COURT APPROVED NOTICE OF CLASS AND COLLECTIVE SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Clarke, et al. v. AMN Services, LLC, Los Angeles Superior Court Case No. BC619695

The Superior Court for the State of California authorized this Notice. Read it carefully! It is not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

ATTN: <<EmployeeName>>

<u>California Class Members</u>: All non-exempt hourly employees employed by AMN Services, LLC in California from September 11, 2013 through October 12, 2017 who worked overtime during one or more pay periods from September 11, 2013 through October 12, 2017 pursuant to a Professional Services Agreement that provided for per diem adjustments based on the number of hours and/or shifts missed and had the value of per diem benefits excluded from their regular rate for purposes of calculating overtime <u>and did not previously opt-out of the class</u>.

<u>FLSA Collective Members</u>: All non-exempt hourly employees employed by AMN Services, LLC in California at any time since September 13, 2013 or outside California at any time since December 15, 2013 whose employment was governed by a Professional Services Agreement that provided for per diem adjustments based on the number of hours and/or shifts missed and had the value of per diem benefits excluded from their regular rate for purposes of calculating overtime and previously returned a consent to join form (i.e., opted into) the collective.

You may be entitled to receive money from a class and collective action lawsuit ("Action") against AMN Services, LLC, ("AMN"). The Action is brought by former employees Verna Maxwell Clarke, Laura Wittmann, and Kasie Fatig ("Plaintiffs") and seeks payment of (1) unpaid overtime under California law for the California Class Members, (2) penalties under the California Private Attorney General Act ("PAGA") for those California Class Members who worked for AMN in California between May 6, 2015 and January 2, 2024 ("Aggrieved Employees"), and (3) unpaid overtime under federal law for the FLSA Collective.

The proposed Settlement has three parts: (1) Individual Class Payments to California Class Members, (2) Individual PAGA Payments to Class Members who qualify as Aggrieved Employees, and (3) Individual Collective Payments to FLSA Collective Members.

Based on the Parties' records, you are a <<strClassMember>>. According to AMN's records, your Individual Class Payment is estimated to be <<CA_Amount>> (less withholdings), Individual PAGA Payment is estimated to be <<PAGA_Amount>>, and your Individual Collective Payment is estimated to be <<FLSA_Amount>> (less withholdings). The actual amount received may be different.

The above estimates are based on AMN's records showing that **you worked <<CA_OT_DT_Hours>> overtime hours** in California as a California Class Member during the Class Release Period (September 13, 2013 through January 24, 2021), **you worked <<PAGA_Workweeks>> workweeks** in California as an Aggrieved Employee during the PAGA Release Period (May 6, 2015 through January 2, 2024), and **you worked <<FLSA_OT_DT_Hours>> FLSA Overtime Hours** (hours over 40 per week) as a FLSA Collective Member during the FLSA Release Period (July 2, 2016 through January 24, 2021). If any of the above numbers are incorrect, you can submit a challenge by the deadline date. See **Section 8** of this Notice.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING AND RECEIVE A PAYMENT	If you do nothing, you will be eligible for a payment under the Settlement. In exchange, you will give up your right to assert the claims against AMN that are covered by the Settlement.
OBJECT TO THE SETTLEMENT	All California Class Members and FLSA Collective Members can object to any aspect of the proposed Settlement. If you believe any part of the Settlement is unreasonable or unfair, including the amounts allocated to Class Counsel and Plaintiffs, you can
Written Objections Must be Submitted by: March 26, 2024	submit an objection, advising the Court why you oppose the Settlement. See Section 12 of this Notice.
PARTICIPATE IN THE JUNE 6, 2024 FINAL APPROVAL HEARING	You do not have to attend the Final Approval Hearing, but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost) in person, by telephone or by using the Court's virtual appearance platform. Members of the California Class and FLSA Collective can verbally object to the Settlement at the Final Approval Hearing. See Section 13 of this Notice.
CHALLENGE YOUR OVERTIME HOURS/WORKWEEKS Written Challenges Must be Submitted by: March 26, 2024	The amount of your estimated payment is based on the amount of overtime hours and/or workweeks you are credited with working as a California Class Member, Aggrieved Employee, and/or FLSA Collective Member. The overtime hours and/or workweeks you have been credited with working are listed on page 1 of this Notice and in Section 7 below. If you disagree with the number[s] listed for you, you must submit a challenge by March 26, 2024. See Section 8 of this Notice.

AMN will not retaliate against you for any actions you take with respect to the proposed Settlement.

1. WHY AM I RECEIVING THIS NOTICE?

You are receiving this notice because records identify you as a **<<strClassMember>>**, as those terms are described on the first page of this Notice.

