

**NOTICE OF CLASS ACTION SETTLEMENT**

*Juana Olivos Valdez, et al. v. Genesis Healthcare LLC, et al.*

United States District Court for the Central District of California, Case No. CV 19-00976-DMG(JCx)

*Christine Espinosa v. Genesis Healthcare, Inc., et al.*

United States District Court, Central District of California, Case No. CV 20-00688-DMG(JCx)

*A court authorized this Notice. This is not a solicitation by a lawyer. You are not being sued.*

IF YOU WORKED AS A NON-EXEMPT EMPLOYEE AT ONE OR MORE OF THE FOLLOWING FACILITIES DURING THE IDENTIFIED TIME PERIODS (“CLASS PERIODS”), THIS CLASS ACTION SETTLEMENT MAY AFFECT YOUR RIGHTS.

<b>Facilities</b>	<b>Class Periods</b>		
Alexandria Care Center	February 1, 2015 to February 11, 2022	Laurel Park Behavioral Health Center	September 20, 2014 to February 11, 2022
Alta Gardens Care Center	February 1, 2015 to February 11, 2022	Olive Vista Behavioral Health Center	September 20, 2014 to February 11, 2022
Anaheim Terrace Care Center	February 1, 2015 to February 11, 2022	Sierra Vista Behavioral Health Center	September 20, 2014 to February 11, 2022
Bay Crest Care Center	February 1, 2015 to February 11, 2022	American River Center	September 20, 2014 to February 11, 2022
Brier Oak on Sunset	February 1, 2015 to February 11, 2022	Kingsburg Center	September 20, 2014 to February 11, 2022
Carehouse Healthcare Center	February 1, 2015 to May 1, 2019	Eagle Crest Center	September 20, 2014 to September 30, 2017
City View Villa	February 1, 2015 to June 1, 2016	Playa Del Rey Center	September 20, 2014 to February 11, 2022
Devonshire Care Center	February 1, 2015 to February 11, 2022	Harbor View Community Center	September 20, 2014 to July 1, 2018
Elmcrest Care Center	February 1, 2015 to May 1, 2019	Harbor View Behavioral Health Center	September 20, 2014 to April 1, 2019
Fountain Care Center	February 1, 2015 to May 1, 2019	Meadowbrook Behavioral Health Center	September 20, 2014 to February 11, 2022
Fountain Senior ALF	February 1, 2015 to May 1, 2019	Pine View Center	September 20, 2014 to June 1, 2018
Fountain View Subacute and Nsg	February 1, 2015 to February 11, 2022	Shandin Hills Behavioral Health Center	September 20, 2014 to February 11, 2022
Rehab Center on La Brea	February 1, 2015 to June 1, 2016	Creekside Center	September 20, 2014 to February 11, 2022
Montebello Care Center	February 1, 2015 to February 11, 2022	The Earlwood	February 1, 2015 to February 11, 2022
Rio Hondo Subacute and Nursing Center	February 1, 2015 to February 11, 2022	Valley Healthcare Center	February 1, 2015 to September 19, 2019
Royalwood Care Center	February 1, 2015 to October 1, 2019	Villa Maria Care Center	February 1, 2015 to May 1, 2019
Sharon Care Center	February 1, 2015 to February 11, 2022	Willow Creek Healthcare Center	February 1, 2015 to February 26, 2020
Spring Senior Assisted Living	February 1, 2015 to February 11, 2022	Woodland Care Center	February 1, 2015 to February 11, 2022
St. Elizabeth Healthcare and Rehabilitation	February 1, 2015 to May 1, 2019	Washington Center	September 20, 2014 to February 11, 2022
		Willows Post Acute (f/k/a Willows Center)	September 20, 2014 to February 11, 2022

