EXHIBIT 1

Case	8:18-cv-01974-JLS-JDE	Document 614-3 #:59012	Filed 04/17/24	Page 2 of 48	Page ID
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12	Audrey Heredia as sucto the Estate of Carlos Fearn as successor-in-	ccessor-in-interest	CASE NO. 8	:18-cv-1974-J	LS (JDEx)
13	Fearn as successor-in- Estate of Edith Zack:	interest to the	STIPULAT	ION OF SET	TLEMENT
14	Estate of Edith Zack; by and through her Gu Elise Ganz; on their of on behalf of others sin	and Trefen Ganz, lardian ad Litem,	Judge: Hon.	Josephine L.	Staton
15	on behalf of others sin	nilarly situated,	Court: 10A		
16	Pla	aintiffs,			
17	VS.				
18 19	Sunrise Senior Living Senior Living Manage Does 2 - 100,	, LLC; Sunrise ement, Inc.; and			
20		efendants.			
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RECITALS

- A. This Stipulation of Settlement is entered into by plaintiffs Amy Fearn as successor-in-interest to the Estate of Edith Zack and Helen Ganz as successor-in-interest to the Estate of Elise Ganz; on behalf of themselves and others similarly situated and defendants Sunrise Senior Living, LLC; and Sunrise Senior Living Management, Inc. ("Sunrise") to settle the above-captioned lawsuit.
- B. This class action lawsuit was originally filed in California state court on June 27, 2017 and subsequently removed to federal court. Plaintiffs' operative Second Amended Complaint asserts claims and, among other things, made certain allegations against Sunrise under California's Consumer Legal Remedies Act (CLRA), Cal. Civ. Code §§ 1750 et seq., the Unfair Competition Law (UCL), Cal. Civ. Code §§ 17200 et seq., and California's elder financial abuse statute, Cal. Welf. & Inst. Code § 15610.30. Plaintiffs assert class claims on behalf of all persons who resided in a Sunrise California facility since June 27, 2013 and paid money to Sunrise pursuant to a residency agreement.
- C. By way of Answer filed on or about March 18, 2019 and throughout the litigation, Sunrise responded to Plaintiffs' allegations, denying the claims and allegations of Plaintiffs and the asserted class. Sunrise also advanced defenses that, among other things, the class claims asserted by Plaintiffs involved personal injuries that required an individualized inquiry of each plaintiff in the asserted class.
- D. The Parties engaged in substantial discovery, investigation and motion practice before reaching an agreement to settle this lawsuit. Without limitation, that included motion and appellate practice regarding class certification issues, including Plaintiffs' initial motion for class certification (Dkt 288), Plaintiffs' amended motion for class certification (Dkts 438, 504) and opposition thereto, Sunrise's motions to strike expert testimony (Dkts 375, 389, 390, 504) and oppositions thereto, Sunrise's request under FRCP 23(e) for interlocutory review of the District Court's orders granting class certification and denying Sunrise's motions to strike expert testimony (Ninth Circuit Dkt 81) and opposition thereto, and Sunrise's appeal thereon, which culminated in an affirmance of the District Court's class certification order and motion to strike order. (Ninth Circuit Dkt 82).
- E. In order to avoid the uncertainties of continued litigation and the risks associated therewith, this Agreement was reached as a result of extensive arm's length negotiations between the Parties and their respective counsel. These negotiations included a full-day mediation on December 9, 2020 before Robert J. Kaplan, Esq. of Judicate West in San Diego, California, and two full days of

mediation before the Honorable Diane M. Welsh (Ret.) of JAMS in Philadelphia, Pennsylvania on January 10-11, 2024.

- F. Class Counsel have determined that a settlement of the Action on the terms set forth in this Agreement provides substantial benefits to the Settlement Class, is fair, reasonable, adequate, and in the best interests of the Settlement Class. In agreeing to the settlement set forth in this Agreement, Class Counsel have considered the risks of continued litigation, the benefits to the Settlement Class from a pre-trial resolution and other pertinent factors.
- G. Sunrise has denied and continues to deny each allegation of liability, wrongdoing, and damages, as it has substantial factual and legal defenses to all claims and class allegations in the Action, including but not limited to, that it has at all times acted in accordance with all applicable representations, agreements, and governing law. Sunrise has also always maintained, and continues to maintain, that the class claims asserted by Plaintiffs involved personal injuries that required an individualized inquiry of each plaintiff in the asserted class. Nonetheless, Sunrise has concluded that because the continuation of the Action would be protracted, disruptive, and expensive, it is desirable that the Action be fully and finally settled on a classwide basis in the manner and upon the terms set forth in this Agreement.

Accordingly, IT IS HEREBY STIPULATED AND AGREED that the Action and all claims asserted therein shall be fully settled and resolved, subject to Court approval, on the following terms and conditions.

SETTLEMENT TERMS

1. **DEFINITIONS**

- 1.1 "Action" means the lawsuit captioned as *Audrey Heredia as successor-in-interest to the Estate of Carlos Heredia et al. v. Sunrise Senior Living, LLC and Sunrise Senior Management, Inc. et al.*, Case No. 8:18-cv-01974-JLS-JDE.
- 1.2 "Agreement" or "Settlement Agreement" means this Stipulation of Settlement, including all Exhibits attached hereto.
- 1.3 "CAFA Notice" means the notice of the proposed settlement in compliance with the requirements of the federal Class Action Fairness Act, 28 U.S.C. § 1711 et seq.
 - 1.4 "Class Counsel" means:

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Case	8:18-cv-01974-JLS-JDE Document 614-3 #:59015	Filed 04/17/24 Page 5 of 48 Page ID
1 2 3 4 5 6 7 8 9	STEBNER GERTLER GUADAGNI & KAWAMOTO 870 Market Street, Suite 1212 San Francisco, CA 94102 Telephone: (415) 362-9800 Kathryn A. Stebner kathryn@sggklaw.com Brian Umpierre brian@sggklaw.com JANSSEN MALLOY LLP 730 Fifth Street Eureka, CA 95501 Telephone: (707) 445-2071	SCHNEIDER WALLACE COTTRELL KONECKY, LLP 2000 Powell Street, Suite 1400 Emeryville, CA 94608 Telephone: (415) 421-7100 Guy B. Wallace gwallace@schneiderwallace.com DENTONS US LLP 4655 Executive Drive, Suite 700 San Diego, CA 92121 Telephone: (619) 236-1414
11 12	Megan Yarnall myarnall@janssenlaw.com	Christopher J. Healey christopher.healey@dentons.com
13 14 15 16 17 18 19	MARKS, BALETTE, GIESSEL & YOUNG, P.L.L.C. 7521 Westview Drive Houston, Texas 77055 Telephone: (713) 681-3070 David T. Marks DavidM@marksfirm.com	LAW OFFICE OF MICHAEL D. THAMER Old Callahan School House 12444 South Highway 3 Callahan, CA 96014 Telephone: (530) 467-5307 Michael D. Thamer michael@trinityinstitute.com
20 21 22 23	TRAILS LAW GROUP 3170 Fourth Ave., Suite 250, San Diego, CA 92103 Telephone: (619) 501-4750 Stefanie Warren	
24 25 26	swarren@trailslawgroup.com	
27 28		3 - Case No. 8:18-cv-1974-JLS (JDEx)

- "Class Notice" or "Notice" means the notice to be disseminated to 1.5 Settlement Class Members informing them about the Settlement Agreement, in the form approved by the Court. A copy of the Notice that will be proposed for Court approval is attached substantially in the form of Exhibit 2.
- "Court" means the United States District Court, Central District of 1.6 California, the Honorable Josephine L. Staton presiding.
- "Defendants" or "Sunrise" means Sunrise Senior Living, LLC and Sunrise Senior Living Management, Inc.
- "Defendants' Counsel" or "Sunrise's Counsel" means the following 1.8 counsel of record for Defendants in the Action:

GIBSON, DUNN & CRUTCHER LLP 3161 Michelson Drive Irvine, CA 92612

Telephone: (949) 451-3800

Joseph Gorman jgorman@gibsondunn.com Michele L. Maryott

mmaryott@gibsondunn.com GIBSON, DUNN & CRUTCHER LLP

333 South Grand Avenue Los Angeles, CA 90071 Telephone: (213) 229.7018

Michael J. Holecek

GIBSON, DUNN & CRUTCHER LLP 1050 Connecticut Avenue, N.W.

Washington, DC, 20036-5306 Telephone: (202) 955-8500

Jason C. Schwartz jschwartz@gibsondunn.com

- MHolecek@gibsondunn.com
- "Distribution Request" means a request for payment of a Settlement Award made by a Settlement Class Member (or his/her legal representative or successor in interest). Any Distribution Request must be submitted to the Settlement Administrator and post-marked not later than thirty (30) calendar days after the Effective Date (herein the "Distribution Deadline").
- 1.10 "Effective Date" means the later in time of: (a) sixty (60) calendar days after the date of entry of the Final Approval Order, if no timely motions for

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reconsideration and/or no appeals or other efforts to obtain review have been filed; or (b) in the event that an appeal or other effort to obtain review has been initiated, fifteen (15) calendar days after the date after such appeal or other review has been finally concluded and is no longer subject to review, whether by appeal, petitions for rehearing, petitions for rehearing en banc, petitions for writ of certiorari, or otherwise.

