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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA**

VALENCIA KING, individually, and on
behalf of other members of the general public
similarly situated; VICTORIA PERKINS,
individually, and on behalf of other members
of the general public similarly situated;

Plaintiffs,

vs.

LEISURE CARE, LLC, a Washington
limited liability company; FRESN, LLC, a
Washington limited liability company;
LIVERMORE SENIOR LIVING, an
unknown business entity; and DOES 1
through 100, inclusive,

Defendants.

Case No.: RG21099267 [*Consolidated
with Case No.: RG21112925*]

Honorable Michael Markman
Department 23

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Reservation ID: 076647801977
Date: June 27, 2024
Time: 10:00 a.m.
Department: 23

Complaint Filed: May 14, 2021
FAC Filed: March 4, 2024
Trial Date: None Set

1 This matter has come before the Honorable Michael Markman in Department 23 of the
2 Superior Court of the State of California, for the County of Alameda, on June 27, 2024 at 10:00 a.m.
3 for Plaintiffs' Motion for Preliminary Approval of Class Action Settlement. Lawyers *for* Justice,
4 PC appears as counsel for Plaintiffs Valencia King and Victoria Perkins (together, "Plaintiffs"),
5 individually and on behalf of all others similarly situated and other aggrieved employees and Davis
6 Wright Tremaine LLP appears as counsel for Defendants Leisure Care, LLC, Fresn, LLC, Livermore
7 Senior Living, Heritage Estates, and Dan B. Madsen (collectively, "Defendants").

8 The Court, having carefully considered the papers, argument of counsel, and all matters
9 presented to the Court, and good cause appearing, hereby GRANTS Plaintiffs Motion for
10 Preliminary Approval of Class Action Settlement.

11 **IT IS HEREBY ORDERED THAT:**

12 1. The Court preliminarily approves the Class Action and PAGA Settlement
13 Agreement ("Settlement," "Agreement," or "Settlement Agreement"), attached as "**EXHIBIT 1**" to
14 the Declaration of Selena Matavosian in Support of Plaintiffs' Motion for Preliminary Approval of
15 Class Action Settlement. This is based on the Court's determination that the Settlement falls within
16 the range of possible approval as fair, adequate, and reasonable.

17 2. This Order incorporates by reference the definitions in the Settlement Agreement,
18 and all capitalized terms defined therein shall have the same meaning in this Order as set forth in the
19 Settlement Agreement.

20 3. It appears to the Court on a preliminary basis that the Settlement is fair, adequate
21 and reasonable. It appears to the Court that extensive investigation and research have been
22 conducted such that counsel for the parties at this time are able to reasonably evaluate their respective
23 positions. It further appears to the Court that the Settlement, at this time, will avoid substantial
24 additional costs by all parties, as well as avoid the delay and risks that would be presented by the
25 further prosecution of the cases. It further appears that the Settlement has been reached as the result
26 of intensive, serious and non-collusive, arms-length negotiations, and was entered into in good faith.

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1 4. The Court preliminarily finds that the Settlement, including the allocations for the
2 Class Counsel Fees Payment and Litigation Expenses Payment, Service Payments, PAGA Payment,
3 Settlement Administration Expenses, and payments to the Participating Class Members provided
4 thereby, appear to be within the range of reasonableness of a settlement that could ultimately be
5 given final approval by this Court. Indeed, the Court has reviewed the monetary recovery that is
6 being granted as part of the Settlement and preliminarily finds that the monetary settlement awards
7 made available to the Class Members and PAGA Group Members are fair, adequate, and reasonable
8 when balanced against the probable outcome of further litigation relating to certification, liability,
9 and damages issues.

10 5. The Court concludes that, for settlement purposes only, the proposed Class meets
11 the requirements for certification under section 382 of the California Code of Civil Procedure in
12 that: (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
13 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
14 community of interest amongst the members of the Class with respect to the subject matter of the
15 litigation; (c) Plaintiffs' claims are typical of the claims of the members of the Class; (d) Plaintiffs
16 will fairly and adequately protect the interests of the members of the Class; (e) a class action is
17 superior to other available methods for the efficient adjudication of the controversy; and (f) Class
18 Counsel are qualified to act as counsel for Plaintiffs in their individual capacities and as the
19 representatives of the Class.

