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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA – SAN FRANCISCO

THOMAS CARNES, by and through his
Guardian ad Litem, Juliana Christine Clegg,
on his own behalf and on behalf of others
similarly situated,

Plaintiff,

vs.

ATRIA SENIOR LIVING and DOES 1
Through 100,

Defendants.

Case No. 3:14-cv-02727-VC

~~PROPOSED~~ **ORDER PRELIMINARILY
APPROVING CLASS ACTION
SETTLEMENT**

Hon. Vince Chhabria
Courtroom 4

1 Plaintiff Thomas Carnes, by and through his Guardian ad Litem and legal successor,
2 Juliana Christine Clegg, on his own behalf and on behalf of others similarly situated, in this action
3 entitled *Thomas Carnes v. Atria Senior Living and DOES 1 through 100*, case no. 3:14-cv-02727-
4 VC and Defendant Atria Senior Living, Inc. have entered into a Stipulation of Settlement
5 (“Stipulation”), filed February 10, 2016, after substantial discovery and lengthy arms-length
6 settlement discussions.

7 The Court has received and considered the Stipulation, including the accompanying
8 exhibits, and the record in this Action.

9 The Court has been advised that Thomas Carnes died on or about September 29, 2015, and
10 that the parties have stipulated to substitute Juliana Christine Clegg as the named plaintiff in the
11 Action, in her capacity as Mr. Carnes' guardian ad litem and the Successor Trustee of the Thomas
12 & Alice Carnes Family Trust, dated September 28, 2004.

13 Plaintiff has applied, pursuant to Federal Rules of Civil Procedure, Rule 23(e), for an order
14 preliminarily approving the settlement of this Action, and for its dismissal with prejudice upon the
15 terms and conditions set forth in the Stipulation.

16 The Court has reviewed the Plaintiff’s application and the supporting memorandum for
17 such order, and has found good cause for same.

18 NOW, THEREFORE, IT IS HEREBY ORDERED:

19 **The Settlement Class Is Preliminarily Certified**

20 1. If not otherwise defined herein, all capitalized terms have the same meanings as set
21 forth in the Stipulation of Settlement.

22 2. Pursuant to Federal Rules of Civil Procedure, Rule 23(c), for purposes of
23 settlement only, the Court certifies the following Settlement Class: Plaintiff and all similarly
24 situated persons who resided at one of the California assisted living facilities owned , managed
25 and/or operated by Defendant at any time between June 12, 2012 through and including March 17,
26 2016 (the “Class Period”).

27 3. Excluded from the Settlement Class are: (i) Defendant and its officers, directors
28 and employees; (ii) any person who files a valid and timely Request for Exclusion; and (iii) the

1 Judges to whom this Action and the Other Actions are assigned and any members of their
2 immediate families.

3 4. The Settlement Class meets all requirements of Federal Rules of Civil Procedure,
4 including Rules 23(a) and (b)(3) for certification of the Settlement Class for purposes of
5 settlement of the Action only, including: (a) numerosity; (b) commonality; (c) typicality; (d)
6 adequacy of the Class Representative and Class Counsel; (e) predominance of common questions
7 of fact and law; and (f) superiority.

8 5. Class Counsel and the Class Representative are found to be adequate
9 representatives of the Settlement Class pursuant to Rule 23 of the Federal Rules of Civil Procedure
10 for purposes of settlement only. The Court appoints Plaintiff Thomas Carnes, by and through his
11 Guardian ad Litem and legal successor, Juliana Christine Clegg, on his own behalf and on behalf
12 of others similarly situated, as the Class Representative for purposes of settlement only. The
13 Court also designates the following attorneys as Class Counsel for purposes of settlement only:
14 Kathryn Stebner of Stebner & Associates, Guy Wallace of Schneider Wallace Cottrell Konecky
15 Wotkyns LLP, Robert Arns of The Arns Law Firm, Michael D. Thamer of the Law Offices of
16 Michael D. Thamer, Tim Needham of Janssen Malloy LLP and Chris Healey of Dentons US LLP.
17 Having considered the factors set forth in Rule 23(g)(1), the Court finds Class Counsel are
18 experienced and adequate counsel to represent the Settlement Class for purposes of settlement
19 only.

