

**THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.**

*Karen Zavala v. The Lake Post Acute, LLC, et al.*  
Los Angeles County Superior Court, Case No. 20STCV44125

**If you worked for The Lake Post Acute, LLC, ReNew Health Group, LLC, Assembly Health Group, LLC, Tulare Lake Post Acute, LLC, Tulare River Post Acute, LLC, and/or Twin Oaks Post Acute, LLC as a non-exempt employee, in California at any time from May 1, 2019 through December 31, 2020 the settlement of this class action lawsuit may affect your rights.**

*This is a court-authorized notice. It is not a solicitation from a lawyer.*

- A proposed settlement (the “Settlement”) has been reached in a class action lawsuit entitled *Karen Zavala v. The Lake Post Acute, LLC, et al.*, Case No. 20STCV44125 (Los Angeles County Superior Court) (the “Lawsuit”). The purpose of this Notice of Class Action Settlement (“Notice”) is to briefly describe the Lawsuit, and to inform you of your rights and options in connection with the Lawsuit and the Settlement.
- The Court has preliminarily approved a class action settlement with Defendants The Lake Post Acute, LLC, ReNew Health Group, LLC, Assembly Health Group, LLC, Tulare Lake Post Acute, LLC, Tulare River Post Acute, LLC, and Twin Oaks Post Acute, LLC. (“Lake Post” or “Defendant”), which will affect all non-exempt employees who worked for Lake Post in California at any time from May 1, 2019 through December 31, 2020.
- If the Court grants final approval of the Settlement, there may be money available to you.

<b>YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT</b>	
<b>PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u></b>	<b>Stay in this Lawsuit. Receive a payment. Give up certain rights.</b> By doing nothing, you become part of the Class and will be entitled to a settlement award as detailed below. But, you will not be able to bring your own lawsuit against Lake Post for violations that relate to the claims brought in this Lawsuit.
<b>OBJECT TO THE SETTLEMENT</b>	<b>Stay in this Lawsuit. Object. Receive a payment. Give up certain rights.</b> If you object to the settlement, you will remain a member of the Class. If the Court approves the settlement, you will be entitled to collect a settlement award and be bound by the terms of the settlement in the same way as Class Members who do not object.
<b>ASK TO BE EXCLUDED</b>	<b>Get out of this Lawsuit. Receive no payment from the class settlement. Keep your rights.</b> If you ask to be excluded from the Settlement, you will not receive any payment from the settlement award. But, you keep your right to sue Lake Post separately for the legal claims raised in this Lawsuit.

- **Regardless of the option you choose, you will not be retaliated against.**
- Your options are explained in this notice. To object to the settlement or to ask to be excluded, you must act before March 13, 2023.
- **Any questions?** Read on or contact Class Counsel or the Settlement Administrator listed below.

**BASIC INFORMATION**

**1. Why did I get this notice?**

Lake Post’s records show that you worked for Lake Post as a non-exempt employee in California at some point between May 1, 2019, and December 31, 2020.

The Court has determined only that there is sufficient evidence to suggest that the proposed Settlement may be fair, adequate, and reasonable. Any final determination of those issues will be made at the final hearing. You have legal rights and options that you may exercise as part of this Settlement. Judge Maren E. Nelson of the Superior Court of the State of California, County of Los Angeles is overseeing this lawsuit.

## 2. What is this lawsuit about?

In this Lawsuit, Plaintiff Karen Zavala (“Plaintiff”) claims that Lake Post: (1) Failed to Pay Minimum Wages; (2) failed to Pay Overtime Wages; (3) failed to Provide Meal Periods; (4) failed to Permit Rest Breaks; (5) failed to Provide Accurate Itemized Wage Statements; (6) failed to Pay all Wages Due Upon Separation of Employment; (7) violated California’s Unfair Competition laws; and (8) that these violations entitle Plaintiff to recover civil penalties on behalf of the State of California under Labor Code § 2698 et. seq (“PAGA”).

Throughout the litigation, Lake Post has denied—and continues to deny—the factual and legal allegations in the Lawsuit. Lake Post denies any wrongdoing and asserts that its conduct at all times complied with the law. However, Lake Post has voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation.

