

**NOTICE OF PROPOSED CLASS ACTION SETTLEMENT
AND FINAL APPROVAL HEARING**

Jones et al. v. Westways Staffing Services, Inc. et al. (Case No. 19STCV43097)

**YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR
DO NOT ACT. PLEASE READ THIS CLASS NOTICE CAREFULLY.**

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
Do Nothing and Receive a Payment	To receive a cash payment from the Settlement, you do not have to do anything. Your estimated Settlement Share is: \$<< __ >>. See the explanation below. After final approval by the Court, the payment will be mailed to you at the same address as this Class Notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendants as detailed below.
Exclude Yourself	To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will receive no money from the Settlement, except as noted in Section 7 below. Instructions are set forth below.
Object	Write to the Court about why you object to the Settlement. Directions are provided below.

1. Why did I get this Class Notice?

A proposed class action settlement (the “Settlement”) of the above-captioned action (the “Lawsuit”) pending in the California Superior Court for the County of Los Angeles (the “Court”) has been reached between Plaintiffs Tamara Jones and Bruntina Marcelus (“Plaintiffs”), on the one hand, and Defendants Westways Staffing Services, Inc. and Harold Sterling (“Defendants”), on the other hand, and has been preliminarily approved by the Court. **You may be entitled to receive money from this Settlement. The Court has not made a determination about any of the contentions of the parties. This Class Notice is not to be understood as an expression of any opinion by the Court as to the merits of the claims or defenses asserted by either side.**

You have received this Class Notice because you have been identified as a member of the Class, which is defined as:

All non-exempt employees working for Defendant Westways Staffing Services, Inc. who were assigned to work at any healthcare facility inside California at any time from December 3, 2015, through September 4, 2021 (the “Class Period”).

This Class Notice explains the Lawsuit, the Settlement, and your legal rights. It is important that you read this Class Notice carefully as your rights may be affected by the Settlement.

2. What is this class action lawsuit about?

The Lawsuit is brought by Plaintiffs who are individuals formerly employed by Defendants as healthcare professionals to work one or more assignments in California. This Lawsuit is against Defendants.

In the Lawsuit, Plaintiffs allege that Defendants violated California law in several ways. Specifically, the Lawsuit includes claims for (1) failure to reimburse for business expenses; (2) unauthorized deductions from wages; (3) failure to pay for all hours worked; (4) failure to pay overtime; (5) failure to pay minimum wage; (6) failure to authorize and/or permit meal breaks; (7) failure to authorize and/or permit rest breaks; (8) failure to pay all wages timely upon separation of employment; (9) unfair business practices; and (10) violation of the Private Attorneys General Act of 2004 (“PAGA”). Defendants deny, and continue to deny, all claims asserted by Plaintiffs and contends that they fully complied with the California Labor Code and all other applicable state and federal laws and regulations.

Following mediation on July 6, 2021, the Parties reached a settlement in order to avoid the risk, inconvenience and expense of further litigation. Plaintiffs and Class Counsel believe the proposed Settlement is fair, adequate and in the best interest of the Class Members given the outcome of their investigation, the consumption of time and resources required in connection with further litigation, and the uncertainty in the law governing some of the claims presented. Defendants enter into this Settlement for the sole purpose of avoiding the operational burden, expense and uncertainty of continuing litigation.

The Court granted preliminary approval of the Settlement on July 8, 2022. At that time, the Court also preliminarily approved the Plaintiffs to serve as the Class Representatives, and the law firm of Shakouri Law Firm to serve as Class Counsel.

3. What are the terms of the Settlement?

Gross Settlement Amount. Defendants have agreed to pay Three Million Seven Hundred Forty Thousand One Hundred Sixteen Dollars (\$3,740,116.00) (the “Gross Settlement Amount”) to fund the Settlement of the Lawsuit. The Gross Settlement Amount includes all payments of Settlement Shares to the Class contemplated by the Settlement, Attorneys’ Fees, Attorneys’ Expenses, Settlement Administration Costs, the Service Award to the Plaintiffs, and the PAGA Payment, but excludes the employer’s share of payroll taxes, which shall remain the sole responsibility of Defendants. The entirety of the Gross Settlement Amount will be disbursed, with no reversion to Defendants.

Amounts to be Paid from the Gross Settlement Amount. The Court has tentatively approved certain payments to be made from the Gross Settlement Amount as follows, which will be subject to final approval by the Court, and which will be deducted from the Gross Settlement Amount before Settlement Shares are made to Class Members who do not request exclusion (“Participating Class Members”):

- **Settlement Administration Costs.** Payment to the Settlement Administrator, estimated not to exceed \$30,000, for expenses, including expenses of notifying the Class of the Settlement, processing opt-outs, and distributing Settlement Shares and tax forms.
- **Attorneys’ Fees and Attorneys’ Expenses.** Payment to Class Counsel of reasonable attorneys’ fees not to exceed \$1,246,581 (33.33% of the Gross Settlement Amount), and an additional amount to reimburse actual litigation expenses not to exceed \$25,000.00. Class Counsel has been prosecuting the Lawsuit on behalf of Plaintiffs and the Class on a contingency fee basis (that is, without being paid any money to date) and has been paying all litigation costs and expenses.
- **Service Awards.** Service Awards not to exceed Ten Thousand Dollars (\$10,000.00) to Plaintiff Jones and not to exceed Seven Thousand Five Hundred Dollars (\$7,500.00) to Plaintiff Marcelus, or such lesser amount as may be approved by the Court, to compensate them for their services on behalf of the Class in initiating and prosecuting the Lawsuit, and for the risks they undertook.
- **PAGA Payment.** A payment of \$75,000.00, which shall be allocated \$56,250.00 to the State of California’s Labor and Workforce Development Agency (“LWDA”) and \$18,750.00 for distribution to PAGA Members as part of the Net PAGA Amount.

Calculation of Payments to Participating Class Members. After all of the payments of the court-approved Attorneys’ Fees, Attorneys’ Expenses, Service Awards, the PAGA Payment, and the Settlement Administration Costs are deducted from the Gross Settlement Amount, the remaining portion, the “Net Settlement Amount” shall be distributed to Class Members who do **not** request exclusion (“Participating Class Members”). The Net Settlement Amount shall be paid as follows:

Calculation for Class Members. From the Net Settlement Amount, the Settlement Share for each Participating Class Member in the Class will be calculated by (a) dividing this amount by the total number of workdays worked by all Participating Class Members in the Class during the Class Period to determine a dollar amount per workday (“Workday Payment”), and (b) multiplying the total number of workdays worked by each Participating Class Member in the Class during the Class Period by the Workday Payment.

Calculation of PAGA Penalties Payments to PAGA Members. The Net PAGA Amount shall be distributed to PAGA Members **irrespective of whether they exclude themselves or opt-out.** The Net PAGA Amount will be divided by the total number of workdays worked by all PAGA Members and then taking that number and multiplying it by the number of workdays worked by each respective PAGA Member. “PAGA Members” means all non-exempt employees working for Defendant Westways Staffing Services, Inc. in California at any time from July 12, 2020 through September 4, 2021 (the “PAGA Period”).

If the Settlement is approved by the Court and you do not opt out, you will automatically be mailed a check for your Settlement Share to the same address as this Class Notice. You do not have to do anything to receive a payment. If your address has changed, you must contact the Settlement Administrator to inform them of your correct address to ensure you receive your payment.

Tax Matters. Twenty percent (20%) of each Participating Class Member's Settlement Share is in settlement of wage claims, which is subject to wage withholdings, and shall be reported on IRS Form W-2. Fifteen percent (15%) of each Participating Class Member's Settlement Share shall be treated as reimbursement of business expenses and Sixty-Five percent (65%) of each Participating Class Member's Settlement Share shall be treated as interest and penalties, which is not subject to wage withholdings, and shall be reported on IRS Form 1099.

Participating Class Members shall be responsible for paying any taxes owing on their Settlement Shares. Plaintiffs, Defendants, and their respective counsel do not intend anything contained in this Settlement to constitute advice regarding taxes or taxability. You may wish to consult a tax advisor concerning the tax consequences of the payments received under the Settlement.

Conditions of Settlement. This Settlement is conditioned upon the Court entering an order granting final approval of the Settlement.

4. What Do I Release Under the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows:** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

If you do not timely and formally exclude yourself from the Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendants about the legal issues resolved by this Settlement. It also means that all of the Court's orders in the Lawsuit will apply to you and legally bind you.

Released Parties means Defendants and Defendant Westways Staffing Services, Inc.'s former, present and future owners, parents, subsidiaries, and all of its current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, clients, successors, assigns, accountants, insurers, or legal representatives.

Class Claims. Upon the Effective Date and funding in full of the Gross Settlement Amount by Defendants, any person who is a Participating Class Member who does not opt-out shall be deemed to have fully and finally released all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind of nature against all Released Parties that were alleged or that could have been alleged based on the facts asserted in in the operative Complaint that occurred during the Class Period, including, all claims for failure to reimburse business expenses, unauthorized deductions from wages, failure to pay for all hours worked, failure to pay overtime, failure to pay minimum wage, failure to authorize and/or permit meal breaks, failure to authorize and/or permit rest breaks, waiting time penalties, unfair business practices, the Private Attorneys General Act of 2004, Labor Code sections 2802, 221, 223, 200, 226, 500, 1197, 1198, 510, 1194, 226.7, 512, 201, 202, 203, 2699 et seq., and the applicable Wage Orders, and Business & Professions Code section 17200. The release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and claims outside of the Class Period ("Released Class Claims").

PAGA Claims: Upon the Effective Date and funding in full of the Gross Settlement Amount by Defendants, all PAGA Members shall release all Released Parties from all Released PAGA Claims, irrespective of whether they opted-out of the class settlement, and will be bound by this PAGA Release (the "PAGA Release"). "Released PAGA Claims" are defined as the claims asserted by PAGA Members for alleged violations of the California Labor Code and IWC Wage Order provisions identified in the PAGA Notice sent to the LWDA by Plaintiff Marcelus and further identified in the operative Complaint that are alleged to have occurred during the PAGA Period ("Released PAGA Claims").

5. How much will my payment be?

Defendants' records reflect that you worked << ____ >> days during the Class Period as a non-exempt employee for Defendants. Your estimated Settlement Share as a Class Member is << _____ >>.

If you wish to challenge the information set forth above, then you must submit a written, signed dispute challenging the information along with supporting documents, to the Settlement Administrator at the address provided in this Notice no later than **October 3, 2022**.

6. How can I get a payment?

To get money from the Settlement, you do not have to do anything. A check for your Settlement Share will be mailed automatically to the same address as this Class Notice. If your address is incorrect or has changed, you must notify the Settlement Administrator. The Settlement Administrator is: Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, Telephone: (800) 523-5773.

The Court will hold a hearing on December 7, 2022 to decide whether to finally approve the Settlement. If the Court finally approves the Settlement and there are no appeals, payments will be mailed within approximately two months after this hearing. If there are appeals, resolving them can take time, perhaps more than a year. Please be patient.

7. What if I don't want to be a part of the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself from the Settlement or "opt out." **If you opt out, you will receive NO money from the Settlement, and you will not be bound by its terms, except as provided as follows:** Irrespective of whether you exclude yourself from the Settlement or "opt out," you will be bound by the PAGA Release, you will be deemed to have released the Released PAGA Claims, and you will receive a share of the Net PAGA Amount.

To opt out, you must submit to the Settlement Administrator, by First Class Mail, a written, signed and dated request to opt-out postmarked no later than **October 3, 2022**. The request to opt-out may state in substance: "I have read the Class Notice and I wish to opt-out of the class action and settlement of the case *Jones v. Westways Staffing Services, Inc. (Case No. 19STCV43097)*" or a response in another verifiable format advising the Settlement Administrator that you elect not to participate in the Settlement. The request to opt-out must contain your name, address, and signature. To be valid, the request to opt-out must be completed by you and must be timely mailed to the Settlement Administrator. No other person may opt-out for a living Class Member. Anyone who submits a timely and valid request to opt out shall not be deemed a Class Member and will not receive any payment as part of this Settlement except as provided above.

The address for the Settlement Administrator is P.O. Box 7208, Orange, CA 92863. Written requests for exclusion that are postmarked after **October 3, 2022**, or are incomplete or unsigned will be rejected, and those Class Members will remain bound by the Settlement and the release described above.

8. How do I tell the Court that I don't like the Settlement?

Any Class Member who has not opted out and believes that the Settlement should not be finally approved by the Court for any reason may object to the Settlement. Objections may be in writing and state your (the Class Member's) name, current address, telephone number, and describe why you object to the Settlement and whether you intend to appear at the final approval hearing. All objections or other correspondence must also state the name and number of the case, which is *Jones v. Westways Staffing Services, Inc. (Case No. 19STCV43097)*. **In addition, as fully set forth in Paragraph 9 below, Class Members may appear in person or through an attorney, if they so desire, at the final approval hearing to make their objection orally.**

Any written objections must be postmarked and mailed to the Settlement Administrator no later than October 3, 2022. The address for the Settlement Administrator is P.O. Box 7208, Orange, CA 92863.

To object to the Settlement, you must not opt out, and if the Court approves the Settlement despite your objection, you will be bound by the terms of the Settlement in the same way as Class Members who do not object.

The addresses for Parties' counsel are as follows:

Class Counsel:
Ashkan Shakouri
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11601 Wilshire Blvd., Fifth Floor
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9. When and where will the Court decide whether to approve the Settlement?

The Court will hold a Final Approval Hearing at 10:00 a.m. on December 7, 2022, at the Superior Court of the State of California for the County of Los Angeles, located at 312 N. Spring Street, Los Angeles, California 90012, in Department 9. At this hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. The purpose of this hearing is for the Court to determine whether to grant final approval of the Settlement. If there are objections, the Court will consider them. The Court will listen to Class Members who ask to speak regarding their objections at the Final Approval Hearing, regardless of whether they have made a timely written request to speak at the hearing. This hearing may be rescheduled by the Court without further notice to you.

You are not required to attend the Final Approval Hearing, although any Class Member is welcome to attend the Final Approval Hearing to listen to the proceedings or to object to the Settlement. You may remotely appear

at the Final Approval Hearing by using the Court Connect procedure at <https://www.lacourt.org/lacc/>. You may also attend the Final Approval Hearing in person, but under the Los Angeles County Superior Court's June 28, 2021 General Order, you must adhere to the following rules when accessing the courthouse:

- All persons, regardless of vaccination status, must wear a face mask over both the nose and mouth while in public areas of the courthouse, including courtrooms. Children under the age of two (2) are exempt from the Order. Court employees must wear face masks that meet the Cal/OSHA requirements.
- Individuals with a physical or mental health impairment or disability who seek an exemption from the face mask requirement must contact the ADA liaison at the courthouse prior to their appearance to request a reasonable accommodation pursuant to the Americans with Disabilities Act or Rule 1.100 of the California Rules of Court. A list of ADA liaisons is available at www.lacourt.org/ada/adahome.aspx.
- Individuals who decline or refuse to wear a face mask without a court order exempting them from the mask requirement will be denied entry to the courthouse and/or courtroom.
- Individuals who remove their face masks after entering the courthouse or courtroom will be reminded to wear them. If they refuse, they may be denied services, may have their legal matters rescheduled, and/or will be asked to leave the courthouse or courtroom immediately. Persons who refuse to leave voluntarily will be escorted out of the courthouse and/or courtroom by Los Angeles County Sheriff's Department personnel.
- While snack bars and cafeterias will reopen, over the next few weeks, eating or drinking is prohibited in courthouse hallways.

Moreover, under the Los Angeles Superior Court's July 30, 2021 News Release, "anyone experiencing symptoms, who has been exposed to COVID-19, or tested positive for SARS-CoV-2, should not enter any courthouses. If you have tested positive or are experiencing symptoms, promptly call the courtroom and other parties to continue the hearing or trial."

Due to evolving nature of the pandemic, you should check for the latest updates on accessing the courthouse by viewing the Court's website at <https://www.lacourt.org/newsmedia/notices/newsrelease>.

10. How do I get more information about the Settlement?

This Class Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You may receive a copy of the Settlement Agreement, the Final Judgment or other Settlement documents by going to the Administrator's website at www.phoenixclassaction.com/Jones-v-WestwaysStaffing or by contacting the Settlement Administrator or Class Counsel. You may also get more details by examining the Court's file using the court's website at <http://www.lacourt.org/> and entering the Case No. *19STCV43097* in the website's case access page, or by going to the Clerk's Office located at 312 N. Spring Street, Los Angeles, California 90012 during regular business hours.

PLEASE DO NOT CALL THE COURT ABOUT THIS CLASS NOTICE.

IMPORTANT:

- You must inform the Settlement Administrator of any change of address to ensure receipt of your settlement payment.
- Settlement checks will be null and void 180 days after issuance if not deposited or cashed. If the Settlement Share check of a Participating Class Member remains uncashed by the expiration of the 180 day period, the uncashed funds shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code section 1500, *et seq.* for the benefit of those Participating Class Members who did not cash their Settlement Share checks until such time that they claim their property and who will remain bound by the Settlement.
- If your check is lost or misplaced, you should contact the Settlement Administrator immediately to request a replacement.