The purpose of this Notice is to explain the lawsuit, the Settlement, your legal rights, what benefits are available, who is eligible for them, and how they will be distributed.

The Court currently in charge of the Action is the Los Angeles Superior Court. The Action is known as *Clarke, et al. v. AMN Services, Inc.*, Case No. BC619695, and is assigned to the Honorable David S. Cunningham, Superior Court Judge.

On January 2, 2024, the Court entered an order granting preliminary approval of a proposed Settlement and directing that this Notice be sent to current class and collective members because they have a right to know about the proposed Settlement, and about all their options, before the Court decides whether to grant final approval of the proposed Settlement.

2. WHAT IS THE LAWSUIT ABOUT?

The Action alleges that AMN underpaid its non-exempt employees overtime in violation of both California state law and federal law by excluding the value of weekly meal, incidental, and housing benefits from the calculation of overtime pay rates. The Action alleges that AMN was required to include the value of these benefits in calculating overtime rates of pay. The Action seeks to recover unpaid overtime, liquidated damages, and penalties under both California and federal law. AMN disputes all claims asserted in the Action and maintains that it properly paid its employees.

3. WHO ARE THE ATTORNEYS FOR THE PARTIES?

Counsel for the Class/Collective ("Class Counsel")

Hayes Pawlenko LLP Matthew B. Hayes Kye D. Pawlenko 1414 Fair Oaks Ave., Unit 2B

South Pasadena, CA 91030

Tel: 626.808.4357

Counsel for AMN
Akerman LLP
Sarah Kroll-Rosenbaum

Sarah Kroll-Rosenbaum Anthony D. Sbardellati

601 West Fifth Street, Suite 300

Los Angeles, CA 90071 Tel: 213.688.9500

4. WHY IS THERE A SETTLEMENT?

Plaintiffs have agreed to the proposed Settlement because they believe that it will provide prompt, certain, and substantial benefits to the class and collective. These benefits were compared with the risk of a significantly smaller recovery, or potentially no recovery, following a contested trial and appeal, which could take years to resolve. AMN, which vigorously denies all allegations of wrongdoing or liability whatsoever, has agreed to the proposed Settlement to eliminate the burden, expense, uncertainty, and distraction of further litigation.

5. WHAT IS THE SETTLEMENT AMOUNT?

The proposed Settlement provides for a gross payment by AMN of \$59,990,000 (referred to as the "Gross Settlement Fund"). Class Counsel will apply to the Court for attorneys' fee of not more than one third (1/3) of the Gross Settlement Fund (\$19,996,666) and for reimbursement of litigation costs of no more than \$200,000. Class Counsel will also apply for a class representative service award of no more than \$10,000 each to Verna Maxwell Clarke and Laura Wittmann and \$5,000 to Kasie Fatig for their work and efforts prosecuting this case. Settlement administration costs not to exceed \$60,000 and a payment of \$2,382,500 in civil penalties ("PAGA Penalties") will also be deducted from the Gross Settlement Fund. The exact amount of attorneys' fees, litigation costs, class representative service award, and settlement administration costs to be deducted from the Gross Settlement Fund will be determined by the Court at the Final Approval Hearing.

The remaining portion of the Gross Settlement Fund – the "Settlement Pool" – is currently estimated to be approximately \$37,325,834. The Settlement Pool will be apportioned and paid out to members of the California Class and FLSA Collective. You are not required to do anything to receive a payment from the Settlement Pool.

6. HOW WILL THE INDIVIDUAL SETTLEMENT PAYMENTS BE CALCULATED?

The Settlement Pool will be divided into a California Class Fund consisting of 98% the Settlement Pool (estimated to be approximately \$36,579,317.32) and a FLSA Collective Fund consisting of 2% of the Settlement Pool (estimated to be approximately \$746,516.68).

The California Class Fund will be allocated pro rata among California Class Members based on the number of overtime hours worked in California ("California Overtime Hours") from September 11, 2013 through January 24, 2021 ("California Class Release Period"). The California Class Fund will first be divided by the aggregate number of California Overtime Hours worked during the California Class Release Period by the entire California Class to determine the monetary value of each California Overtime Hour. Each California Class member's share of the California Class Fund will then be calculated by multiplying that individual's number of California Overtime Hours by the monetary value of each California Overtime Hour.

The FLSA Collective Fund will be allocated pro rata among FLSA Collective Members based on the number of FLSA Overtime Hours (hours over 40 per week) each member worked in the United States from July 2, 2016 through January 24, 2021 ("FLSA Collective Release Period"). The FLSA Collective Fund will first be divided by the aggregate number of FLSA Overtime Hours worked by the entire FLSA Collective during the FLSA Collective Release Period to determine the monetary value of each FLSA Overtime Hour. Each FLSA Collective member's share of the FLSA Collective Fund will then be calculated by multiplying that individual's total number of FLSA Overtime Hours by the monetary value of each FLSA Overtime Hour.

