NOTICE OF CLASS/COLLECTIVE ACTION SETTLEMENT

Carla Purnell and Tanisha Slaughter v. Clearview Centers, LLC; 1334 Westwood, LLC; 2432 Walnut LLC; 2435 Glyndon, LLC; Quaint LLC, and Michael Roy

United States District Court, Central District of California, Case No. 2:18-cv-01172-DSF-SS

PLEASE READ THIS NOTICE CAREFULLY. YOUR LEGAL RIGHTS ARE AFFECTED WHETHER YOU ACT OR NOT.

The Court authorized this notice. This is not a solicitation from a lawyer. This does not involve a lawsuit against you. However, these proceedings affect your legal rights.

A proposed class/collective action settlement has been reached between the parties in the above-entitled case and preliminarily approved by the Court. You have received this notice because records indicate that you were employed by one or more of the following: Clearview Centers, LLC; 1334 Westwood LLC; 2432 Walnut, LLC; 2435 Glyndon, LLC; Quaint LLC, and Michael Roy ("Defendants"), as an hourly counselor between February 12, 2014 and January 28, 2019, and therefore, you may be eligible to receive a payment from the settlement. Please read this entire notice carefully. Important information about your legal rights and obligations with respect to the settlement are provided below.

If this Settlement is approved by the Court, and you do not request exclusion (or opt out) from the Settlement, your estimated payment (before payroll tax withholding), will be <<estAmount>>. This calculation is based on records indicating that you worked in such position for a total of <<e worker="extraction-not between-red">Workweeks>></e>> weeks during the class period.

THE UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA HAS PRELIMINARILY APPROVED THIS SETTLEMENT

OVERVIEW OF SETTLEMENT:

This lawsuit began on February 12, 2018 when Carla Purnell and Tanisha Slaughter (the "Class Representatives") filed a lawsuit in federal court titled, *Carla Purnell and Tanisha Slaughter v. Clearview Centers, LLC; 1334 Westwood LLC; 2432 Walnut, LLC; 2435 Glyndon, LLC; Quaint LLC, and Michael Roy,* United States District Court for the Central District of California, Case No. 2:18-cv-01172-DSF-SS (the "Litigation"), against Defendants, Clearview Centers, LLC; 1334 Westwood LLC; 2432 Walnut, LLC; 2435 Glyndon, LLC; Quaint LLC, and Michael Roy ("Defendants").

The Litigation primarily involves allegations that Defendants failed to pay regular and overtime wages, failed to provide meal and rest breaks, failed to provide accurate itemized wage statements and failed to timely pay wages upon termination of employment. Defendants strongly deny the Class Representatives' allegations and contend that they fully complied with the law.

The Parties have now reached a Settlement and the Court has preliminarily approved the Settlement. The Settlement does not constitute an admission of liability by Defendants or any of the parties who will be released, nor does the Settlement constitute a finding of liability by the Court, which has not yet ruled, one way or the other, on the merits of the Class Representatives' claims.

The parties have reached a settlement to avoid the costs and risks of further litigation. The settlement provides cash payments to class members based on the total number of workweeks they were employed as an hourly counselor by Defendants between February 12, 2014 and January 28, 2019.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing	If you want to participate in the settlement and receive your share of the settlement proceeds, then you should do nothing. By doing nothing, you will receive your portion of the settlement funds. In return, you will be bound by the settlement agreement, including the release of claims provided under the settlement.
Овјест	You may also object and tell the Court why you do not like the settlement. If the Court approves the settlement despite your objection, you will still be bound by the settlement, including the release of claims provided under the settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:

REQUEST EXCLUSION FROM THE SETTLEMENT

If you wish to be excluded from the settlement, you must submit a written request for exclusion according to the instructions contained in this Notice. If you submit a timely request for exclusion, you will not be bound by the settlement (including the release of claims described under section 6), but you will <u>not</u> receive any payment under the settlement. You will also <u>not</u> be able to object to the settlement.

• Your options are more fully explained below. The deadline to submit an objection or request exclusion is April 11, 2019.

1. WHO IS IN THE CLASS(ES)?

Defendants' records show that you are a member of at least one of the settlement classes, which are defined as:

<u>California Class Members</u>: "All current and former counselors who worked for Defendants in the state of California from <u>February 12, 2014</u> through <u>January 28, 2019</u>."

<u>FLSA Collective Members</u>: "All current and former counselors who worked for Defendants who were employed by Defendants anywhere in the country from <u>February 12, 2015</u> through <u>January 28, 2019</u>."

