assets and has charged a modest fee for that particular service. That fee for 2024 was \$66,760.46. But at the start of Argent's service as trustee, it was hired to perform a wide variety of other services for the VEBA completely unrelated to the investment of VEBA assets, and Argent has charged a fixed annual fee plus any out-of-pocket expenses for those unrelated services. They have included holding VEBA assets in trust;

making monthly distributions from the VEBA; maintaining records for recording contributions to the VEBA, investment gains and losses and distributions from the VEBA; preparing detailed VEBA trust statements, three quarterly and one annually; consulting with the VEBA's actuary throughout the year on actual assumptions to use in determining VEBA funding and the amount of distributions from the VEBA; consulting with the VEBA's outside legal counsel and others on various legal issues, including those dealing with government reporting and disclosure issues for the health reimbursement account (HRA) and the VEBA; preparing financial reports for the Settlement Administrator upon request; assisting and overseeing the VEBA auditor's filings with the Internal Revenue Service; and making monthly distributions to Willis Towers Watson which is the paying agent for the HRA. Because all of these services have nothing to do with Argent's investment of VEBA assets, Argent has not included the separate fixed fee paid to Argent for performing them in the calculation of the VEBA's investment performance net of investment management fees.

The VEBA balance as of December 31, 2023, was \$26,443,060.88. The VEBA balance as of December 31, 2024, was \$37,790,360.58. The difference between the two amounts is attributable to: (1) contributions to the VEBA from the LLNL Retiree QSF of \$11,500,000.00; (2) payments made to or for the benefit of the VEBA beneficiaries for retiree health care in the amount of \$2,473,020.50 (LCASE HRA contributions); (3) the VEBA's payment of Argent's trustee management fees in the aggregate amount of \$368,727.55; and (4) net gains and income on the investments as described in Table 5 below. Gains were caused by increases in equity valuations resulting from generally favorable economic conditions and generally stable interest rates in longer maturities offset somewhat by lower short-term interest rates resulting from the actions of the Federal Reserve. Income on investments was earned from interest payments on bonds and money market mutual funds and dividend payments on equities. During 2024, \$1,000,000 was transferred to a sub-account within the VEBA to facilitate investment in an individual equity strategy.

The VEBA's investment portfolio continues to benefit from higher interest rates as short-term cash investments earn yields in excess of 4%, and additional investments of approximately \$7,614,600.00 in fixed income securities were made during the year at yields in excess of those originally projected. The VEBA benefited from consistently positive equity performance throughout the year with most of the additions to the equity portfolio occurring in the first quarter.

The succeeding Tables 3—7 provide summaries related to 2024 VEBA Trust contributions to the LCASE HRA, VEBA Trustee fees for calendar year 2024, the VEBA Trust's 2024 Annual Summary, a historical summary of VEBA Trustee/Custodial fees, and the VEBA Trust's miscellaneous disbursements and reductions for calendar year 2024, respectively.

TABLE 3 - VEBA TRUST LCASE HRA CONTRIBUTIONS		
DATE	DIRECTION	AMOUNT
3/4/2024	PAID VIA WIRE ACCLARIS INC HRA	\$862,403.32
4/2/2024	PAID VIA WIRE ACCLARIS INC HRA	\$237,654.53
5/2/2024	PAID VIA WIRE ACCLARIS INC HRA	\$164,505.63
6/4/2024	PAID VIA WIRE ACCLARIS INC HRA	\$173,788.81
7/2/2024	PAID VIA WIRE ACCLARIS INC HRA	\$128,875.78
8/2/2024	PAID VIA WIRE ACCLARIS INC HRA	\$128,215.03
9/3/2024	PAID VIA WIRE ACCLARIS INC HRA	\$99,890.03
10/2/2024	PAID VIA WIRE ACCLARIS INC HRA	\$189,140.32
11/4/2024	PAID VIA WIRE ACCLARIS INC HRA	\$275,503.35
12/3/2024	PAID VIA WIRE ACCLARIS INC HRA	\$213,043.70
TOTAL		\$2,473,020.50