***Why should you read this Notice?***

A proposed settlement (the “Settlement”) has been reached which will resolve the following class action lawsuits: *Juana Olivos Valdez, et al. v. Genesis Healthcare, LLC*, United States District Court for the Central District of California, Case No. CV 19-00976-DMG (JCx), and *Christine Espinosa v. Genesis Healthcare, Inc., et al.*, United States District Court, Central District of California, Case No. CV 20-00688-DMG (JCx) (the “Actions”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the Actions, and to inform you of your rights and options in connection with the proposed Settlement. The proposed Settlement will resolve all claims against defendants Genesis Healthcare LLC, Genesis Healthcare, Inc., Genesis Administrative Services, LLC, GHC Payroll, LLC, Alexandria Care Center, LLC, Anaheim Terrace Care Center, LLC, Alta Care Center, LLC, Bay Crest Care Center, LLC, Brier Oak on Sunset, LLC, Carehouse Healthcare Center, LLC, City View Villa, LLC, Devonshire Care Center, LLC, Elmcrest Care Center, LLC, Fountain Care Center, LLC, Fountain Senior Assisted Living, LLC, Fountain View Subacute and Nursing Center, LLC, Hancock Park Rehabilitation Center, LLC, Montebello Care Center, LLC, Rio Hondo Subacute and Nursing Center, LLC, Royalwood Care Center, LLC, Sharon Care Center, LLC, Spring Senior Assisted Living, LLC, St. Elizabeth Healthcare and Rehabilitation Center, LLC, SunBridge Braswell Enterprises, LLC, SunBridge Brittany Rehabilitation Center LLC, SunBridge Care Enterprises West LLC, SunBridge Carmichael Rehabilitation Center, LLC, SunBridge Hallmark Health Services, LLC, SunBridge Harbor View Rehabilitation Center, LLC, SunBridge Meadowbrook Rehabilitation Center LLC, SunBridge Paradise Rehabilitation Center, Inc., SunBridge Shandin Hills Rehabilitation Center LLC, SunBridge Stockton Rehabilitation Center LLC, The Earlwood, LLC, Valley Healthcare Center, LLC, Villa Maria Healthcare Center, LLC, Willow Creek Healthcare Center, LLC, Woodland Care Center, LLC, 14766 Washington Avenue Operations LLC, SunBridge Healthcare LLC, and 320 North Crawford Avenue Operations LLC (“Defendants”) in the Actions.

A hearing concerning the Settlement will be held before the Hon. Dolly M. Gee on **July 29, 2022, at 10:00 a.m.** in Courtroom 8C of the United States District Court for the Central District of California, First Street Courthouse, located at 350 W. First Street, Los Angeles, California 90012, to determine whether the Settlement is fair, adequate, and reasonable.

**AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT UNDER THE SETTLEMENT AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS NOTICE AND THE SETTLEMENT AGREEMENT FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST TO BE EXCLUDED FROM THE SETTLEMENT.**

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT</b>	If you do nothing, you will be considered part of the Class and will receive an Individual Settlement Payment. You will also give up the right to pursue a separate legal action against Defendants and affiliated persons and entities, as described in this Notice.
<b>EXCLUDE YOURSELF FROM THE SETTLEMENT</b>	If you request to be excluded, you will not receive any payment under the Settlement, and you will not release any claims against Defendants.
<b>OBJECT TO THE SETTLEMENT</b>	To object to the Settlement, you must submit a written statement explaining why you don’t like the Settlement. This option is available only if you do not exclude yourself from the Settlement.

***Who is affected by the proposed Settlement?***

The Court has certified, for settlement purposes only, the following class (the “Class”):

All persons employed by Defendants as non-exempt employees in the State of California during the Class Periods.

According to Defendants’ records, you are a member of the Class (“Class Member”).

***What is this case about?***

In the Actions, plaintiffs Juana Olivos Valdez, Danillie Willie, and Christine Espinosa (“Plaintiffs”) allege on behalf of themselves and the Class the following claims against Defendants: (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (8) unfair and unlawful business practices; and (9) penalties under the Private Attorneys General Act (“PAGA”). Plaintiffs seek unpaid wages, statutory and civil penalties, restitution, interest, attorneys’ fees, and costs. Defendants deny all liability and are confident they have strong legal and factual defenses to all of Plaintiffs’ claims.

This Settlement is a compromise reached after arm’s length negotiations between Plaintiffs and Defendants (the “Parties”), through their attorneys, and is not an admission of liability on the part of Defendants. Both sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiffs and Class Counsel believe the Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiffs’ claims or Defendants’ defenses.

***Who are the attorneys representing the Parties?***

The attorneys in the Actions are:

**Class Counsel**

Matthew J. Matern  
Launa Adolph  
Kayvon Sabourian  
Shooka Dadashzadeh  
MATERN LAWGROUP, PC  
1230 Rosecrans Ave., Suite 200  
Manhattan Beach, CA 90266  
310-531-1900

Ronald H. Bae  
Olivia D. Scharrer  
AEQUITAS LEGAL GROUP  
A Professional Law Corporation  
1156 E. Green Street, Suite 200  
Pasadena, CA 91106  
213-674-6080

**Defendants’ Counsel**

Curtis A. Graham  
James E. Payer  
LITTLER MENDELSON, P.C.  
633 West 5<sup>th</sup> Street, 63<sup>rd</sup> Floor  
Los Angeles, CA 90071  
213-443-4300

As a Class Member, you are being represented at no cost by Class Counsel.