2. WHY DID I RECEIVE THIS NOTICE?

Plaintiffs Carla Purnell and Tanisha Slaughter and Defendants have entered into a Stipulation of Settlement ("Settlement Agreement") that will, if finally approved by the Court, fully resolve this case. The Settlement Agreement sets forth the details of the settlement. You may obtain a copy of the Settlement Agreement from either the Settlement Administrator or Class Counsel. The Settlement Agreement and other settlement-related documents are also available at www.cptgroup.com/ClearviewSettlement. The proposed Settlement Agreement has been submitted to the Court, and has been preliminarily approved. The Court also appointed the law firms of Sommers Schwartz, P.C. and David Yeremian & Associates, Inc. to represent you.

As a class member, you are entitled to share in the funds available for settlement of this class action. You are <u>not</u> being sued and you will not be individually responsible for any of the attorney's fees or expenses of the litigation.

This Notice is intended to explain your rights and obligations with respect to the Settlement Agreement.

3. WHAT IS THIS CASE ABOUT?

Plaintiffs Carla Purnell and Tanisha Slaughter ("Plaintiffs"), former employees of Defendants, have brought a class and collective action lawsuit in the United States District Court, Central District of California. Plaintiffs, individually and on behalf of all other hourly counselors who worked for Defendants on or after February 12, 2015, allege that Defendants failed to pay all minimum, regular, and overtime wages required under federal law to the **FLSA Collective Members**.

Plaintiffs, individually and on behalf of all other **California Class Members**, also allege that Defendants failed to pay all minimum, regular, and overtime wages required under California law to California Class Members and allege Defendants failed to: provide compliant meal and rest breaks; keep accurate payroll records; provide accurate wage statements; and timely pay all wages.

Defendants deny all of the claims and contentions alleged in the lawsuit and maintain they have fully complied with the law. The Court has not ruled on whether Defendants violated the law. Plaintiffs and Defendants have agreed on the settlement terms described below.

4. WHAT ARE THE SETTLEMENT TERMS AND HOW MUCH CAN I EXPECT TO RECEIVE IF I PARTICIPATE?

a. Summary of Settlement Terms

The following is only a summary of the Settlement. In the event that there are any conflicts between this notice and the Stipulation of Settlement, the terms of the Stipulation of Settlement shall govern. The Court has granted preliminary approval to the Settlement and conditionally certified the Settlement Classes.

For purposes of the Settlement, and without admitting any liability, Defendants have agreed to provide monetary consideration to Class Members who do not request exclusion. If you are a Class/Collective Member and the Settlement receives final approval from the Court and you do not exclude yourself from the Settlement, then you

will be eligible to receive such benefits, if any, for which you may qualify.

Defendants will pay Four Hundred Forty-Seven Thousand Dollars (\$447,000) to settle this case (the "Total Settlement Amount"). From that amount, payments will be made to Class Counsel for court-approved attorney's fees and costs (requested amount: \$131,750), to the Claims Administrator for administration costs (requested amount: \$9,000), to the California Labor and Workforce Development Agency for claims arising under the California Private Attorneys General Act (amount: \$7,500), General Release Payments to named Plaintiffs for individual claims unrelated to Class Claims (cumulative amount \$40,000), and to the Plaintiffs Carla Purnell and Tanisha Slaughter as a service award for prosecuting the Action (requested cumulative amount: \$10,000). After deduction of these amounts, the remainder – the "Net Distribution Fund" – approximately [\$248,750] – will be distributed to class and collective members, as defined above in Section 1, who do not opt out of this Settlement.

In exchange for the benefits described above, Class Members who do not exclude themselves from the Settlement will be deemed to have given a complete release of all Non-FLSA Released Claims (regardless of whether they actually cash the check issued pursuant to this Settlement). If the Court grants final approval of the Settlement, the Court will enter a final judgment and dismiss all such claims with prejudice. Additionally, Class Members who cash their Settlement Checks will also be deemed to have opted into this Settlement (i.e., opted into the pending lawsuit) and released the FLSA Released Claims.

The claims to be released, in general, include any claims arising out of Class Members' employment as hourly counselors for Defendants for any type of relief under any federal, state or local laws governing wages, compensation, hours worked, the provision of meal and rest periods, and/or the maintenance of payroll records and the furnishing of accurate wage statements that arose or accrued at any time from the beginning of the relevant statute of limitations period (February 12, 2014 for California state law claims; February 12, 2015 for FLSA claims) through January 28, 2019.

The Settlement has not yet been granted final approval by the Court. Final approval will take place only after a Final Approval Hearing, at which Class Members who have not requested exclusion will have an opportunity to comment on the Settlement.