## 3. What is a class action and who is involved?

In a class action lawsuit such as this, a person called the “Class Representative” sues on behalf of other people who may have similar claims. The people together are referred to as a “Class” or “Class Members.” The person who is the Class Representative is also called the plaintiff. The company being sued is called the defendant. In class action litigation, a Court resolves the issues for everyone in the Class in one lawsuit, *except* for those people who choose to exclude themselves from the Class.

This class action also includes a “Private Attorneys General Act” (“PAGA”) claim, where the Plaintiff is attempting to recover civil penalties on behalf of the State of California. In a PAGA action, the State receives 75% of any recovered civil penalties, and the employees receive 25%. This Settlement will resolve all claims by the State for civil penalties arising from the claims made by Plaintiff in the Lawsuit during the period of November 16, 2019 through December 31, 2020 (“PAGA Period”).

## 4. Why is this Lawsuit a class action?

For settlement purposes, Plaintiff and Lake Post agreed that this case can proceed as a class action and have agreed to ask the Court to approve the class action Settlement. The Court has not ruled on the merits of the claims in the Lawsuit.

## 5. What are the terms of the proposed Settlement?

The major terms of the settlement are as follows:

1. Defendant has agreed to pay \$1,250,000.00 to settle the claims in this Lawsuit. This amount is also known as the “Gross Settlement Amount.”
2. Plaintiff has agreed to release all of her claims in this this Lawsuit against Defendant.
3. Plaintiff seeks the following deductions from the Gross Settlement Amount:
  - a. Up to one-third (1/3) of the Gross Settlement Amount (which is currently equal to \$416,666.66 for Class Counsel’s attorneys’ fees.
  - b. Up to \$20,000.00 for reimbursement of Class Counsel’s litigation costs.
  - c. An Incentive Award of up to \$10,000.00 to the Plaintiff for filing the Lawsuit, performing work in connection with the Lawsuit, and the risks associated with filing the Lawsuit.
  - d. Up to \$12,995.00 to cover the costs of the Settlement Administrator.
  - e. A PAGA Settlement Amount of up to \$50,000.00 for the release of PAGA claims. The PAGA Settlement Amount shall be allocated 75% (\$37,500.00) to the California Labor and Workforce Development Agency and 25% (\$12,500.00) to the non-exempt employees that worked for Defendant in California at any time during the PAGA Period (“PAGA Group Members”).

If the Court approves these requested deductions, there will be approximately \$733,333.34 remaining. The remaining funds will be referred to as the “Net Settlement Amount.” The Net Settlement Amount will be distributed to Class Members who do not request exclusion according to the number of weeks they worked for Defendant in California during the Class Period.

**PAGA Settlement Payments.** 25% of the PAGA Settlement Amount (\$12,500.00) (“PAGA Group Payment”) will be paid to PAGA Group Members based on the number of pay periods they work for Defendant in California during the PAGA Period. If you are a PAGA Group Member, you will receive a pro rata share of the PAGA Group Payment regardless of whether you opt-out of the class settlement.

**Check Cashing Period.** If a settlement check remains uncashed after 180 days from the date it is issued, the check will become void and the amount of the uncashed check will be sent to the California State Controller’s Unclaimed Property Fund, to be held in your name.

## WHO IS IN THE CLASS?

### 6. Am I part of this Class?

The “Class” includes: All non-exempt employees who are or were employed by Lake Post in California at any time from May 1, 2019, through December 31, 2020 (the “Class Period”).

### 7. I’m still not sure if I am included.

If you still are not sure whether you are included in the Class, you can get free help by contacting Phoenix Class Action Administration, the “Settlement Administrator”, at the designated phone number for this matter at (800) 523-5773 or by calling or writing the lawyers representing the Class in this case (“Class Counsel”), at the phone number or address listed in Section 19.

### 8. What is my approximate Individual Settlement Payment?

According to payroll records maintained by Lake Post, the total number of weeks you worked in California for Lake Post as a non-exempt employee during the Class Period is \_\_\_\_\_. The total number of pay periods you worked in California for Lake Post as a non-exempt employee during the PAGA Period is \_\_\_\_\_.

Based on information provided above, anticipated court-approved deductions, and preliminary calculations Qualified Workweeks, it is estimated your share of the settlement will be \$ \_\_\_\_\_, less applicable taxes and withholdings. This amount includes your share of the PAGA Group Payment, which is estimated to be \$ \_\_\_\_\_.

