

IN THE CIRCUIT COURT OF THE FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH COUNTY, FLORIDA

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LEAH ANDERSON, ANTHONY FERREIRA, and :
KAYLENE SMITH, Individually and On :
Behalf of All Others Similarly Situated, :
Plaintiffs, : **CASE NO. 50-2021-CA-006568-XXXX-MB**
:
v. :
ADCS CLINICS, LLC, :
Defendant. :
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NOTICE OF SETTLEMENT OF COLLECTIVE ACTION LAWSUIT

A COURT AUTHORIZED THIS NOTICE. THIS IS NOT A SOLICITATION FROM A LAWYER.

This Notice informs individuals who worked for ADCS Clinics, LLC, doing business as Advanced Dermatology & Cosmetic Surgery (“ADCS”), as an Office Manager or Location Manager (“LMs”) who were classified as exempt and supervised no more than the equivalent of two or fewer full-time employees for more than four consecutive weeks during the time between July 12, 2018 and July 12, 2021 (the “Collective Period”) of the settlement (the “Settlement”) of the case referenced above (the “Action”). This Notice includes information about your rights and options with respect to the Action. It is your choice whether or not to participate in this Settlement.

- Three former LMs known as the “Plaintiffs” have sued ADCS (the “Defendant”) in a lawsuit filed as a collective action under the Fair Labor Standards Act (“FLSA”) in Florida Circuit Court in Palm Beach County, Florida. In a “Collective Action,” one or more people called “Named Plaintiffs” sue on behalf of people who have similar claims. The lawsuit is known as *Leah Anderson, Anthony Ferreira, and Kaylene Smith v. ADCS Clinics, LLC*, Case No. 50-2021-CA-006568-XXXX-MB. The lawsuit alleges that ADCS failed to pay the Named Plaintiffs and other LMs properly for all overtime hours they worked. ADCS denies the allegations of the Named Plaintiffs in their entirety and denies any and all liability. Nevertheless, to avoid the substantial costs inherent in any litigation and disruption to ADCS’s business, ADCS has agreed to settle the Action on the terms below. The Court has not made any finding on the merits of Named Plaintiffs’ claims and no party has prevailed in this Action.
- You are receiving this Notice and the enclosed Consent to Join and Release Form because ADCS’s records show that you worked as an LM who was classified as exempt and supervised the no more than the equivalent of two or fewer full-time employees for more than four consecutive weeks during the Collective Period.
- Under the allocation formula created by the Settlement, you are estimated to receive approximately «EstAmount», subject to deductions for applicable taxes. This amount is based on the number of weeks you worked as an LM who was classified as exempt and supervised no more than the equivalent of two or fewer full-time employees for more than four consecutive weeks during the time period covered by this Settlement, according to ADCS’s records. The final amount to which you may be entitled may be higher or lower than the estimated amount. In order to receive the full amount of your allocation, you must timely return a properly completed Consent to Join and Release Form so that it is received no later than November 1, 2021. If you do not timely return a properly completed Consent to Join and Release Form you will receive a settlement check for only 50% of this amount, and will be given a second

opportunity to participate in this settlement by cashing or depositing the check for the reduced payment amount. If you do not want to participate in this settlement at all, do not return a Consent to Join and Release Form and do not cash or deposit the check for the reduced payment amount.

FREQUENTLY ASKED QUESTIONS

1. What does the Settlement provide?

ADCS has agreed to pay up to \$160,000.00 into a fund to pay Putative Collective Members' settlement payments, payroll and other applicable taxes (except for the employer's share of payroll taxes), Court-approved General Release Payments of \$5,000.00 to each of the Named Plaintiffs for general releases and in recognition of their service to the Collective, and \$6,500 for the Settlement Claims Administrator's fees and costs. ADCS has also agreed to pay an additional payment for Court-approved attorneys' fees and costs of \$140,000.00.

2. How much will my payment be and how was it calculated?

Based on the terms of the Settlement Agreement and based on your dates of employment as an LM who supervised no more than the equivalent of two or fewer full-time employees for more than four consecutive weeks and who was classified as exempt during the time period covered by this settlement, in exchange for properly executing and timely returning your Consent to Join and Release Form, you are estimated to receive approximately «EstAmount», half of which is subject to deductions for applicable taxes and withholdings like any other paycheck, and for which you will receive a W-2; and half of which will be reported on an IRS Form 1099. The final amount to which you may be entitled may be higher or lower than the estimated amount. The Joint Stipulation of Collective Action Settlement and Release, i.e. the settlement agreement, contains the exact allocation formula. You may obtain a copy of the Joint Stipulation of Collective Action Settlement and Release by following the instructions in Paragraph 8, below.

3. How can I get my payment?

To receive the payment for the full amount you have been allocated, you must fully complete the enclosed Consent to Join and Release Form and mail it in the enclosed envelope to the Settlement Administrator so that it is received no later than November 1, 2021. You may also e-mail the Consent to Join and Release Form to the Settlement Administrator, so that it is received no later than November 1, 2021. The Settlement Administrator's complete contact information is:

Anderson v. ADCS Clinics, LLC

c/o CPT Group, Inc.