20 6. The Court conditionally certifies, for settlement purposes only, the Class, defined as
21 follows:

22 All current and former non-exempt employees who were employed by Defendants
23 or who were employed at a Leisure-Care Managed Community in the State of
 California at any time during the period from May 14, 2017 through June 25, 2023.

24 7. The Court provisionally appoints Edwin Aiwazian, Arby Aiwazian, Joanna Ghosh,
25 and Selena Matavosian of Lawyers *for* Justice, PC as counsel for the Class ("Class Counsel").

26 8. The Court provisionally appoints Plaintiffs Valencia King and Victoria Perkins as
27 the representatives of the Class (together, "Class Representatives").

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1 9. The Court provisionally appoints Phoenix Settlement Administrators (“Phoenix”) to
2 handle the administration of the Settlement (“Settlement Administrator”).

3 10. Within fourteen (14) calendar days of the date of this Order, Defendants shall
4 provide the Settlement Administrator with the following information about each Class Member: full
5 name, last known mailing address, Social Security Number, punch data of non-exempt employees
6 who were employed by Defendants in California during the Class Period and, if applicable, during
7 the PAGA Period, punch data of non-exempt employees who were employed at a Leisure Care-
8 Managed Community in California during the Class Period and, if applicable, during the PAGA
9 Period, and such other information and data as necessary for the Settlement Administrator to
10 independently calculate the Workweeks (collectively referred to as the “Class Data”), in conformity
11 with the Settlement Agreement.

12 11. The Court approves, both as to form and content, the Notice of Class Action
13 Settlement (“Class Notice”) attached hereto as “**EXHIBIT 1.**” The Class Notice shall be provided
14 to Class Members and PAGA Group Members in the manner set forth in the Settlement Agreement.
15 The Court finds that the Class Notice appears to fully and accurately inform the Class Members and
16 PAGA Group Members of all material elements of the Settlement, of Class Members’ right to be
17 excluded from the Class Settlement by submitting a Request for Exclusion, of Class Members’ right
18 to dispute the Workweeks credited to each of them by submitting a Workweeks Dispute, and of each
19 Participating Class Member’s right and opportunity to object to the Settlement by submitting an
20 objection to the Settlement Administrator. The Court further finds that distribution of the Class
21 Notice substantially in the manner and form set forth in the Settlement Agreement and this Order,
22 and that all other dates set forth in the Settlement Agreement and this Order, meet the requirements
23 of due process and shall constitute due and sufficient notice to all persons entitled thereto. The Court
24 further orders the Settlement Administrator to mail the Class Notice in English and Spanish by First-
25 Class U.S. mail to all Class Members within fourteen (14) calendar days of receipt of the Class Data,
26 pursuant to the terms set forth in the Settlement Agreement.

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1 12. The Court hereby preliminarily approves the proposed procedure, set forth in the
2 Settlement Agreement, for seeking exclusion from the Class Settlement. Any Class Member may
3 choose to be excluded from the Class Settlement by submitting a timely and valid Request for
4 Exclusion in conformity with the requirements set forth in the Class Notice, to the Settlement
5 Administrator, postmarked no later than the date which is forty-five (45) calendar days after the
6 Settlement Administrator mails the Class Notice (“Response Deadline”), or, in the case of a re-
7 mailed Class Notice, the Response Deadline will be extended by fifteen (15) calendar days from the
8 date of the original forty-five (45) calendar day deadline. Any such person who timely and validly
9 chooses to opt out of, and be excluded from, the Class Settlement will not be entitled to any recovery
10 under the Class Settlement and will not be bound by the Class Settlement or have any right to object,
11 appeal, or comment thereon. Nevertheless, all current and former non-exempt employees who were
12 employed by Defendants or who were employed at a Leisure Care-Managed Community in the State
13 of California at any time during the period from July 12, 2020 through June 25, 2023 (“PAGA Group
14 Members”) will be bound by the PAGA Settlement and will be issued their Individual PAGA
15 Payment, irrespective of whether they submit a Request for Exclusion. Class Members who do not
16 submit a valid and timely Request for Exclusion (i.e., Participating Class Member) shall be bound
17 by the Settlement Agreement and any final judgment based thereon.