You do not need to do anything further to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 16, below, of any changes to your mailing address for timely payment.

#### **Disputing Your Payment Amount**

If you believe your total weeks worked during the Class Period and/or PAGA Period shown above is not correct, you may contact the Settlement Administrator indicating what you believe is correct no later than March 13, 2023. You should send any documents or other information that supports your belief that the number of weeks set forth above is incorrect. The Settlement Administrator will attempt to resolve any dispute based upon Lake Post’s records and any information you provide. Any dispute not resolved by the Settlement Administrator will be resolved by the Court.

### 9. What rights am I releasing if I participate in the Settlement?

If the Court grants final approval of the Settlement and you do not exclude yourself from the Settlement, upon the date Defendants fully fund the Settlement, Named Plaintiff and Participating Class Members who do not opt out of the Settlement, release Defendants and their respective former, current and future parent companies, subsidiaries, affiliates, shareholders, members, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, and directors) predecessors, successors, and assigns. (collectively, “Released Parties”) from any and all claims alleged in Named Plaintiff’s Operative Complaint, during the Class Period, including but not limited to all claims, rights, demands, liability and causes of action, contingent or vested, in law or in equity, arising at any time during the Class Period for unpaid wages or other compensation, and/or related penalties, interest, costs, attorneys’ fees, punitive damages, and/or injunctive or other equitable remedies, allegedly owed or available, arising out of, or reasonably related to the claims, allegations and operative facts asserted in the operative complaint, including but not limited to Defendants’: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime Wages; (3) Failure to Provide Meal Periods; (4) Failure to Permit Rest Breaks; (5) Failure to Provide Accurate Itemized Wage Statements; (6) Failure to Pay all Wages Due Upon Separation of Employment; (7) Violation of Business and Professions Code section 17200, et. Seq., and (8) any other theories required to cover all claims advanced in the PAGA claim. (collectively, “Released Claims”).

Additionally, if you are a PAGA Group Member, on the date of funding the Gross Settlement Amount, the State of California and PAGA Group Members release the Released Parties from all claims under PAGA that were exhausted in Plaintiff’s notice(s) sent to the LWDA and alleged in the operative complaint, which arose during the PAGA Period, regardless of whether PAGA Group Members opt out of the Class Settlement (collectively, “Released PAGA Claims”). You will release these Released PAGA Claims even if you opt-out of the class action settlement.

### 10. How do I object to the Settlement?

If you are a Class Member and would like to object to the Settlement, you must not submit a request for exclusion (*i.e.*, you must not opt-out). To object, you may mail a written objection to the Settlement Administrator at the address in Section 16 below. Your written objection must set forth the grounds for your objection and be signed and dated, along with any supporting documents.

Any written objection must be mailed to the Settlement Administrator no later than March 13, 2023. You can also appear at the final approval hearing. The information for the hearing is included in Section 17 of this notice.

**11. Why would I ask to be excluded?**

You have the right to exclude yourself from the Class (and the class settlement). If you exclude yourself from the Class—sometimes called "opting-out" of the Class – you will not receive any money or benefits from the class settlement. However, if you opt out, you may then be able to sue or continue to sue Lake Post for your own claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court's ruling in this Lawsuit except for the release by PAGA Group Members. Whether or not you submit a Request for Exclusion, if you are a PAGA Group Member, you will still be entitled to your portion of the PAGA Group Payment.

**12. How do I ask to be excluded from the Class?**

If you are a Class Member and would like to exclude yourself from the Class ("opt-out"), you, or your authorized representative, need to submit a written statement requesting exclusion from the Class to the Settlement Administrator at the address in Section 16 below. The statement must contain your name, address, telephone number, and your signature or the signature of your legally authorized representative and must be postmarked on or before March 13, 2023. The date of the postmark on the mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any class member who fails to submit a valid and timely request for exclusion will be bound by all terms of the settlement and any final disposition entered in this Class Action if the Settlement is approved by the Court.

**THE LAWYERS REPRESENTING YOU**

**13. Do I have a lawyer in this case?**

**Class Counsel:**

Kashif Haque  
Samuel A. Wong  
Jessica L. Campbell  
Carolyn M. Bell  
AEGIS LAW FIRM, PC  
9811 Irvine Center Drive, Suite 100  
Irvine, California 92618  
Telephone: (949) 379-6250  
Facsimile: (949) 379-6251  
cbell@aegislawfirm.com

The Court has preliminarily decided that Aegis Law Firm, PC is qualified to represent you and all Class Members. The law firm's attorneys are experienced in handling similar cases against other employers. More information about this law firm, their practice, and their lawyers' experience is available at [www.aegislawfirm.com](http://www.aegislawfirm.com).

