

## CLASS NOTICE

ATTENTION: RESIDENTS, FORMER RESIDENTS AND FAMILY MEMBERS WHO PAID MONEY FOR SERVICES IN THE FOLLOWING SKILLED NURSING FACILITIES:

Granada Healthcare and Rehabilitation Center, LLC; Eureka Healthcare and Rehabilitation Center, LLC; Pacific Healthcare and Rehabilitation Center, LLC; Seaview Healthcare and Rehabilitation Center, LLC; St. Luke Healthcare and Rehabilitation Center, LLC; Bay Crest Care Center, LLC; Brier Oak On Sunset, LLC; The Earlwood, LLC; Royalwood Care Center, LLC; Sycamore Park Care Center, LLC; Villa Maria Healthcare Center, LLC; Valley Healthcare, LLC; Willow Creek Healthcare Center, LLC; Alta Care Center, LLC; Anaheim Terrace Care Center, LLC; Carehouse Healthcare Center, LLC; Devonshire Care Center, LLC; Elmcrest Care Center, LLC; Montebello Care Center, LLC; Alexandria Care Center, LLC; Hancock Park Rehabilitation Center, LLC; Sharon Care Center, LLC.

PLEASE READ THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED.

YOU ARE HEREBY NOTIFIED that the case of Lavender v. Skilled Healthcare Group, Inc., (formerly known as Bates v. Skilled Healthcare Group, Inc.) Case No. DR 060264, now pending in the Superior Court of the State of California, Humboldt County, is an action on behalf of all persons who reside, or have resided in the above named skilled nursing facilities any time from September 1, 2003 to April 1, 2009 or family members who paid for services for residents at those facilities during the same time period. This action has been joined in by the Humboldt County District Attorney on behalf of the People of the State of California.

### 1. What is this case about?

The plaintiffs allege the defendants violated Health and Safety Code section 1430(b), the Consumer Legal Remedies Act and unfair competition laws by staffing their facilities at levels below those required by state and federal law. The complaint seeks statutory damages, restitution of fees paid to the facilities and other recovery on behalf of the class.

Defendants deny all allegations made by plaintiffs in the complaint and assert that the skilled nursing facilities listed above were at all times adequately staffed to provide the services needed and requested by their residents.

### 2. If I remain a member of the class, will my personal health information be disclosed?

No. Your decision to remain in the class will NOT require that you disclose personal health information. Plaintiffs and their attorneys do not seek disclosure of your personal health information. This action does not involve any claim for personal injuries.

### 3. Why am I receiving this notice?

On June 9, 2008, the Court ordered that this litigation may proceed as a class action for all purposes. The classes certified by the Court consist of:

- 1) All persons who resided at one of the above-listed skilled nursing facilities from September 1, 2003 to April 1, 2009.
- 2) All persons related to a facility resident who made payments to the above-listed skilled nursing facilities for services rendered on behalf of a related facility resident.

This notice is provided for the purpose of informing you of the pendency of this litigation and the certification of the class of which you may be a member and your right to be excluded from the class if you wish.

### 4. How will the case be prosecuted?

This is a class action, which means the Class Representatives (Vinnie Lavender, James Brewer, Walter Simon and Jacquelyn Vilchinsky) are bringing this lawsuit on behalf of themselves and the class. In a class action, the Court orders a trial of common issues where the Court believes it is fair to litigate those questions in one lawsuit, as opposed to many individual actions.

A trial date is set for November 2, 2009. The Court has not ruled regarding either side's contentions. This notice does not constitute an expression of any opinion by the Court as to the merits of either side's position.

## 5. How do I participate in this case?

Under the Court's order, you are a member of the certified Plaintiff Class. If you wish to remain in the class you need do nothing at this time. Your rights will be represented by counsel for the Plaintiff Class. Plaintiffs' counsel are:

W. Timothy Needham, Esq.  
Michael J. Crowley, Esq.  
Amelia F. Burroughs, Esq.  
JANSSEN, MALLOY, NEEDHAM, MORRISON,  
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San Diego, CA 92101  
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The People of the State of California are represented by the Humboldt County District Attorney:

Paul Gallegos, District Attorney  
County of Humboldt  
825 Fifth Street  
Eureka, CA 95501  
Telephone: 800-962-8261

The Defendants are represented by the law firm of Wroten & Associates. Their address is:

Kippy L. Wroten, Esq.  
WROTEN & ASSOCIATES, INC.  
20 Pacifica, Suite 300  
Irvine, CA 92618  
Telephone: 949-788-1790  
Facsimile: 949-788-1799

If a judgment or settlement is entered in favor of the Plaintiff Class, you may be eligible to share in any benefits awarded to the class. If you remain in the class, you will be bound by any judgment entered in the case whether favorable or not favorable. Members of the class will not be personally responsible for attorneys' fees or costs of the litigation. Class members may retain their own counsel, at their own expense.

## 6. How do I request exclusion from the class?

You may be excluded from the Plaintiff Class upon completion and mailing of the enclosed postcard by May 21, 2009.

A request for exclusion will not be deemed timely, and you will not be excluded from the Plaintiff Class unless the Request is mailed by May 21, 2009. If you timely request exclusion you will not be bound by any judgment in this litigation, and you will not receive compensation should an award be made in plaintiffs' favor.

## 7. What if I have further questions?

You may find additional information concerning the lawsuit, including a copy of the plaintiffs' complaint and a list of the 22 Skilled Healthcare facilities named in the lawsuit, at the following website: [www.skilled-healthcare-classaction.com](http://www.skilled-healthcare-classaction.com). You may direct any questions concerning matters contained in this notice to Plaintiffs' Counsel listed above.

At this time there are no judgments against any party. In the event of any judgment or settlement, you will receive such notice as may be determined appropriate by the Court.

The pleadings and other records in this litigation may be examined and copied during the regular business hours of the Court.