18 13. A Final Approval Hearing shall be held before this Court on
19 _____ at _____ a.m./p.m. in
20 Department 23 of the Alameda County Superior Court, located at 1221 Oak Street, Oakland,
21 California 94612, to determine all necessary matters concerning the Settlement, including: whether
22 the proposed settlement of the actions on the terms and conditions provided for in the Settlement is
23 fair, adequate, and reasonable and should be finally approved by the Court; whether a judgment, as
24 provided in the Settlement, should be entered herein; whether the plan of allocation contained in the
25 Settlement should be approved as fair, adequate, and reasonable to the Class Members and PAGA
26 Group Members; and determine whether to finally approve the requests for the Class Counsel Fees
27 Payment and Litigation Expenses Payment, Service Payments, and Settlement Administration
28 Expenses.

1 14. Class Counsel shall file a motion for final approval of the Settlement and for Class
2 Counsel Fees Payment and Litigation Expenses Payment, Service Payments, and Settlement
3 Administration Expenses, along with the appropriate declarations and supporting evidence,
4 including the Settlement Administrator's declaration, by _____,
5 to be heard at the Final Approval Hearing.

6 15. To object to the Class Settlement, a Class Member may submit his or her objection
7 in writing to the Settlement Administrator on or before the Response Deadline. The written
8 objection must be signed and must contain the information that is required, as set forth in the Class
9 Notice, including and not limited to the grounds for the objection. Participating Class Members may
10 also present their objection orally at the Final Approval Hearing, regardless of whether they have
11 submitted an objection.

12 16. The Settlement is not a concession or admission, and shall not be used against
13 Defendants as an admission or indication with respect to any claim of any fault or omission by
14 Defendants. Whether or not the Settlement is finally approved, neither the Settlement, nor any
15 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
16 thereof, shall in any event be construed as, offered or admitted into evidence as, received as or
17 deemed to be in evidence for any purpose adverse to the Defendants, including, but not limited to,
18 evidence of a presumption, concession, indication or admission by Defendants of any liability, fault,
19 wrongdoing, omission, concession, or damage, except for legal proceedings concerning the
20 implementation, interpretation, or enforcement of the Settlement.

21 17. In the event the Settlement does not become effective in accordance with the terms
22 of the Settlement Agreement, or the Settlement is not finally approved, or is terminated, cancelled
23 or fails to become effective for any reason, this Order shall be rendered null and void, shall be
24 vacated, and the Parties shall revert back to their respective positions as of before entering into the
25 Settlement Agreement.

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1 18. The Court reserves the right to adjourn or continue the date of the Final Approval
2 Hearing and any dates provided for in the Settlement Agreement without further notice to the Class
3 Members and PAGA Group Members, and retains jurisdiction to consider all further applications
4 arising out of or connected with the Settlement.

5 **IT IS SO ORDERED.**

6
7 Dated: _____

By:

The Honorable Michael Markman
Judge of the Superior Court

EXHIBIT 1

NOTICE OF CLASS ACTION SETTLEMENT

Valencia King, et al. v. Leisure Care, LLC, et al.
Superior Court of California for the County of Alameda, Case No. RG21099267

PLEASE READ THIS NOTICE CAREFULLY.

You have received this Notice because Defendants' records indicate that you may be eligible to take part in the class action settlement reached in the above-referenced case.

You do not need to take any action to receive a settlement payment.

This Notice is designed to advise you of your rights and options with respect to the settlement, and how you can request to be excluded from the Class Settlement, object to the Class Settlement, and/or dispute the number of Workweeks that you are credited with, if you so choose.

YOU ARE NOTIFIED THAT: A class and representative action settlement has been reached between Plaintiffs Valencia King and Victoria Perkins (together, "Plaintiffs") and Defendants Leisure Care, LLC, Fresno, LLC, Livermore Senior Living, Heritage Estates, and Dan B. Madsen (collectively, "Defendants") (Plaintiffs and Defendants are collectively referred to as the "Parties") in the case entitled *Valencia King, et al. v. Leisure Care, LLC, et al.*, Alameda County Superior Court, Case No. RG21099267, which may affect your legal rights. On [date of Preliminary Approval], the Court granted preliminary approval of the settlement and scheduled a hearing on [hearing date] at [hearing time] ("Final Approval Hearing") to determine whether or not the Court should grant final approval of the settlement.

I. IMPORTANT DEFINITIONS

"Class" means all current and former non-exempt employees who were employed by Defendants or who were employed at a Leisure Care-Managed Community in the State of California at any time during the Class Period.