- 1.11 "Fees and Expenses Award" means the award granted and approved by the Court upon application by Class Counsel for reasonable attorneys' fees not to exceed \$10.9 million, and reimbursement of litigation costs and expenses (including experts) incurred in the prosecution of the Action not to exceed \$2 million.
- 1.12 "Final Approval Hearing" means the hearing to be conducted by the Court on such date as the Court may order to determine the fairness, adequacy, and reasonableness of the Agreement.
- 1.13 "Final Approval Order" means the final order and judgment approving the settlement as fair, adequate, and reasonable, confirming certification of the Settlement Class, and—notwithstanding this Court's ongoing jurisdiction under Section 6.2—dismissing the Action with prejudice.
- 1.14 "Motion for Final Approval" means the motion to be filed by Plaintiffs seeking Final Approval of the settlement in accordance with the terms of this Agreement.
- 1.15 "Motion for Preliminary Approval of Settlement" means the motion to be filed by Plaintiffs seeking Preliminary Approval of this Agreement.
- 1.16 "Notice and Administration Expenses" means all costs and expenses incurred by the Settlement Administrator, including all notice expenses, the cost of administering the Notice Program and the costs of processing all payments to Settlement Class Members. Absent Court approval, the Notice and Administration Expenses shall not exceed \$75,000.
- 1.17 "Notice Date" means the date by which the Settlement Administrator substantially completes dissemination of the Class Notice as provided in the Agreement and shall be no later than thirty (30) business days after the entry by the Court of the Preliminary Approval Order.

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- 1.18 "Notice Program" means the program implemented by the Settlement Administrator for the dissemination of Class Notice as described in Section 4.2 below.
- 1.19 "Objection Date" means the date by which Settlement Class Members must file and serve objections to the settlement, which shall be sixty (60) calendar days after the Notice Date.
- 1.20 "Opt Out Date" means the postmark date by which a Request for Exclusion must be submitted to the Settlement Administrator in order for a Settlement Class Member to be excluded from the Settlement Class, and shall be sixty (60) calendar days after the Notice Date.
- 1.21 "Parties" means Named Plaintiffs, the Settlement Class, and Defendants.
- 1.22 "Plaintiffs" or "Named Plaintiffs" means plaintiffs Amy Fearn as successor-in-interest to the Estate of Edith Zack and Helen Ganz as successor-ininterest to the Estate of Elise Ganz.
- 1.23 "Preliminary Approval Order" means the order preliminarily approving this Settlement, conditionally certifying the Settlement Class for settlement purposes only, approving the Notice Program and Class Notice, setting the Opt Out Date, Objection Date and Notice Date, and setting the date of the Final Approval Hearing, in the form of order approved and signed by the Court.
- 1.24 "Released Claims" means any and all actions, claims, demands, rights, suits, and causes of action of whatever kind or nature whatsoever that the Releasing Parties ever had, now have or hereafter can, shall, or may have against the Released Parties, including without limitation any and all damages, loss, costs, expenses, penalties, attorneys' fees and expert fees, and interest, whether known or unknown, suspected or unsuspected, asserted or unasserted, fixed or contingent, direct or indirect, whether sounding in tort or contract or any other legal theory, whether statutory, administrative, common law or otherwise, however pled, wherever brought and whether brought in law, equity or otherwise, arising out of or relating in any way or manner to the claims and allegations asserted or that could have been asserted in the Action based on the facts alleged in the complaints filed therein; provided that, the following claims are specifically excluded from this Release: (i) any individual claims for personal injuries, wrongful death, bodily harm, or emotional distress resulting from said claims for personal injuries, wrongful death or bodily harm; and (ii) claims based on a breach of this Agreement or the

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Injunction (collectively, "Excluded Claims"). Nothing in this Agreement shall preclude any person or entity from asserting any and all relevant allegations in support of any such Excluded Claim, including without limitation, allegations of understaffing or failure to provide care services at a Sunrise California Community.

- 1.25 "Releasing Party" or "Releasing Parties" means the Named Plaintiffs, the Settlement Class Members, and their respective successors, agents, representatives, estates, executors, administrators, dependents, heirs, beneficiaries, trustees and attorneys.
- 1.26 "Released Party" or "Released Parties" means (i) Sunrise Senior Living, LLC and Sunrise Senior Living Management, Inc.; (ii) any direct or indirect parents, subsidiaries, divisions, affiliates, and related entities of any of the foregoing, including all Sunrise communities in California; (iii) any predecessors, successors, or assigns of any of the foregoing (i)–(ii); and (iv) any past, present or future employees, officers, directors, affiliates, partners, joint ventures, coventurers, licensors, licensees, principals, members, managers, managing agents, agents, attorneys, insurers, reinsurers, shareholders, trusts, trustees, representatives, administrators, fiduciaries, heirs, subrogees, and executors of any of the foregoing (i)–(iii) in his, her, or its capacity as such.
- 1.27 "Request for Exclusion" means the written communication that must be submitted to the Settlement Administrator and postmarked on or before the Opt Out Date by a Settlement Class Member who wishes to be excluded from the Settlement Class.
- 1.28 "Reserve Fund" means the Twenty-Five-Thousand Dollars (\$25,000) that the Settlement Administrator shall hold in the Settlement Fund to pay latesubmitted Distribution Requests. Any moneys left in the Reserve Fund that is not paid to Settlement Class Members shall be paid to Groceries for Seniors, or other appropriate cy pres recipient, qualified under IRC § 501(c)(3), agreed to by the Parties and approved by the Court.
- 1.29 "Settlement Administrator" or "Administrator" means CPT Group, Inc., subject to Court approval.
- 1.30 "Settlement Award" means the cash settlement payment to be made by the Settlement Administrator to Settlement Class Members.
- 1.31 "Settlement Class" means all persons who resided at one of the Sunrise California Communities at any time during the Settlement Class Period who contracted with and paid money to Sunrise pursuant to a residency agreement, and

whose claims are not subject to arbitration because: (1) neither the Resident nor Resident's Responsible Party (as defined in the residency agreement) agreed to or accepted an arbitration provision in writing; or (2) if arbitration was initially accepted, the Resident or Resident's Responsible Party provided written notice of withdrawal within the 30-day period prescribed in the residency agreement.

Excluded from the Settlement Class are (i) Sunrise and any Sunrise officers, director, or employee; (ii) any Settlement Class Member (or their legal successors) who submits a valid and timely Request for Exclusion; and (iii) the judge to whom this Action is assigned and any members of such judge's immediate family.

Class Counsel represent that, as of March 28, 2024, they have no current clients who seek to assert claims against Sunrise. Nothing stated herein is intended or shall be construed as an agreement not to represent any client in any matter.

- 1.32 "Settlement Class Period" is from June 27, 2013 through and including three (3) business days prior to the Class Notice Date; provided that, the Settlement Class Period commences on the following dates for residents of these Communities: Sunrise of San Rafael (September 29, 2016), Sunrise of Cupertino (October 1, 2023), and Sunrise of Orange (April 27, 2023).
- 1.33 "Settlement Class Member" means any person falling within the description of the Settlement Class who does not timely opt out of the Settlement Class.
- 1.34 "Settlement Class Member Information" means and includes all of the following information within Sunrise's possession, custody or control after a reasonably diligent search: (a) the names of all Settlement Class Members; (b) names of Resident's Responsible Party for any Settlement Class Member; (c) to the extent (b) is unavailable, the names of another family member, representative or contact person for any Settlement Class Member; and (d) the mailing address, email address or other contact information for all Settlement Class Members and the persons identified pursuant to subsections (b) or (c) above.
- 1.35 "Settlement Payment" means the Eighteen Million Two-Hundred-Thousand Dollars (\$18,200,000) that Sunrise shall pay to the Settlement Fund described in Section 7.2 below.
- 1.36 "Settlement Website" means the Internet website to be established for this settlement by the Settlement Administrator to provide information to the public and the Settlement Class about this Agreement.

1.37 "Sunrise California Communities" means the following Sunrise assisted living facilities: Sunrise at Alta Loma, Sunrise at Belmont, Sunrise at Beverly Hills, Sunrise at Bonita, Sunrise at Burlingame, Sunrise at Canyon Crest, Sunrise at Carmichael, Sunrise at Claremont, Sunrise of Cupertino, Sunrise at Danville, Sunrise at Fair Oaks, Sunrise at Fresno, Sunrise at Fullerton, Sunrise at Hermosa Beach, Sunrise at Huntington Beach, Sunrise at La Costa, Sunrise at La Jolla, Sunrise at La Palma, Sunrise at Mission Viejo, Sunrise at Monterey, Sunrise at Oakland Hills, Sunrise of Orange, Sunrise at Palo Alto, Sunrise at Palos Verdes, Sunrise at Petaluma, Sunrise at Playa Vista, Sunrise at Pleasanton, Sunrise at Rocklin, Sunrise at Sacramento, Sunrise at Sabre Springs, Sunrise at San Marino, Sunrise at San Mateo, Sunrise at Santa Monica, Sunrise at San Rafael, Sunrise at Seal Beach, Sunrise at Sterling Canyon, Sunrise at Studio City, Sunrise at Sunnyvale, Sunrise at Tustin, Sunrise at Walnut Creek, Sunrise at West Hills, Sunrise at Westlake Village, Sunrise at Wood Ranch, Sunrise at Woodland Hills, and Sunrise at Yorba Linda.

2. PRELIMINARY APPROVAL OF SETTLEMENT

- 2.1 As soon as practicable after the signing of this Agreement, Plaintiffs shall move the Court for an order: (a) preliminarily approving this Agreement as fair, reasonable and adequate; (b) conditionally certifying the Settlement Class for settlement purposes; (c) approving the form, manner, and content of the Class Notice; (d) setting the date and time of the Final Approval Hearing; (e) appointing Named Plaintiffs as representatives of the Settlement Class for settlement purposes only; and (f) appointing Class Counsel for settlement purposes only. Defendants shall cooperate with Plaintiffs to obtain the Preliminary Approval Order consistent with the terms herein.
- 2.2 For purposes of this Agreement, Sunrise shall not oppose certification of the Settlement Class. However, in doing so, Defendants do not admit, concede, or posit that a class can be certified pursuant to Rule 23 of the Federal Rules of Civil Procedure outside of this Settlement and the precise terms stated herein. Sunrise has denied and continues to deny that a class can be certified outside of this Settlement and the precise terms stated herein. Sunrise has always maintained, and continues to maintain, that a class cannot be certified outside of this Settlement and the precise terms stated herein. Should the Court fail to approve this Settlement, either in its preliminary or final assessment of the Settlement, Sunrise maintains that a class cannot be certified.

