SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES

Denisha Johnson v. Route 66 Post Acute, LLC Los Angeles County Superior Court Case No. 20STCV30890

CPT ID: «ID» «EmployeeName» «Address1» «Address2» «City», «State» «Zip»

To: ALL CURRENT AND FORMER NON-EXEMPT EMPLOYEES WHO WERE EMPLOYED BY ROUTE 66 POST ACUTE WITHIN THE STATE OF CALIFORNIA FROM JUNE 8, 2019 THROUGH FEBRUARY 22, 2021.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.

YOU MAY BE ENTITLED TO RECEIVE MONEY FROM THIS PROPOSED SETTLEMENT.

This Notice is Court Approved. This is not a solicitation from an attorney.

PLEASE VERIFY YOUR NAME AND ADDRESS

Name/Address Corrections (if any):

Please send any name or address corrections to the Settlement Administrator or call the Settlement Administrator at 1-888-817-0950 to provided corrected information.

Your Anticipated Settlement Payment is: «estAmount»

PLEASE READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR LEGAL RIGHTS

WHY DID I GET THIS NOTICE?

You have received this Notice because we believe that you are a class member who may be entitled to money from this settlement.

This Notice describes a proposed settlement of the lawsuit: *Johnson v. Route 66 Post Acute, LLC pending* in Los Angeles County Superior Court, Case No. 20STCV30890 (the "Lawsuit"). A complaint was filed on August 13, 2020. This Notice is being sent to you by the order of the Superior Court of the State of California for the County of Los Angeles, which preliminarily approved the settlement and conditionally certified the class on February 22, 2021. This Notice informs you of the terms of the proposed settlement, describes your rights in connection with the settlement, and explains what steps you may take to object to, or exclude yourself from, the settlement. If you do not exclude yourself from the settlement and the settlement is finally approved by the Court, you will receive a settlement payment and be bound by the terms of the settlement.

YOUR LEGAL RIGHTS AND OPTIONS IN THE SETTLEMENT		
DO NOTHING AND REMAIN IN THE CLASS	Obtain Settlement benefits and give up your rights to ever sue the Defendants about any of the claims in this case.	
EXCLUDE YOURSELF FROM THE SETTLEMENT	Opt out of the class by May 14, 2021 and get no benefits from the Settlement, and keep your rights to be part of any other lawsuit against the Defendants about any of the claims in this case.	
OBJECT	Write to the Settlement Administrator by May 14, 2021 about why you do not like the Settlement or any of its terms. If you want to object, you will remain in the class and may still receive a settlement payment.	

WHAT IS THIS LAWSUIT ABOUT?

The Lawsuit was filed by Plaintiff Denisha Johnson ("Plaintiff") on behalf of non-exempt employees who worked for Route 66 Post Acute, LLC ("Defendant") from June 8, 2019 to February 22, 2021 (the "Class Period") in California.

The Lawsuit pleaded class allegations against Defendant for: (1) failure to pay overtime wages; (2) failure to provide meal periods; (3) failure to provide rest periods; (4) failure timely to pay minimum wages; (5) failure to pay all wages due upon separation of employment; (6) failure to issue wage statements in compliance with Labor Code § 226; (7) violation of California Labor Code § 2698 et seq. for civil penalties under the Private Attorneys General Act of 2004; and (8)

violation of California Business & Professions Code § 17200 et seq. based on the alleged failures set forth in (1) through (7). Defendant denies each and all of the claims and contentions alleged by the Plaintiff. The Court has not made any rulings regarding the merits of the cases. Defendant denies and continues to deny all of Plaintiff's allegations.

After engaging in extensive investigation and a full day of mediation before an experienced mediator, in which both sides recognized the substantial risks of an adverse result in the Lawsuit for either side, Plaintiff and Defendants agreed on a class settlement that was preliminarily approved by the Court on February 22, 2021. Plaintiff and Class Counsel support the settlement.

