NOTICE OF CLASS ACTION SETTLEMENT AND RELEASE OF CLAIMS

Renee Maza, Jodi Real, and Steve Price (collectively "Plaintiffs") v. Waterford Operations, LLC and Coos Bay Rehabilitation, LLC, (collectively "Waterford & Coos Bay Rehab" or "Defendants") Jackson County Circuit Court, case no. 14CV03147 (herein "Lawsuit")

NAME ADDRESS CSZ CLASS ID#: xxxxxxx Pin #: xxxx

This is your notice that the court has preliminarily approved a class action Settlement between Plaintiffs and Defendants. As listed in the General Judgment entered into the court record on May 22, 2023, the classes are defined as:

Meal Period Class: hourly employees who were required to take a full 30 minute meal period, and who on one or more occasions received less than the 30 minutes due to returning to work early.

Point Click Care Class ("PCC"): hourly employees whose work time was recorded in Kronos, Defendants' electronic time keeping system, and who worked off-the-clock using Point Click Care without compensation.

Class members are limited to only those individuals listed in Attachments A and B to the General Judgment. You are receiving this Notice because you have been identified as a Class Member. <u>If you did not work for Waterford Operations and/or Coos Bay Rehab between March 22, 2007 and March 22, 2013, please disregard this Notice.</u>

THIS NOTICE AFFECTS YOUR RIGHTS. PLEASE READ IT CAREFULLY.

This Notice summarizes the Stipulation and Settlement Agreement of Class Action ("Agreement"), which has been filed with the Court and available at www.MazaSettlement.com.

TO RECEIVE A MONETARY AWARD, you do not need to submit or file anything. You must make sure your mailing address is current with the Settlement Administrator and submit any address updates via the Settlement website at www.MazaSettlement.com. Assuming the Court grants final approval and Settlement becomes final, your Net Settlement Award will be paid by check sent to you by regular mail. Alternatively, you can choose to be paid the Net Settlement Award by electronic deposit by signing up through the secure form on the settlement website.

CRITICAL DATES February 16, 2025:	deadline to file and serve any Objection to the Settlement.	
March 21, 2025 9:00 a.m.:	Final Approval Hearing to hear any objections and finally approve the Settlement, including payment of the Settlement Amounts.	
May 1, 2025:	Approximate date payment processing will <i>begin</i> if no objections or appeals.	

MAXIMUM SETTLEMENT AMOUNT: Waterford & Coos Bay Rehab have agreed to pay a total of \$4,000,000.00 for the following, all subject to Court approval:

- <u>Settlement Award</u>: each Class Member will receive a *pro rata* share based on the amount awarded to each person in the Judgment in this case with the total of all Class Member payments totaling \$2,283,816.26. Such awards shall be calculated based on the adjudged sum found to be due and owing to Class Members which account for unpaid wages and penalties discounted by 63.35%. Unpaid wages and penalty wages vary for each Class Member based on each Class Member's duration of employment, time clock punches, and rate of pay during the class period of March 22, 2007 through March 22, 2013.
- <u>Service Awards to Class Representatives</u>: the Service Awards to be paid to each Plaintiff who brought this suit are a *pro rata* share of the service awards entered in this case as part of the Judgments with the *pro rata* share totaling \$54,971.54.
- <u>Class Counsel's Costs</u>: Class Counsel shall be paid a *pro rata* share of the costs awarded by the Court as entered into in this case as part of the Judgments, with the *pro rata* share totaling \$55,669.63.
- <u>Class Counsel's Attorney Fees</u>: Class Counsel shall be paid a *pro rata* share of the attorney fees awarded by the Court as entered into this case as part of the Judgments with the *pro rata* share totaling \$1,605,542.57.

Settlement Administration Costs will be paid from the interest on the Settlement Amount up to \$25,000.00. Defendants will separately pay for any administration fees over \$25,000.00 Any remaining interest equal to or in excess of \$1,000.00 that accrues on the Settlement Amount and is not used to pay the Settlement Administration Costs will be disbursed, *pro rata* to the Class Members. Interest accrued that is less than \$1,000.00 shall become Unclaimed Funds. No interest will be paid to the Defendants or Class Counsel. Payment of Settlement administration, Service Awards, and Attorney Fees and Costs will not reduce any Class Member recovery.

All inquiries regarding this Notice and/or the Settlement should be directed to Class Counsel, Schuck Law, LLC Attn: Karen A. Moore, 208 E 25th Street Vancouver, WA 98663; (360) 566-9243; or kmoore@wageclaim.org.