3. SETTLEMENT ADMINISTRATOR

- In addition to any tasks and responsibilities ordered by the Court, the Settlement Administrator shall be authorized to undertake various administrative tasks, including, without limitation: (1) mailing or arranging for the mailing, emailing or other distribution of the Court-approved notice to Settlement Class Members, (2) handling returned mail and e-mail not delivered to Settlement Class Members, (3) attempting to obtain updated address information for Settlement Class Members by all reasonable means, including running change of address, skip traces or other procedures on the Settlement Class Member Information List provided by Defendants, and any notices returned without a forwarding address or an expired forwarding address, (4) making any additional mailings required under the terms of this Agreement, (5) answering written inquiries from Settlement Class Members and/or forwarding such inquiries to Class Counsel or their designee, (6) receiving and maintaining on behalf of the Court and the Parties any Settlement Class Member correspondence regarding Requests for Exclusion to the settlement, (7) establishing the Settlement Website that posts notices, distribution request forms and other related documents, (8) establishing a toll-telephone number that will provide settlement-related information to Settlement Class Members, (9) receiving and processing payment requests and distributing payments to Settlement Class Members, (10) receiving/forwarding opt outs and objections, and (11) otherwise assisting with administration of the Agreement.
- 3.2 The Notice and Administration Expenses and any additional Courtapproved costs or expenses incurred by the Settlement Administrator shall be paid from the Settlement Fund. Unused Notice and Administration Expenses shall be paid to the Reserve Fund, distributed in accordance with sections 7.8 and 7.9 below, and shall not revert to Sunrise.

4. NOTICE TO THE SETTLEMENT CLASS

- 4.1 No later than fourteen (14) days after the execution of this Agreement, Sunrise shall furnish the Settlement Administrator with the full portions of the Settlement Class Member Information List that Sunrise has compiled by that date. No later than twenty-one (21) days after the entry by the Court of the Preliminary Approval Order, Sunrise shall furnish the Settlement Administrator with all remaining portions of the Settlement Class Member Information List.
- 4.2 No later than thirty (30) business days after the entry by the Court of the Preliminary Approval Order, the Settlement Administrator shall substantially

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complete the dissemination of Class Notice to potential Settlement Class Members, in accordance with the following "Notice Program":

- 4.2.1 Mail Notice by first class U.S. Mail to the last known addresses of the Settlement Class Member, and their family members or legal representatives, as provided by Defendants in the Settlement Class Member Information List. Returned mail shall be re-sent after a skip trace is performed.
- 4.2.2 E-mail Notice to the last known e-mail addresses of the Settlement Class Member, and their family members or legal representatives, as provided by Defendants in the Settlement Class Member Information List.
- 4.2.3 Publication of the summary version of the Notice as approved by the Court, through a single publication in the USA Today (California weekday edition).
- 4.2.4. Posting of the Notice: No later than ten (10) business days from entry of the Preliminary Approval Order, the Settlement Administrator will post the Notice on the Settlement Website. The Notice shall remain available by these means until the Effective Date. The Notice may also be posted on the websites of Class Counsel at their option.
- Five (5) days prior to the Final Approval Hearing, the Settlement 4.3 Administrator shall provide the Court with an affidavit attesting that Notice was disseminated pursuant to the Notice Program.
- Within ten (10) business days following the filing of the Motion for Preliminary Approval, Sunrise shall serve the CAFA Notice upon the California Office of the Attorney General and the federal Office of the Attorney General. The CAFA Notice shall provide notice of the proposed Settlement in compliance with the requirements of the federal Class Action Fairness Act, 28 U.S.C. § 1711 et seq.

OBJECTIONS/REQUESTS FOR EXCLUSION 5.

Objections.

Any Settlement Class Member who intends to object to the fairness of the Settlement Agreement must do so in writing no later than the Objection Date. The written objection and notice of objection must be filed with the Clerk of the Court and served on Class Counsel and Sunrise's Counsel by no later than the

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Objection Date. The written objection must include: (a) a heading which refers to the Action; (b) the objector's name, address, telephone number and, if represented by counsel, of his/her counsel; (c) a statement that the objector resided at or signed a contract with Sunrise (or a predecessor of Sunrise) during the Class Period; (d) the Sunrise California Community at which they resided, or that the objector is the authorized representative or legal successor to such a person; (e) a statement whether the objector intends to appear at the Final Approval Hearing, either in person or through counsel; (f) a clear and concise statement of the objection to the Settlement and this Settlement Agreement, including all factual and/or legal grounds supporting the objection; (g) copies of any papers, briefs, or other documents upon which the objection is based; and (h) the objector's signature under penalty of perjury.

- 5.2 Absent good cause found by the Court, any Settlement Class Member who fails to make a timely written objection in the time and manner specified above shall be deemed to have waived any objections and shall be foreclosed from making any objection (whether by objection, appeal or otherwise) to the Settlement and this Agreement.
- 5.3 Any Settlement Class Member who has objected per Section 5.1 above may appear at the Final Approval Hearing, either in person or through counsel hired at the Settlement Class Member's sole expense, to object to any aspect of the fairness, reasonableness, or adequacy of this Agreement, including attorneys' fees.
- 5.4 The Settlement Administrator shall provide Class Counsel and Defendants' Counsel with a copy of all written objections on a rolling basis upon receipt and a final list of all written objections within five (5) business days after the Opt Out Date. Class Counsel shall file a single packet of all objections with the Court with the Motion for Final Approval.
- 5.5 The Parties and their counsel shall have the right and opportunity to respond in writing to any objections to the Settlement prior to the Fairness Hearing, as well as to respond to the objections at the Fairness Hearing.

Requests for Exclusion.

5.6 Any member of the Settlement Class may request to be excluded from the Settlement Class. A Settlement Class Member who wishes to opt out of the Settlement Class and relinquish their rights to benefits under the Settlement Agreement must do so no later than the Opt Out Date. In order to opt out, a Settlement Class Member must send to the Settlement Administrator via first class

United States mail a written Request for Exclusion that is post-marked no later than the Opt Out Date. The Request for Exclusion must be personally signed by the Settlement Class Member or their legal representative requesting exclusion and must contain the following information: (a) the Settlement Class Member's name, current address and telephone number; and (b) a statement that indicates a desire to be excluded from the Settlement Class. Any Request for Exclusion postmarked after the Opt Out Date shall not be valid.

- 5.7 Any Settlement Class Member who does not make a timely written Request for Exclusion shall be bound by all subsequent proceedings, orders and the Final Approval Order, even if he or she has pending, or subsequently initiates, litigation, arbitration or any other proceeding against any Released Party relating to the Released Claims.
- 5.8 Any Settlement Class Member who properly requests to be excluded from the Settlement Class shall not: (a) be bound by any orders or judgments entered in the Action relating to the Agreement; (b) be entitled to an Award from the Settlement Fund, or be affected by, the Agreement; (c) gain any rights by virtue of the Agreement; or (d) be entitled to object to any aspect of the Agreement.
- 5.9 The Settlement Administrator shall provide Class Counsel and Sunrise's Counsel with copies of all Requests for Exclusion upon receipt on a rolling basis and a final list of names for all timely Requests for Exclusion within five (5) business days after the Opt Out Date. The names for all timely Requests for Exclusion will be deemed confidential under the Protective Orders and shall not be made publicly available. In addition to its affidavit to the Court attesting that Notice was disseminated pursuant to the Notice Program, the Settlement Administrator shall also include in its affidavit the final number of all timely Requests for Exclusion five (5) business days prior to the Final Approval Hearing.
- 5.10 Notwithstanding any other provisions of this Stipulation of Settlement, Sunrise may unilaterally withdraw from and terminate this Stipulation of Settlement if the total number of Class Members who submit timely Requests for Exclusion exceeds ten percent (10%) of the Settlement Class. In the event Sunrise exercises that option, the Stipulation of Settlement shall be of no force or effect whatsoever, all obligations hereunder shall be null and void, the Settlement Fund shall revert to Sunrise and its insurers pursuant to Section 12.2, and the Parties shall otherwise be restored to their respective positions as if this settlement had never existed.

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- 6.1 This Agreement is subject to and conditioned upon the issuance by the Court of the Final Approval Order.
- 6.2 The Parties agree that the Court shall retain exclusive and continuing jurisdiction over the Action, all Parties, the claims administration process, including without limitation the Injunction (subject to Sunrise's reservation of rights in the Injunction to argue that the Court shall abstain in favor of the authority of appropriate regulators, including the California Department of Social Services ("CDSS")), and the Settlement Class Members, to interpret and enforce the Agreement's terms, conditions, and obligations.

7. SETTLEMENT RELIEF

Injunction.

7.1 As an integral part of the consideration provided under this Agreement, Sunrise stipulates to entry of the Court-approved injunction in the form attached as Exhibit 1 to this Agreement ("Injunction"). For purposes of Plaintiffs' determination of the economic valuation of the Injunction only, Sunrise represents that: (a) approximately 1150 persons reside in the sixteen (16) Sunrise California Communities listed in the Injunction; and (b) approximately twenty (20) percent of those residents fall within the definition of the Settlement Class.

Settlement Fund.