"Class Member" means a member of the Class.

"Class Period" means the period from May 14, 2017 through [June 25, 2023, or the Alternate End Date, if applicable pursuant to Section IV.C.5 of the Settlement Agreement].

"Class Settlement" means the settlement and release of all Released Class Claims (as defined in Section III.D below).

"PAGA Group Member(s)" means all current and former non-exempt employees who were employed by Defendants or who were employed at a Leisure Care-Managed Community in the State of California at any time during the PAGA Period.

"PAGA Period" means the period from July 12, 2020 through [June 25, 2023, or the Alternate End Date, if applicable pursuant to Section IV.C.5 of the Settlement Agreement].

"PAGA Settlement" means the settlement and release of Released PAGA Claims (as defined in Section III.D below).

II. BACKGROUND OF THE LAWSUIT

On May 14, 2021, Plaintiff Valencia King ("Plaintiff King") commenced a putative class action lawsuit by filing a Class Action Complaint for Damages in the Alameda County Superior Court, Case No. RG21099627 ("*King Class Action*"). On September 16, 2021, Plaintiff King filed a Complaint for Enforcement Under the Private Attorneys General Act, California Labor Code sections 2698, *et seq.*, in the Alameda County Superior Court, Case No. RG21112925 ("*King PAGA Action*"). On February 25, 2022, the Court consolidated the *King Class Action* and the *King PAGA Action* and deemed the *King Class Action* as the lead case. On April 28, 2022, Plaintiff Victoria Perkins ("Plaintiff Perkins") filed a Class Action Complaint for Damages in the Fresno County Superior Court, Case No. 22CECG01299 ("*Perkins Action*") (the *King Class Action*, *King PAGA Action*, and *Perkins Action* are collectively referred to as the "Actions"). On February 20, 2024, Plaintiffs filed a First Amended Class Action Complaint for Damages in the *King Class Action*, thereby adding Plaintiff Perkins to the *King Class Action*.

Plaintiffs allege that Defendants failed to properly pay minimum and overtime wages, provide compliant meal and rest

breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide accurate wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.*, and conduct that gives rise to penalties under California Labor Code sections 2698, *et seq.* (“PAGA”). Plaintiffs seek, among other things, recovery of unpaid wages and meal and rest period premiums, unreimbursed business expenses, restitution, penalties, interest, and attorneys’ fees and costs.

Defendants deny that it did anything wrong and contends that it timely and properly paid all wages owed; provided all required meal and rest breaks; properly issued accurate, itemized wage statements; provided all reimbursements for business expenses; and did not engage in any unfair competition or violations of PAGA. Defendants contend that none of the claims alleged by Plaintiffs will succeed in court.

The Parties participated in mediation with a respected class action mediator, and as a result, the Parties reached a settlement. The Parties have since entered into the Class Action and PAGA Settlement Agreement (“Settlement” or “Settlement Agreement”).

On [date of Preliminary Approval], the Court entered an order preliminarily approving the Settlement. The Court has appointed Phoenix Settlement Administrators as the administrator of the Settlement (“Settlement Administrator”), Plaintiffs Valencia King and Victoria Perkins as representatives of the Class (“Class Representatives”), and the following Plaintiffs’ attorneys as counsel for the Class (“Class Counsel”):

Edwin Aiwazian
Arby Aiwazian
Joanna Ghosh
Selena Matavosian
Lawyers for Justice, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Telephone: (818) 265-1020 / Fax: (818) 265-1021

If you are a Class Member, you do not need to take any action to receive an Individual Settlement Payment, but you have the opportunity to request exclusion from the Class Settlement (in which case you will not receive an Individual Settlement Payment), object to the Class Settlement, and/or dispute the Workweeks credited to you, if you so choose, as explained more fully in Section III below.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Defendants that the claims in the Actions have merit or that Defendants have any liability to Plaintiffs or to Class Members. Plaintiffs and Defendants, and their respective counsel, have concluded and agree that, in light of the risks and uncertainties to each side of continued litigation, the Settlement is fair, reasonable, and adequate, and is in the best interests of Class Members. The Court has made no ruling on the merits of the Class Members’ claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

