

THIS IS AN IMPORTANT COURT APPROVED NOTICE. READ CAREFULLY.

Si necesita una version de este aviso en Espanol, por favor llame al (800) 523-5773.

Dilcia Crandall, et al. v. Maxim Healthcare Services, Inc., et al.
Orange County Superior Court
Case No. 30-2017-00940239-CU-OE-CXC

If you worked as an hourly paid employee in California and you provided skilled or unskilled care to clients on temporary assignments (herein referred to as “non-exempt external employees”) in Defendant Maxim Healthcare Services, Inc.’s Homecare division at any time from October 24, 2013, through April 30, 2020, or in Defendants Maxim Healthcare Services, Inc.’s or Maxim Healthcare Staffing Services, Inc.’s Staffing divisions in California at any time between June 21, 2016 through April 30, 2020, this notice of settlement of a class and representative action lawsuit may affect your rights.

This is a court-authorized notice. It is not a solicitation from a lawyer.

- You have been identified as a potential Class Member or member of the PAGA Group (described below) in a Lawsuit brought by former employees of Maxim Healthcare Services, Inc.
- The Court has preliminarily approved a class and representative action settlement with Defendants, which covers all non-exempt external employees (as defined above) employed by Defendant Maxim Healthcare Services Inc. in the Homecare division in California at any time between October 24, 2013, through April 30, 2020 (“Homecare Settlement Class”), as well as all non-exempt external employees employed by one or both Defendants in the Homecare and/or Staffing divisions in California at any time between June 21, 2016 through April 30, 2020 (“Wage Statement Settlement Class”).
- The Plaintiffs have also brought a claim for civil penalties under California’s Private Attorneys General Act (“PAGA”) applicable to all non-exempt external employees employed by one or both Defendants in the Homecare and/or Staffing divisions in California at any time between June 21, 2016 through April 30, 2020 (“the PAGA Group”).
- Participating Class Members will receive payments based on the number of weeks each Participating Class Member worked in a covered position during the applicable Class Periods. Members of the PAGA Group will also receive payments based on the number of weeks worked during the PAGA Group Period regardless of whether the individual elects not to become a Participating Class Member.
- You are receiving this Notice because based on Defendants’ records, you are a member of the Homecare Settlement Class and/or the Wage Statement Settlement Class and/or the PAGA Group.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT	
PARTICIPATE IN THE SETTLEMENT – <u>NO ACTION REQUIRED</u>	Stay in this Lawsuit. Receive a payment. Give up certain rights. By doing nothing, you become part of the Class and will collect a settlement award as detailed below. But, you give up certain rights to sue Defendants separately for the legal claims being released through this settlement.
OBJECT TO THE SETTLEMENT	Stay in this Lawsuit. May give up certain rights. If you object to the settlement, you will remain a member of the Class, and if the Court approves the settlement, you will be bound by the terms of the settlement in the same way as Class Members who do not object. Note: You may not object to the PAGA portion of the settlement.
ASK TO BE EXCLUDED	Get out of this Lawsuit. Get no payment from it. Keep rights. If you ask to be excluded from the settlement, you won't receive any payment from the settlement award. But, you keep any rights to sue Defendants separately for the legal claims that are otherwise released through this settlement, except for the PAGA claims. NOTE: If you are a member of the PAGA Group, as defined above, you may not opt out of the PAGA Group. Even if you opt out of the class action settlement, you will remain a member of the PAGA Group but will be excluded from the portion of the settlement relating to claims under the Labor Code. This means that you will receive a check for your allocation of the PAGA portion of the settlement, which will represent a payment for resolving disputed claims for civil penalties that were brought on your behalf, and you will be bound by the PAGA portion of the release whether or not you cash this check before it becomes void.

- **Regardless of the option you choose, you will not be retaliated against for exercising your rights.**
- Your options are explained in this notice. To object to the settlement or to ask to be excluded, you must act before January 3, 2022, which is 60 days after the mailing of this notice.
- **Any questions?** Read on or contact Class Counsel or the Settlement Administrator listed below.

BASIC INFORMATION

1. Why did I get this notice?

Defendants' records show that you currently work or previously worked for one or both Defendants in California in a position covered by one of the Settlement Class definitions. This notice explains that the Court has given preliminary approval to a settlement in a conditionally certified class action lawsuit that may affect you.

The Court has determined only that there is sufficient evidence to suggest that the proposed settlement is fair, adequate, and reasonable. Any final determination of those issues will be made at the final hearing. You have legal rights and options that you may exercise as part of this settlement. Judge James J. Di Cesare of the Superior Court of the State of California, County of Orange, is overseeing this lawsuit. The lawsuit is known as *Dilcia Crandall, et al. v. Maxim Healthcare Services, Inc., et al.*, Case No. 30-2017-00940239-CU-OE-CXC.

2. What is this lawsuit about?

This lawsuit is about whether Defendant Maxim Healthcare Services, Inc., as required by applicable California laws, including California's Unfair Competition Laws and PAGA, paid proper minimum and overtime wages to its non-exempt external Homecare employees, provided non-exempt Homecare external employees proper meal periods and rest periods, reimbursed its non-exempt external Homecare employees for all necessary business expenses, and paid all wages owed upon termination of employment, and whether Defendants Maxim Healthcare Services, Inc. and Maxim Healthcare Staffing Services, Inc. provided proper wage statements as required by applicable California laws to its non-exempt external Homecare and/or Staffing employees in California.

Throughout the litigation, Defendants have denied—and continue to deny—the factual and legal allegations in the case and has maintained that they have valid defenses to the claims. Defendants deny any wrongdoing and assert that their pay practices at all times complied with the law. Defendants further deny that they owe the monies claimed in the lawsuit. However, Defendants have voluntarily agreed to the terms of a negotiated settlement in order to avoid the burden and expense of continued litigation.

3. What is a class action and who is involved?

In a class action lawsuit such as this, people called the “Class Representatives” sue on behalf of other people who may have similar claims. The people together are a “Class” or “Class Members.” The people who are the Class Representatives are also called the Plaintiffs. The company or companies sued are called the Defendants. In class action litigation, one Court resolves the issues for everyone in the Class in one lawsuit, except for those people who choose to exclude themselves from the Class.

4. Why is this Lawsuit a class action?

As part of the settlement, Plaintiffs and Defendants agreed to conditionally certify the Class with respect to all of the claims Plaintiffs alleged against Defendants as a class action, for settlement purposes only and to ask the Court to approve the settlement. The Court has not ruled on the merits of these claims, and the decision to certify the agreed-upon Class for settlement purposes should not be viewed as a prediction or agreement that Plaintiffs or the Class would ultimately prevail on the merits of the action.

5. What are the terms of the proposed Settlement?

The major terms of the settlement are as follows:

1. Defendants have agreed to pay \$5,500,000.00 to settle the claims made in this lawsuit. This amount is also known as the “Total Settlement Amount”.
2. Plaintiffs Dilcia Crandall, Barbara Cohen (formerly Tatum), Elizabeth Fuentes, and Myrna Johnston have agreed to a general release of all of their claims against Defendant.
3. Plaintiffs seek the following deductions from the \$5,500,000.00 Total Settlement Amount:
 - a. Up to one-third (1/3) of the Total Settlement Amount (currently equal to \$1,833,333.33) for Class Counsel's attorneys' fees.
 - b. Up to \$140,000.00 for reimbursement of Class Counsel's litigation costs.

- c. An enhancement award of up to \$15,000.00 (\$60,000 total) to each Plaintiff for filing the Lawsuit, performing work in connection with the Lawsuit, undertaking the risks of filing the Lawsuit, and agreeing to a broader general release of claims.
- d. Up to \$120,000.00 to cover the costs of the court-appointed Settlement Administrator, Phoenix Class Action Administration Solutions.
- e. Payment of \$187,500.00 to the California Labor and Workforce Development Agency for release of Private Attorneys General Act claims.

If the Court approves each of the requested deductions from the Total Settlement Amount, the Parties estimate there will be approximately \$3,096,666.67 remaining before deducting for taxes. The remaining funds will be referred to as the “Net Settlement Amount.” The Net Settlement Amount will be distributed to Class Members who do not request exclusion (the “Participating Class Members”) according to the following formula:

The Net Settlement Amount shall be used to pay Individual Settlement Payments to Participating Class Members in accordance with the terms of this Agreement. The Settlement Administrator will allocate the Individual Settlement Payments to the Participating Class Members in accordance with each Participating Class Member’s pro rata share of workweeks during the period applicable to the Homecare Settlement Class and Wage Statement Settlement Class. Participating Class Members in the Homecare Settlement Class will be allocated 80% of the Net Settlement Amount and 20% of the Net Settlement Amount will be allocated to Participating Class Members of the Wage Statement Settlement Class. Each Participating Class Member’s total workweeks in the Homecare Settlement Class period will be divided by the total workweeks for all Participating Class Members in the Homecare Settlement Class, then multiplied by 80% of the Net Settlement Amount. Each Participating Class Member’s total workweeks in the Wage Statement Settlement Class period will be divided by the total workweeks for all Participating Class Members in the Wage Statement Settlement Class, then multiplied by 20% of the Net Settlement Amount. 100% of the Net Settlement Amount will be distributed to Participating Class Members.

Your estimated Individual Settlement Payment is listed in Section 8 of this Notice. Each Individual Settlement Payment will represent wages and penalties allocated using the following formula: 33% allocated to wages, 67% allocated to interest and penalties.

All members of the PAGA Group will also receive a pro rata share of the \$62,500 payment allocated from the Total Settlement Amount based on the number of workweeks each member of the PAGA Group worked during the PAGA Group Period.

WHO IS IN THE CLASS?

6. Am I part of this Class?

The “Homecare Settlement Class” includes: all non-exempt external employees employed by Defendant Maxim Healthcare Services, Inc. in the Homecare division in California at any time between October 24, 2013 through April 30, 2020 (the “Homecare Settlement Class Period”).

The “Wage Statement Settlement Class” includes: all non-exempt external employees employed by Defendants Maxim Healthcare Services, Inc. or Maxim Healthcare Staffing Services, Inc. in the Homecare and/or Staffing divisions in California at any time between June 21, 2016 through April 30, 2020 (the “Wage Statement Settlement Class Period”).

7. I’m still not sure if I am included.

If you still are not sure whether you are included in the Class, you can get free help by contacting Phoenix Class Action Administration Solutions, the “Settlement Administrator”, at the designated phone number for this matter at (800) 523-5773 or by calling or writing the lawyers representing the Class in this case (“Class Counsel”), at the phone number or address listed in Section 19.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class, or ask to be excluded from the settlement. These options are further explained below, including any dates by which you need to take any actions.

8. What is my approximate Individual Settlement Payment?

According to Defendants' records, you worked _____ work weeks in the Homecare Settlement Class and/or _____ work weeks in the Wage Statement Settlement Class and/or _____ work weeks as a member of the PAGA Group.

Based on information provided above, anticipated court-approved deductions, and preliminary calculations of Qualifying Workweeks, it is estimated your share of the settlement will be \$ _____, less applicable taxes and withholdings.

You do not need to do anything further to receive your Individual Settlement Payment, other than to ensure that the Settlement Administrator has an accurate mailing address for you. It is important that you contact and inform the Settlement Administrator listed in Section 16, below, of any changes to your mailing address for timely payment.

Settlement Payment checks returned as undeliverable and unclaimed and uncashed 180 days after issuance and delivered checks remaining uncashed for more than 180 days after issuance will be void. The funds shall be paid to the State Controller Unclaimed Property Fund in the name of the Class Member for whom the funds are designated.

Disputing Your Payment Amount

If you believe your total weeks worked during the Class Period shown above are not correct, you may send a letter to the Settlement Administrator indicating what you believe is correct. You should also send any documents or other information that supports your belief that the information set forth above is incorrect. The Settlement Administrator will attempt to resolve any dispute based upon Defendants' records and any information you provide. Any disputes not otherwise resolved by the Settlement Administrator will be resolved by the Court. Any such dispute must be mailed to the Settlement Administrator no later than January 3, 2022, which is 60 days after the mailing of this notice.

9. What rights am I releasing if I participate in the Settlement?

Homecare Settlement Class Members will be giving up or "releasing" their claims as follows:

After the Court has approved the Settlement, each Participating Homecare Settlement Class Member ("Releasor") will be bound by the approval and judgment and thereby releases Defendants and all affiliated parties and entities and any other persons acting in concert with Defendants, including any of its past, present, or future parents, associates, owners, stockholders, control persons, boards, board members, affiliates, divisions, subsidiaries, related entities, joint employers, directors, officers, agents and employees, insurers, representatives and lawyers, and each of their respective predecessors, successors, heirs and assigns, and Defendants' employee welfare benefit plans and pension or deferred compensation plans under Section 401 of the Internal Revenue Code of 1954, as amended, and their trustees, administrators and other fiduciaries, and all persons acting by, through, under or in concert with them, or any of them ("Released Parties") from any and all claims and/or causes of action under any state, local or federal law or administrative order that were or could have been pled based on the allegations of the original and amended Complaints and the LWDA notices, whether known or unknown, including but not limited to, any claim for: (1) Failure To Pay Regular Pay/Minimum Wages/Other Legally Required Pay; (2) Failure To Pay Overtime or Other Premium Pay; (3) Failure To Provide Meal Periods or Compensation in Lieu Thereof; (4) Failure to Provide Rest Periods or Compensation in Lieu Thereof; (5) Failure To Reimburse For Necessary Expenditures; (6) Failure to Provide Accurate Itemized Wage Statements; (7) Failure to Maintain Records; (8) Failure to Timely Pay Wages; (9) Unlawful and Deceptive Business Practices in Violation of Business & Professions Code §§ 17200, et seq.; (10) any derivative claims under the Fair Labor Standards Act ("FLSA") or any applicable California Industrial Welfare Commission Wage Order; (11) related common law claims for conversion, other alleged tortious conduct, breach of contract, and misrepresentation; and (12) any other derivative claims under California law including claims for statutory or civil penalties, liquidated damages, punitive damages, interest, attorneys' fees, litigation and other costs, expenses, restitution, and equitable and declaratory relief. "Released Claims for the Homecare Settlement Class" also includes a release of any and all claims covered by the PAGA Release. Regardless of whether any Class Members opt out of the Settlement, they will still be bound by the PAGA Release. The period of the Released Claims for the Homecare Settlement Class will extend up to April 30, 2020.

Wage Statement Settlement Class Members will be giving up or “releasing” their claims as follows:

After the Court has approved the Settlement, each Participating Wage Statement Settlement Class Member (“Releasor”) will be bound by the approval and judgment and thereby releases Defendants and all Released Parties from any and all claims and/or causes of action under any California law or administrative order that were or could have been pled based on the allegations of the original and amended Complaints and the LWDA notices, whether known or unknown, relating to their wage statements including but not limited to, any claim for Failure to Provide Accurate Itemized Wage Statements and Failure to Maintain Records in Violation of Labor Code §§ 226, 247.5, and 1174; and any other derivative claims under California law including claims for statutory or civil penalties, actual damages, punitive damages, interest, attorneys’ fees, litigation and other costs, expenses, and equitable and declaratory relief. The “Released Claims for the Wage Statement Settlement Class” also includes a release of any and all wage statement claims covered by the PAGA Release. The period of the Released Claims for the Wage Statement Settlement Class will extend up to April 30, 2020.

Members of the PAGA Group will be giving up or “releasing” their claims as follows:

After the Court has approved the Settlement, each member of the PAGA Group Participating Wage Statement Settlement Class Member (“Releasor”) “PAGA Release” will be bound by the approval and judgment and thereby releases Defendants and all Released Parties from any and all claims and/or causes of action for civil penalties and other relief available pursuant to PAGA that were or could have been pled based on any and all of the underlying alleged Labor Code violations pled in the original and amended Complaints and the LWDA notices. These alleged violations include, but are not limited to, violations of Labor Code §§ 201, 201.3, 202, 203, 204, 204b, 210, 216, 226, 226.3, 226.7, 247, 247.5, 432, 510, 512, 558, 558.1, 1174, 1182.12, 1194, 1197, 1197.1, 1198, 1198.5, 1454, 2800, and 2802. Regardless of whether any Settlement Class Members opt out of the Settlement, they will still be bound by the PAGA Release if they are members of the PAGA Group. The period of the PAGA Release will extend up to April 30, 2020.

If you are a member of more than one of the classes or groups described above, then all of the applicable releases will apply to you.

10. How do I object to the Settlement?

If you are a Class Member and would like to object to the non-PAGA Class Settlement, you must not submit a request for exclusion (*i.e.*, must not opt out). In order to object, you may mail a written objection to the Settlement Administrator at the address in Section 16 below. The objection must include a written statement of the grounds for objection, be signed by you or your authorized representative, and include all supporting papers. You must mail any written objection to the Settlement Administrator no later than January 3, 2022, which is 60 days after the mailing of this notice. You may appear in person at the Final Fairness and Approval Hearing to present any oral objections even if you do not submit a timely Notice of Objection.

11. Why would I ask to be excluded?

You have the right to exclude yourself from the Class (and the non-PAGA Class Action Settlement). If you exclude yourself from the Class—sometimes called “opting-out” of the Class – you won't get any money or benefits from the non-PAGA Class Action Settlement. However, you may then be able to sue or continue to sue Defendants for your own claims if permitted by law. If you exclude yourself, you will not be legally bound by the Court’s disposition of this lawsuit as to the non-PAGA claims.

12. How do I ask to be excluded from the Class?

If you are a member of the Class described above and would like to exclude yourself from the Class (“opt-out”), you or your authorized representative need to complete the Opt-Out Form included with this notice and send it to the Settlement Administrator at the address provided on the Opt-Out Form and in Section 16 below. The Opt-Out Form must include your full name, signature, and date and must be addressed to the Administrator at Crandall et al. v. Maxim Healthcare Services, Inc. Class and Representative Action Settlement Administrator, c/o Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, postmarked on or before January 3, 2022. Requests for exclusion postmarked after this date may be disregarded.

If you are a member of the PAGA Group, you may not exclude yourself from the PAGA-portion of the Settlement even if you exclude yourself from the Class Action Settlement.

THE LAWYERS REPRESENTING YOU

13. Do I have a lawyer in this case?

The Court decided that Aegis Law Firm, PC; Cohelan Khoury & Singer APC; and the Law Offices of Thomas D. Rutledge are qualified to represent you and all Class Members. The law firms are called “Class Counsel” in the context of this case. The law firms’ attorneys are experienced in handling similar cases against other employers. More information about this law firm, their practice, and their lawyers’ experience is available at www.aegislawfirm.com, <https://ckslaw.com/>, and <https://thomasrutledgelaw.com/>.

14. How will the lawyers be paid?

As part of the Settlement with Defendants, Class Counsel has requested one-third of the Total Settlement Amount (currently equal to \$1,833,333.33) in attorneys’ fees, plus costs not to exceed \$140,000, to be paid from the Total Settlement Amount to compensate Class Counsel for their work on this matter. You will not have to pay Class Counsel’s fees and costs from your Individual Settlement Payment.

15. How will the Plaintiff be paid?

As part of the Settlement with Defendants, Class Counsel has requested an enhancement payment of up to \$15,000.00 each, totaling \$60,000, to be paid to each Plaintiff for their efforts in this matter during initial investigation, discovery, mediation and the like, while serving as Class Representatives and taking on the burden and risks of litigation.

THE SETTLEMENT, APPROVAL, AND PAYMENT PROCESS

16. Who is handling the Settlement Administration process?

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773

17. When is the Final Fairness and Approval Hearing and do I have to attend?

The Final Fairness and Approval Hearing has been set for February 25, 2022, at 9:30 a.m. in Department C16 of the Orange County Superior Court for the State of California, located at 700 Civic Center Drive West, Santa Ana, California 92701. You do not need to attend the hearing to be a part of the Settlement. However, if you wish to object to the Settlement, you may appear at the hearing. Please note that the hearing may be continued without further notice to the Class.

If you appear at the hearing, you must review the Court’s website regarding social distancing and/or remote appearance requirements. Please visit <https://www.occourts.org> for the most current information regarding Civil operations and appearances in department, C16.

18. When will I get money after the hearing?

The Court will hold a hearing on February 25, 2022, to decide whether to approve the settlement. If the Court approves the settlement, after that there may be appeals if anyone objects. It is always uncertain when these objections and appeals can be resolved, and resolving them can take time. To check on the progress of the settlement, contact the Settlement Administrator or Class Counsel at the phone number or address listed in Section 19.

If the Court approves the settlement and if you do not opt out, your individual payment set forth in Section 8 above is expected to be distributed after Defendants make payment to the Settlement Administrator. If there are no objections or appeals, Defendants will transfer the Total Settlement Amount to the Settlement Administrator no later than eighty (80) calendar days after the Court’s approval. Within fifteen (15) business days of the Settlement Administrator receiving the Total Settlement Amount from Defendants, the Settlement Administrator will make Individual Settlement Payments to the Class Members.

GETTING MORE INFORMATION

19. Are more details available?

This Notice only summarizes the lawsuit, the Settlement, and related matters. For more information, you may inspect the Court files at the Orange County Superior Court, 700 Civic Center Drive West, Santa Ana, California 92701, from 8:00 a.m. to 4:00 p.m., Monday through Friday or you can view the case records online at the court's website: <https://ocapps.occourts.org/civilwebShoppingNS/Search.do>. Click "Accept Terms". Follow the instructions for submitting the Case Number: 00940239, the Year Filed: 2017. Then click "search" to view the case record.

You may also obtain documents and updates regarding the final approval hearing date online at <http://www.phoenixclassaction.com/>.

Any questions regarding this Class Notice or the Lawsuit may be directed to the Settlement Administrator at the below address and telephone number. Alternatively, you may contact your own attorney, at your own expense, to advise you, or you may contact Class Counsel at the address, telephone number or email address set forth below. If your address changes, or is different from the address on the envelope enclosing this Notice, please promptly notify the Settlement Administrator.

Settlement Administrator:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, CA 92863
Telephone: (800) 523-5773

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**PLEASE DO NOT CALL OR WRITE TO THE JUDGE OR TO THE COURT, OR TO ANY OF
DEFENDANTS' MANAGERS, SUPERVISORS, OR DEFENDANTS' ATTORNEYS WITH
QUESTIONS.**