- 7.2 On or before twenty-one (21) calendar days after the Final Approval Order, Sunrise shall make the Settlement Payment (\$18,200,000) into the Settlement Fund to be administered and distributed by the Settlement Administrator. The Settlement Payment shall cover all of Sunrise's monetary obligations under the Settlement, exclusive of Sunrise's costs to comply with the Injunction. The Settlement Fund shall be maintained in an interest-bearing, secure account established by the Settlement Administrator that, to the extent feasible, meets the requirements for a "Qualified Settlement Fund" within the meaning of Treasury Regulation section 1.468B.
- 7.3 The Settlement Fund, less the money used from the Settlement Fund to pay the Notice and Administration Expenses, taxes and tax expenses for the Settlement Fund, the Fees and Expenses Award, Service Awards and the Reserve Fund, shall be the "Net Settlement Fund."

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- 7.4 The Net Settlement Fund shall be distributed through Settlement Award checks made payable to all Settlement Class Members (or their authorized representatives or legal successors) for whom a valid mailing address has been confirmed by the Settlement Administrator.
- 7.5 Any Settlement Class Member (or the authorized representative or legal successor of a Settlement Class Member) that submits a timely Distribution Request to the Settlement Administrator, and who has not had a Settlement Award check already distributed to the Settlement Class Member, shall likewise be mailed a Settlement Award check upon appropriate verification by the Settlement Administrator.
- 7.6 Subject to Court approval, the amount of the Settlement Award shall be calculated by dividing the Net Settlement Fund by the total number of Settlement Class Members. For illustration purposes only, if the Net Settlement Fund is \$5 million and the total number of Settlement Class Members is 3500, then the amount of the Settlement Award would be approximately \$1428, distributed on a pro rata basis to all Settlement Class Members (or their legal successors).
- 7.7 The Settlement Administrator shall mail the Settlement Award checks to the Settlement Class Members (or their legal successors) following the Effective Date, but not later than thirty (30) calendar days after the Effective Date. The Settlement Payments checks shall allow for a check cashing period of one-hundred-twenty (120) calendar days.
- 7.8 The Settlement Administrator shall have the discretion to issue Settlement Award checks in response to Distribution Requests submitted after the Distribution Deadline, provided the Settlement Administrator in its discretion determines such payments can be paid from the Reserve Fund.
- 7.9 Except as stated in Sections 5.10 and 12.2, there shall be no reversion to Sunrise of any portion of the Settlement Payment, the Settlement Fund, Reserve Fund, uncashed Settlement Awards, or any interest earned on any such funds. If the amount of uncashed Settlement Awards, or monies left in the Reserve Fund (after all Settlement Awards have been paid), are sufficient to make another distribution economically practical, the remaining monies shall be paid to the Settlement Class Members who cashed their initial Settlement Award checks, with the share amounts of any supplemental distribution to be calculated using the same procedure set forth in Section 7.6 above. If the Settlement Administrator determines that a supplemental distribution of monies left in the Reserve Fund is not economically

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feasible, subject to Court approval, the remaining balance shall be distributed through cy pres payment to Groceries for Seniors, or other appropriate cy pres recipient qualified under IRC § 501(c)(3), agreed to by the Parties and approved by the Court.

8. RELEASES

 8.1 Upon the Effective Date, and subject to fulfillment of all of the terms of this Agreement, each and every Releasing Party shall be deemed to have released and forever discharged each Released Party of and from any and all liability for any and all Released Claims, through the date of the Final Approval Order.

8.2 On the Effective Date, the Released Parties shall be deemed to have released and forever discharged Named Plaintiffs, all Settlement Class Members and Class Counsel, from any and all claims arising out of or relating to the institution, prosecution and resolution of the Action, through the date of the Final Approval Order.

8.3 Upon the Effective Date without further action, for good and valuable consideration, with respect to all claims released herein, the Named Plaintiffs and all Released Parties expressly waive and relinquish any and all provisions, rights, and benefits of Section 1542 of the California Civil Code, which provides:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

9. FEES AND EXPENSES AWARD; SERVICE AWARDS

9.1 On or before thirty (30) calendar days prior to the Objection Date, Class Counsel shall make an application for a Fees and Expenses Award, with requested attorneys' fees not to exceed \$10,900,000 and reimbursement of litigation expenses and costs (including experts) not to exceed \$2,000,000. The Fees and Expenses Award request shall be based on all applicable factors, including without limitation, the overall value of the settlement (including the Settlement Payment and Injunction) and Class Counsel's actual lodestar fees incurred in the prosecution of the Action.

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- 9.2 The Fees and Expenses Award shall be paid from the Settlement Fund to Class Counsel within three (3) business days after the Court's order approving the Fees and Expenses Award, or, if the order approving the Fees and Expenses occurs before the Final Approval Order, within twenty four (24) business days after the Final Approval Order. If the Fees and Expenses Award is vacated or modified pursuant to an appellate challenge of the Fees and Expenses Award, then Class Counsel shall repay the amount by which the Award has been reduced to the Settlement Fund within thirty (30) calendar days of such event.
- In the event the Court approves the Settlement but declines to award fees and costs to Class Counsel, or awards a lesser amount of fees and costs than requested by Class Counsel, the Settlement shall nevertheless be valid and binding on the Parties. If the Court awards less than the amount of the requested Fees and Expenses Award, the Net Settlement Fund shall be increased by the non-approved amount.
- 9.4 On or before fifteen (15) calendar days prior to the Objection Date, Class Counsel shall make an application for Named Plaintiffs' service awards in an amount not to exceed Fifteen-Thousand Dollars (\$15,000) to each Class Representative (the "Service Awards"). The Service Awards awarded by the Court shall be paid from the Settlement Fund to Named Plaintiffs within five (5) calendar days after the Effective Date. In the event the Court approves the Settlement but declines to award the Service Payment to Named Plaintiffs or awards a lesser amount than what is requested, the Settlement shall nevertheless be binding on the Parties. If the Court awards less than the amount of Service Awards requested, the Net Settlement Fund shall be increased by the non-approved amount.

10. REPRESENTATIONS AND WARRANTIES

- 10.1 Sunrise represents and warrants: (1) that it has the requisite corporate power and authority to execute, deliver and perform the Agreement and to consummate the transactions contemplated hereby; (2) that the execution, delivery and performance of the Agreement and the consummation by it of the actions contemplated herein have been duly authorized by necessary corporate action on the part of Sunrise; and (3) that the Agreement has been duly and validly executed and delivered by Sunrise and constitutes its legal, valid and binding obligation.
- 10.2 Named Plaintiffs represent and warrant that they are entering into the Agreement on behalf of themselves individually, as the legal representative of or successor to a Settlement Class Member, and as proposed representatives of the

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Settlement Class, of their own free will and without the receipt of any consideration other than what is provided in the Agreement or disclosed to, and authorized by, the Court. Named Plaintiffs represent and warrant they have legal authority to release Released Claims on behalf of themselves and the Settlement Class Members. Named Plaintiffs represent and warrant that they have reviewed the terms of the Agreement in consultation with Class Counsel. Class Counsel represent and warrant that they are fully authorized to execute the Agreement on behalf of Named Plaintiffs.

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10.3 The Parties represent and warrant that no promise, inducement or consideration for the Agreement has been made, except those set forth herein.

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11. NO ADMISSIONS OF FAULT

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The Agreement and every stipulation and term contained in it is conditioned upon final approval of the Court and is made for settlement purposes only. Whether or not consummated, neither this Agreement nor any documents filed in connection with the approval of this Settlement shall be: (a) construed as, offered in evidence as, received in evidence as, and/or deemed to be, evidence of a presumption, concession or an admission by any Party of the truth of any fact alleged or the validity of any claim or defense that has been, could have been, or in the future might be asserted in any litigation or the deficiency of any claim or defense that has been, could have been, or in the future might be asserted in any litigation, or of any liability, fault, wrongdoing or otherwise of such Party; or (b) construed as, offered in evidence as, received in evidence as, and/or deemed to be, evidence of a presumption, concession or an admission of any liability, fault or wrongdoing, or in any way referred to for any other reason, by Named Plaintiffs, Sunrise, any Releasing Party or Released Party, in the Action or in any other civil, criminal or administrative claim, action, or proceeding, other than such proceedings as may be necessary to effectuate the provisions of the Agreement.

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12. TERMINATION

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12.1 Except as provided in Section 12.2 below, the Named Plaintiffs or Sunrise may terminate this Agreement by providing written notice to the other

approval of this Agreement, to enforce its terms and conditions, to support or

defend this Agreement in an appeal from an order granting or denying final

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11.2 This Agreement shall be admissible in any proceeding related to the

approval, or in any claim or action asserted by Sunrise against its insurance carriers.

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Parties hereto within ten (10) calendar days of any of the following events: (a) the Court does not enter a Preliminary Approval Order; or (b) the Court does not enter a Final Approval Order, or if entered, such Final Approval Order is reversed, vacated, or modified in any material respect by another court, except as provided for herein.

12.2 In the event that this Agreement terminates for any reason, all Parties shall be restored to their respective positions as of immediately prior to the date of execution of this Agreement, and shall proceed in all respects as if this Agreement and any related Court orders had not been made or entered. If such termination occurs after the Settlement Payment has been made, upon termination, the full Settlement Fund (including accrued interest) shall be refunded to Sunrise less the amount of Notice and Administration Expenses actually incurred by the Settlement Administrator prior to termination.

