

IN THE CIRCUIT COURT OF OUACHITA COUNTY, ARKANSAS
SIXTH DIVISION

NELLIE LAMB, ET. AL. On Behalf Of Herself
And All Others Similarly Situated

PLAINTIFFS

VS.

GGNSC ARKADELPHIA, LLC, et. al.

DEFENDANTS

Case No.: CV-2011-121-6

NOTICE OF SETTLEMENT

This is not a lawsuit against you. You are not being sued. This is a notice of a Settlement of a proposed class action against Golden Living nursing homes in Arkansas.

The Circuit Court of Ouachita County, Arkansas authorized this notice.

If you or a family member was a resident at a GOLDEN LIVING NURSING FACILITY IN ARKADELPHIA, CAMDEN, CROSSETT, EL DORADO, HARRISON, HEBER SPRINGS, HILLTOP, HOT SPRINGS, MCGEHEE, MONTICELLO, NORTH LITTLE ROCK, OR ROGERS (“Golden Living Nursing Homes”) AT ANY TIME FROM DECEMBER 2006 THROUGH JULY 1, 2009 (“Class Period”), you may be eligible for a cash payment from a class action settlement.

READ THIS NOTICE CAREFULLY. YOUR RIGHTS TO A MONETARY AWARD WILL BE AFFECTED WHETHER YOU ACT OR NOT.

Your rights and options—and the deadlines to exercise them—are explained in this notice.

SETTLEMENT DETAILS

WHAT IS THIS NOTICE ABOUT?

This Notice explains a proposed Settlement of a class action lawsuit and all of your options before the Court decides whether to approve the settlement. If the Court approves it and after objections and appeals are resolved, the Claims Administrator appointed by the Court will make the payments that the settlement allows.

This Notice explains the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

WHAT IS A CLASS ACTION LAWSUIT?

A class action is a lawsuit in which one or more individuals sue an individual(s), company or other entity on behalf of all other people who are allegedly in a similar position. Collectively, these people are referred to as a “Class” or “Class Members.” In a class action, the court resolves certain legal issues, legal claims and defenses for all class members in one lawsuit, except for those who ask to be excluded from the class. (See below for more information about excluding yourself from the Class.)

WHAT IS THIS CASE ABOUT?

Plaintiffs allege that Golden Living chronically understaffed its Arkansas nursing homes in violation of the Residents’ statutory and contractual rights. Specifically, Plaintiffs allege that the chronic understaffing of the Golden Living Nursing Homes violated the Arkansas Deceptive Trade Practices Act, the Residents’ Rights Act and breached the admission agreement between the Residents and the nursing homes. Defendants deny Plaintiffs’ allegations.

Based on the information available to both sides, and the risks involved in a trial, both sides have concluded that the proposed Settlement is fair, reasonable, and adequate, and that it serves the best interests of all parties involved.

WHO ARE THE PARTIES IN THIS CLASS ACTION?

Nellie Lamb and forty-three other persons are the Class Representatives and filed this lawsuit as a class action to assert their own individual claims and similar claims on behalf of approximately 3400 residents of Golden Living Nursing Homes in Arkansas during the Class Period. The defendants are GGNSC Arkadelphia, LLC d/b/a Golden Living Center Arkadelphia; GGNSC Camden, LLC d/b/a Golden Living Center-Camden; GGNSC Crossett, LLC d/b/a Golden Living Center-Crossett; GGNSC El Dorado III, LLC d/b/a Golden Living Center-El Dorado; GGNSC Harrison II, LLC d/b/a Golden Living Center-Harrison; GGNSC Heber Springs, LLC d/b/a Golden Living Center-Heber Springs; GGNSC Hilltop, LLC d/b/a Golden Living Center-Hilltop; GGNSC Hot Springs, LLC d/b/a Golden Living Center-Park Avenue; GGNSC Mcgehee, LLC d/b/a Golden Living Center-Mcgehee; GGNSC Monticello, LLC d/b/a Golden Living Center-Monticello; GGNSC North Little Rock, LLC d/b/a Golden Living Center-North Little Rock; GGNSC Rogers, LLC d/b/a Golden Living Center-Rogers; Golden Gate National Senior Care, LLC; GGNSC Holdings, LLC; GGNSC Administrative Services, LLC; GGNSC Clinical Services, LLC; Golden Gate Ancillary, LLC; GGNSC Equity Holdings, LLC; Leslie Campbell; Cindy Susienka; James Avery; Andrea Clark; Julianne Williams; David Stordy; Larry Mcfadden; Angela Marlal; Billie Palculict; Sybil Adams; Troy Morris; Avie Singleton; Tracey Burlison; Mincie Thomas; Tommy Johnston; John Mcpherson; Laurie Herron; Margaret Green; Norean Bailey; Marsha Parker; and Lisa Hensley, (collectively, "Golden Living"). The lawsuit is pending in the Circuit Court of Ouachita County, Arkansas.