III. SUMMARY OF THE PROPOSED SETTLEMENT

A. Settlement Formula

The total gross settlement amount is Two Million Four Hundred Thousand Dollars (\$2,400,000.00) (the “Gross Settlement Amount”) to be paid by Defendants. The portion of the Gross Settlement Amount that is available for payment to Class Members is referred to as the “Net Settlement Amount.” The Net Settlement Amount will be the Gross Settlement Amount less the following payments, which are subject to approval by the Court: (1) Class Counsel Fees Payment, consisting of attorneys’ fees in an amount up to 35% of the Gross Settlement Amount (i.e., \$840,000.00), and Litigation Expenses Payment consisting of reimbursement of litigation costs and expenses in an amount up to Thirty Thousand Dollars (\$30,000.00) to Class Counsel; (2) Service Payments in an amount up to Fourteen Thousand Five Hundred Dollars (\$14,500.00) each to Plaintiffs for their services in the Actions (\$29,000.00, total); (3) PAGA Payment in the amount of Two Hundred Seventy-Two Thousand Dollars (\$272,000.00); and (4) Settlement Administration Expenses in an amount not to exceed Twenty-Six Thousand Dollars (\$26,000.00) to the Settlement Administrator. Note: A total of Two Hundred Seventy-Two Thousand Dollars (\$272,000.00) from the Gross Settlement Amount has been allocated toward penalties under the Private Attorneys General Act (“PAGA Payment”), of which the California Labor and Workforce Development Agency

("LWDA") will be paid 75% (i.e., \$204,000.00) ("LWDA Payment") and the remaining 25% (i.e., \$68,000.00) to be distributed on a *pro rata* basis to PAGA Group Members based on their Workweeks during the PAGA Period ("PAGA Group Member Amount").

Class Members are eligible to receive payment under the Class Settlement of their *pro rata* share of the Net Settlement Amount ("Individual Settlement Share") and PAGA Group Members are eligible to receive payment under the PAGA Settlement of their *pro rata* share of the PAGA Group Member Amount ("Individual PAGA Payment") based on the number of weeks each Class Member was employed by Defendants (or otherwise at a Leisure-Care Managed Community) as a non-exempt employee in California during the Class Period and the number of weeks each PAGA Group Member was employed by Defendants (or otherwise at a Leisure-Care Managed Community) as a non-exempt employee in California during the PAGA Period ("Workweeks").

The Settlement Administrator has divided the Net Settlement Amount by the Workweeks of all Class Members during the Class Period to yield the "Estimated Workweek Value" and multiplied each Class Member's individual Workweeks during the Class Period by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share (which is listed in Section III.C below). Class Members who do not submit a valid and timely Request for Exclusion from the Class Settlement ("Participating Class Members") will be issued payment of their final Individual Settlement Payment.

The Settlement Administrator has divided the PAGA Group Member Amount by the Workweeks of all PAGA Group Members during the PAGA Period to yield the "PAGA Workweek Value" and multiplied each PAGA Group Member's individual Workweeks during the PAGA Period by the PAGA Workweek Value to yield his or her Individual PAGA Payment (which is listed in Section III.C below).

Each Individual Settlement Share will be allocated as 10% wages, which will be reported on an IRS Form W2, and 45% penalties and 45% interest, which will be reported on an IRS Form 1099 (if applicable). Each Individual Settlement Share will be subject to reduction for the employee's share of taxes and withholdings with respect to the wage portion of the Individual Settlement Shares (the net payment is referred to as "Individual Settlement Payment"). The employer's share of payroll taxes and contributions with respect to the wages portion of Individual Settlement Shares shall be paid by Defendants separately and in addition to the Gross Settlement Amount. Individual PAGA Payments will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099 (if applicable).

If the Court grants final approval of the Settlement, Individual Settlement Payments will be mailed to Participating Class Members and Individual PAGA Payments will be mailed to PAGA Group Members at the address that is on file with the Settlement Administrator. **If the address to which this Notice was mailed is not correct, or if you move after you receive this Notice, you must provide your correct mailing address to the Settlement Administrator as soon as possible to ensure you receive any payment that you may be entitled to under the Settlement.**

B. Your Workweeks Based on Defendants' Records

According to Defendants' records:

- From May 14, 2017, through **[June 25, 2023 or the Alternate End Data, if applicable]** (i.e., Class Period), you are credited as having worked **[]** Workweeks.
- From July 12, 2020, through **[June 25, 2023 or the Alternate End Data, if applicable]** (i.e., PAGA Period), you are credited as having worked **[]** Workweeks.