13. **MISCELLANEOUS PROVISIONS**

- 13.1 Integration. The Agreement, including all Exhibits hereto, shall constitute the entire Agreement among the Parties with regard to the Agreement and shall supersede any previous agreements, representations, communications, and understandings among the Parties with respect to the subject matter of the Agreement. The Agreement may not be changed, modified, or amended except in writing signed by one of Class Counsel and one of Sunrise's Counsel and, if required, approved by the Court.
- 13.2 Governing Law. This Agreement is made and entered into in the State of California and shall in all respects be interpreted, enforced and governed by and under the laws of the State of California, without reference to its choice of law rules. Any action to enforce the provisions of this Agreement shall be commenced in the United States District Court, Central District of California.
- 13.3 Execution in Counterparts. The Agreement may be executed by the Parties in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Facsimile signatures, signatures scanned to PDF and sent by e-mail, or DocuSign signatures shall be treated as original signatures and shall be binding.
- 13.4 Notices. Whenever this Agreement requires or contemplates that one Party shall or may give notice to the other, notice shall be provided in writing by first class US Mail and e-mail to:

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terms of this Settlement Agreement.

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- 13.6 Good Faith. The Parties agree that they will act in good faith and will not engage in any conduct that will or may frustrate the purpose of this Agreement. Without limitation, the Parties and their counsel agree that they will make no statements to the media (including blogs) regarding this settlement or the case, pending the Final Approval Order.
- 13.7 Protective Orders: All orders, agreements and designations regarding the confidentiality of documents and information ("Protective Orders") remain in effect, and all Parties and counsel remain bound to comply with the Protective Orders, including the provisions to certify the destruction of documents deemed Confidential under the Protective Orders. Any non-public information regarding this Agreement, and all materials generated, distributed and executed pursuant to this Agreement, including, but not limited to any data produced in conjunction with this Agreement, are "Confidential Settlement Information," which shall be kept confidential by all Parties. The Parties shall maintain Confidential Settlement Information in confidence, except as may be expressly required: (1) by law or regulation, (2) by order of a court of competent jurisdiction, (3) by the written agreement of the Parties, (4) by Sunrise's need to disclose information regarding the Agreement to those institutionally associated with Sunrise who reasonably need to know such information as part of normal business operations, (6) by Sunrise in response to any Released Claims filed or threatened by any Releasing Parties, (7) by Sunrise to its indemnitors, or (8) as may be expressly permitted pursuant to the terms of this Agreement.
- 13.8 Binding on Successors. This Agreement shall inure to the benefit of and be binding upon the respective agents, assigns, administrators, employees, trustees, executors, heirs, and successors in interest of each of the Parties.
- 13.9 Arms-Length Negotiations. The determination of the terms and conditions contained herein and the drafting of the provisions of this Agreement has been by mutual understanding after negotiation, with consideration by, and participation of, the Parties hereto and their counsel. This Agreement shall not be construed against any Party on the basis that the Party was the drafter or participated in the drafting. Any statute or rule of construction that ambiguities are to be resolved against the drafting party shall not be employed in the implementation of this Agreement and the Parties agree that the drafting of this Agreement has been a mutual undertaking.
- 13.10 Recitals. The Recitals are a material part of this Agreement and are incorporated herein in their entirety.

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Case	8:18-cv-01974-JLS-JDE Document 614-3 Filed 04/17/24 Page 25 of 48 Page ID #:59035
1	SUNRISE SENIOR MANAGEMENT INC
2	5 5
3	By: Sara Sakarami
4	Its: Sara Sakagami Vice President, Associate General Counsel
5	Authorized Signatory by Delegation DATED:
6	DATED:
7	By:
8	AMY FEARN Successor-In-Interest for the Estate of
9	EDITH ZACK
10	
11	DATED:
12	By:
13	HELEN GANZ
14	Successor-In-Interest for the Estate of HELEN GANZ
15	
16	APPROVED AS TO FORM
17	DATED: April 15, 2024
18	STEBNER GERTLER GUADAGNI & KAWAMOTO
19	KAWAWIOTO
20	By:
21	KATHRYN STEBNER
22	Attorney for Plaintiffs
23	
24	DATED: GIBSON, DUNN & CRUTCHER LLP
25	GIDSON, DONN & CRUTCHER LLP
26	By:
27	JASON SCHWARTZ Attorney for Defendants
28	- 23 -
	Case No. 8:18-cv-1974-JLS (JDEx)

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#:59037

Case	3:18-cv-01974-JLS-JDE Document 614-3 Filed 04/17/24 Page 28 of 48 Page ID #:59038
1 2	SUNRISE SENIOR MANAGEMENT INC
3	$\mathbf{p}_{\mathbf{v}}$
4	By: Its:
5	
6	DATED:
7	By:
8	AMY FEARN
9	Successor-In-Interest for the Estate of EDITH ZACK
10	
11	DATED:
12	By:
13	HELEN GANZ Successor-In-Interest for the Estate of
14	HELEN GANZ
15	ADDDOVED ACTO FORM
16	APPROVED AS TO FORM
1 /	DATED: April 15, 2024 STEBNER GERTLER GUADAGNI &
18	KAWAMOTO
19	
20 21	By: KATHRYN STEBNER
22	Attorney for Plaintiffs
23	
24	DATED: April 16, 2024
25	GIBSON, DUNN & CRUTCHER LLP
26	By: 7
27	JASON SCHWARTZ Attorney for Defendants
28	- 23 -
	Case No. 8:18-cv-1974-JLS (JDEx)

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EXHIBIT 1 (INJUNCTION)

Case	8:18-cv-01974-JLS-JDE	#:59040	Filed 04/17/24	Page 30 of 48	Page ID
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10	UNITED STATES DISTRICT COURT				
11	CE	NTRAL DISTRI	CT OF CALIF	FORNIA	
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13	Audrey Heredia as suc interest to the Estate of		CASE NO. 8	3:18-cv-01974-J	LS-JDE
14	Heredia; Amy Fearn a		STIDIII ATI	ED INJUNCTI	ON AND
15	interest to the Estate of and Helen Ganz, by an		ORDER	ED INJUNCTI	ONAND
16	Guardian ad Litem, El	ise Ganz; on			
17	their own behalves and others similarly situate				
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19 20	Pla1 vs.	ntiffs,			
21		II.C.C.			
22	Sunrise Senior Living, Senior Living Manage				
23	Does 2 - 100,				
24	Def	endants.			
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This injunction ("Injunction") is entered into and shall be enforceable against Sunrise Senior Living, LLC and Sunrise Senior Living Management, Inc. (collectively "Sunrise").

As referenced herein, the term "Community" and "Communities" means the following residential care facilities for the elderly (RCFEs) that are owned, operated or managed by Sunrise: Sunrise of Beverly Hills, Sunrise at Canyon Crest, Sunrise of Carmichael, Sunrise of Cupertino, Sunrise of Danville, Sunrise of Fair Oaks, Sunrise of Hermosa Beach, Sunrise at La Costa, Sunrise of Mission Viejo, Sunrise of Orange, Sunrise of Rocklin, Sunrise of San Mateo, Sunrise at Sterling Canyon, Sunrise of Sunnyvale, Sunrise of Westlake Village, and Sunrise of Yorba Linda.

This Court has jurisdiction over the Parties and the claims asserted by the Class Plaintiffs in this action. Within sixty (60) days of the date the Court grants final approval of the Parties' settlement in this action (herein "Effective Date"), Sunrise shall implement the following injunctive relief:

DISCLOSURE REQUIREMENTS

- 1. Sunrise shall instruct all sales personnel and Executive Directors of the Communities to refrain from making any oral or written statements to current or prospective residents (and if applicable, family members or representatives of current or prospective residents) that: (a) resident assessments are the only factor used to determine, set or monitor staffing levels at Sunrise communities; and (b) Sunrise adjusts staffing at its Communities whenever a new resident is admitted or an existing resident's needs change.
- 2. Subject to any required regulatory approval, Sunrise shall ensure that all new Residency Agreements at its Communities entered into after the Effective Date contain disclosures substantially in the form as follows: "The resident assessments referenced in the Residency Agreement, including those conducted at the time of admission and thereafter during a resident's stay, are considered by Sunrise in determining and setting staffing levels at the Communities. Sunrise does

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- not guarantee that it will adjust staffing levels whenever a new resident is admitted or an existing resident's needs change. Sunrise does not guarantee that any resident will receive a specific number of minutes or amount of care on any given day or time period."
- 3. Sunrise shall ensure that the above-referenced disclosure is also contained on its website and marketing materials that discuss resident assessments and are made available to the general public in California after the Effective Date.
- Upon inclusion of the language referenced in Paragraphs 2 and 3 above, Sunrise shall provide Class Counsel with copies of the revised Residency Agreement and marketing materials.

STAFFING REQUIREMENTS

- 5. Not later than the Effective Date, Sunrise shall ensure that the Communities continue to comply with the following regulations:
- a. 22 CCR § 87411(a) ("Facility personnel shall at all times be sufficient in numbers, and competent to provide the services necessary to meet resident needs.")
- b. 22 CCR § 87608(a) ("Based on the individual's preadmission appraisal, and subsequent changes to that appraisal, the facility shall provide assistance and care for the resident in those activities of daily living which the resident is unable to do for himself/herself.")
- c. 22 CCR § 87705(c)(4) ("Licensees who accept and retain residents with dementia shall be responsible for ensuring ... [t]here is an adequate number of direct care staff to support each resident's physical, social, emotional, safety and health care needs as identified in his/her current appraisal.")
- 6. In setting staffing at the Communities, Sunrise shall consider and apply its reasonable determination of the staffing hours reasonably required to perform the care tasks needed by the residents as determined by Sunrise's assessment procedures, the experience and/or education of the staff, the ability of staff to perform various tasks in parallel, the physical layout of the Community, and the

reasonable discretion of the Executive Director and/or department coordinators to ensure the appropriate amount of staff.

7. In setting staffing at the Communities, Sunrise shall not apply an automated "round down" that reduces the number of staffing hours that Sunrise reasonably calculates are required to provide promised services or meet residents' assessed needs.