NATURE OF THE ACTION: On March 22, 2013, Plaintiffs filed a Lawsuit that alleges Defendants failed to properly pay wages to their employees. The Case litigated through trial and the Court awarded wages, civil penalties, penalty wages and statutory interest for short meal periods and off-the-clock work in PCC ("Claims"). The total amount awarded after trial to the Class Members was \$6,231,814.57. The Court then entered a Supplemental Judgment awarding attorney fees, costs and Service Awards to the Plaintiffs as the Class Representatives. The total amount awarded for attorney fees, costs and Service Awards was \$4,682,924.36. Defendants timely appealed the General Judgment. The Settlement is for less than the total sum that remains on appeal. The parties reached this Settlement while the case was pending on appeal. On December 23, 2024, the Court preliminarily approved the Class Action Settlement.

POSITIONS OF THE PARTIES: Defendants deny each of the Claims and any liability. Defendants continue to deny any wrongdoing or legal liability arising out of any of the facts or conduct alleged in the Lawsuit. Defendants have agreed to this Settlement to avoid further lengthy litigation, expense and appeal. Defendants have agreed to settle this Lawsuit to put to rest the Claims asserted in the Lawsuit.

The total settlement amount is 63.35% reduction of the adjudged amounts found to be due and owing by

Defendants. Plaintiffs' and Class Counsel have investigated and researched the expense and length of continued proceedings necessary to continue the litigation through appeals, and risks of not being able to collect on the full amounts awarded, and the outcome if Defendants file for bankruptcy. Class Counsel believe the proposed Settlement is fair, adequate, and reasonable and is in the best interest of the Class.

RELEASE OF CLAIMS: If the Court grants final approval of the settlement, Plaintiffs, and Class Members will be bound by the terms of the Settlement and satisfactions of the Judgments entered into the court record. As of the Effective Date, Plaintiffs and Class Members will release Defendants, in their individual and representative capacities, including all of the past or present officers, directors, shareholders, members, managers, agents, principals, heirs, representatives, accountants, auditors, consultants, attorneys, affiliates, subsidiaries, parents, insurers, reinsurers, successors, predecessors, and assigns, from liability on the following terms:

All claims, demands, rights, liabilities, and causes of action that were alleged in the Lawsuit related to violations of Oregon State's wage and hour statutes, laws and/or regulations, including, but not limited to ORS 652.120, 652.140, 652.150, 653.055, and OAR 839-020-0050, for regular wages, meal period wages, civil penalties, penalty wages, attorney fees and costs up to and through March 22, 2013. This includes any claims that Defendants did not timely pay wages for short meal periods or off-the-clock work in PCC at the end of employment up to and through March 22, 2013. Nothing in this Agreement shall apply to any claims arising after March 22, 2013.

SETTLEMENT AWARDS: Assuming the Court grants final approval and there are no objectors, all Class Members will be sent a Settlement Award. You must keep your mailing address updated with the Settlement Administrator through the Settlement website www.MazaSettlement.com. Settlement Awards will be by check unless you elect to be paid electronically by following the instructions on the Settlement website. You will need the identification and pin number on the first page of this Notice, along with last 4 digits of your social security number to update your address or request electronic payment.

Assuming the Court grants final approval and there are no objections, the Settlement Administrator will calculate each Class Member's Settlement Award as a *pro rata* amount based on the original General Judgment as reduced by the Settlement Amount. Taxes will be deducted from the wage portion of the Settlement Award resulting in a Net Settlement Award, which will be the amount paid to the Class Members. Class Members will have 90 days from the payment date to cash the Settlement checks. On the 91st day after the payment date, all amounts not claimed, or checks that are not cashed, will become Unclaimed Funds and paid to the Oregon State Bar for the funding of legal services. Unclaimed Funds are no longer available to Class Members.

OBJECTING TO THE SETTLEMENT: Class Members may file an objection to the Settlement specifically detailing why the Court should not grant final approval of the Settlement. The objection form must be a formal written statement to the Court detailing the reasons why the Settlement should not be given final approval. The objection, to be affective, must include: your full name, your name while employed by Waterford and/or Coos Bay Rehab (if different), the specific basis of the objection, relief requested (if any), and whether you intend to appear and/or address the Court at the Final Approval Hearing. You must include with your objection any and all documents that support your objection. Please note that a statement to the Court indicating only that you "object" is an insufficient objection and will not be entertained by the Court.

Your detailed written objection must be filed with the Court *and* served on both Parties' counsel on or before February 16, 2025.