If you wish to dispute the Workweeks credited to you, you must submit a written dispute ("Workweeks Dispute") to the Settlement Administrator at the address specified in Section IV.B below, by mail, postmarked **no later than [the Response Deadline]**. The Workweeks Dispute must: (1) contain the case name and number of the *King* Class Action (*Valencia King v. Leisure Care, LLC, et al.*, Case No. RG21099627); (2) state your full name, address, telephone number, and last four digits of your Social Security number; (3) be signed; (4) clearly state that you dispute the number of Workweeks credited to you and state the number of Workweeks you believe are correct; and (5) attach any documentation to support the dispute.

C. Your Estimated Individual Settlement Share and Individual PAGA Payment (if applicable)

As explained above, your estimated Individual Settlement Share and Individual PAGA Payment (if applicable) is based on the number of Workweeks credited to you.

Under the terms of the Settlement, your Individual Settlement Share is estimated to be \$ [REDACTED]. The Individual Settlement Share is subject to reduction for the employee's share of taxes and withholding with respect to the wages portion of the Individual Settlement Share and will only be distributed if the Court approves the Settlement and after the Settlement goes into effect.

Under the terms of the Settlement, your Individual PAGA Payment is estimated to be \$ [REDACTED].

The settlement approval process may take multiple months. Your Individual Settlement Share and Individual PAGA Payment (if applicable) reflected in this Notice are only estimates. Your actual Individual Settlement Share and Individual PAGA Payment (if applicable) may be higher or lower.

D. Release of Claims

Upon the Effective Date, Plaintiffs and each Participating Class Member will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all Released Class Claims. This release and waiver, however, shall be conditional on Defendants' full payment of the Gross Settlement Amount necessary to fund all payment obligations.

Upon the Effective Date, Plaintiffs, the State of California, and all PAGA Group Members will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties from any and all Released PAGA Claims. This release and waiver, however, shall be conditional on Defendants' full payment of the Gross Settlement Amount necessary to fund all payment obligations.

"Released Class Claims" means any and all claims, rights, demands, liabilities, and causes of action of any nature or description, under state, federal, or local law, that were alleged in the Operative Complaint (as defined below), or reasonably could have been alleged based on the factual allegations contained in the Operative Complaint, arising during the Class Period, including claims for failure to pay all wages due (including minimum, regular, and overtime wages), failure to provide proper meal periods and to properly provide associated premium pay, failure to provide proper rest periods and associated premium pay, failure to pay all wages timely at the time of termination, failure to pay all wages timely during employment, failure to provide compliant wage statements, failure to keep requisite payroll records, and failure to indemnify necessary business expenses, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802 and Industrial Welfare Commission Wage Orders Nos. 1-2001, 4-2001, and 7-2001, unfair business practices in violation of California Business & Professions Code sections 17200, *et seq.* based on the aforementioned, and all damages, penalties, interest, and other amounts recoverable under the aforementioned claims, causes of action, or legal theories of relief. Plaintiffs and Participating Class Members will release Defendants and the Released Parties from all remedies that could be claimed in connection with the Released Class Claims including but not limited to, statutory, constitutional, contractual damages, unpaid costs, penalties, punitive damages, interest, attorneys' fees, litigation costs, restitution, and equitable relief.

"Released PAGA Claims" means any and all causes of action that were alleged in the *King* PAGA Complaint and LWDA Letter, or reasonably could have been alleged based on the factual allegations contained in the *King* PAGA Complaint (as defined below) and LWDA Letter (as also defined below), arising during the PAGA Period, for civil penalties pursuant to the Private Attorneys General Act, California Labor Code sections 2698, *et seq.*, for Defendants' alleged failure to pay all wages due (including minimum, regular, and overtime wages), failure to provide proper meal periods and to properly provide associated premium pay, failure to provide proper rest periods and associated premium pay, failure to pay all wages timely at the time of termination, failure to pay all wages timely during employment, failure to provide compliant wage statements, failure to keep requisite payroll records, failure to provide requisite written notice of material terms of employment (including regarding rate of pay, allowances, payday, name of employer, employer's physical address, employer's telephone number, employer's workers' compensation insurance carrier, and accrual and use of sick leave) at the time of hire and during employment, and failure to indemnify necessary business expenses, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 551, 552, 558, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, 2802, 2810.5 and Industrial Welfare Commission Wage Orders Nos. 1-2001, 4-2001, and 7-2001.