AM I A MEMBER OF THE SETTLEMENT CLASS?

The Settlement Class consists of all Residents or Estates of Residents who resided at any of the above Golden Living Nursing Homes in Arkansas at any time from December 2006 through July 1, 2009. If you are a family member of a Resident who is deceased, please read this Notice carefully as you may be entitled to the benefits of this settlement as a beneficiary of the Resident's estate.

WHAT COMPENSATION OR BENEFITS WILL THE SETTLEMENT PROVIDE?

Golden Living agreed to create a Common Fund of over \$48 million. The Settlement, if finally approved by the Court, provides that the Common Fund will be used to pay the Resident or the Resident's Estate **\$55.00 for each day** each Resident stayed at a Golden Living Nursing Home during the Class Period ("Subject Day"), less a pro-rata share of settlement administration expenses, Class Counsels' litigation expenses and the Class Representative Fees. Golden Living's records indicate that you or your family member were a resident in a Golden Living Nursing Home during the Class Period.

Cash payments will be made to class members after the Court gives final approval to the proposed settlement and the final approval is no longer subject to appeal.

WHAT DO YOU HAVE TO DO TO RECEIVE COMPENSATION OR BENEFITS FROM THE SETTLEMENT?

You must timely submit the enclosed Status and Benefit Form. This form is necessary for the Settlement Administrator to determine who should receive the settlement benefit. If the Resident is living, the benefit will be made payable to the Resident. However, if the Resident is deceased, the benefit will be disbursed to either (1) the Resident's Estate upon presentment of evidence that an Estate exists (i.e. Letters Testamentary, Probate Court Order Appointing a Personal Representative, Executor or Administrator etc.) or (2) one or more of the Resident's heirs or distributees who are the subject of an Affidavit regarding small estates filed pursuant to Arkansas statute (28-41-101). If a Resident is deceased, the Status and Benefit Form should be submitted with proof that an estate exists or with a file marked copy of an Affidavit filed pursuant to A.C.A. Sec. 28-41-101.

To be timely, Claim Status and Benefit Forms must be postmarked by October 16, 2017.

WHAT ARE YOUR OPTIONS?

If you or a family member were a Resident at a Golden Living Nursing Home in Arkansas during the Class Period, you will have the following options:

- file a Status and Benefit Form;
- do nothing, thereby foregoing the possibility of receiving any money or relief pursuant to the Settlement;

- stay in the Settlement Class and file a timely Objection if you disagree with any part of the Settlement, including the request for attorneys' fees or expenses or the class representative payments; or
- exclude yourself from the Settlement Class, which means you will not participate in any of the financial benefits from the Settlement, will not be bound by the releases made or judgment entered in connection with the Settlement, and will not be permitted to object to any part of the Settlement.

The following sections explain the consequences of pursuing each option.

WHAT HAPPENS IF YOU FILE A CLAIM?