50 Corporate Park

Irvine, CA 92606

Phone: (888) 617-0742

E-mail: aclsettlement@cptgroup.com

4. When will I get my payment?

Provided that there are no appeals, you will be sent a check within approximately two months of the deadline for submitting your Consent to Join and Release Form. Please be patient. **Settlement checks which are not cashed within 120 days of issuance will be null and void.**

5. What am I giving up to get a payment and join the Collective?

You will become a member of the Collective Action and participate in the settlement if you return a properly completed Consent to Join and Release Form by the deadline. If you timely return a properly completed Consent to Join and Release Form, and in exchange for collecting the payment that will be sent to you after the end of the Claim Bar Date, you will release all wage and hour claims against ADCS per the terms of the Settlement Agreement, specifically including the Released State Law Claims and Released Federal Law Claims listed in Exhibit 1 of this notice. These claims include state, federal, and local wage and hour claims that relate to your employment as an exempt LM with ADCS during the Collective Period.

6. What if I do not want to participate in the Settlement?

If you do not wish to participate in, or be bound by, the settlement, you should not return the Consent to Join and Release Form and do not cash any check containing a settlement payment associated with this Action. If you do not timely return a properly completed Consent to Join and Release Form and do not cash any check containing a settlement payment associated with this Action, you will not release any claim you may have against ADCS.

7. Do I have a lawyer in this case?

The Court has appointed Shavitz Law Group, P.A. LP (“Plaintiffs’ Counsel”) to represent you and all LMs who participate in the settlement. You will not be charged for these lawyers. The Court has approved ADCS’s payment of \$140,000.00 for attorneys’ fees and expenses for Plaintiffs’ Counsel. These fees will compensate Plaintiffs’ Counsel for investigating the facts, litigating the case, negotiating the settlement and for their out-of-pocket costs. You can find more information about Plaintiffs’ Counsel at: www.shavitzlaw.com.

Otherwise, if you have any questions, you may contact Plaintiffs’ Counsel at:

Gregg I. Shavitz
Alan L. Quiles
Shavitz Law Group, P.A.
951 Yamato Rd, Suite 285
Boca Raton, FL 33431
Telephone: (561) 447-8888
SLG@shavitzlaw.com

You do not need to retain your own attorney in order to participate in the settlement. However, if you want to be represented by your own lawyer, you may hire one at your own expense.

8. Are there more details about the settlement?

This notice summarizes the proposed settlement. More details are in the Joint Stipulation of Collective Action Settlement and Release. If there is any discrepancy between this Notice and the Joint Stipulation of Collective Action Settlement and Release, the terms of the Joint Stipulation of Collective Action Settlement and Release will control. You can obtain a copy of the Joint Stipulation of Collective Action Settlement and Release by sending a request in writing to the Settlement Administrator at the contact information listed in Section 3, above.

8. What happens if you change your name or address

If your name and/or mailing address information changes after you submit a Consent to Join and Release Form, you must mail or email their new name or contact information to the Settlement Administrator.

PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE

DATED: September 1, 2021

Exhibit 1

Released State Law Claims. Released State Law Claims means: (a) any and all claims, obligations, demands, damages, actions, rights, causes of action, costs, expenses and liabilities, of whatever kind and nature, character and description, whether known or unknown and whether anticipated or unanticipated, under any applicable state or local wage and hour law or wage payment law that arose during the Collective Period, and arose from, are based on, or are in any way related or incidental to such individual's employment with the ADCS Clinics, LLC ("Defendant") as an overtime wage exempt-classified Location Manager, including those claims related to payment of minimum or overtime wages, payment for all hours worked, wage or other employee notices and/or statements, spread of hours, meal and/or rest breaks, payment of final wages upon separation, provision of benefits or benefit credits, keeping records of hours worked or compensation due, restitution, equitable relief, derivative claims and/or penalties, including retaliation claims and any other claim for wages arising from employment with the Defendant, including claims, whether known or unknown, under the Employee Retirement Income Security Act ("ERISA") that specifically are related to or derivative of the claims released as set forth above; and (b) all claims for penalties, liquidated damages, punitive damages, restitution, equitable relief, violations of any other state or local statutory and/or common law related to these claims, interest, attorneys' fees, or litigation expenses under and any state law wage and hour or wage payment laws based on the claims listed in (a) above ("Released State Law Claims").

Released Federal Law Claims. Released Federal Law Claims means (a) all claims, obligations, demands, damages, actions, rights, causes of action, costs, expenses and liabilities, of whatever kind and nature, character and description, whether known or unknown, and whether anticipated or unanticipated under applicable federal wage and hour law or wage payment law, including the FLSA that arose during the Collective Period, and arose from, are based on, or are in any way related or incidental to such individual's employment with the Defendant as an overtime wage exempt-classified Location Manager, including those FLSA claims related to payment of minimum or overtime wages, payment for all hours worked, wage or other employee notices and/or statements, spread of hours, meal and/or rest breaks, payment of final wages upon separation, provision of benefits or benefit credits, keeping records of hours worked or compensation due, restitution, equitable relief, derivative claims and/or penalties, including retaliation claims and any other claim for wage arising from employment with the Defendant, including all claims, whether known or unknown, under the Employee Retirement Income Security Act ("ERISA") that specifically are related to or derivative of the claims released as set forth above; and (b) all claims for penalties, liquidated damages, punitive damages, restitution, equitable relief, violations of any other state or local statutory and/or common law related to these claims, interest, attorneys' fees, or litigation expenses under the FLSA and any federal law wage and hour or wage payment laws based on the claims listed in (a) above ("Released Federal Law Claims").