20 **The Stipulation Is Preliminarily Approved and Final Approval Schedule Set**

21 6. The Court hereby preliminarily approves the Stipulation and the terms and
22 conditions of settlement set forth therein, subject to further consideration at the Final Approval
23 Hearing.

24 7. The Court has conducted a preliminary assessment of the fairness, reasonableness,
25 and adequacy of the Stipulation, and hereby finds that the settlement falls within the range of
26 reasonableness meriting possible final approval.

27 8. The Court therefore preliminarily approves the proposed settlement as set forth in
28 the Stipulation.

1 9. Pursuant to the Federal Rules of Civil Procedure, Rule 23(e) the Court will hold a
2 final approval hearing on June 30, 2016, at 10:00 a.m., in the Courtroom of the Honorable Vince
3 Chhabria, United States District Court for the Northern District of California, 450 Golden Gate
4 Avenue, Courtroom 4 – 17th Floor, San Francisco, CA 94102, for the following purposes:

5 A. determining whether the proposed settlement of the Action on the terms and
6 conditions provided for in the Stipulation is fair, reasonable and adequate and should be approved
7 by the Court;

8 B. considering the application of Class Counsel for an award of attorneys' fees
9 and litigation expenses as provided for under the Stipulation;

10 C. considering the application for service awards to the Plaintiff as provided
11 for under the Stipulation;

12 D. considering whether the Court should enter the [Proposed] Final Judgment
13 and Order Approving Settlement;

14 E. considering whether the release by the Settlement Class Members of the
15 Released Claims as set forth in the Stipulation should be provided and binding on the Settlement
16 Class Members; and

17 F. ruling upon such other matters as the Court may deem just and appropriate.

18 10. The Court may adjourn the Final Approval Hearing and later reconvene such
19 hearing without further notice to the Settlement Class Members.

20 11. Any Settlement Class Member may enter an appearance in the Action, at his or her
21 own expense, individually or through counsel. All Settlement Class Members who do not enter an
22 appearance will be represented by Class Counsel.

23 12. The Parties may further modify the Stipulation prior to the Final Approval Hearing
24 so long as such modifications do not materially change the terms of the settlement provided
25 therein. The Court may approve the Stipulation with such modifications as may be agreed to by
26 the Parties, if appropriate, without further notice to Settlement Class Members.

27 13. Opening papers in support of final approval of the Stipulation, and opening papers
28 in support of Plaintiff's and Class Counsel's application for attorneys' fees, litigation expenses

1 and a service award, shall be filed and served fifteen (15) days prior to the deadline for any
2 objections to the Stipulation. Opposition papers, if any, must be filed with the Court and served
3 on the Parties' counsel at least fourteen (14) days prior to the Final Approval Hearing. Reply
4 papers, including response to oppositions or objections, if any, must be filed and served at least (7)
5 seven days prior to the Final Approval Hearing.

6 **The Court Approves the Form and Method of Class Notice**

7 14. The Court approves, as to form and content, the proposed long form and summary
8 Class Notice, copies of which are attached collectively hereto as Exhibit 1.

9 15. The Court finds that the distribution of Class Notice substantially in the manner and
10 form set forth in this Order and the Stipulation of Settlement meets the requirements of Federal
11 Rules of Civil Procedure, Rule 23 and due process, is the best notice practicable under the
12 circumstances, and shall constitute due and sufficient notice to all Persons entitled thereto.

13 16. The Court approves the designation of KCC/Gilardi & Co., LLC to serve as the
14 Settlement Administrator for the settlement. The Settlement Administrator shall disseminate Class
15 Notice and supervise and carry out the notice procedure and other administrative functions, and
16 shall respond to Settlement Class Member inquiries, as set forth in the Stipulation and this Order
17 under the direction and supervision of the Court.

18 17. The Court directs the Settlement Administrator to establish a Settlement Website,
19 making available copies of this Order, the Class Notice, the Stipulation and all exhibits thereto,
20 and such other information as may be of assistance to Settlement Class Members or required under
21 the Stipulation.

22 18. The Settlement Administrator is ordered to substantially complete dissemination of
23 the Class Notice no later than ten (10) business days after it receives the Settlement Class Member
24 Information List.

25 19. The costs of the Class Notice, creating and maintaining the Settlement Website,
26 and all other Notice and Payment Distribution Administration Expenses shall be paid out of the
27 Settlement Fund in accordance with the applicable provisions of the Stipulation.

28

1 **Procedure for Settlement Class Members to Participate In the Settlement**

2 20. No later than ten (10) business days after the entry by the Court of this Preliminary
3 Approval Order, Defendant shall furnish the Settlement Administrator with the Settlement Class
4 Member Information List (which shall include all Settlement Class Members), in accordance with
5 the Stipulation. The Settlement Administrator shall mail the Notice to all Settlement Class
6 Members at the addresses provided by Defendant, as updated by the Settlement Administrator, and
7 shall also publish the Notice in a single publication of the USA Today (California weekday
8 edition).

9 21. Settlement Class Members who wish to receive a settlement award need take no
10 action. If a Settlement Class Member is deceased, the heir or legal successor for the Class
11 Member may obtain payment by providing the Settlement Administrator with appropriate proof of
12 status and a current address. Settlement Class Members (or in the case of deceased Class
13 Members, their heirs or legal successors) will not receive a settlement award only if the Settlement
14 Administrator lacks a valid address for that individual, as determined by monitoring those Notice
15 documents that were returned as undeliverable, or if the individual opts out of the settlement by
16 the Opt Out Date.

17 **Procedure for Requesting Exclusion from the Class**

18 22. Any Person falling within the definition of the Settlement Class may, upon his or
19 her request, be excluded from the Settlement Class. Any such Persons (or their legal successor)
20 must submit a request for exclusion to the Settlement Administrator via first class United States
21 mail postmarked no later than the Opt Out Date, which shall be thirty-five (35) days from the
22 Notice Date, as set forth in the Class Notice. Requests for exclusion purportedly filed on behalf of
23 groups of persons are prohibited and will be deemed to be void.

24 23. Any Settlement Class Member who does not send a signed request for exclusion
25 postmarked or delivered on or before the Opt-Out Date will be deemed to be a Settlement Class
26 Member for all purposes and will be bound by all further orders of the Court in this Action and by
27 the terms of the settlement, if finally approved by the Court. The written request for exclusion
28 must request exclusion from the Settlement Class, must be signed by the potential Settlement

1 Class Member (or his/her legal successor) and include a statement indicating that the Person
2 desires to be excluded from the Settlement Class. All Persons who submit valid and timely
3 requests for exclusion in the manner set forth in the Stipulation shall have no rights under the
4 Stipulation and shall not be bound by the Stipulation or the Final Judgment and Order.

5 24. A list reflecting all requests for exclusions shall be filed with the Court by
6 Defendant at or before the Final Approval Hearing.

7 **Procedure for Objecting to the Settlement**

8 25. Any Settlement Class Member (or their heir or legal successor) who desires to
9 object to the proposed settlement, including the requested attorneys' fees and expenses or service
10 awards to the Plaintiff must timely file with the Clerk of this Court a notice of the objection(s),
11 together with all papers that the Settlement Class Member desires to submit to the Court no later
12 than the Objection Date, with shall be thirty-five (35) days after the Notice Date as set forth in the
13 Class Notice. The objection must also be served on Class Counsel and Defendant's counsel no
14 later than the Objection Date. Absent good cause shown, a Settlement Class Member will be
15 permitted to speak at the Final Approval Hearing in support of an objection only if he or she has
16 timely submitted a written objection.

17 26. The written objection must include: (a) a heading which refers to the Action; (b)
18 the objector's name, address, telephone number and, if represented by counsel, of his/her counsel;
19 (c) a statement that the objector is a Settlement Class Member or that the objector is the legal
20 successor to a Settlement Class Member; (d) a statement whether the objector intends to appear at
21 the Final Approval Hearing, either in person or through counsel; (e) a clear statement of the
22 objection to the Settlement and grounds supporting the objection; (f) copies of any papers, briefs,
23 or other documents upon which the objection is based; and (g) the objector's signature.

24 27. Any Settlement Class Member (or their heir or legal successor) may appear at the
25 Final Approval Hearing, either in person or through counsel hired at the Settlement Class
26 Member's expense, to object to any aspect of the fairness, reasonableness, or adequacy of the
27 settlement and the Stipulation, including Class Counsel's request for award of attorneys' fees and
28 litigation costs.

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28. Counsel for the Parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the settlement which are not materially inconsistent with either this Order or the terms of the Stipulation.

IT IS SO ORDERED.

DATED: April 6, 2016



Honorable Vince G. Chhabria
United States District

USW 805398353.5

Exhibit 1

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

A federal court has authorized this Notice. It is not a solicitation from a lawyer.

If you resided at any of the California assisted living facilities owned, managed and/or operated by Atria Senior Living (“Atria”) at any time between June 12, 2010 through and including March 17, 2016, or are the heir or legal successor for any such resident, your rights are affected by a class settlement of a lawsuit. Please read this notice carefully in its entirety. You are a member of the settlement class described below and, as such, you must decide whether to:

- 1) include yourself in the settlement class and seek money from the class settlement, but give up your right to sue in a different case about the same subject matter. If you choose this option, you do not need to do anything, as you will automatically be included in the settlement class;
- 2) include yourself in the settlement class and seek money from the class settlement, give up your right to sue in a different case about the same subject matter, but object to the terms of the settlement. If you choose this option, you do not need to do anything in order to be included in the settlement class, as you will automatically be included in the settlement class. However, if you want to object to the terms of the settlement, you or your own counsel will need to prepare and submit a written objection; or
- 3) exclude yourself from the settlement class and give up your right to seek money from the class settlement, but keep your right to sue in a different case about the same subject matter. If you choose this option, you will need to prepare and submit a written request to be excluded from the settlement class.

The lawsuit is entitled *Thomas Carnes, by and through his Guardian ad litem, Juliana Christine Clegg, on his own behalf and on behalf of others similarly situated v. Atria Senior Living*, Case Number 3:14-cv-02727-VC pending in the United States District Court for the Northern District of California (the “Lawsuit”). The Lawsuit was filed by plaintiff Thomas Carnes, by and through his guardian ad litem and legal successor, Juliana Christine Clegg (“Plaintiff” or “Class Representative”), on behalf of himself and all of the other Settlement Class Members (as defined below).

The parties have reached a proposed settlement on the terms and conditions set forth in the Stipulation of Settlement entered into by and between Plaintiff and Atria. The Court in charge of the Lawsuit still has to decide whether to approve the settlement. A settlement fund will be available for distribution to the Settlement Class only if the settlement is approved by the Court and the approval is upheld following any appeals.

The following provides a detailed description about the proposed class settlement and the rights you have if you are a Settlement Class Member, the benefits available under the settlement and how you can get the benefits, including the relevant deadlines and requirements.

BASIC INFORMATION

WHAT IS THIS LAWSUIT ABOUT?
<p>Plaintiff brings this proposed class action on behalf of residents of California assisted living communities owned, managed or operated by Atria, alleging that Atria made purportedly misleading statements about how resident evaluations would be used to determine, set and monitor staffing levels at Atria's assisted living facilities in California, which Plaintiff alleges resulted in monetary damages to residents. Atria denies all allegations and claims in the Lawsuit, and denies that it committed any wrongdoing. Atria is entering into the settlement to avoid burdensome and costly litigation and disruption to its business operations. This settlement is not an admission of any wrongdoing by Atria. The Parties have agreed to settle the Lawsuit on the terms and conditions explained in this notice.</p>
WHY IS THIS A CLASS ACTION?
<p>In a class action, one or more people, called class representatives (in this case, Juliana Christine Clegg), sue on behalf of people who have similar claims. All of these people are called a class or class members. One court resolves the issues for all class members, except for those who choose to exclude themselves from the class. United States District Court Judge Vince G. Chhabria is in charge of this proposed class action.</p>
WHY IS THERE A SETTLEMENT?
<p>The Court did not decide in favor of Plaintiff or Atria. Instead, both sides agreed to a settlement. That way, they avoid the cost of a trial and settlement benefits go to the Settlement Class Members. The Class Representative and the attorneys think the settlement is in the best interest of the Settlement Class Members taking in to account the benefits of the proposed settlement, the risks of continued litigation and the delay in obtaining relief for the Settlement Class if the Lawsuit continues.</p>
WHO IS IN THE SETTLEMENT CLASS?
<p>You are a member of the Settlement Class if you resided at any assisted living facility owned, managed and/or operated by Atria located in California at any time between June 12, 2010 through and including March 17, 2016. To be eligible for benefits under the settlement, you must be a Settlement Class Member, or the heir or legal successor to a deceased Class Member.</p>

THE SETTLEMENT BENEFITS

CASH PAYMENTS AND INJUNCTIVE RELIEF
<p>Under the terms of the settlement, Atria has agreed to provide a total settlement fund of \$6.4 million (the “Fund”) in full settlement of the claims of the Settlement Class. The Fund will be used to pay for class notice and payment distribution administration expenses (estimated at \$120,000), as well as Class Counsel’s attorneys’ fees not to exceed one-third of the Fund, litigation expenses of approximately \$135,000, and a service award of \$3,500 to the Class Representative. The remaining amount (the “Net Settlement Fund”) will be used to make cash payments to Settlement Class Members (or if a Class Member is deceased, to their legal successor). It is estimated that the cash payment for each Settlement Class Member will be approximately \$290. The settlement distribution process will be administered by an independent settlement administrator (the “Settlement Administrator”) approved by the Court. The settlement amount and Net Settlement Fund are contingent on final approval by the Court.</p> <p>In addition, as part of the settlement and a Court-approved injunction, Atria has agreed, among other terms, to include language in Atria's residency agreements and other documents stating that resident assessments and other factors are considered in setting, monitoring or modifying staffing levels at Atria's facilities. The injunction will begin on the Effective Date (defined in the Agreement) and remain in place for three years.</p>
AMOUNT OF CASH PAYMENT
<p>The actual cash payment amounts to Class Members will be determined by the Settlement Administrator based on the formula described in the settlement agreement, and may be increased if funds are available. Subject to Court approval, the Administrator will reserve \$25,000 from the Fund to pay late distribution requests. Any amounts left in the Fund and not paid from the reserve or from uncashed checks, if any, will be paid to the Institute on Aging, or other non-profit organizations approved by the Court.</p>
HOW CAN I GET A CASH PAYMENT?
<p>If you are a Class Member and the address above is correct, you do not need to take any action. Your cash payment will be mailed to you if the settlement is approved by the Court and becomes Effective. If your address has changed, you must provide your new address to the Settlement Administrator not later than [date – 30 days after final approval date]. If a Class Member is deceased, his or her heir or legal successor must submit a payment request and supporting documentation to the Settlement Administrator not later than [date – 30 days after final approval hearing]. To contact the Settlement Administrator, visit [website] or call 1-800-xxx-xxxx.</p>
WHEN WILL I RECEIVED MY SETTLEMENT AWARD?

The Court will hold a final approval hearing on **[date]** at **[time]**, to decide whether to approve the settlement. **The date or time of the final approval hearing may be changed by the Court without notice to the Settlement Class, and you should check the Settlement Website at [website] or the public court records on file in this lawsuit for any updates.** If the Court approves the settlement, there may be appeals, which could extend the process by 18 months or more.

IN RETURN FOR THESE SETTLEMENT BENEFITS, WHAT AM I GIVING UP?

If the Court approves the proposed settlement and you do not request to be excluded from the Settlement Class, you must release (meaning, give up) all legal claims concerning Atria's alleged misrepresentations and nondisclosures with respect to whether or how resident assessments are used to set, determine or monitor staffing levels or care amounts provided in Atria's facilities. **This includes any other lawsuit or proceeding already in progress.** The Release does not include claims solely for personal injury, emotional distress or bodily harm. The judgment and orders entered in this case, whether favorable or unfavorable, will bind all Settlement Class Members who do not request to be excluded. The full terms of the Release are contained in the Stipulation of Settlement that is available on the Settlement Website at **[website]**, or at the public court records on file in the Lawsuit.

THE LAWYERS REPRESENTING YOU

DO I HAVE A LAWYER IN THIS CASE?

All Settlement Class Members are represented by Plaintiffs' Counsel, who have been preliminarily approved by the Court to serve as Class Counsel representing the Settlement Class for purposes of the settlement. If you want to be represented by your own lawyer, you may hire one at your own expense and enter an appearance through your own counsel.

HOW WILL THE LAWYERS BE PAID?

Class Counsel will ask the Court to award attorneys' fees not to exceed one-third of the Fund (approximately \$2.1 million), and litigation expenses not to exceed \$135,000. Atria has agreed not to oppose this request. Any award of attorneys' fees and litigation expenses must be approved by the Court as fair, reasonable and consistent with prevailing marketplace standards. The amount of attorneys' fees and costs awarded by the Court will be paid from the Fund.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you don't want a payment from this settlement, but you want to keep the right to sue or continue to sue Atria, on your own, about the legal issue in this case, then you must take steps to be excluded from the settlement. This is called excluding your self – or is sometimes referred to as opting out of the Settlement Class.

<p>HOW DO I GET OUT OF THE SETTLEMENT?</p> <p>If you do not wish to be included in the Settlement Class and receive a cash payment, you must send a letter stating that you want to be excluded from the Settlement Class in <i>Thomas Carnes v. Atria Senior Living and DOES 1 through 100</i>, case no. 3:14-cv-02727-VC (N.D. Cal.). Be sure to include your name, address, telephone number, signature, and a statement that you are covered by this settlement. You must mail your letter requesting exclusion postmarked no later than [date] to: [insert Administrator address]</p> <p>You cannot exclude yourself via telephone, fax, or email.</p>
<p>WHAT HAPPENS IF I EXCLUDE MYSELF FROM THE SETTLEMENT?</p> <p>If you ask to be excluded, you will not get any settlement payment, and you cannot object to the settlement. However, you will not be legally bound by anything that happens in this lawsuit and you will keep your right to separately pursue claims against Atria relating to the subject matter of this lawsuit.</p>
<p>IF I DON'T EXCLUDE MYSELF, CAN I SUE DEFENDANTS FOR THE SAME THING LATER?</p> <p>No. Unless you exclude yourself, you give up the right to sue Atria for the claims that this settlement resolves. You must exclude yourself from <i>this</i> case and the Settlement Class to pursue your own lawsuit. Remember, your letter requesting exclusion must be postmarked on or before [date].</p>
<p>IF I EXCLUDE MYSELF, CAN I GET MONEY FROM THIS SETTLEMENT?</p> <p>No. If you exclude yourself, you will not receive any money from the settlement. But, you will not lose any right you may have to sue (or continue to sue) in a different lawsuit against Atria about the legal issues or claims in this case. If you choose to initiate a new lawsuit, your claim will be subject to time limitations, so you must act promptly.</p>

OBJECTING TO THE SETTLEMENT

You can tell the court that you do not like the settlement or some part of it.

<p>HOW DO I TELL THE COURT THAT I DO NOT LIKE THE SETTLEMENT?</p> <p>If you are a Settlement Class Member, you can object to the settlement if you do not like any part of it, and the Court will consider your views. To object, you must send a letter to the Court and the parties saying that you object to the settlement in <i>Thomas Carnes v. Atria Senior Living and DOES 1 through 100</i>, case no. 3:14-cv-02727-VC (N.D. Cal.). Be sure to include your name, address, telephone number, your signature, and the reasons you object to the settlement. You must also affirm under penalty of perjury that you are a Settlement Class Member (or a legal successor to a Class Member) or provide other proof of Settlement Class membership. If you are represented by counsel, be sure to include the name, address, and telephone number of that lawyer.</p>

Your objection ***must be mailed to*** these three different places no later than **[date]**:

Clerk of the Court
United States District Court,
Northern District of California
450 Golden Gate Avenue
Courtroom 4 – 17th Floor
San Francisco, CA 94102

Kathryn A. Stebner
STEBNER AND ASSOCIATES
870 Market Street, Suite 1212
San Francisco, CA 94102
Telephone: (415) 362-9800

Darren Cottriel
JONES DAY
3161 Michelson Drive, Suite 800
Irvine, California 92612-4408
Telephone: (949) 553-7548

WHAT IS THE DIFFERENCE BETWEEN OBJECTING AND EXCLUDING?

Objecting is telling the Court that you do not like something about the settlement. You can object only if you stay in the Settlement Class. Excluding yourself is telling the Court that you do not want to be part of the Settlement Class or the lawsuit. You cannot request exclusion **and** object to the settlement. If you exclude yourself, you have no basis to object because the lawsuit and settlement no longer affect you.

THE FINAL APPROVAL HEARING

The Court will hold a Final Approval Hearing to decide whether to approve the settlement. You may attend, and you may ask to speak at the hearing, but you are not required to do either. Absent good cause shown, a Settlement Class Member will be permitted to speak at the Final Approval Hearing in support of an objection only if he or she has timely submitted a written objection.

WHEN AND WHERE WILL THE COURT DECIDE WHETHER TO APPROVE THE SETTLEMENT?

The Court will hold a Final Approval Hearing at **[time]** and **[date]** at the Courtroom of the Honorable Vince G. Chhabria: 450 Golden Gate Avenue, Courtroom 4 – 17th Floor, San Francisco, CA 94102. **The hearing date or time may be changed by the Court without notice to the Settlement Class, and you should check the Settlement Website at [website] or the public court records on file in this lawsuit at <https://www.pacer.gov/> for any updates.** At the

Final Approval Hearing, the Court will consider whether the settlement is fair, reasonable and adequate. If there are objections, the Court will consider them. The Court will listen to people who have asked to speak at the hearing. After the hearing, the Court will decide whether to approve the settlement. The Court will also consider how much to award Class Counsel as reasonable attorneys' fees and litigation expenses. We do not know how long this decision will take.

DO I HAVE TO COME TO THE HEARING?

No. Class Counsel will answer any questions the Court may have. But you are welcome to come to the hearing at your own expense. If you submit an objection, you do not have to attend the hearing. As long as you filed and delivered your written objection on time, signed it and provided all of the required information, the Court will consider it. You may also pay your own lawyer to attend the hearing, but it is not necessary.

MAY I SPEAK AT THE HEARING?

If you are a Settlement Class Member, you may speak at the Final Approval Hearing, subject to any limitations made by the judge presiding over the hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

IF YOU DO NOTHING

WHAT HAPPENS IF I DO NOTHING AT ALL?

If you do nothing, you will be part of the Settlement Class. You will receive a cash payment from the settlement and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Atria about the claims and issues in this case.

GETTING MORE INFORMATION

ARE THERE MORE DETAILS ABOUT THE SETTLEMENT?

The Stipulation of Settlement contains the complete terms of the parties' agreement. You can get a copy at [Settlement website], or by reviewing the records on file in the court clerk's office at <https://www.pacer.gov/>.

The pleadings and other documents in this lawsuit may also be examined during regular business hours at the Office of the Clerk, United States District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, California.

If you have additional questions, you may call the Settlement Administrator at [insert]

DO NOT CONTACT THE COURT OR COURT CLERK'S OFFICE
REGARDING THIS NOTICE.

DATED: _____ [s/ The Honorable Vince G. Chhabria]
UNITED STATES DISTRICT JUDGE

Class Notice (Summary Form)

LEGAL NOTICE

IF YOU RESIDED AT AN ATRIA ASSISTED LIVING FACILITY IN CALIFORNIA AT ANY TIME FROM JUNE 12, 2010 THROUGH MARCH 17, 2016, OR ARE THE HEIR OR LEGAL SUCCESSOR FOR ANY SUCH RESIDENT, YOU ARE ENTITLED TO MONEY FROM A CLASS ACTION SETTLEMENT. READ ON FOR IMPORTANT INFORMATION ABOUT YOUR RIGHTS

Thomas Carnes v. Atria Senior Living, Inc., Case No. 3:14-cv-02727-VC
United States District Court, Northern District of California

WHAT IS THIS LAWSUIT ABOUT?

Plaintiff Thomas Carnes, by and through his representative and legal successor, Juliana Christine Clegg, ("Plaintiff") brings this proposed class action on behalf of residents of assisted living communities owned, managed or operated by Atria Senior Living, Inc. ("Atria") in California. Plaintiff alleges that Atria made purportedly misleading statements about how its resident evaluations would be used to set staffing at Atria's facilities in California, which Plaintiff alleges resulted in monetary damages to residents. Atria denies all allegations and claims, but has agreed to settle to avoid burdensome and costly litigation and disruption to its business operations. The settlement is not an admission of wrongdoing, and this Notice does not mean the Court has expressed any opinion as to the merits of any claim or defense.

In a class action, one or more individuals (called plaintiffs) assert claims on behalf of others (called Class Members). Here, the Court has appointed Stebner & Associates and other counsel (Class Counsel) to represent all Settlement Class Members. If you want to be represented by your own lawyer, you may hire one at your expense.

WHAT ARE THE TERMS OF THE SETTLEMENT?

Under the proposed settlement, Atria has agreed to provide a total settlement fund of \$6.4 million (the "Fund") in full settlement of the claims of the Settlement Class. Subject to Court approval, it is expected that after payment of class notice and administration, Class Counsel's attorneys' fees and litigation expenses, and service award to Plaintiff, the cash payment for each Settlement Class Member will be approximately \$290. The attorneys' fees shall not exceed one-third of the settlement fund. The settlement amount, any attorneys' fee award and the net funds available for payment to class members are all contingent on final approval by the Court. In addition to monetary payments, Atria has agreed to an injunction that requires, among other things, that Atria include language in its residency agreements and other documents stating that resident assessments and other factors are considered in setting, or monitoring or modifying staffing levels at Atria's facilities.

WHO IS A SETTLEMENT CLASS MEMBER?

You are a Settlement Class Member if you resided at any assisted living facility owned, managed and/or operated by Atria located in California at any time between June 12, 2010 through and including March 17, 2016, or are the heir or legal successor for any such resident. To be eligible for benefits under the settlement, you must be a Settlement Class Member, or a legal successor to a deceased Class Member.

WHAT ARE MY RIGHTS AND OPTIONS?

If you are a member of the settlement class, you must decide whether to:

Include Yourself In Settlement Class and Receive a Settlement Payment. You may include yourself in the settlement class and seek money from the class settlement, but give up your right to sue in a different case about the same subject matter. If you choose this option, you do not need to do anything, as you will automatically be included in the settlement class, provided the Settlement Administrator has your current address. If your address has changed, or if you are the heir or legal successor to deceased resident, you must provide your current address and, in the case of a deceased resident, documentation sufficient to show status as the heir or legal successor to the deceased resident, by **[date - 30 days after final approval date]**.

Include Yourself in Settlement Class, But File An Objection. Alternatively, you can remain in the settlement class, seek money from the class settlement and give up your right to sue in a different case about the same subject matter, but object to the terms of the settlement. If you choose this option, you do not need to do anything in order to be included in the settlement class, but to object to the terms of the settlement, you or your own counsel will need to prepare and submit a written objection. Please visit **[settlement website]** for instructions on how to file an objection. Your written objection must be submitted not later than **[date]**. Absent good cause shown, a Settlement Class Member will be permitted to speak at the Final Approval Hearing in support of an objection only if he or she has timely submitted a written objection.

Exclude Yourself. Your third option is to exclude yourself from the settlement class and give up your right to seek money from the class settlement, but keep your right to sue in a different case about the same subject matter. If you choose this option, you will need to prepare and submit a written request to be excluded from the settlement class. Please visit **[website]** for instructions on how to submit a request for exclusion. Your written exclusion request must be submitted not later than **[date]**.

FAIRNESS HEARING

The Court will hold a Final Approval Hearing on **[date]** to decide whether to approve the settlement. This fairness hearing will be held in Courtroom 4, 450 Golden Gate Avenue, 17th Floor, San Francisco, CA 94102. The hearing date, time and place may be changed without notice to the Settlement Class, so please check the **[website]** for updates.

HOW CAN I GET MORE INFORMATION?

This notice is a summary only. More information about the lawsuit and settlement can be found at [settlement website], or by reviewing court records at <https://www.pacer.gov/>. Pleadings and other court documents in the lawsuit may also be reviewed during regular business hours at the Office of the Clerk, United States District Court for the Northern District of California, 450 Golden Gate Ave., San Francisco, California.

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION ABOUT THE LAWSUIT

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