TRAINING

- 8. For each year during the time period this Injunction is in effect, Sunrise shall provide annual training to all relevant personnel (and shall maintain records of the content and attendance for such training) on the following topics:
- a. How to respond to and reset resident requests for assistance made through pendant/call lights (collectively "Call Light Request/Response"), including instruction to all relevant personnel on (1) responding to call lights as promptly as possible under the circumstances; and (2) resetting pendant/call lights at the resident's location or, if required due to an emergency or other technical or legitimate reasons, resetting at a central location.
 - b. How to properly monitor the provision of resident care; and
- c. How to appropriately staff the Community, including without limitation, how personnel should be staffed during each shift and how to respond to staff call outs or other temporary vacancies.

MONITORING

- 9. Throughout the duration of the Injunction plus an additional six months, Sunrise shall keep and maintain an electronic record of every Call Light Request/Response, which shall include the date and time of every request, the room number from which the call or request was made, and the date and time the call light was reset (herein, the "Call Light Request/Response Data").
- 10. Sunrise shall collect the Call Light Request/Response Data daily, and shall review and analyze such data at least monthly, at each Community during the

term of the Injunction. If Sunrise determines that response times at any Community exceed a reasonable time, Sunrise shall promptly take reasonable good faith remedial actions, including without limitation, evaluating whether there are sufficient numbers of staff and providing additional training to Community personnel on how to improve response times.

11 Commencing three months after the Effective Date, and continuing

- 11. Commencing three months after the Effective Date, and continuing every three months thereafter throughout the term of the Injunction (the "Quarterly Period"), Sunrise shall provide Class Counsel with Call Light Request/Response Data with resident-identifying information redacted (including room numbers) (the "Redacted Call Light Request/Response Data") for Sunrise of Cupertino, Sunrise of Orange, Sunrise of Rocklin and Sunrise of Yorba Linda for six (6) weeks from each Community for the prior Quarterly Period, with the six weeks to be selected by Class Counsel and identified in writing to Sunrise's counsel within ten (10) days prior to the end of the relevant Quarterly Period. All Redacted Call Light Request/Response Data required under this paragraph shall be provided in standard database-ready .csv or .txt file format to Class Counsel on or before close of business on the 20th day following the end of the relevant Quarterly Period.
- 12. Commencing three months after the Effective Date, and continuing every Quarterly Period, Class Counsel shall select six (6) Communities (the "Selected Communities") for which Sunrise shall provide Redacted Call Light Request/Response Data for a 24-hour period for one day in each month of the relevant Quarterly Period, selected by Class Counsel. Within ten (10) days prior to the end of the relevant Quarterly Period, Class Counsel shall provide Sunrise the exact days in the prior Quarterly Period in the Selected Communities from which such Redacted Call Light Request/Response Data is pulled. Sunrise shall provide such Redacted Call Light Request/Response Data within twenty (20) days following the end of the relevant Quarterly Period.
 - 13. Plaintiffs shall not use the Redacted Call Light Request/Response Data

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for any purpose other than monitoring compliance with and enforcing this Injunction. Plaintiffs shall not disclose the Redacted Call Light Request/Response Data, except only for a motion to enforce this Injunction.

Sunrise shall respond to reasonable inquiries from Class Counsel 14. regarding such Redacted Call Light Request/Response Data.

OTHER PROVISIONS

- 15. Nothing stated in this Injunction shall relieve Sunrise from complying with any other applicable federal or state law or regulation.
- 16. Should Plaintiffs assert that Sunrise has materially failed to comply with any provision of this Injunction, Plaintiffs shall notify Sunrise in writing and meet and confer in a good faith effort to resolve the dispute informally. If no resolution is reached within thirty days (30) days of the date of Plaintiffs' written notice, Plaintiffs may seek appropriate relief from the Court. In the event Plaintiffs assert violations of Paragraph 5 herein, Sunrise reserves all rights to argue that the Court should abstain in favor of the authority of appropriate regulators, including the California Department of Social Services ("CDSS"), and Plaintiffs reserve all rights to oppose Sunrise's argument. ¹
- The District Court shall retain continuing jurisdiction over all Parties 17. and over this action for purposes of the interpretation and enforcement of the terms of this Injunction.
- 18. The Injunction shall remain in force and effect for a period of thirty (30) months commencing on the Effective Date.
- 19. If Sunrise completely divests all ownership and operational interest in a Community during the term of the Injunction (herein, "Divested Community"), Sunrise shall have no continuing obligation under the Injunction as to that Divested

¹ A citation issued by the CDSS does not constitute a per se violation of this Injunction.

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1	Community only, but shall remain obligated as to all other Communities. The			
2	provisions of this Injunction shall not apply to the new operator and/or manager of			
3	the Divested Community.			
4	20. If the care staffing requirements for RCFEs in California (including			
5	without limitation, the regulations cited in Paragraph 5 above) are modified by			
6	statute or regulation, any Party may move the Court for modification of this			
7	Injunction consistent with such new statute and/or regulation.			
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9	IT IS SO ORDERED, ADJUDGED AND DECREED.			
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11	DATED:, 2024			
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EXHIBIT 2 (NOTICE – LONG FORM AND SHORT FORM, COLLECTIVELY)

LEGAL NOTICE REGARDING CLASS ACTION SETTLEMENT UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA

If you are a current or former resident of an assisted living or residential care facility in California operated by Sunrise Senior Living, or the responsible party for such a resident, your rights may be affected by the settlement of a class action lawsuit currently pending in Federal Court.

A Federal Court authorized this notice. This is not a solicitation from a lawyer.

A class action lawsuit known as Audrey Heredia, et al. v. Sunrise Senior Living et al., was filed in the United States District Court, Central District of California, (the "Court") as Case Number 8:18-cv-01974-JLS-JDE. The lawsuit alleges that Sunrise misled consumers by failing to disclose that Sunrise does not ensure that staffing at Sunrise's assisted living facilities in California is sufficient to provide promised services to all residents. Plaintiffs seek monetary damages for current and former residents and an order that Sunrise cease the alleged conduct. Sunrise denies all allegations and claims in the lawsuit and denies that it committed any wrongdoing, including but not limited to the allegation that staffing at Sunrise facilities was insufficient. The Court has not ruled on the merits of the case.

On November 16, 2021, the Court granted Plaintiffs' motion for class certification. The Ninth Circuit Court of Appeals subsequently affirmed the class certification order. The parties have recently agreed to settle the lawsuit on the terms described below, subject to the Court's approval. If approved, the settlement would apply to the following class (the "Settlement Class"):

All persons who resided at a Sunrise California Community (defined below) from June 27, 2013 through and including [DATE], who contracted with and paid money to Defendants pursuant to a Residency Agreement, and whose claims are not subject to arbitration because: (1) neither the Resident nor Resident's Responsible Party (as defined in the Residency Agreement) agreed to or accepted an arbitration provision in writing; or (2) if arbitration was initially accepted, the Resident or Resident's Responsible Party provided written notice of withdrawal within the 30-day period prescribed in the Residency Agreement.*

*For residents of these facilities, the San Rafael, the Class Period commences on the following dates: Sunrise of San Rafael (September 29, 2016), Sunrise of Cupertino (October 1, 2023), and Sunrise of Orange (April 27, 2023)

If you fall within the above description of the Settlement Class, or if you are the legal representative or successor of someone who does, please read this notice carefully. (In this notice, the terms "you", "your", "yourself" mean a Settlement Class Member and, if applicable, any legal representative or successor of a Settlement Class Member). The Court's decision to approve the class action settlement affects your rights and you have a choice to make now as described below.

If you do not fall within the description of the Settlement Class, any claims you might have against Sunrise are not covered by this case and your rights are not at issue in this settlement.

For members of the Settlement Class or their legal representative, you have a choice to make between three options, summarized as follows and described in more detail later in this notice in response to Question Nos. _____ below. Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT			
DO NOTHING	Stay in the Settlement Class. Obtain settlement benefits, but give up certain rights. By doing nothing, you will remain in the Settlement Class and obtain the money and benefits if the settlement is approved by the Court. But you give up any rights to sue Sunrise separately about the same legal claims that were brought in this lawsuit. If you choose this option, you do not need to do anything, as you will automatically be included in the Settlement Class.		
OBJECT	Stay in the Settlement Class, but object to the Settlement. Under this option, you may object to the terms of the settlement. You will remain in the Settlement Class and receive benefits if the settlement is approved, and you will 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 in order to be included in the Settlement Class. 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, as described below.		
ASK TO BE EXCLUDED	Opt out of the Settlement Class. Retain your right to sue individually. Under this option, you may exclude yourself from the Settlement Class (and thus give up your right to seek money from the class settlement if approved), 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, as described below.		

Your options are explained in more detail below. To submit an objection or to ask to be excluded, you must act before **[DATE]**.

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BACKGRO	UND	Page 4
1.	Why Did I Get This Notice?	
2.	What is This Lawsuit About?	
3.	What is a Class Action and Who is Involved?	
THE SETT	LEMENT CLASS	Page 5
4.	Who is in the Settlement Class?	
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Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

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1. Why did I Get This Notice?

As this notice explains, the Court has allowed, or "certified," this matter to proceed as a **class action lawsuit**. The Court also approved the content and dissemination of this notice. You are receiving this notice because you have been identified from Sunrise's records as a resident of a Sunrise assisted living facility (also known as a residential care facility for the elderly) during the relevant time period, or are the legal representative or successor-in-interest to such a resident, who is not subject to arbitration. For that reason, you are considered a member of the Settlement Class whose rights will be affected by the class action settlement, if approved by the Court.