With respect to the \$2,382,500 in PAGA Penalties, seventy five percent (75%) of this amount (\$1,786,875) will be paid to

the California Labor & Workforce Development Agency and the remaining twenty five percent (25%) of this amount (\$595,625) ("Aggrieved Employee Fund") will be distributed to those members of the California Class who qualify as Aggrieved Employees because they worked in California from May 6, 2015 through January 2, 2024 ("PAGA Release Period"). The Aggrieved Employee Fund will be divided pro rata among the Aggrieved Employees based on the number of workweeks worked in California ("PAGA Workweeks") within the PAGA Release Period. The Aggrieved Employee Fund will first be divided by the aggregate number of PAGA Workweeks worked by all Aggrieved Employees during the PAGA Release Period to determine the monetary value of each PAGA Workweek. Each Aggrieved Employee's share of the Aggrieved Employee Fund will then be calculated by multiplying that individual's total number of PAGA Workweeks by the monetary value of each PAGA Workweek.

7. HOW MUCH WILL MY PAYMENT BE?

The total amount of your settlement payment is estimated to be **<<TotalAmount>>**. That amount is based on your membership in the **<<strClassMember>>** and AMN's records showing that you worked:

<< CA OT DT Hours>> California Overtime Hours from September 11, 2013 through January 24, 2021.

<< PAGA Workweeks>> PAGA Workweeks from May 6, 2015 through January 2, 2024; and/or

<< FLSA OT DT Hours>> FLSA Overtime Hours from July 2, 2016 through January 24, 2021.

8. WHAT SHOULD I DO IF MY OVERTIME HOURS OR WORKWEEKS ARE INCORRECT?

If you believe the amount of the California Overtime Hours, PAGA Workweeks, and/or FLSA Overtime Hours stated above is incorrect, you have until March 26, 2024 to submit a challenge to the Settlement Administrator, CPT Group, Inc. To submit a challenge, you must send a letter to the Settlement Administrator stating what you believe to be the correct number of California Overtime Hours, PAGA Workweeks, and/or FLSA Overtime Hours and include any documents or other information that supports your assertion. You should send copies rather than originals because the documents will not be returned to you. The Settlement Administrator will resolve the challenge based on your submission and input from Class Counsel and AMN's Counsel. The Settlement Administrator's decision is final. You cannot appeal or otherwise challenge its final decision. Your letter must be postmarked on or before March 26, 2024 and sent to the following address:

Clarke, et al. v. AMN Services, LLC c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 Fax: 1-949-419-3446

9. DO I HAVE TO TAKE ANY ACTION TO RECEIVE A PAYMENT?

No. To receive your settlement payment, you do not need to do anything. You will receive a payment because you are an identified member of the California Class and/or FLSA Collective. However, it is your responsibility to keep the Settlement Administrator informed of any change in your address. Your settlement payment will be mailed to the last known address the Settlement Administrator has on file for you. Settlement checks should be deposited soon after receipt. Checks uncashed after 180 days will be voided and the funds sent to the State of California Controller's Office of Unclaimed Funds in the name of the class and/or collective member.

10. WHEN WILL I GET MY PAYMENT?

Settlement payments will be distributed only if the Court approves the proposed settlement. The Court will hold a final approval hearing on June 6, 2024 at 9:00 a.m. to decide whether to finally approve the proposed Settlement. If the Court grants final approval and there is no appeal of that order, Settlement payments will be distributed approximately three months after the Court enters a judgment approving the Settlement. If there is an appeal of the Court's judgment granting final approval, however, the approval process will take additional time to resolve and could last for more than a year.

11. WHAT CLAIMS AM I RELEASING?

If the proposed Settlement is finally approved by the Court, members of the California Class and/or FLSA Collective will release the following claims upon AMN's funding of the Gross Settlement Fund:

California Class Release: All California Class Members will release, throughout the California Class Release Period (September 11, 2013 through January 24, 2021), AMN and any parent, subsidiary, affiliate, predecessor or successor thereof, including but not limited to all agents, employees, officers, directors, attorneys, and healthcare facility clients thereof (collectively, "Released Parties") from all "Class Released Claims," defined as: any and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action, contingent or accrued, which relate to the wage and hour and California Labor Code claims alleged in the operative complaint or relate to other claims that could have been alleged based on the facts asserted in the operative complaint, including but not limited to regular and overtime rate calculations, waiting time penalties, minimum wages, timely payment of wages, wage statements, reimbursements, unlawful deductions from wages, and derivative or related claims, including but not limited to claims for restitution and other equitable relief, liquidated damages, punitive damages, or penalties of any nature whatsoever.

Additional Release by Class Members Who Qualify as Aggrieved Employees: All California Class Members who qualify as Aggrieved Employees shall additionally release, throughout the PAGA Release Period, the Released Parties for all claims for civil penalties under the California Private Attorney General Act (Cal. Labor Code § 2698 et seq.) which relate to the wage and hour and California Labor Code claims alleged in the operative complaint and Plaintiffs' PAGA Notice or relate to other claims that could have been alleged based on the facts asserted in the operative complaint and Plaintiffs' PAGA Notice.

FLSA Collective Release: All FLSA Collective Members shall release, throughout the FLSA Collective Release Period, the Released Parties for all "FLSA Released Claims," defined as: any and all claims, debts, liabilities, demands obligations, guarantees, costs, expenses, attorneys' fees, damages, or causes of action, contingent or accrued, which relate to the FLSA unpaid overtime claim alleged in the operative complaint or relate to other FLSA claims that could have been alleged based on the facts asserted in the operative complaint.

12. HOW DO I OBJECT TO THE SETTLEMENT?

All California Class Members and FLSA Collective members have the right to object to any aspect of the Settlement, including the amounts allocated to Class Counsel and Plaintiffs. If the Court rejects your objection and approves the Settlement, you will still be bound by the terms of the Settlement. To object, you can mail a written objection to the Settlement Administrator at the following address:

Clarke, et al. v. AMN Services, LLC c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606 Fax: 1-949-419-3446

The objection should (1) be in writing; (2) include the objector's full name and address; (3) include the last four digits of the objector's Social Security Number; (4) clearly identify the case name and number (*Clarke, et al. v. AMN Services, Inc.*, Case No. BC619695), (5) state the legal and/or factual basis for the objection and include any supporting documents; (6) be mailed to the Settlement Administrator at the address above, postmarked on or before March 26, 2024. The Court will listen to California Class Members and FLSA Collective Members who ask to speak regarding their objections at the Final Approval Hearing, regardless of whether they submitted a timely written objection.

13. WHEN AND WHERE IS THE FINAL APPROVAL HEARING AND HOW CAN I ATTEND?

The Court will hold a Final Approval Hearing on June 6, 2024 at 9:00 a.m. in Department 11 of the California Superior Court for the County of Los Angeles, 312 N. Spring Street, Los Angeles, California 90012, or such other later date as the Court may authorize, to determine whether the settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also be asked to approve Plaintiffs' service awards, Class Counsel's attorneys' fees and reimbursement of litigation costs, and the Settlement Administrator's fees and costs. The hearing may be continued without

further notice to California Class Members and FLSA Collective Members. However, if you submitted a timely objection, Class Counsel will advise you of the continued hearing date and time.

You do not have to attend the Final Approval Hearing, but you may do so at your own expense. You may also pay your own lawyer to attend, but it is not necessary to do so.

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 Superior Court's March 25, 2022 General Order, you must adhere to the following rules when accessing the courthouse:

1. Clerks' Office and Self-Help Center Appointment:

In the interest of safeguarding the well-being of court users, persons seeking services from the Clerk's Office, court support services, and/or the Self-Help Centers are encouraged to schedule appointments. For telephone or video assistance, or to schedule an appointment, the telephone number for each courthouse is listed at the courthouse entry and posted on the Court's website, ww.lacourt.org.

2. Face Coverings:

Use of face coverings in courthouses is strongly encouraged. Due to the evolving nature of the pandemic, you should check for the latest updated on accessing the courthouse by viewing the Court's website at https://www.lacourt.org/newsmedia/notices/newsrelease.

14. HOW CAN I GET MORE INFORMATION?

The Settlement Agreement sets forth everything the Parties have promised to do under the proposed Settlement. The easiest way to read the Settlement Agreement, the judgment or any other Settlement documents is to go to the Settlement Administrator's website at www.cptgroupcaseinfo.com/amnservicessettlement. You can also telephone or send an email to Class Counsel or the Settlement Administrator using the contact information listed below, or consult the Superior Court website by going to (http://www.lacourt.org/casesummary/ui/index.aspx) and entering the Case Number for the Action, Case No. BC619695. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel

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Settlement Administrator

CPT Group, Inc.

amnservicessettlement@cptgroup.com

50 Corporate Park Irvine, CA 92606 Tel.: 1-888-919-3983

Fax: 1-949-419-3446

15. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your Settlement check before cashing it, the Settlement Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund (tel. 1-800-992-4647) for instructions on how to retrieve the funds.

16. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Settlement Administrator if you move or otherwise change your mailing address.