The class settlement represents a compromise and settlement of highly disputed claims. Nothing in the settlement is intended or will be construed as an admission by Defendant that Plaintiff's claims in the Lawsuit have merit or that is has any liability to Plaintiff or the Class on those claims.

The parties and their counsel have concluded that the settlement is advantageous, considering the risks and uncertainties to each side of continued litigation.

WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Denisha Johnson is the Class Representative or Named Plaintiff in the Lawsuit, and she asserts claims on behalf of herself and the class. Route 66 Post Acute, LLC is the Defendant. A class action allows the Court to resolve the claims of all the class members at the same time. A class member is bound by the determination or judgment entered in the case, whether the class wins or loses, and may not file his or her own lawsuit on the same claims that were decided in the class action. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the class.

WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All persons who were employed by Route 66 Post Acute, LLC in non-exempt positions in the State of California at any time from June 8, 2019 through February 22, 2021.

The Class or Participating Class Member shall not include any person who submits a timely and valid Opt-Out Form.

WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

In exchange for the release of claims against it and final disposition of the Lawsuit, Defendant will pay Four Hundred Thousand Dollars and Zero Cents (\$400,000.00) ("Class Settlement Amount"). After attorneys' fees and costs, enhancement payment to the Named Plaintiff, a payment to the California Labor and Workforce Development Agency, and settlement administration costs are deducted from the Class Settlement Amount, the remaining "Net Settlement Amount" will be distributed to Participating Class Members. Subject to Court approval, the Class Settlement Amount will be allocated as follows:

- Individual Settlement Payment: All Participating Class Members are eligible to receive money from the Net Settlement Amount. Each estimated payment is the pro rata allocation of the Net Settlement Amount based on the Members' total Workweeks¹ worked during the Class Period. Participating Class Member will receive a share of the Net Settlement Amount with the numerator being the Participating Class Members' total number of Workweeks earned during the Class Period as a Class Member and the denominator being all Participating Class Members' total Workweeks worked during the Class Period. The resulting fraction will be multiplied by the Net Settlement Amount to determine the Participating Class Member's individual settlement payment. Your estimated payment is on the first page of this Notice, but the actual amount may vary somewhat based on the actual implementation of the settlement.
- Class Representatives Enhancement Payment: Named Plaintiff will request from the Court an award of \$7,500 in recognition of her efforts and risks in assisting with the prosecution of the Lawsuit. Any amount ordered by the Court will be paid from the Class Settlement Amount.
- Class Counsel Award: Class Counsel will request from the Court not more than 33¹/₃% of the Class Settlement Amount (\$133,333 of \$400,000) as attorneys' fees for litigation and resolution of the Lawsuit, as supported by declaration(s). Class Counsel will also request from the Court reimbursement for the advanced litigation costs, which are estimated to be no more than \$12,000. Any amount ordered by the Court will be paid from the Class Settlement Amount.
- **PAGA Payment:** \$100,000 from the Class Settlement Amount is allocated for payment under the Private Attorneys General Act of 2004. Upon Court approval, 75% of the allocation (\$75,000) will be paid to the California Labor and Workforce Development Agency, and 25% (\$25,000) of the allocation will be distributed as part of the Net Settlement Amount. Any amount ordered by the Court will be paid from the Class Settlement Amount.
- Settlement Administration: The cost of settlement administration will be no more than \$25,000, which pays for tasks such as mailing and tracking this Notice, mailing checks and tax forms, and reporting to the parties and the Court. Any amount ordered by the Court will be paid from the Class Settlement Amount.
- Any checks issued to Participating Class Members shall remain valid and negotiable for one hundred and eighty (180) days from the date of their issuance. After that time, any such unclaimed checks will be sent to State of California Unclaimed Property Fund, which can be later claimed at any time by the Class Members who did not timely cash their checks.

If you do not exclude yourself you will give up your Released Claims.