Plaintiffs' and Class Counsel David A. Schuck Karen A. Moore Schuck Law, LLC 208 E 25th Street Vancouver, WA 98663 Defendants' Counsel William Gaar Jillian Pollock Buckley Law, PC 5300 Meadows Road, Suite 200 Lake Oswego, OR 97035

Failure to object using these procedures will result in the Court rejecting your objection. You will not be entitled to be heard at the Final Approval Hearing. You will not be entitled to contest the Court's Settlement approval. You will not be entitled to appeal from any Court orders or judgments. If the Court approves the Settlement, the approval will bind all Class Members, and as of the Effective Date will release and dismiss all class members' Released Claims.

Class Members who fail to file and serve timely written objections in the manner specified above shall be deemed to have waived any objections to the Settlement and shall forever be foreclosed from making any objection (whether by appeal or otherwise) to the Settlement, or any aspect of the Settlement, including, without limitation, the fairness, reasonableness or adequacy of the proposed Settlement, or any award of attorneys' fees or reimbursement of costs and expenses.

SUMMARY OF SETTLEMENT. The proportional pro rate reduction of 63.35% of the amounts awarded in the General and Supplemental Judgment are:

	Judgment Amounts	Settlement Amounts
Class Members	\$6,231,814.57	\$2,283,816.26
Service Awards	\$150,000.00	\$54,971.54
Costs	\$151,904.86	\$55,669.63
Attorney Fees	\$4,381,019.50	\$1,605,542.57
Total	\$10,914,738.10	\$4,000,000.00

FINAL APPROVAL HEARING: A hearing ("Final Approval Hearing") will be held on March 21, 2025, at 9:00 a.m. at the Jackson County Circuit Court. At the Final Approval Hearing, the Court will determine whether the proposed Settlement should be approved as fair, adequate and reasonable. The hearing may be adjourned by the Court from time to time at the Court's discretion without further notice. Class Counsel and Defendants' counsel may appear at the Final Approval Hearing via telephone or video conferencing.

<u>You Are Not Required To Attend the Final Approval Hearing</u>: At the Final Approval Hearing, you are represented by Class Counsel. You are welcome to attend the Final Approval Hearing, at your own expense, but you do not need to attend. You have the right to retain your own attorney separate from Class Counsel, but retention of that attorney is at your own expense. You do not need to get your own attorney unless you want to.

If the Settlement is not approved, the case will proceed as if no Settlement had been attempted. In that event, Defendants retain the right to continue their appeal of the General Judgment. If the Settlement is not approved, there can be no assurance that Class Members will recover more than is provided in the Settlement or anything at all.

NOTICE TO HEIRS AND BENEFICIARIES. Any person (1) seeking to claim a Settlement Award as the heir or beneficiary from a deceased Class Member's estate and (2) to have the Settlement Award issued by check in a name other than the Class Member's name or paid by electronic payment must contact the

Settlement Administrator directly and submit a declaration with copy of the Class Member's death certificate, along with any other documentation required by the Settlement Administrator on or before the Effective Date. Failure to provide all documents required by the Settlement Administrator for payment of Net Settlement Awards to beneficiaries or heirs of deceased Class Members will forfeit the Settlement Award. Any such forfeited Settlement Awards shall be treated as Unclaimed Funds.

ATTORNEY FEES AND COSTS AWARD, SETTLEMENT ADMINISTRATION EXPENSES, AND SERVICE AWARDS. Payment of Attorney Fees and Costs Award, Settlement administration, and Service Awards will not affect the amount of your Settlement Award.

As part of this Settlement, Class Counsel has agreed to \$1,661,212.20 ("Attorney Fees and Cost Award") for attorney fees and costs representing only 36.65% of the total attorney fees and costs awarded in the Supplemental Judgment.

The Court having already awarded the Plaintiffs with Service Awards also preliminarily approved for Settlement the Service Awards totaling \$54,971.54. The Service Awards are in recognition of the Plaintiffs willingness to bring this lawsuit and represent the Class Members as the Class Representatives. The Service Awards will not decrease any award to Class Members.

EXAMINATION OF PAPERS: This Notice is a summary of the Case and the proposed Settlement and does not purport to be comprehensive. For a more detailed statement of the matters involved in the Case and the proposed Settlement, you may refer to the pleadings, the Stipulation and Settlement Agreement of Class Action, and other papers on file with the Court or at www.MazaSettlement.com.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, WATERFORD & COOS BAY REHAB, OR DEFENDANTS' ATTORNEYS WITH QUESTIONS.