“Released Parties” means Defendants Leisure Care, LLC, FRESN, LLC, Livermore Senior Living Associates LP, Murrieta Seniors Associates, L.P., LC-LIVSA, and Dan B. Madsen and all affiliated predecessor and successor entities, and each such entity’s respective present and former subsidiaries parents, agents, employees, members, investors, partners, owners, directors, officers, attorneys, trustees, insurers, representatives, predecessors, successors and assigns.

E. Class Counsel Fees Payment and Litigation Expenses Payment to Class Counsel

Class Counsel will seek attorneys’ fees in an amount of up to thirty-five percent (35%) of the Gross Settlement Amount (i.e., an amount of up to \$840,000.00) (“Class Counsel Fees Payment”) and reimbursement of litigation costs and expenses in an amount of up to Thirty Thousand Dollars (\$30,000.00) (“Litigation Expenses Payment”), subject to approval by the Court. The Class Counsel Fees Payment and Litigation Expenses Payment granted by the Court will be paid from the Gross Settlement Amount. Class Counsel has been prosecuting the Actions on behalf of Plaintiffs and Class Members on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.

F. Service Payments to Plaintiffs

Plaintiffs will each seek the amount of Fourteen Thousand Five Hundred Dollars (\$14,500.00) (“Service Payment”) (\$29,000.00, total), in recognition of their service in connection with the Actions. The Service Payments will be paid from the Gross Settlement Amount, subject to approval by the Court, and if awarded, will be paid to Plaintiffs in addition to their Individual Settlement Payment and Individual PAGA Payment that they are entitled to under the Settlement.

G. Settlement Administration Expenses to Settlement Administrator

Payment to the Settlement Administrator is estimated not to exceed Twenty-Six Thousand Dollars (\$26,000.00) (“Settlement Administration Expenses”) for the costs of the notice and settlement administration process, including and not limited to, the expense of notifying the Class Members of the Settlement, processing Requests for Exclusion, written objections to the Class Settlement, and disputes to Workweeks Disputes, calculating Individual Settlement Shares, Individual Settlement Payments, and Individual PAGA Payments, and distributing payments and tax forms under the Settlement, and shall be paid from the Gross Settlement Amount, subject to approval by the Court.

H. When Will I Receive my Settlement Payment(s)?

Defendants shall fund the Gross Settlement Amount and fund the amounts necessary to fully pay their Employer Taxes within thirty (30) days of the Effective Date. Distributions of Individual Settlement Payments to Participating Class Members and Individual PAGA Payments to PAGA Group Members shall occur no later than seven (7) calendar days after the funding of the Gross Settlement Amount.

“Effective Date” means the date when all of the following events have occurred: (1) the Settlement Agreement has been executed by all Parties, Class Counsel, and Defendants’ Counsel; (2) the Court has given and entered Preliminary Approval to the Settlement; (3) the Class Notice has been mailed to the Class Members, providing them with an opportunity to object to the terms of the Class Settlement or opt out of the Class Settlement; (4) the Court has held a Final Approval Hearing and entered Final Approval Order and Judgment; and (5) the later of the following events: five (5) business days after the period for filing any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has elapsed without any appeal, writ, or other appellate proceeding having been filed; or, if any appeal, writ, or other appellate proceeding opposing the Court’s Final Approval Order and Judgment has been filed, five (5) business days after any appeal, writ, or other appellate proceedings opposing the Settlement has been finally and conclusively dismissed with no right to pursue further remedies or relief.

IV. WHAT ARE YOUR RIGHTS AND OPTIONS AS A CLASS MEMBER?

A. Participate in the Settlement

If you want to participate in the Settlement and receive money from the Settlement, you do not have to do anything. You will automatically be included in the Class Settlement and issued your Individual Settlement Payment unless you decide to exclude yourself from the Class Settlement.

Unless you elect to exclude yourself from the Class Settlement, you will be bound by the terms of the Class Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released Class Claims described in

Section III.D above.