The Released Claims means any and all causes of action, wage and hour claims, rights, demands, liabilities, actual damages, statutory damages, penalties, liabilities, liquidated damages, interest, attorneys' fees, litigation costs, expenses, restitution, equitable relief, and losses alleged in the operative complaint or which could reasonably have been alleged in the operative complaint filed

¹ "Workweeks" or "Weeks Worked" means the number of days of employment for each Class Member during the applicable Class Period, subtracting days on leave of absence (if any), dividing by seven (7), and rounding up to the nearest whole number. All Class Members will be credited with at least one Workweek.

in the Action based on the operated facts contained therein, including, but not limited to: (a) any alleged failure by Defendants (1) to pay wages, minimum wages, or overtime; (2) to provide meal or rest periods; (3) to provide accurate wage statements to employees; (4) to timely pay wages during employment; (5) to pay all wages due upon separation of employment; (6) to issue wage statements in compliance with Labor Code § 226; or (7) any alleged failure by Defendants to maintain payroll records; (b) any right or claim for civil penalties pursuant to the Labor Code Private Attorneys General Act of 2004, California Labor Code § 2698 et seq., or any penalties arising under the Labor Code or Wage Order based on the alleged failures set forth in (a)(1)through (a)(7) above; (c) any right or claim for unfair business practices in violation of California Business & Professions Code § 17200 et seq. based on the alleged failures set forth in (a)(1) through (a)(7) above; and (d) any violation of the California Labor Code arising from or related to the conduct alleged in (a)(1) through (a)(7) above, including, without limitation, violation of Sections 201, 202, 203, 204, 226, 226.7, 510, 512, 558, 1174, 1194, 1194.2, 1197, 1197.1, 1198, 2698 et seq., or any other state statute, rule and/or regulation (Wage Order), or similar causes of action which any Class Member has or might have, known or unknown, of any kind whatsoever, that was alleged or could reasonably have alleged out of the factual allegations in the complaint. The release will extend to and cover Route 66 Post Acute, LLC as well as any of its past, present, and future parents, affiliates, subsidiaries, divisions, predecessors, successors, and assigns, and each of their officers, directors, board members, trustees, shareholders, members, employees, agents, attorneys, auditors, accountants, benefits administrators or third-party administrators, experts, contractors, stockholders, representatives, partners, insurers, reinsurers, and other persons acting on their behalf.

WHAT DO I NEED TO DO TO RECEIVE A SETTLEMENT PAYMENT?

You do not need to do anything to receive a payment from the Net Settlement Amount.

Route 66 Post Acute, LLC's records show that you were employed from «strDates» and worked a total of «TotalWorkweeks» Workweeks as a Class Member during the Class Period. Your anticipated settlement share as stated on page 1 of this document is calculated using that Workweek information.

If you dispute the information about the amount of Workweeks that Route 66 Post Acute, LLC's records show you worked during the Class Period, you must advise the Settlement Administrator to substantiate your dispute.

To dispute the amount of Workweeks you must send in the mail any records (e.g. paystubs, pay checks or other records) supporting your dates of employment with a letter explaining the dispute and be sure to include the last four digits of your social security number by May 14, 2021. The date of the postmark will determine if it was timely mailed.

Distribution of the Settlement Payments will be made in two installments and within twenty-one (21) calendar days after receipt of the Class Settlement Amount: The first distribution, representing ¹/₂ of the Settlement Amount, within 10 days of Final Approval; the second, representing the remaining ¹/₂ of the Settlement Amount, six months following Final Approval.

If your address changes before you receive your final payment, please contact the Settlement Administrator to update your address.

The Settlement Administrator is:

Johnson v. Route 66 Post Acute, LLC Settlement Administrator c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606

WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. To do so, you must submit a timely Opt-Out Form to the Settlement Administrator at the following address:

Johnson v. Route 66 Post Acute, LLC Settlement Administrator c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606

An Opt-Out Form is included with this notice. An Opt-Out Form must be submitted by no later than May 14, 2021. The date of the postmark will determine if it was timely mailed. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement and payment of the Class Settlement Amount, including the Release described in this Notice.