TABLE 4 - VEBA TRUSTEE FEES 2024	
DATE	AMOUNT
December-23	\$29,379.43
January-24	\$29,386.39
February-24	\$29,449.93
March-24	\$29,400.21
April-24	\$30,897.27
May-24	\$30,975.08
June-24	\$30,964.83
July-24	\$31,108.07
August-24	\$31,169.63
September-24	\$31,246.95
October-24	\$31,352.67
November-24	\$31,452.13
2024 Investment Advisory Fee	\$1,944.96
TOTAL	\$368,727.55

TABLE 5 - VEBA TRUST 2024 ANNUAL SUMMARY	
DATE	AMOUNT
MARKET VALUE AS OF JANUARY 1, 2024	\$26,443,060.88
OTHER CONTRIBUTIONS	\$11,500,000.00
DIVIDENDS	\$790,133.89
INTEREST	\$681,152.65
LESS BEGINNING ACCRUED INCOME	(\$144,088.66)
ACCRUED INCOME	\$220,110.17
TRANSFERS WITHIN TRUST	\$1,000,000.00
REALIZED GAIN OR LOSS	\$105,267.55
UNREALIZED GAIN OR LOSS	\$1,059,299.01
TRUSTEE/CUSTODIAN FEES (See <i>infra</i> Table 6 for historical)	(\$366,782.59)
SCHEDULE OF WIRE TRANSFERS	(\$2,473,020.50)
MISC. DISBURSEMENTS & REDUCTIONS (See <i>infra</i> Table 7)	(\$22,825.50)
TRANSFERS WITHIN TRUST	(\$1,000,000.00)
OTHER DISBURSEMENTS AND REDUCTIONS	(\$1.36)
INVESTMENT ADVISORY FEE	(\$1,944.96)
TOTAL	\$37,790,360.58

TABLE 6 - VEBA TRUSTEE / CUSTODIAN FEES - HISTORICAL				
FEE TYPE	2021	2022	2023	2024
Argent Fixed Monthly Trustee Fee (\$25,000/month/year)	\$100,000.00	\$300,000.00	\$300,000.00	\$300,022.13
Argent Asset Based Monthly Investment Fee (Total Per Annum)	\$5,509.48	\$32,417.58	\$44,028.22	\$66,760.46
Investment Advisory Fee				\$1,944.96

TABLE 7 - VEBA TRUST MISC. DISBURSEMENTS & REDUCTIONS		
DATE	DIRECTION	AMOUNT
May 10, 2024	PAID VIA CHECK WITHUM SMITH+BROWN PC CLIENT #9109235 INV# 1237104	\$9,711.50
May 23, 2024	PAID VIA CHECK WITHUM SMITH+BROWN PC CLIENT #9109235 INV 1256874	\$10,322.00
June 18, 2024	PAID VIA CHECK WITHUM SMITH+BROWN PC	\$2,792.00
TOTAL		\$22,825.50

Subject to the limited investment opportunities available to the QSF Administrator, the VEBA Trustee, Settlement Administrator, and Phillips will continue to review the VEBA's investment performance and broader market conditions to determine if future settlement fund contributions should remain within the QSF.

IV. THE REGENTS OF THE UNIVERSITY OF CALIFORNIA COMMENTS

The Regents were provided with a draft of this Annual Report and provided no additions or comments since the contents of this Annual Report are outside of The Regents' purview.

V. CLASS COUNSEL COMMENTS

Class Counsel circulated the draft Annual Report provided by ARCHER to the LCASE Board of Directors. The following are comments from the Board and Class Counsel.

A. Court Order Approving 2023 Annual Report

The Court found that “the Settlement Administrator and the Court Monitor are proceeding in the manner contemplated by the Final Approval Order,” and that “significant progress has been made in implementing the Final Approval Order.” See Order after Hearing (9/27/24), p. 2.