### ***What are the Settlement terms?***

If the Court grants final approval of the Settlement, Defendants will pay \$9,500,000.00 (the “Maximum Settlement Amount”) for: (a) Individual Settlement Payments to Participating Class Members, as defined below; (b) the Court-approved Attorneys’ Fees and Costs to Class Counsel; (c) the Court-approved Class Representative Service Awards to Plaintiffs; (d) the costs of administering the Settlement; and (e) the PAGA Payment to be paid to the California Labor & Workforce Development Agency (“LWDA”) and all Class Members as “PAGA Aggrieved Employees.”

**Individual Settlement Payments.** After deduction from the Maximum Settlement Amount for Attorneys’ Fees and Costs, the Class Representative Service Awards, the costs of administering the Settlement, and the PAGA Payment, there will be a Net Settlement Amount. From this Net Settlement Amount, each Class Member who does not request to be excluded from the Settlement (“Participating Class Member”) will receive an Individual Settlement Payment.

The Net Settlement Amount will be divided among all Participating Class Members based on the number of Compensable Workweeks each Participating Class Member worked for Defendants as a non-exempt employee during the Class Periods, as identified in the table on the first page above. In addition, all PAGA Aggrieved Employees will receive a pro rata share of the portion of the PAGA Payment allocated to PAGA Aggrieved Employees based on their Compensable Payperiods during the PAGA Period, which is July 17, 2017, to the earlier of February 11, 2022, or the date that Defendants stopped operating the facility that you worked at. Your total number of Compensable Workweeks and Payperiods, according to Defendants’ records, and your estimated Individual Settlement Payment and portion of the PAGA Payment are listed on the Information Sheet enclosed in this Notice Packet.

The settlement checks will be valid for 180 days from the date of mailing. After 180 days, the Settlement Administrator will void any uncashed checks and pay over the amount represented by the check to the State Controller’s Office Unclaimed Property Fund, with the identity of the Class Member to whom the funds belong.

For tax reporting purposes, the Individual Settlement Payments will be allocated fifteen percent (15%) as wages and eighty five percent (85%) as non-wage penalties and interest. The wage portion will be subject to required state and federal withholdings and will be reported on an IRS Form W-2. The non-wage portion will be reported on an IRS Form 1099, with no withholdings taken. None of the Parties or their attorneys make any representations concerning the tax consequences of this Settlement or your participation in it. Class Members should consult with their own tax advisors concerning the tax consequences of the Settlement. Class Counsel is unable to offer advice concerning the state or federal tax consequences of payments to any Participating Class Member and PAGA Aggrieved Employee.

**Attorneys’ Fees and Costs, Class Representative Service Award, Settlement Administration Costs, and the PAGA Payment.** Plaintiffs will ask the Court to award attorneys’ fees in an amount not to exceed \$3,166,666.67 (one-third of the Maximum Settlement Amount) and reimbursement of reasonable costs incurred in the Actions in an amount not to exceed \$130,000.00. Plaintiffs also will ask the Court to authorize Class Representative Service Award payment to Plaintiffs in an amount up to \$15,000.00 each for their effort in prosecuting the Actions on behalf of the Class Members. The Parties estimate the costs of administering the Settlement will not exceed \$60,000.00. In addition, \$285,000.00 will be allocated to penalties under PAGA, of which 75%, or \$213,750.00, will be paid to the LWDA, and the remaining 25%, or \$71,250.00, will be distributed to PAGA Aggrieved Employees, as set forth above. Any amounts not requested or awarded by the Court will be included in the Net Settlement Amount and will be distributed to Participating Class Members.

### ***What claims are being released by the proposed Settlement?***

Upon the Settlement becoming final (the “Effective Date”), all Participating Class Members shall be

deemed to have released the Released Parties of any and all claims, debts, demands, rights, liabilities, costs, damages, attorneys' fees, actions, and/or causes of action that were pleaded or could have been pleaded based upon the factual allegations set forth in the operative complaint filed in the Actions and arising at any time during the respective Class Periods, including any and all claims for (1) failure to provide meal periods; (2) failure to authorize and permit rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (8) unfair and unlawful business practices.

Upon the Effective Date, all PAGA Aggrieved Employees shall be deemed to have released the Released Parties of any and all claims and/or causes of action under PAGA which are based upon the factual allegations set forth in the operative complaint and arising at any time during the respective PAGA Periods, regardless of whether the PAGA Aggrieved Employee has elected to be excluded from the settlement as a Participating Class Member.