If you are a PAGA Group Member, you will automatically be included in the PAGA Settlement and issued your Individual PAGA Payment. This means you will be bound by the terms of the PAGA Settlement and any judgment that may be entered by the Court based thereon, and you will release the Released PAGA Claims described in Section III.D above.

Class Members and PAGA Group Members will not be separately responsible for the payment of attorney's fees or litigation costs and expenses, unless they retain your own counsel, in which event they will be responsible for your own attorney's fees and expenses.

B. Request Exclusion from the Class Settlement

If you do not wish to participate in the Class Settlement, you must seek exclusion from the Class Settlement by sending a written request ("Request for Exclusion") to the Settlement Administrator by mail at the specified address below, postmarked **no later than [Response Deadline]**.

[Settlement Administrator]

[Mailing Address]

A Request for Exclusion must: (1) contain the case name and number of the *King* Class Action (*Valencia King v. Leisure Care, LLC, et al.*, Case No. RG21099627); (2) state your full name, address, telephone number, and last four digits of your Social Security number; (3) be signed; and (4) clearly state that you request to be excluded from the Class Settlement.

If the Court grants final approval of the Settlement, any Class Member who submits a valid and timely Request for Exclusion will not be entitled to receive any payment an Individual Settlement Payment, will not be bound by the Class Settlement (or the release of Released Class Claims described in Section III.D above), and will not have any right to object to, appeal, or comment on the Class Settlement. Class Members who do not submit a valid and timely Request for Exclusion will be deemed Participating Class Members and will be bound by all terms of the Settlement, including those pertaining to the release of claims described in Section III.D above, as well as any judgment that may be entered by the Court based thereon. PAGA Group Members will be bound to the PAGA Settlement (and the release of Released PAGA Claims described in Section III.D above) and will still be issued an Individual PAGA Payment, regardless of whether they submit a Request for Exclusion.

C. Object to the Class Settlement

You can object to the terms of the Class Settlement as long as you have not submitted a Request for Exclusion, by submitting a written objection to the Settlement Administrator by mail, postmarked **no later than [Response Deadline]**, or presenting your objection at the Final Approval Hearing.

A written objection must: (1) contain the case name and number of the *King* Class Action (*Valencia King v. Leisure Care, LLC, et al.*, Case No. RG21099627); (2) state your full name, address, telephone number, and last four digits of your Social Security number; (3) be signed; (4) clearly set forth the grounds for the objection; (5) attach any documentation that the objection is based upon; and (6) identify any counsel representing you with respect to the objection.

V. FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing in Department 23 of the Alameda County Superior Court, located at the Rene C. Davidson Courthouse, 1225 Fallon Street, Oakland, California 94612, on **[date]**, at **[time]**, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court also will be asked to approve and grant the Class Counsel Fees Payment and Litigation Expenses Payment to Class Counsel, Service Payments to Plaintiffs, and Settlement Administration Expenses to the Settlement Administrator.

The hearing may be continued without further notice to Class Members. It is not necessary for you to appear at the Final Approval Hearing, although you may appear remotely if you wish to.

Please visit the Court's website for the most up-to-date information regarding the impact of COVID-19 on the operations of the Court and any requirements that may apply for accessing Court facilities: <http://www.alameda.courts.ca.gov/>

VI. ADDITIONAL INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement Agreement, you should review the detailed Settlement Agreement and other papers which are on file with the Court.

You may view the Settlement Agreement and other court records in the Action for a fee by visiting the public terminals at the Civil Division, located at the George E. McDonald Hall of Justice, 2233 Shoreline Drive, Alameda, California 94501, during business hours, or by online by visiting the following website: <https://eportal.alameda.courts.ca.gov/?q=Home>

The pleadings and other records in this litigation may be examined online on the Alameda County Superior Court's website, known as "eCourt Public Portal," at <https://eportal.alameda.courts.ca.gov>.

After arriving at the website, click the "Search" tab at the top of the page, then select the Document Downloads link, enter the case number and click "Submit." Images of every document filed in the case may be viewed at a minimal charge. You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

PLEASE DO NOT TELEPHONE THE COURT OR THE OFFICE OF THE CLERK FOR INFORMATION REGARDING THIS SETTLEMENT.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL THE SETTLEMENT ADMINISTRATOR AT THE FOLLOWING TOLL-FREE NUMBER: [INSERT], OR YOU MAY ALSO CONTACT CLASS COUNSEL.