If you are a Settlement Class Member and you timely complete and submit a Status and Benefit Form, and if the Status and Benefit Form is approved, you will receive the relief described above once the Settlement has become Final. To be timely, the Status and Benefit Form must be postmarked by October 16, 2017.

Unless you submit a Request for Exclusion as discussed below, you will be prohibited from bringing a lawsuit against Golden Living based on or related to the claims asserted in the lawsuit. A copy of the lawsuit can be obtained by going to www.LambvGGNSC.com.

The Status and Benefit Form provides direction as to how the Form should be filled out.

If you file a Status and Benefit Form, attorneys for the class will act as your Class Settlement representatives while your benefit is processed, at no cost to you. Attorneys for the class will not represent you regarding Estate or Affidavit matters.

You do not need to attend the fairness hearing in order to participate in the settlement.

WHAT HAPPENS IF YOU DO NOT SUBMIT A CLAIM?

Under the terms of the Settlement, if you do not submit a Status and Benefit Form, you will not receive a check. If the Court approves the Settlement, and if you do not submit a Status and Benefit Form, you nevertheless will be bound by the Settlement, including the release of your claims against Golden Living, unless you submit a Request for Exclusion.

HOW DO I FILE AN OBJECTION?

If you disagree with any part of the Settlement, you may file an objection with the Court. You will still be in the settlement, you will remain a Class Member, and will be eligible to receive benefits if the settlement is approved and you timely submit a qualifying Status and Benefit Form. Even if you object, you must return the enclosed Status and Benefit Form to be eligible to receive a cash payment.

If you want to object, you must submit your objection in writing to the Court. Your objection must include:

1. Your name, address, and telephone number;
2. Your signature;
3. The reasons why you object;
4. The case name and number of this lawsuit, which is *Lamb v. GGNSC Arkadelphia, LLC*, CV-2011-121-6;
5. Identify any other cases where you have filed an objection to a proposed class action settlement;
6. If you are represented by a lawyer, the name, address and telephone number of that lawyer; and
7. Whether you intend to appear and argue your objection at the Final Approval Hearing.

You must file your written objection with the Court no later than July 31, 2017 at Circuit Court Clerk of Ouachita County, 145 Jefferson Street SW, Camden, Arkansas. You must also send a copy of your objection to Lead Class Counsel and Lead Defendants' Counsel at:

David Marks
Marks, Balette, Giessel & Young, P.C.
7521 Westview Drive
Houston, TX 77055

A. Bradley Bodamer
Shook Hardy & Bacon LLP
2555 Grand Blvd.
Kansas City, MO 64108

All objections must be received by the attorneys for the parties and by the Court by July 31, 2017 or your objection will not be considered.

HOW DO I EXCLUDE MYSELF FROM THE CLASS?

You can exclude yourself from the Settlement Class, which means you will not participate in any aspect of the Settlement and you may pursue your own claims, if any, at your own expense against Golden Living or the Released Parties. To exclude yourself, you must submit your request to be excluded in writing to:

Lamb v GGNSC Settlement Administrator – 5695
P.O. Box 2599
Faribault, MN 55021-9599

Your request must be signed, include your name, address, and telephone number, and clearly state that you wish to be excluded from the class. Your request must be postmarked by July 31, 2017.

WHEN WILL THE COURT CONDUCT THE FINAL APPROVAL HEARING?

On September 15, 2017, the Court will conduct a public Final Approval hearing in the Circuit Court of Ouachita County, Arkansas, 145 Jefferson Street SW, Camden, Arkansas to determine whether to approve the proposed Settlement, and determine the amount of fees and expenses to be awarded to the attorneys for plaintiffs and the class and payment to the class representatives. Although not anticipated, the Court may postpone the date of the Final Approval hearing. If available, notice of any such postponement will be posted on the settlement website at www.LambvGGNSC.com. Although the hearing will be open to the public, you will not be permitted to speak at the hearing unless you have filed a timely objection as described above and stated your intention in your filed objection that you intend to address the Court.