In addition, all Participating Class Members who cash their Individual Settlement Payment checks will be deemed to have given their consent to "opt in" as a party plaintiff in this action pursuant to the Fair Labor Standards Act of 1938, 29 U.S.C. §216(b) ("FLSA") and to have waived and released any claims they may have under the FLSA as related to the claims that were or arise from the facts asserted in the Actions during the time period three years prior to the cashing of the Individual Settlement Payment check.

The "Released Parties" are (i) Defendants; (ii) their past, present and future subsidiaries, parents, affiliated and related companies, divisions, successors, predecessors or assigns; and (iii) their past, present, and future members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors, employees, board members, partners, investors, representatives, shareholders and employees), predecessors, successors or assigns of any of the foregoing.

#### ***What are my rights as a Class Member?***

As a class member, you may (A) remain in the Class and receive an Individual Settlement Payment; or (B) exclude yourself from the Class. If you choose option (A), you may also object to the Settlement.

**OPTION A. Remain in the Class and Receive a Settlement Payment.** If you wish to remain in the Class and be eligible to receive an Individual Settlement Payment, you do not need to take any action. If the Court grants final approval of the Settlement, you automatically will receive an Individual Settlement Payment and will be bound by the release of the Released Claims as described above.

**Object to the Settlement:** If you believe the proposed Settlement is not fair, reasonable or adequate in any way, you may submit a written brief or statement of objection ("Notice of Objection"). The Notice of Objection must: (1) state your full name; (2) be signed by you; (3) state the grounds for your objection; (4) state whether you intend to appear at the Settlement Hearing; and (5) be postmarked on or before **June 13, 2022**, and mailed to the Settlement Administrator at the following address:

*Juana Olivos Valdez, et al. v. Genesis Healthcare LLC, et al. Settlement*  
c/o CPT Group Inc.  
50 Corporate Park  
Irvine, CA 92606

You also can hire an attorney to represent you in your objection. Class Counsel, however, will not represent you for purposes of objecting to the Settlement. **Even if you submit an objection, you will be bound by the terms of the Settlement, including the release of Released Claims as set forth above, unless the Settlement is not finally approved by the Court.**

**OPTION B. Exclude Yourself from the Settlement.** If you do not want to be part of the Settlement, you must submit a written request to be excluded (“Request for Exclusion”). Your Request for Exclusion must (1) state your name, address, and telephone number; (2) contain a clear statement that you are requesting to opt out of, or be excluded from, the Settlement in *Olivos Valdez v. Genesis Healthcare LLC, et al.*; (3) be signed by you; and (4) be postmarked on or before **June 13, 2022**, and mailed to the Settlement Administrator at the following address:

*Juana Olivos Valdez, et al. v. Genesis Healthcare LLC, et al.* Settlement  
c/o CPT Group Inc.  
50 Corporate Park  
Irvine, CA 92606

If you do not submit a timely and valid Request for Exclusion, you will be bound by the release of Released Claims as described above and all other terms of the Settlement. If you timely submit a valid Request for Exclusion, you will have no further role in the Action, and you will not be entitled to any benefit as a result of the Settlement, other than your pro rata share of the portion of the PAGA Payment. Even if you timely submit a valid Request for Exclusion, you shall be deemed to have released the Released Parties of any and all claims and/or causes of action under PAGA which are based upon the factual allegations set forth in the operative complaint and arising at any time during the respective PAGA Periods. **You cannot object to the Settlement if you submit a Request for Exclusion.**

#### ***What is the next step in the approval of the Settlement?***

The Court will hold a Settlement Hearing regarding the fairness, reasonableness and adequacy of the proposed Settlement, the plan of distribution, and Plaintiffs’ request for Attorneys’ Fees and Costs and Class Representative Service Awards on **July 29, 2022, at 10:00 a.m.** in Courtroom 8C of the First Street Courthouse located at 350 W. First Street, Los Angeles, California 90012. The Settlement Hearing may be postponed without further notice to Class Members. You are not required to attend the Final Approval Hearing to receive an Individual Settlement Payment.

#### ***How can I get additional information?***

This Notice summarizes the Actions and the basic terms of the Settlement. More details are in the Settlement Agreement. You can obtain a copy of the Settlement Agreement, Preliminary Approval Order, and Plaintiffs’ Motion for Attorneys’ Fees and Costs at the Settlement Administrator’s website at [www.cptgroupcaseinfo.com/valdezgenesissettlement](http://www.cptgroupcaseinfo.com/valdezgenesissettlement) or by accessing the Court’s Public Access to Court Electronic Records (PACER) system at <https://ecf.cacd.uscourts.gov>. If you have questions regarding the Settlement, you may contact the Settlement Administrator at 1-888-412-2843.

**PLEASE DO NOT CONTACT THE COURT REGARDING THIS NOTICE.**