The Court also noted, with respect to the Court Monitor Comments, that:

The Court notes and approves comments by the Court Monitor “encourage[ing] the effort to conduct interviews of class members” and approving efforts to create “a ‘safe place’ (perhaps a hotline) where class members can report their experiences in accessing benefits. In view of the aging class membership, a record of the anecdotal experiences of class members would undoubtedly inform efficient class member access to benefits.”

B. Class Member Participation

The settlement agreement provided for (1) an Initial \$1000 Payment to all class members (or their heirs), (2) a Past Damages payment for eligible class members (or heirs), and (3) a Supplemental Payment over 20 years (2021-2040) or until only 1,000 class members are still living, whichever comes first. At this time, remaining funds are distributed to living class members. As noted above, items (1) and (2) have been distributed, as well as five years of the Supplemental Payments.

Class members have access to two HRA plans: (1) an HRA plan established for all retirees of the Lawrence Livermore National Laboratory which provides \$2,450 per year; and (2) an HRA plan established by LCASE to distribute the Supplemental Payment on a tax-exempt basis.

To be eligible for the Supplemental Payment, class members must: (1) choose a health care plan offered by Lawrence Livermore National Security (LLNS), which now manages the Laboratory; and (2) submit a Class Member Data Form (CMDF) to Settlement Administrator ARCHER System verifying their identity.

Typically, class members use funds from the Laboratory HRA (\$2,450) before accessing the Supplemental Payment, usually to pay health care premiums. After these funds are exhausted

(usually in the fall), the class members pay remaining premium costs (and other health care costs allowed by IRS regulations) from their own funds, then seek reimbursement from the LCASE HRA through Via Benefits.

As noted above, with rare exceptions, the class was closed with respect to the Initial \$1000 Payment and Past Damages as of April 10, 2022. See Ex Parte Application & Order re Closing Class, Disposition of Unclaimed Settlement Funds, Release of Attorneys' Fees (7/20/21) and Stipulation & Order Extending Time Period for Identifying or Locating Deceased Class Members' Representatives Order (2/18/21). However, even if a class member has not participated in the settlement and is no longer eligible for the Initial \$1000 Payment or Past Damages, the person may still be eligible for the annual Supplemental Payment going forward. The only requirement is that the class member submit a CMDF and sign up for a health care plan offered by LLNS. This can represent significant income for class members as they grow older.

The status of class members and the Supplemental Payment at the end of 2023 and 2024 can be summarized as follows:

Summary of Living Class Members & Supplemental Payment			
		12/31/23	12/31/24
1	Initial class size after opt-outs (living & deceased) as of settlement (12/20/19)	9,046	9,049
2	Living class members	5,125	5,036
3	Living class members who returned CMDF	4,767	4,686
4	Living class members who have not returned CMDF	358	350
5	Living class members who returned CMDF and have access to Supplemental Payments	4,320	4,186

The Supplemental Payment varies from year to year. It is determined on the basis of investment performance of the VEBA and actuarial calculations to ensure that funds are available for 20 years or until 1,000 class members are still living.

Supplemental Payment funds are placed in accounts for class members, typically by the end of February. Class members can use these funds for eligible health care expenses (premiums and other expenses allowed by IRS regulations) for the year in question. Class members are not required to access Supplemental Payment funds and may keep the funds in their LCASE HRA account. Funds that are not used roll over the following year.

A summary of class members using Supplemental Payment funds by quartile is shown below:

Summary of 4,320 Living Class Members and their Supplement Payment Utilization (2023)			
1	Class members who have used 100% of their Supplement allocation	1,469	34%
2	Class members who have used between 75% and 99% of their Supplement allocation	475	11%
3	Class members who have used between 50% and 75% of their Supplement allocation	389	9%
4	Class members who have used between 25% and 50% of their Supplement allocation	346	8%
5	Class members who have used between 1% and 25% of their Supplement allocation	562	13%
6	Class members who have not used any (0%) of their Supplement allocation	1,080	25%

A summary for 2024 is:

Summary of 4,186 Living Class Members and their Supplement Payment Utilization (2024)			
1	Class members who have used 100% of their Supplement allocation	586	14%
2	Class members who have used between 75% and 99% of their Supplement allocation	628	15%
3	Class members who have used between 50% and 75% of their Supplement allocation	1,047	25%
4	Class members who have used between 25% and 50% of their Supplement allocation	335	8%
5	Class members who have used between 1% and 25% of their Supplement allocation	586	14%
6	Class members who have not used any (0%) of their Supplement allocation	1,004	24%

LCASE has two principal concerns: (1) The number of living class members who have **not returned a Class Member Data Form** (358 in 2023 and 350 in 2024); and (2) the number of eligible class members who are **not accessing the Supplemental Payment at all** (1,080 or 25% in 2023 and 1,004 or 24% in 2024).

C. Significant Increase in Supplemental Payment

Each year, ARCHER (in coordination with the VEBA Trustee and actuary, Phillips Consulting) calculates how much will be available and informs class members. The following table shows an annual supplemental allocation:

Year	Total Allocation	Non-Medicare Allocation	Non-Med Average Family Allocation	Percentage Increase	Medicare Allocation	Medicare Average Family Allocation	Percentage Increase
2021	\$3,214,985	\$860,175	\$2,757	N/A	\$2,354,810	\$567	N/A
2022	\$3,145,031	\$683,291	\$2,997	8.71%	\$2,461,740	\$611	7.76%
2023	\$3,143,658	\$645,473	\$3,148	5.04%	\$2,498,185	\$647	5.89%
2024	\$3,119,892	\$659,504	\$3,400	8.01%	\$2,460,388	\$687	6.18%
2025	\$4,154,517	\$796,684	\$4,888	43.76%	\$3,357,833	\$940	36.83%

The LCASE Board was very pleased with the increase for 2025 based on a 5-year review by ARCHER, Phillips Consulting and Argent Financial. LCASE understands that similar annual increases are not likely to recur.

D. Reimbursement Issues

Several class members, including LCASE Board members, have experienced or heard about poor experiences with the reimbursement process. The LCASE Board has discussed these concerns with ARCHER Systems, which has conveyed the concerns to Willis Towers Watson (WTW) and its subsidiary Via Benefits. Class counsel notes that all feedback from class members with concerns that have been forwarded to ARCHER and/or Phillips Consulting have been promptly and satisfactorily addressed. The concerns have been with Via Benefits and/or Empyrean. ARCHER conducts biweekly meetings with Via Benefits and has promptly looked into concerns forwarded by Class Counsel on behalf of the LCASE Board.

E. Evaluating How to Improve Service to Class Members Seeking Reimbursement

Anecdotal reports, including from members of the LCASE Board, indicate that class members have continued to experience difficulties with the reimbursement process, namely, with Via Benefits and Empyrean. After discussions over several months, to address these concerns, and to comply with the Court's directive to provide a "safe place" for class members, LCASE signed a contract with Gallagher Consulting on July 1, 2025. The contract provides for a review and evaluation. LCASE is hopeful that the Gallagher consultant will offer meaningful and useful recommendations for improving the reimbursement process, as well as for participation of class members who are not utilizing, or are under-utilizing, settlement funds to which they are entitled.

The LCASE Board notes that a number of class members who retired, or whose spouse retired, before the "digital revolution" (which is now taken for granted by most of the population) may not be comfortable with computers and the Internet. These class members may genuinely need assistance with reimbursement and other issues related to the settlement. In addition, the entire class, which was certified on 10/30/14, is composed of LLNS retirees and/or their spouses. It is now more than ten years later. With advanced age, some class members can be expected to experience cognitive difficulties, which will only increase going forward. LCASE wants to be sure that resources are available to meet the needs of such class members and is hopeful that this issue will be addressed by Gallagher as well.