2. What is This Lawsuit About?

The Plaintiffs in this case are Amy Fearn and Elise Ganz, the legal successors-in-interest to two former residents of Sunrise residential care facilities for the elderly in California. They have also been appointed as the representatives for the class and are responsible, along with their attorneys, for representing the interests of members of the class.

The Plaintiffs allege in this lawsuit that Sunrise made false and misleading statements about the level of care residents would receive. They allege that these misleading statements are made in the Residency Agreements that residents or their authorized representatives are required to sign upon admission to a Sunrise assisted living facility. Specifically, Plaintiffs claim that the Residency Agreements inform potential residents that the level of assisted living services required by the Resident is determined through an assessment of the Resident and that the Resident will receive services based on that assessment and other indicators of the Resident's needs. Plaintiffs allege that these statements are misleading because Sunrise uses a system for staffing its facilities that does not provide for enough staff to meet residents' assessed needs. Based on these alleged facts, Plaintiffs assert that Sunrise has violated several California laws, including the Consumer Legal Remedies Act, Cal. Civ. Code § 1750, et seq., the Unfair Competition Law, Cal. Bus. & Prof. Code § 17200, et seq., and the elder financial abuse law, Cal. Welf. & Inst. Code § 15610.30.

To remedy the alleged wrongdoing, Plaintiffs sought a court order prohibiting Sunrise from engaging in the alleged violations of law. Plaintiffs also sought monetary damages for themselves and all class members based on moneys paid to Sunrise, as well as statutory damages, attorneys' fees and litigation expenses. Plaintiffs are not seeking any damages for personal injury, emotional distress, and/or wrongful death suffered by the Plaintiffs or any class member. You can read the Plaintiffs' Second Amended Class Action Complaint at www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction.

Sunrise denies these allegations. Sunrise maintains that the statements in its Residency Agreements are truthful and not misleading, that Sunrise more than adequately staffs its communities and provides more than sufficient caregiver time to meet residents' assessed needs, and that Sunrise provides excellent care. Defendants' Answer to the Second Amended Complaint in which these defenses are stated is available at www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction.

The Court has not addressed the merits of the claims, and therefore has not decided whether Defendants or Plaintiffs are correct.

3. What is a Class Action and Who is Involved?

The individual who brings a lawsuit is called a Plaintiff. In a class action lawsuit, one or more people called "Class Representatives" (in this case Amy Fearn and Elise Ganz) sue on behalf of other people who have similar claims because they allege they have been harmed in the same way. The people together are a "class" or individually "class members." The people who filed the lawsuit are called the Plaintiffs. The company they sued (in this case Sunrise) is called the Defendant. In a class action, one court resolves the issues for everyone in the class—except for those people who choose to exclude themselves from the class.

Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

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THE SETTLEMENT CLASS

4. Who is in the Settlement Class?

The Settlement Class includes all persons who resided at a Sunrise California Facility from June 27, 2013 through and including [DATE], who contracted with and paid money to Sunrise pursuant to a Residency Agreement and whose claims are not subject to arbitration. The Sunrise California Communities that are covered by the class include the following forty-three (43) assisted living facilities owned and/or operated by Sunrise under the Sunrise name:

Sunrise at Alta Loma	Sunrise at La Jolla	Sunrise at San Mateo
Sunrise at Belmont	Sunrise at La Palma	Sunrise at Santa Monica
Sunrise at Beverly Hills	Sunrise at Mission Viejo	Sunrise at San Rafael*
Sunrise at Bonita	Sunrise at Monterey	Sunrise at Seal Beach
Sunrise at Burlingame	Sunrise at Oakland Hills	Sunrise at Sterling Canyon
Sunrise at Canyon Crest	Sunrise of Orange*	Sunrise at Studio City
Sunrise at Carmichael	Sunrise at Palo Alto	Sunrise at Sunnyvale
Sunrise at Claremont	Sunrise at Palos Verdes	Sunrise at Tustin
Sunrise of Cuptertino*	Sunrise at Petaluma	Sunrise at Walnut Creek
Sunrise at Danville	Sunrise at Playa Vista	Sunrise at West Hills
Sunrise at Fair Oaks	Sunrise at Pleasanton	Sunrise at Westlake Village
Sunrise at Fresno	Sunrise at Rocklin	Sunrise at Wood Ranch
Sunrise at Fullerton	Sunrise at Sacramento	Sunrise at Woodland Hills
Sunrise at Hermosa Beach	Sunrise at Sabre Springs	Sunrise at Yorba Linda
Sunrise at Huntington Beach	Sunrise at San Marino	
Sunrise at La Costa		

^{*}For residents of Cupertino, the Class Period is limited to October 1, 2023, through [DATE].

To be eligible for benefits under the settlement, you must be a Settlement Class Member or a legal successor to a deceased Settlement Class Member.

5. I am not Sure if I am Included.

If you are not sure if you are included, you can submit a request on the dedicated website, at www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction, to inquire whether Sunrise's records indicate you are a Settlement Class Member. In addition, you can also inquire about your status as a Settlement Class Member by calling the claims administrator at 1-888-412-1505.

^{*}For residents of Orange, the Class Period is limited to April 27, 2023, through [DATE].

^{*}For residents of San Rafael, the Class Period is limited to September 29, 2016, through [DATE].

SUMMARY OF SETTLEMENT

6. Cash Payments to Settlement Class Members.

Under the terms of the settlement, Sunrise has agreed to pay \$18.2 million into an account (the "Settlement Fund") in full settlement of all monetary claims asserted in the lawsuit. The Settlement Fund will be used to pay for class notice and settlement administration expenses not to exceed \$75,000, Class Counsel's attorneys' fees not to exceed \$10.9 million, Class Counsel's litigation expenses not to exceed \$2 million, service awards not to exceed \$15,000 to each Class Representative, and a Late Claims Reserve of \$25,000, with all such amounts subject to Court approval. The remaining amount (the "Net Settlement Fund"), estimated to be approximately \$5 million, will be used to make cash payments to Settlement Class Members (or if a Settlement Class Member is deceased, to their legal successor).

Subject to Court approval, the amount of the cash payments shall be calculated by dividing the Net Settlement Fund by the total number of Settlement Class Members. For illustration purposes only, if the Net Settlement Fund is \$5 million and the total number of Settlement Class Members is 3,500, then the amount of the settlement award would be approximately \$1,428, distributed on a pro rata basis to all Settlement Class Members or, if applicable, their legal successors.

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.

No monies in the Settlement Fund shall revert to Sunrise. Any monies remaining in the Settlement Fund after cash payments are made (for example, from uncashed checks or unclaimed interest) shall be paid to Settlement Class Members (or their legal successors) who cashed their initial settlement checks. Monies remaining in the Late Claims Reserve, if any, will be paid to Groceries for Seniors or other non-profit organization(s) approved by the Court.

7. Injunctive Relief.

In addition, as part of the settlement Sunrise has agreed to an Injunction, which is subject to Court approval, in which, among other things, Sunrise is to ensure that its caregiver staffing levels are sufficient to provide residents with the care services set forth in their service plans. While Sunrise believes it has always done so, the Injunction includes terms to verify and monitor Sunrise's compliance. The Injunction will remain in place for 30 months. The full terms of the Injunction are available on the settlement website at [web address], or in the public court records on file in this lawsuit.

OBTAINING SETTLEMENT BENEFITS

8. How Can I Get a Cash Payment?

If you are a Settlement Class Member and your mailing 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. If a Settlement Class Member is deceased, his or her legal successor must submit a payment request and supporting documentation to the Settlement Administrator. To contact the Settlement Administrator, visit [insert website] or call [insert].

9. When Will the Cash Payments be Sent?

Under the settlement, cash payments to Settlement Class Members are to be made within 30 days after the Court grants final approval for the settlement, and the time for appellate review of the approval order has run. As detailed below, Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

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the Final Approval Hearing is presently scheduled for [date] at [time]. The date, time, or place of the final approval hearing may be changed by the Court without notice to the Settlement Class, so you should check the settlement website at [insert web address] or the public court records on file in this lawsuit for any updates.

RELEASE OF CLAIMS

10. 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 relating in any way to the claims asserted by the Plaintiffs in the lawsuit (the "Release"). The Release includes any claim for losses or damages arising from fees paid to Sunrise as a result of such conduct from June 27, 2013 through and including [DATE OF FINAL APPROVAL ORDER] (of, for Sunrise at San Rafael, from September 29, 2016, through and including [DATE OF FINAL APPROVAL ORDER]) by or on behalf of a Settlement Class Member based on the allegations stated in the lawsuit.

The Release includes any other lawsuit or proceeding already in progress. The Release does not include claims solely for personal injury, wrongful death, bodily harm, or emotional distress resulting from personal injury, wrongful death, 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 [web address], or in the public court records on file in this lawsuit.

EXCLUDING YOURSELF FROM THE SETTLEMENT

If you do not want a payment from this settlement, but you want to keep the right to sue or continue to sue Sunrise on your own about the legal issues in this case, then you must take steps to be excluded from the settlement. This is called excluding yourself – or is sometimes referred to as "opting out" of the Settlement Class.

11. How Do I Ask the Court to Exclude Me from the Settlement Class?

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.

To ask to be excluded, you have a couple of options.

First, you can send an email to SunriseSeniorLivingLawsuit@cptgroup.com stating that you want to be excluded from the *Audrey Heredia*, et al. v. Sunrise Senior Living et al. class action. You must include your name and address in the email.

Alternatively, you may send an "Exclusion Request" in the form of a letter sent by mail, stating that you want to be excluded from the *Audrey Heredia, et al. v. Sunrise Senior Living et al.* class action. Be sure to include your name and address and sign the letter. Mail your Exclusion Request to: *Audrey Heredia, et al. v. Sunrise Senior Living et al.*, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606. You may also get an <u>Exclusion Request</u> form at the website, www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction.