The Individual Settlement Payments from the Net Distribution Fund shall be calculated on a pro-rata, workweek basis as follows:

- a. The Settlement Administrator will take the number of Work Weeks recorded by the California Settlement Class Members and FLSA Settlement Collective Members.
- b. The Settlement Administrator then will adjust the California Settlement Class Members' and FLSA Settlement Collective Members' Work Weeks (up or down) by a factor that is equal to the ratio of the California Settlement Class Member's and FLSA Settlement Collective Member's most recent hourly base rate of pay compared to the average most recent hourly base rate of pay of all California Settlement Class Members and FLSA Settlement Collective Members during the applicable class periods.
- c. The Settlement Administrator then will divide the California Settlement Class Members' and FLSA Settlement Collective Members' Work Weeks by the total Work Weeks for all California Settlement Class Members and FLSA Settlement Collective Members.
- d. The ratio yielded by the division done in section (c) above will be multiplied by the Net Settlement Amount to yield the California Settlement Class Members' and FLSA Settlement Collective Members' Individual Settlement Payments.

b. Who will receive settlement payments?

Any California Class Member and FLSA Collective Member who has not submitted a timely Request for Exclusion will receive an Individual Settlement Payment.

c. How much can I expect to receive?

The estimated payment listed above on this Notice states the estimated amount you can expect to receive if you do not submit a request for exclusion from the settlement. This amount is based on Defendants records of the total number of workweeks you were employed as a counselor during the relevant time periods.

d. Service Award payments to the Named Plaintiffs.

The Court has also preliminarily approved payments of up to \$5,000 each to Named Plaintiffs Carla Purnell and Tanisha Slaughter as service awards. The service awards will be paid from the Total Settlement Amount. The service awards are to compensate the Named Plaintiffs for the risk incurred and time and efforts in assisting with the prosecution of the Action on behalf of the Class Members.

e. Attorney's fees and costs for Class Counsel.

All payments for Class Counsel's attorney's fees and costs will be deducted from the Total Settlement Amount. Class Counsel will apply to the Court for final approval of their attorney's fees and costs in an amount up to \$111,750. The amount of fees and costs awarded will be determined by the Court and will be paid from the Total Settlement Amount.

f. <u>Settlement Administration Costs.</u>

Costs incurred by the Settlement Administrator in connection with providing notice of the settlement, receiving and forwarding to the Court and the parties requests for exclusion and objections to the settlement, if any, and calculating and distributing payments under the terms of the settlement as approved by the Court, will be paid from the Total Settlement Amount up to a maximum of \$9,000. The Settlement Administrator is:

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g. Payment to the California Labor and Workforce Development Agency.

\$10,000 of the Total Settlement Amount will be allocated to payments under the California Private Attorneys General Act, of which \$7,500 will be paid to the California Labor and Workforce Development Agency and \$2,500 will be paid to California Settlement Class Members.

h. All Payments Subject to Court Approval.

The payments listed above will be made if and only if the Court grants final approval of the Settlement Agreement and the Settlement becomes effective. The amount of the payments listed above may be adjusted by the Court.

5. WHAT ARE MY OPTIONS?

a. PARTICIPATE IN THE SETTLEMENT.

If you want to participate in the settlement, you need not take any action.

b. REQUEST EXCLUSION FROM THE SETTLEMENT.

If you do <u>not</u> wish to participate in the Settlement, you may exclude yourself ("opt out") by sending a request for exclusion to the Settlement Administrator listing your name, address, phone number, and the last four digits of your social security number, along with the following statement:

"I do not wish to participate in or be bound by the Carla Purnell and Tanisha Slaughter v. Clearview Centers, LLC; 1334 Westwood LLC; 2432 Walnut, LLC; 2435 Glyndon, LLC; Quaint LLC, and Michael Roy class action settlement."

The request for exclusion must be completed, signed, dated, and returned to the Settlement Administrator by **April** 11, 2019 as follows:

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Any person who submits a timely request for exclusion will, upon receipt, be barred from participating in any portion of the Settlement and will receive no money from the Settlement. Any such person, at his/her own expense, may pursue any claims he/she may have against Defendants. However, there are deadlines to pursuing such claims. Please consult an attorney of your choice to ensure you are not forever barred from pursuing a claim if you decide to opt out of this Settlement.

TO BE VALID, THE REQUEST FOR EXCLUSION MUST BE POSTMARKED NO LATER THAN APRIL 11, 2019.

c. OBJECT TO THE SETTLEMENT

You may object to the Settlement before final approval. If you choose to object to the Settlement, you may represent yourself or hire your own attorney. You must submit a written objection and notice of intention to appear at the Final Approval Hearing described below in Section 10. You must send these documents, along with any briefs, exhibits, and/or other material that you wish the Court to consider to the Settlement Administrator.

Any objections should state each specific reason for your objection and any legal support for each objection. To be valid, any objections to the proposed Settlement must be sent to the Settlement Administrator and postmarked by **April 11, 2019**.

If you have satisfied the requirements set forth above, you have the right to address the Court at the hearing scheduled for May 13, 2019 at 1:30 p.m. before the Honorable Dale S. Fischer, Courtroom 7D, U.S. District Court, Central District of California, First Street Courthouse, 350 West 1st Street, Courtroom 7D, Los Angeles, California, 90012. For your objections to be considered, you cannot also submit a Request for Exclusion.