**14. How will the lawyers be paid?**

As part of the Settlement, Class Counsel has requested one-third of the Gross Settlement Amount (currently equal to \$416,666.66) in attorneys' fees, plus costs not to exceed \$20,000.00, to be paid from the Gross Settlement Amount to compensate Class Counsel for their work on this matter. You will not have to pay Class Counsel's fees and costs from your Individual Settlement Payment.

**15. How will the Plaintiff be paid?**

As part of the Settlement, Class Counsel has requested an incentive award of up to \$10,000 to be paid to the Plaintiff for her efforts in this matter, while serving as Class Representative and taking on the burden and risks of litigation.

**THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS**

**16. Who is handling the Settlement Administration process?**

Phoenix Class Action Administrators  
P.O. Box 7208  
Orange, CA 92863  
Telephone: (800) 523-5773

### **17. When is the Final Fairness and Approval Hearing and do I have to attend?**

The Final Fairness and Approval Hearing has been set for May 11, 2023, at 9:00 a.m. in Department 17 of the Superior Court of California, County of Los Angeles, located at 312 North Spring Street Los Angeles, California 90012. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class.

If you appear at the Final Approval Hearing, check the Court's website at [www.lacourt.org](http://www.lacourt.org) for its most current social distancing protocols.

As of October 13, 2022, the following protocols were in place:

- Do not enter the courthouse if:
  - o You have tested positive for COVID-19 within the last 10 days AND have not been fever free for 24 hours.
  - o You have been ordered to quarantine or be in contact (within 6 feet and more than 15 minutes) with a person known to be or suspected of being COVID-19 positive within the last 14 days.
  - o You are experiencing COVID-19 symptoms.
- Individuals entering the courthouse must wear facial coverings over the mouth and nose while in the courthouse. Paper, disposable masks will be provided to persons who do not have one and who request to enter the courthouse. ADA exceptions may apply.
- To help court users observe social distancing, the Court has posted signs throughout its facilities – including elevator landings, benches, and other areas where lines are likely to form – reminding court users and employees to remain at least six feet apart.
- Sheriff security and court staff enforce social distancing of court users outside and within the courthouse.
- Hand sanitizer dispensers are available for your use throughout the courthouse.
- The court has increased cleaning and sanitization of high-touch surfaces and restrooms in this facility using U.S. Environmental Protection Agency – approved disinfectant products.
- The court has provided employees and judicial officers with public health-compliant facial coverings to use while working in courthouses.
- The court will maintain and keep all public restrooms open to facilitate frequent handwashing.

### **18. When will I get money after the hearing?**

The Court will hold a hearing on May 11, 2023, at 9:00 a.m., to decide whether to approve the settlement. If the Court approves the settlement, then there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. If the Court approves the settlement and if you do not opt out, your individual payment set forth in Section 8 above is expected to be distributed after Lake Post makes payment to the Settlement Administrator. To check on the progress of the settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed in Section 19.

## **GETTING MORE INFORMATION**

### **19. Are more details available?**

For more information, the pleadings and other records in this litigation, including copies of the Settlement Agreement, may be examined at any time during regular business hours at the office of the Clerk of the Superior Court of the State of California, for Los Angeles, at the Los Angeles County Superior Court, located at 312 North Spring Street Los Angeles, California 90012. You can also view the case records online at the court's website: <https://lacourt.org/casesummary/ui/>. Click "Search" to view the Case record. Additionally, you may find relevant records, including the Final Order approving the settlement and more information on the Settlement Administrator's website at <https://www.phoenixclassaction.com/zavala-v-the-lake-post-acute/>

Any questions regarding this Class Notice or the Lawsuit may be directed to the Settlement Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address, telephone number or email address set forth above. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

**PLEASE DO NOT CALL OR WRITE TO THE COURT, OR TO ANY OF DEFENDANT'S MANAGERS, SUPERVISORS, OR DEFENDANT'S ATTORNEYS WITH QUESTIONS ABOUT THIS NOTICE.**