Whether you choose to opt out by mail or email, you must do so by [insert date].

Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

12. What Happens if I Exclude Myself from the Settlement.

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 Sunrise relating to the subject matter of this lawsuit.

13. If I Do Not Exclude Myself, Can I Sue Sunrise for the Same Thing Later?

No. Unless you exclude yourself, you give up the right to sue Sunrise for the claims that this settlement resolves. You must exclude yourself from this case and the Settlement Class to pursue your own lawsuit. Remember, your letter requesting exclusion must be postmarked on or before [date].

14. If I Exclude Myself, Can I Get Money from This Settlement?

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 Sunrise 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.

OBJECTING TO THE SETTLEMENT

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

15. How Do I Tell the Court That I Do Not Like the Settlement?

If you are a Settlement Class Member (or a legal representative of such person), you can ask the Court to deny approval of the settlement by filing an objection. You cannot ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any objection to the proposed settlement must be in writing. If you file a timely written objection, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney.

All written objections and supporting papers must: (a) clearly identify the case name and number (*Audrey Heredia as successor- in-interest to the Estate of Carlos Heredia et al. v. Sunrise Senior Living, LLC and Sunrise Senior Management, Inc. et al.*, Case No. 8:18-cv-01974-JLS-JDE), (b) be submitted to the Court either by mailing them to the Class Action Clerk, United States District Court for the Central District of California, 350 W 1st Street, Suite 4311, Los Angeles, CA 90012, or by filing them in person at any location of the United States District Court for the Central District of California, and (c) be filed or postmarked on or before [insert date].

16. 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.

Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

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LEGAL REPRESENTATIVE OR SUCCESSOR-IN-INTEREST OF SETTLEMENT CLASS MEMBER

17. What Supporting Documentation Must a Settlement Class Member's Legal Representative or Successor-In-Interest Provide?

Any communication submitted by a legal representative of a Settlement Class Member or a successor-in-interest of a deceased Settlement Class Member shall include supporting documentation.

The supporting documentation for a legal representative of a Settlement Class Member shall include a copy of the proper Power of Attorney or Court-approved Guardianship/Conservator documents for the Settlement Class Member, as well as government-issued identification for the legal representative.

The supporting documentation for a successor-in-interest of a deceased Settlement Class Member shall include the Death Certificate for the deceased Settlement Class Member, as well as government-issued identification for the successor(s)-in-interest and a sworn statement that the successor(s)-in-interest are the sole successors and have the authority to release the Released Claims.

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.

18. When and Where Will the Court Decide Whether to Approve the Settlement?

The Court will hold a Final Approval Hearing at [time] on [date] before the Honorable Josephine L. Staton, First Street U.S. Courthouse, 350 W 1st Street, Courtroom 8A, 8th Floor, Los Angeles, CA 90012.

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 [web address] or the public court records on file in this lawsuit at https://ecf.cand.uscourts.gov for any updates.

At the Final Approval Hearing, the Court will consider whether the settlement is fair, reasonable and adequate. 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.

19. 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.

20. May I Speak at the Hearing?

At its discretion, the Court may or may not allow Settlement Class Members to speak at the hearing. You cannot speak at the hearing if you exclude yourself from the Settlement Class.

Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

IF YOU DO NOTHING

21. What Happens If I Do Nothing At All?

If you do nothing, you will be part of the Settlement Class. If the settlement is approved by the Court, 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 Sunrise about the claims and issues in this case.

THE LAWYERS REPRESENTING YOU

22. Do I Have a Lawyer in This Case?

The Court decided that the law firms of Stebner Gertler Guadagni & Kawamoto, Schneider Wallace Cottrell Konecky LLP, Dentons US LLP, Law Offices of Michael D. Thamer, Janssen Malloy LLP, Marks Balette Giessel & Young, P.L.L.C, and Trails Law Group are qualified to represent the Class Members and appointed them "Class Counsel." The names and contact information for Class Counsel to whom you can direct questions are as follows:

STEBNER GERTLER GUADAGNI & KAWAMOTO
Kathryn A. Stebner

kathryn@sggklaw.com Brian S. Umpierre brian@sggklaw.com

870 Market Street, Suite 1285 San Francisco, CA 94102 Tel: (415) 362-9800

Fax: (415) 362-9801 www.sggklaw.com

SCHNEIDER WALLACE COTTRELL

KONECKY LLP Guy B. Wallace

gwallace@schneiderwallace.com

Mark T. Johnson

mjohnson@schneiderwallace.com

Travis C. Close

tclose@schneiderwallace.com

Rachel L. Steyer

rsteyer@schneiderwallace.com 2000 Powell Street, Suite 1400

Emeryville, CA 94608 Telephone: (415) 421-7100

GETTING MORE INFORMATION

23. Are There More Details About the Settlement?

This notice summarizes the proposed settlement. The Stipulation of Settlement contains the complete and precise terms and conditions of the parties' agreement. You can get a copy at [settlement website], by contacting Class Counsel at Stebner Gertler Guadagni & Kawamoto at (415) 362-9800, or by accessing the Court docket in this case, for a fee, through the Court's Public Access to Court Electronic Records (PACER) system at https://ecf.cand.uscourts.gov, or by visiting the office of the Clerk of the Court for the United States District Court for the Central District of California, 350 W 1st Street, Suite 4311, Los Angeles, CA 90012, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

If you have additional questions, you may call the Settlement Administrator at 1-888-412-1505, or write to: *Audrey Heredia, et al.* v. *Sunrise Senior Living et al.*, c/o CPT Group, Inc., 50 Corporate Park, Irvine, CA 92606.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.

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Questions? Visit www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction or contact Class Counsel at the email addresses and telephone numbers identified in this notice. DO NOT CONTACT THE COURT FOR INFORMATION.

LEGAL NOTICE REGARDING CLASS ACTION SETTLEMENT

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA

If you resided at a Sunrise Assisted Living facility in California at any time from June 27, 2013 through and including [DATE], you are a potential Settlement Class Member and could be entitled to benefit under a class action settlement

WHAT IS THIS LAWSUIT ABOUT?

A class action lawsuit known as *Audrey Heredia*, et al. v. Sunrise Senior Living et al. (Sunrise), was filed in the United States District Court, Central District of California, Case Number 8:18-cv-01974-JLS-JDE. The lawsuit alleges that Sunrise misled consumers by failing to disclose that Sunrise does not ensure that staffing at Sunrise's assisted living facilities in California is sufficient to provide promised services to all residents.. Sunrise denies all allegations and claims in the lawsuit and denies that it committed any wrongdoing, including but not limited to the allegation that staffing at Sunrise facilities was insufficient. The Parties have reached an agreement to settle the lawsuit on the terms described below, subject to Court approval.

THE SETTLEMENT CLASS

If approved, the settlement would apply to the following "Settlement Class:" All persons who resided at a Sunrise California Facility at any time from June 27, 2013 through and including [DATE]*, who contracted with and paid money to Sunrise pursuant to a Residency Agreement, and whose claims are not subject to arbitration because: (1) neither the Resident nor Resident's Responsible Party (as defined in the Residency Agreement) agreed to or accepted an arbitration provision in writing; or (2) if arbitration was initially accepted, the Resident or Resident's Responsible Party provided written notice of withdrawal within the 30-day period prescribed in the Residency Agreement.

*For residents of these facilities, the Class Period commences on the following dates: Sunrise of San Rafael (September 29, 2016), Sunrise of Cupertino (October 1, 2023), and Sunrise of Orange (April 27, 2023).

WHAT DOES THE SETTLEMENT PROVIDE?

Under the Settlement, Sunrise has agreed to pay \$18.2 million and agreed to a Court-approved injunction that imposes certain requirements on Sunrise regarding facility staffing. If the Court approves the Settlement, each Settlement Class Member would receive a pro-rata cash payment estimated to be not less than \$____. To be eligible for monetary benefits under the settlement, you must be a

Settlement Class Member or his/her legal successor.

WHAT ARE MY RIGHTS AND OPTIONS?

If you are a Settlement Class Member, you do not need to do anything to be eligible for monetary benefits, but will give up your right to sue in a different case about the same subject matter. Alternatively, you can remain in the Settlement Class and seek money under the class Settlement, giving up your right to sue in a different case about the same subject matter, but object to the settlement by submitting a timely written objection. Your third option is to exclude yourself from the Settlement and give up your right to seek money under the Settlement, but retain your right to sue in a different case about the same subject matter. You will need to submit a timely written request for exclusion. For instructions on how to submit a written objection to the Settlement, or written request to be excluded from the settlement class, please visit [settlement website]. Written objections and exclusion requests must be submitted no later than [DATE].

FINAL SETTLEMENT APPROVAL HEARING

On [DATE/TIME], the Court will hold a Final Approval Hearing to decide whether to approve the settlement. The Court will also decide Plaintiffs' request for attorneys' fees (not to exceed \$10.9 million) and litigation costs (not to exceed \$2 million). The Final Settlement Approval Hearing will be conducted by the Honorable Josephine L. Staton at First Street U.S. Courthouse, 350 W 1st Street, Courtroom 8A, 8th Floor, Los Angeles, CA 90012. The date, time and place may be changed by the Court without notice to the Settlement Class, so please check for updates at [insert website]. You do not need to attend the hearing but may do so at your expense.

OBTAIN MORE INFORMATION

More information about the lawsuit and Settlement can be obtained at the website, by calling the number below, by contacting Class Counsel, or by reviewing online court records at https://ecf.cand.uscourts.gov.

www.cptgroupcaseinfo.com/SunriseSeniorLivingClassAction 1-x:xx-x:xx:x