WHAT IS THE EFFECT OF COURT APPROVAL OF THE SETTLEMENT AND WHAT CLAIMS AGAINST GOLDEN LIVING ARE BEING RELEASED?

If the Court approves the Settlement at the Final Fairness hearing, and you have not filed an objection or excluded yourself from the class as described herein, any claims that you, your heirs, successors and assigns might have against Golden Living will be fully and completely released with respect to any and all claims and damages resulting from or based on the acts or omissions alleged in the Complaint, including without limitation all claims for damages for breach of contract, violation of the Arkansas Deceptive Trade Practices Act or violation of the Residents' Rights Act as alleged in the Complaint. ("Released Claims")

However, the Released Claims do not include individual claims for personal physical bodily injury or wrongful death and resulting medical expenses and pain and suffering that may exist under any other cause of action.

WHO REPRESENTS ME?

The Court has appointed the Plaintiffs as class representatives. Class Counsel are the lawyers for the Class. The class representatives and Class Counsel will act as your representatives for this settlement if you do not exclude yourself from the Class. However, Class Counsel will not represent you regarding Estate or Affidavit matters.

The Court has appointed several law firms to represent you, including:

H. Gregory Campbell
Campbell Law Firm, P.A.
One Information Way, Ste. 110
Little Rock, AR 72202

Brian Reddick
Reddick Moss, PLLC
One Information Way, Ste. 105
Little Rock, AR 72202

Gene Ludwig
Ludwig Law Firm, PLC
1 Three Rivers Drive
Little Rock, AR 72223

David Marks
Marks, Balette, Giessel & Young, P.C.
7521 Westview Drive
Houston, TX 77055

WILL I HAVE TO PAY THE LAWYERS?

No. You will not be responsible for any additional costs or attorneys' fees incurred in this Lawsuit. If the Court approves the proposed settlement, the attorneys for plaintiffs and the class will submit to the Court for approval a request for attorneys' fees not to exceed 40% of the Common Fund to be paid by Golden Living and expenses not to exceed \$4,300,000. The Court will determine the amount of any fees and expenses awarded to class counsel. The amount of money that any individual class member may receive will not depend upon or be reduced by the amount of fees awarded to counsel or the number of Status and Benefit Forms submitted.

HOW MUCH WILL THE INDIVIDUALS WHO PURSUED THIS LAWSUIT ON BEHALF OF THE CLASS RECEIVE IN ADDITION TO THE BENEFITS PROVIDED TO OTHER MEMBERS OF THE CLASS?

The 44 named class representatives will ask the Court to award him or her up to \$5,000.00 as payment for acting as class representative and for his or her effort and time expended in this litigation. The Court will determine the amount of any such incentive award, which will be paid from the Common Fund.

WHERE CAN YOU GET ADDITIONAL INFORMATION?

This notice provides only a summary of matters regarding the lawsuit. The documents, Settlement Agreement, and orders in this case provide greater detail and may clarify matters that are described generally in this notice. Copies of the Settlement Agreement, other documents, court orders, and other information related to the lawsuit may be examined at the settlement website: www.LambvGGNSC.com. Capitalized terms used in this notice have the meanings as defined in the Settlement Agreement. In case of conflict between the Settlement Agreement and this notice, the Settlement Agreement controls.

You may also examine the Settlement Agreement, the court orders and the other papers filed in the Action at the Office of the Clerk of the Circuit Court of Ouachita County, 145 Jefferson Street SW, Camden, Arkansas, during regular business hours. If you wish, you may seek the advice and guidance of your own attorney, at your own expense.

PLEASE DO NOT CONTACT THE COURT OR ATTORNEYS FOR GOLDEN LIVING, OR ANY GOLDEN LIVING REPRESENTATIVE FOR INFORMATION.

Dated: May 17, 2017

By order of the Circuit Court of Ouachita County, Arkansas.
Judge David Guthrie, Circuit Judge