The LCASE Board appreciates the cooperation of ARCHER Systems and Phillips Consulting in working with Gallagher. The Board is aware that participation in the settlement is already high. The Board also notes that substantial funds were set aside to ensure enhanced "customer service." See Settlement Agreement, ¶ V-B, p. 20. A small portion of these funds will be used to pay for Gallagher's services.

VI. QUALIFIED SETTLEMENT FUND BALANCE REPORT

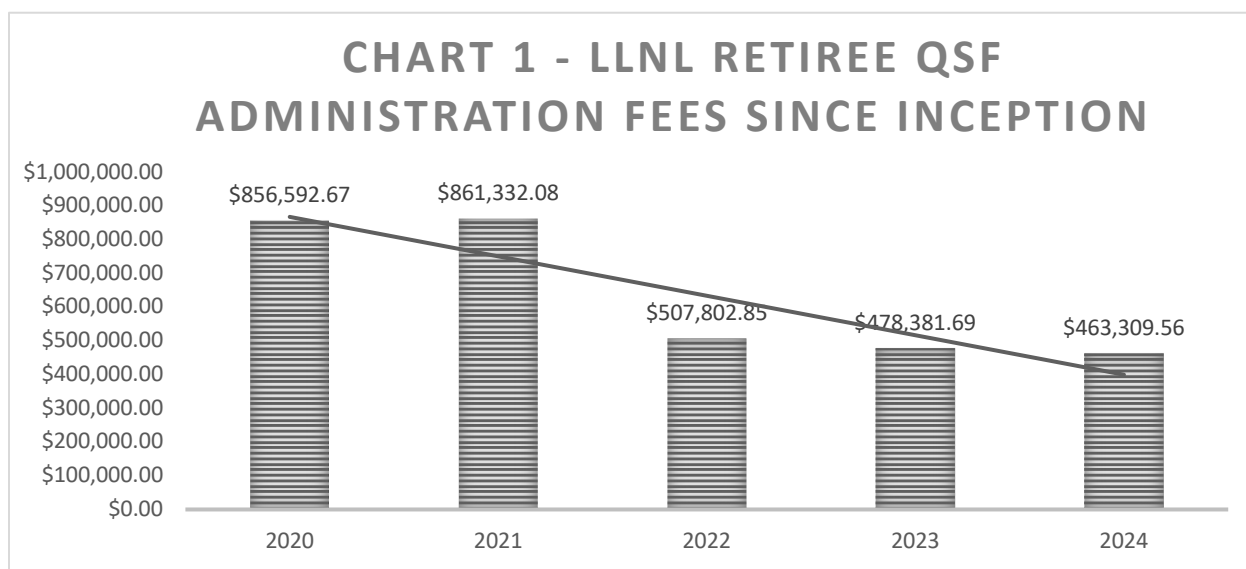
As of April 30, 2025, the LLNL Retiree Qualified Settlement Fund Balance Report reflects **\$5,284,662.49**, excluding undistributed attorneys' fees in the LLNL Retiree Settlement Attorneys' Fees Sub-Account. *See* Table 8 below. The Regents Payment for Benefits Counseling Services reflects a balance of **\$3,956,783.75**. The QSF Balance Report is reconciled monthly upon delivery of the custodial bank statements reflecting monthly debit (i.e., Class Member distributions, fees and expense remuneration in the form of administrative costs) and credit history (i.e., contributions, interest income). Full backing support, including detailed invoices, bank statements, and the QSF Balance Report will be made available for review upon request.

TABLE 8 - LLNL RETIREE QSF BALANCE REPORT APRIL 30, 2025	
TRANCHE	AMOUNT
ADMINISTRATIVE (ACCRUED INTEREST)	\$637,489.70
BENEFITS (COUNSELING SERVICES)	\$3,956,783.75
CLAIMANT (REGENT PAYMENTS EXCLUDING DAMAGES)	\$299,439.26
CLAIMANT DAMAGES (REGENT PAYMENTS RESERVED FOR DAMAGES PAYMENTS)	\$390,949.78
TOTAL	\$5,284,662.49

Annual administrative and benefits counseling costs for 2024 (January 1—December 31) are provided in Table 9 immediately below.