TO BE VALID, THE REQUEST FOR EXCLUSION MUST BE POSTMARKED NO LATER THAN APRIL 11, 2019.

If the court rejects your objection and approves the settlement, you will be bound by the terms of the settlement.

6. RELEASED CLAIMS -- WHAT WILL I GIVE UP IF I PARTICIPATE IN THE SETTLEMENT?

As of the Effective Date of the Settlement Class Members who do not request exclusion will release Defendants from the following claims:

"In exchange for the consideration provided by Defendants, the California Settlement Class Members, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, and assigns, and anyone claiming through them or acting or purporting to act on their behalf, agree to forever release, discharge, hold harmless, and covenant not to sue each and all of the Released Parties for the California Settlement Class Members' Released Claims. By cashing the checks for the Individual Settlement Payments, California Settlement Class Members further opt into the FLSA Settlement Collective and release the Released Parties from the FLSA Settlement Collective Members Released Claims."

"In exchange for the consideration provided by Defendants, the FLSA Settlement Collective Members, individually and on behalf of their heirs, estates, trustees, executors, administrators, representatives, agents, successors, and assigns, and anyone claiming through them or acting or purporting to act on their behalf, agree to forever release, discharge, hold harmless, and covenant not to sue each and all of the Released Parties for the FLSA Settlement Collective Members' Released Claims."

Each FLSA Settlement Collective Member who cashes an Individual Settlement Payment will have opted into the FLSA Settlement Collective and released the FLSA Settlement Collective Members' Released Claims.

Additionally, Plaintiffs Purnell and Slaughter will provide a "Complete and General Release" that encompasses all of the claims set forth above as well as any other claims related to their employment by Defendants including, but not limited to, claims arising under state and federal law for civil rights violations, age discrimination, family medical leave, disability, equal pay, and a release of unknown claims under California Civil Code § 1542.

The "Released Parties" means (i) Defendant Clearview Centers, LLC, Defendant 1334 Westwood, LLC, Defendant 2432 Walnut, LLC, Defendant 2435 Glyndon, LLC, Defendant Quaint LLC, and Defendant Michael Roy and their past, present, and future parents, subsidiaries, affiliates, divisions, joint ventures, licensees, franchisees, and any other legal entities, whether foreign or domestic, and (ii) the past, present, and future members, shareholders, officers, directors, members, investors, agents, employees, consultants, representatives, fiduciaries, insurers, attorneys, legal representatives, predecessors, successors, and assigns of the entities and individuals listed in (i).

7. WILL I BE SUBJECT TO DISCIPLINE BASED ON WHETHER I PARTICIPATE IN THE SETTLEMENT?

The law prohibits any employer from retaliating against employees based on their decision to participate or not participate in a class action settlement. Your decision to participate, not participate, or object to this Settlement will not impact your employment with Defendants or Defendants' treatment of you as a current or former employee.

8. WHO ARE THE LAWYERS REPRESENTING THE SETTLEMENT CLASS?

The attorneys for the Settlement Class in the Litigation are Kevin J. Stoops of Sommers Schwartz, P.C, and David Yeremian of the David Yeremian & Associates, Inc.

Class Counsel's contact information is as follows:

Kevin J. Stoops, <u>kstoops@sommerspc.com</u> SOMMERS SCHWARTZ, P.C. One Town Square, Suite 1700 Southfield, Michigan 48076

Telephone: (248) 355-0300 Facsimile: (248) 436-8453

David Yeremian, <u>david@yeremianlaw.com</u> DAVID YEREMIAN & ASSOCIATES, INC. 535 North Brand Boulevard, Suite 705 Glendale, California 91203

Telephone: (818) 230-8380 Facsimile: (818) 230-0308

9. WHERE CAN I GET ADDITIONAL INFORMATION?

This Notice only summarizes this lawsuit, the settlement, and related matters. You can obtain a copy of the Settlement Agreement and other settlement-related documents at the following website: www.cptgroup.com/ClearviewSettlement.

You may also contact the following court-appointed neutral third-party Claims Administrator for more information:

Purnell et al. v. Clearview Centers, LLC, et al. c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606

Toll Free Telephone Number: 1-888-202-1432

10. FINAL APPROVAL HEARING

The U.S. District Court, Central District of California will hold a hearing in Courtroom 7D, U.S. District Court, Central District of California, First Street Courthouse, 350 West 1st Street, Courtroom 7D, Los Angeles, California, 90012 on May 13, 2019 at 1:30 p.m. to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will be asked to approve Class Counsel's request for attorneys' fees and litigation costs, and payments to the Named Plaintiffs. The hearing may be continued without further notice to you. It is not necessary for you to appear at this hearing.

PLEASE DO NOT TELEPHONE THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS.