

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

IMPORTANT – PLEASE READ THIS CAREFULLY!

IF YOU WORKED FOR INTERNATIONAL TRAINING AND EXCHANGE, INC. (“INTRAX”) AS AN INSTRUCTOR (INCLUDING TEACHER OR SUBSTITUTE) AT ANY TIME BETWEEN JULY 30, 2010 AND JULY 1, 2015, YOU MAY BE ENTITLED TO PARTICIPATE IN THIS SETTLEMENT.

THIS IS AN OFFICIAL COURT NOTICE OF A PROPOSED CLASS ACTION SETTLEMENT

I. WHY IS THIS NOTICE BEING SENT TO YOU?

This Notice of Proposed Settlement (“Notice”) is to inform you that a Settlement has been reached between the parties in a class action lawsuit against your current/former employer INTRAX alleging, unlawful wage deductions, failure to pay the minimum wage, failure to pay overtime, failure to authorize and permit paid rest periods, failure to pay all vested vacation, failure to pay wages upon termination of employment, failure to provide accurate wage statements, unfair competition, related claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004 as well as any other potential penalties, interest and attorneys’ fees associated with these claims under California law between July 30, 2010 to July 1, 2015.

This Notice addresses:

- The proposed settlement of the case;
- Your right to participate in the settlement;
- Your right to file with the court any objections you may have to the settlement; and
- Your right to exclude yourself from the proposed settlement by “opting out.”

You are receiving this Notice because records indicate that you were employed as an instructor (including teacher or substitute) by International Training and Exchange, Inc. (“INTRAX” or “Defendant”) at some point between July 30, 2010 and July 1, 2015 and therefore are a member of the Class. The Court must approve the terms of the Settlement, described below, as fair and reasonable to the Class. If approved, the Settlement will affect all members of the Class, including you.

II. WHAT IS THIS LAWSUIT ABOUT?

On July 30, 2014, a Class Action was filed in the Superior Court of the County of San Diego, entitled *Melissa Guiloff v. International Training and Exchange, Inc.*, Case No.: 37-2014-00025454-CU-OE-CTL. The Class Action is referred to as the “Lawsuit.”

In the Lawsuit, Plaintiff Melissa Guiloff alleges a variety of claims against INTRAX including: unlawful wage deductions, failure to pay the minimum wage for all hours worked, failure to pay overtime where required, failure to authorize and permit paid rest periods, failure to pay all vested vacation, failure to pay wages upon termination of employment, failure to provide accurate wage statements, unfair competition, related claims for civil penalties under the California Labor Code Private Attorneys General Act of 2004. Plaintiff seeks restitution, wages, penalties (including penalties under the California Labor Code Private Attorneys General Act of 2004), interest, costs, and attorneys’ fees for all members of the Class. INTRAX denies all liability and denies the allegations in the Lawsuit.

Under this settlement, the following settlement class will be certified pursuant to California Code of Civil Procedure section 382:

Any and all instructors (including teachers and substitutes) employed in California by INTRAX, Inc. during the Class Period (July 30, 2010 through July 1, 2015).

Plaintiff's attorneys believe that the settlement described below is fair, adequate, reasonable, and in the best interests of Plaintiff and the class.

On August 21, 2015, the Court preliminarily approved the settlement and conditionally certified the settlement class. This Notice is being sent to you because your employer's records indicate that you were employed as an Instructor by INTRAX in California during the Class Period. If you are part of the Class, this settlement affects your rights.

III. WHAT ARE THE TERMS OF THE SETTLEMENT?

A. Defendant has agreed to pay a Gross Settlement Fund of \$750,000.00 Dollars (the "Gross Settlement Fund") to fully resolve all claims in the Lawsuit, including wage payments to Class Members, payment of penalties and interest, attorneys' fees and costs, class administration costs, and a class representative service award.

B. The Court has preliminarily approved the following deductions from the Gross Settlement Fund:

1. Plaintiff Melissa Guiloff may request an enhancement award of \$7,500 as compensation for her work and service as the Class Representative in the Lawsuit.

2. There will be payment to the Settlement Claims Administrator, Phoenix Settlement Administrators for the expense of notifying the Class Members of the Settlement and processing the responses submitted by the Class Members, which cost is currently estimated at less than \$10,000.00.

3. A payment of \$15,000 will be allocated to the California Labor & Workforce Development Agency as its share of penalties for the settlement and release of alleged claims under the California Private Attorneys General Act.

4. Class Counsel may seek fees of up to one-third of the Gross Settlement Amount as reasonable compensation for the work Class Counsel has performed and will continue to perform in this Lawsuit through settlement finalization, and up to \$16,000.00 for the costs Class Counsel incurred in connection with the Lawsuit. The Court will determine the actual amount awarded. You are not personally responsible for any of Class Counsel's fees or expenses.

C. After the deductions from the Gross Settlement Fund set forth above, the remainder of the Gross Settlement Fund (the "Net Settlement Amount"), shall be available for payment on a pro rata basis to each Settlement Class Member (after deduction of applicable payroll taxes) based on the number of hours worked as an Instructor for Intrax in California during the Class Period, and after resolution of any challenges (see Section F below).

D. You do not need to sign anything in order to receive an individual settlement payment based on the number of hours you worked for INTRAX during the Class Period.

E. Based on INTRAX's records, you have worked <<WH>> hours as an instructor during the Class Period and it is estimated that your settlement award will be approximately \$<<Est. Amt>> prior to deductions for taxes. This number could increase or decrease based on the number of Participating Settlement Class Members. You have a right to challenge the number of hours that are stated in this paragraph by using the procedure described below (see Section IV below).

F. The exact amounts of the individual settlement payments will be calculated after all challenges are resolved and the Court has determined the amount of Attorneys' fees and costs, enhancement award, and administrative costs.

G. If you do not wish to participate in the Settlement and receive an individual settlement payment, you may "opt out" by preparing a signed written statement entitled "Opt-Out Form." The Opt-Out Form must include (1) your request to be excluded from the Settlement, (2) the case name and number (*Melissa Guiloff v. International Training and Exchange, Inc.*, Case No.: 37-2014-00025454-CU-OE-CTL) and (3) your full name while employed by INTRAX. The completed Opt-Out Form must be timely submitted (i.e. postmarked no later than October 22, 2015) to the

Settlement Administrator at the following address. The enclosed postage prepaid envelope may be used for this purpose.

**Melissa Guiloff v. International Training and Exchange, Inc. Settlement Administrator
Phoenix Settlement Administrators
Post Office Box 27907
Santa Ana, Ca. 92799**

H. If the Court approves the proposed Settlement, the Court will enter final judgment in the Lawsuit, and the Settlement Agreement will bind all Settlement Class Members who have not “opted out” of the Settlement. Those Class Members who have not “opted out” will be forever barred from bringing any of the claims described in the Joint Stipulation and Settlement of Class Action that has been preliminarily approved by the Court.

I. **PLEASE NOTE:** This NOTICE provides only a summary of the most pertinent terms and conditions of the settlement. The complete terms of the proposed settlement are stated in the Joint Stipulation and Settlement of Class Action that has been preliminarily approved by the Court. You may obtain a copy of the proposed Joint Stipulation and Settlement of Class Action from Plaintiffs’ attorneys or the Office of the Clerk of the Superior Court of California for the County of San Diego or the Settlement Administrator’s website for this settlement: www.phoenixclassaction.com/GuiloffvIntrax.

IV. HOW DO YOU PARTICIPATE IN THE SETTLEMENT?

You do not need to submit any documents if you wish to participate in the Settlement and receive your settlement payment. If you agree with the number of hours worked stated on the in paragraph II (E) above, you need not take any action. Your share of the settlement fund will be mailed to you after the Court grants final approval of the Settlement and all other Settlement conditions are met. Your payment will be sent in two equal installments, the first occurring a few weeks after final approval and the second occurring within 9 months of final approval of the Settlement.

If you believe that the number hours worked as an instructor stated in paragraph II (E) above is incorrect, you may challenge that number by mailing a letter to the claims administrator no later than October 22, 2015 explaining why you believe the number of hours worked as an instructor stated in paragraph II (E) above to be incorrect. With that letter you must also submit any written documentation you have supporting your contention that you worked more hours. For example, you may submit copies of your time sheets or paystubs.

Your share of the Net Settlement Fund may be increased or decreased as a result of this process. The decision regarding the number of hours you worked during period July 30, 2010 through July 1, 2015 will be based on the information contained in INTRAX’s records, unless you provide persuasive documentation that proves that INTRAX’s records are in error.

V. WHAT ARE YOUR OPTIONS?

If you fall within the definition of the Class set forth above, you will automatically become a Class Member unless you elect to exclude yourself from the class by October 22, 2015.

You can also choose to exclude yourself from the Class by properly preparing a written statement entitled an Opt-Out Form, discussed above. In other words, **you have the choice** of remaining in the Class or electing to exclude yourself from the Class. Each option has certain consequences and you are encouraged to discuss your decision with your own attorney.

AS A PARTICIPATING SETTLEMENT CLASS MEMBER:

1. You will be represented by the existing representative and the attorneys acting on behalf of the class identified below at no cost to you.
2. You will receive notice of any ruling affecting the size of the class and notice of any proposed settlement or dismissal of class claims or any judgment rendered. However, you may, if you so desire, enter an appearance through another attorney by mailing a Notice of Appearance to the Clerk of the Court at the address for the Clerk set forth below, and by serving the Notice of Appearance on Class Counsel and Counsel for Defendant.

3. You will be bound by any judgment or other final disposition of the Lawsuit, including the release of Released Claims. Specifically, you will release the following Class Released Claims, which the Settlement defines as:

any and all claims under state, federal or local law, whether statutory, common law or administrative law, alleged in the Complaint in this Action, including: (1) violations of Cal. Labor Code §§ 221 and 224 for unlawful wage deductions; (2) failure to pay minimum and premium wages pursuant to Cal. Labor Code §§ 510 and 1197; (3) failure to authorize and permit paid rest periods or compensation in lieu thereof under Cal. Labor Code §§ 226.7(b) and 1198; (4) violations of Cal. Labor Code § 227.3 for failure to pay all vested vacation and implementation of an unlawful vacation cap; (5) failure to pay wages of terminated or resigned employees pursuant to Cal. Labor Code §§ 201, 202 and 203; (6) knowing and intentional failure to comply with itemized employee wage statement provisions CA Labor Code § 226(a); (7) violation of the Unfair Competition Law, Cal. Business & Professions Code § 17200 for the legal violations alleged in (1)-(6) of this paragraph; and (8) claims for civil penalties under the California Private Attorneys General Act (PAGA), CA Labor Code §§ 2698, *et seq.* based on the violations alleged in the Complaint, including those described in (1)-(6) of this paragraph. The Class Released Claims include only claims that arose during the Class Period and only while Settlement Class Members occupied covered positions (*i.e.* instructor/substitute instructor).

4. You will receive an individual settlement payment, upon Final Approval by the Court.

IF YOU ELECT TO OPT-OUT OF THE CLASS (meaning exclude yourself from the settlement):

1. You will not be bound by any disposition of the class action and you will retain any claims you may have against Defendant;
2. You will not be represented by any counsel in the class action; and
3. You will not receive a settlement payment.

If you fail to take any action, you will be considered to be a Participating Settlement Class Member, you will be bound by the Judgment entered by the Court and deemed to have released Class Released Claims against INTRAX, Inc., and you will receive a settlement payment.

Intrax will not retaliate against you in any way for your decision to participate in, opt-out of, or object to the Settlement.

You should retain all records and documents pertaining to the lawsuit.

VI. OBJECTION TO SETTLEMENT

You can object to the terms of the Settlement before final approval. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. To object, you must file a written objection with the Clerk of the San Diego Superior Court, 330 West Broadway, San Diego, California, 92101 and send copies via U.S. mail to the Attorneys of Record identified below in section VIII.

Any written objections shall state (1) the case name and number (*Melissa Guiloff v. International Training and Exchange, Inc.*, Case No.: 37-2014-00025454-CU-OE-CTL L), (2) each specific reason in support of your objection, (3) any legal support for each objection, (4) your full name, address, date of birth, the last four digits of your Social Security Number, and (5) the dates of your employment as an Instructor with INTRAX. To be valid and effective, any objections to approval of the Settlement must be filed with the Clerk of the Court and served upon the below identified Attorneys of Record by U.S. mail postmarked no later than October 22, 2015.

If you wish to appear at the Final Approval Hearing, you must submit Notice of Intention to Appear with the Clerk of the Court of the San Diego Superior Court, 330 West Broadway, San Diego, California, 92101 and send copies via

U.S. mail to the Attorneys of Record identified below in section VIII. The Notice of Intention to Appear must include the following information: (1) the case name and number (*Melissa Guiloff v. International Training and Exchange, Inc.*, Case No.: 37-2014-00025454-CU-OE-CTL), (2) your full name, and (3) the dates of your employment as an Instructor with INTRAX. If you fail to submit a timely and complete Objection, your request to appear at the Final Approval hearing will be denied.

**** PLEASE DO NOT TELEPHONE THE COURT.****

If you choose to file an objection to the terms of this Settlement, you may enter an appearance in *propria persona* (meaning you choose to represent yourself) or through your own attorney. You will then continue as a Class Member either in *propria persona* or with representation by your own attorney, and you will be solely responsible for the fees and costs of your attorney.

VII. WHAT TO DO?

If you wish to be a member of the Class in this case and receive your settlement payment, you need not take any action;

If you wish to be excluded from the Class, you must submit an Opt-Out Form as discussed above and send it to the following address, before October 22, 2015:

**Guiloff v. INTRAX, Inc. Settlement Administrator
Phoenix Settlement Administrators
Post Office Box 27907
Santa Ana, Ca. 92799**

VIII. WHAT TO DO IF YOU NEED MORE INFORMATION?

If you have any questions about the settlement, you may contact the Settlement Administrator toll-free at: (888) 613-5553. You may also contact any of the attorneys at the addresses or phone numbers listed below:

<p><u>THE ATTORNEYS REPRESENTING THE CLASS ARE:</u> ROBBINS ARROYO LLP BRIAN J. ROBBINS DIANE E. RICHARD 600 B Street, Suite 1900 San Diego, CA 92101 Telephone: (619) 525-3990 Facsimile: (619) 525-3991 E-mail: drichard@robbinsarroyo.com</p> <p>THE DENTE LAW FIRM MATTHEW S. DENTE 600 B Street, Suite 1900 San Diego, CA 92101 Telephone: (619) 550-3475 Facsimile: (619) 342-9668 E-mail: matt@dentelaw.com</p>	<p><u>THE ATTORNEYS REPRESENTING DEFENDANTS ARE:</u> JACKSON LEWIS P.C. Natalja Fulton 50 California Street, 9th Floor San Francisco, California 94111-4615 Telephone: (415) 394-9400 Facsimile: (415) 394-9401 E-mail: natalja.fulton@jacksonlewis.com</p>
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PLEASE DO NOT CALL OR CONTACT THE COURT.

IX. WHAT IF YOU CHANGE YOUR ADDRESS?

If you move after receiving this notice or if it was misaddressed, you should supply your name and correct address to:

***Guiloff v. INTRAX, Inc. et al* Settlement Administrator
Phoenix Settlement Administrators
Post Office Box 27907
Santa Ana, Ca. 92799**

THIS IS IMPORTANT SO THAT FUTURE NOTICES REACH YOU.

The pleadings and all other records of this litigation may be examined and copied any time during regular office hours in the Clerk's Office at the San Diego Superior Court, 330 West Broadway, San Diego, California, 92101.

X. WHAT HAPPENS IF THE SETTLEMENT IS NOT APPROVED?

If the Settlement is not approved by the Court, or if any of its conditions are not satisfied, the conditional settlement will be voided, no money will be paid, and the case will revert to litigation. If that happens, there is no assurance: (1) that any decision at trial would be in favor of class members; (2) that a trial decision, if any, would be as favorable to the class members as this settlement; or (3) that any favorable trial decision would be upheld if an appeal were filed.

XI. NO OPINION EXPRESSED AS TO THE MERITS OF THE CASE

On August 25, 2015, the Court preliminarily approved the Joint Stipulation and Settlement of Class Action, finding that the agreement was fair and reasonable. However, the Court has expressed no opinion regarding the merits of Plaintiff's claims or Defendant's liability.

This Notice is sent by Order of the Superior Court of the State of California for the County of San Diego, dated September 7, 2015.