TABLE 9 - LLNL RETIREE QSF 2024 ANNUAL ADMINISTRATIVE & BENEFITS COUNSELING COSTS	
VENDOR	AMOUNT
ARCHER SYSTEMS, LLC	\$56,940.44
PHILLIPS CONSULTING PARTNERS, LLC	\$100,315.00
EXTEND HEALTH LLC (LCASE HRA SERVICE)	\$137,084.00
LCASE EXPENSE REIMBURSEMENTS	\$167,187.62
CA FIDUCIARY INCOME TAX RETURN FORM 541	\$362.50
SETTLEMENT WEBSITE MAINTENANCE AND UPDATES	\$1,420.00
TOTAL	\$463,309.56
PHILLIPS CONSULTING PARTNERS, LLC (BENEFITS COUNSELING)	
TOTAL	\$32,825.00

Chart 1 reflects both the declining cost burden and administrative fees related to the settlement program, and the implementation and coordination of the LCASE HRA.



VII. COURT MONITOR COMMENTS

The Monitor approves of the performance of Archer, Phillips Consulting and Argent Financial, which is reflected in the increase for 2025, reported following the five-year review. The Monitor remains concerned by the relatively large number of class members (as much as 25%) who are not taking advantage of available funds.

The Monitor's comments regarding the 2024 report focused on services provided to class members who have described difficulties in navigating the reimbursement process. Continued anecdotal reports, including from members of the LCASE Board, suggest that class members have experienced difficulties with the reimbursement process. Discussions over several months have addressed these concerns, which appear to reflect the difficulties experienced by the aging cohort of class members using computers to access services relating to reimbursements.

The Monitor suggests that these discussions should continue and expects that progress in addressing possible service impediments will be facilitated by the July 1, 2025, contract negotiated between LCASE and Gallagher Consulting. The contract provides for a review and evaluation of class member access issues. The Monitor expects this will result in useful recommendations for improving the reimbursement process to realize the previously proposed "safe place" for participants to raise issues relating to access. This should improve participation by members who may not be fully utilizing the settlement funds to which they are entitled.

The Monitor anticipates that discussion and revision of the "safe place" ombudsman process will be on-going since the class continues aging and because technological developments might further facilitate member participation. Accordingly, the Monitor approves of these continued efforts and appreciates that the negotiated contract with Gallagher Consulting is another good step in the process of continuing to refine and improve the reimbursement process.

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

Rene C. Davidson Courthouse

Joe Requa et al
Plaintiff/Petitioner(s)
VS.
The Regents of the University
of California
Defendant/Respondent
(s)

No. RG10530492

Date: 08/04/2025

Time: 2:30 PM

Dept: 21

Judge: Somnath Raj Chatterjee

ORDER re: Compliance Hearing Re:
Final Distribution

ORDER RE: COMPLIANCE

The Court has ordered the following after review of the case.

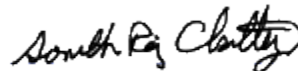
The Compliance Hearing Re: Final Distribution scheduled for 08/04/2025 is continued to 08/10/2026 at 02:30 PM in Department 21 at Rene C. Davidson Courthouse .

The CMC statements filed 7/25/25 and 7/29/25 present the report of the settlement monitor. The Court finds that the parties, the Settlement Administrator, and the Court Monitor are proceeding in the manner contemplated by the Final Approval Order, which incorporates the parties' Settlement Agreement. All parties agree, and the Court finds, that significant progress has been made in implementing the Final Approval Order. The Court CONTINUES the matter for a year for submission of the next annual report on the status of the settlement administration.

The Court ORDERS that in the CMC statement for the CMC in 2026 that counsel provide the court with the roadmap for the completion of the settlement administration process and a timeline for that completion.

The Court orders counsel to obtain a copy of this order from the eCourt portal.

Dated : 08/04/2025



Somnath Raj Chatterjee / Judge

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

Rene C. Davidson Courthouse