If you timely request to be excluded from the settlement, you will not be entitled to receive any payment under the settlement. Class Counsel will not represent your interests if you request to be excluded.

WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

Any Class Member who has **not** asked to be excluded from the settlement may object to the settlement and may appear at the hearing where the Court will make a final decision whether or not to approve the settlement (the "Final Approval Hearing"). The Final Approval Hearing is scheduled to take place on June 23, 2021, at 8:30 a.m. in Department 55 of the Superior Court of the State of California for the County of Los Angeles, located at Stanley Mosk Courthouse, 111 North Hill Street, Los Angeles, CA 90012.

To be valid, the written objection must be served on the Settlement Administrator, by May 14, 2021. The written objection must state: (1) your full name, address and telephone number; (2) a written statement of all grounds for the objection accompanied by any legal support for the objection; (3) a statement as to whether you intend to appear at the final approval hearing; (4) last four digits of your social security number; and (5) the signature of you or your counsel.

You have the right to hire your own attorney, at your own expense, to submit an objection or to appear on your behalf at the Final Approval Hearing. You may, but are not required to appear at the hearing to have your objection considered.

Filing an objection will *not* exclude you from the Settlement Class. You will still have the right to receive an individual settlement payment, unless you have requested to be excluded.

WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The settlement, if finally approved by the Court and conditioned upon full payment of the Class Settlement Amount will bind all Class Members who do not request to be excluded from the settlement whether or not they receive or timely cash their Individual Settlement Payment. Final approval of the settlement will bar any Class Member who does not request to be excluded from the settlement from hereafter initiating a lawsuit or proceeding regarding the Released Claims. The Settlement Agreement contains additional details about the scope of the release.

DO I HAVE A LAWYER IN THIS CASE?

The Court has ordered that, for purposes of this Settlement, the interests of Plaintiff and the Class Members are represented by:

Nazo Koulloukian, Esq.	Sahag Majarian II, Esq.
KOUL LAW	LAW OFFICES OF SAHAG MAJARIAN
3435 Wilshire Blvd. Suite 1710	II
Los Angeles, CA 90010	18250 Ventura Blvd.
Telephone: (213) 761-5484	Tarzana, CA 91356
Nazo@koullaw.com	Telephone (818) 609-0807
<u> </u>	Sahagii@aol.com

(collectively, "Class Counsel"). If you want to be represented by your own lawyer, you may hire one at your own expense.

WHAT IF MY INFORMATION IS INCORRECT OR CHANGES?

If your name or address are incorrect, or if they change after you receive this notice, it is your responsibility to inform the Settlement Administrator of your updated information.

FURTHER INFORMATION

The foregoing is only a summary of the settlement. To see a copy of the Settlement Agreement (which defines the capitalized terms used in this Notice and provides a brief summary of what has happened in the Lawsuit), the Court's Preliminary Approval Order, Class Counsel's application for attorneys' fees and costs, and the operative Complaint filed in the Lawsuit, you may view all such files in the following ways: 1) Online at the Settlement Administrators Website www.cptgroupcaseinfo.com/route66postacute. 2) Online on the Los Angeles County Superior Court's website, known as at https://www.lacourt.org. After arriving at the website, click the

'Online Services', then click the 'Case Access' link, then a enter 20STCV30890 in the 'Case Number' box, enter the security code, and click 'SEARCH.' Images of most document filed in the case may be viewed through the 'register of Actions' link.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at 1-888-817-0950 or the Class Counsel listed above. Please refer to the Route 66 Post Acute, LLC Class Action Settlement.

PLEASE DO NOT TELEPHONE OR CONTACT THE COURT OR DEFENDANT'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT.

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