

**NOTICE OF PENDENCY OF CLASS ACTION,
PROPOSED SETTLEMENT AND HEARING**

TO: Class Members: All natural persons residing in the United States (including all territories and other political subdivisions of the United States) for whom MLS procured a consumer report for employment purposes in a co-employment relationship with Peoplease, that was used in whole or in part to take an adverse employment action against an applicant or employee, between June 1, 2016 and January 20, 2022. (“Class Members”).

**YOU ARE A MEMBER OF THE CLASS AND MAY BE ENTITLED TO A RECOVERY
ESTIMATED TO BE \$400.00.**

BASIC INFORMATION

1. Why was this notice issued?

An Arbitrator authorized this notice (“Class Notice”) because you have a right to know about a Proposed Settlement of this class action lawsuit and about your options before the Arbitrator decides whether to give “final approval” to the Proposed Settlement. This notice explains the lawsuit, the Proposed Settlement, your legal rights, what benefits will be provided, and who will receive them.

This case is currently pending in Arbitration.

2. What is this lawsuit about?

This litigation has been brought by Demis Espinoza (the “Class Representative”), on behalf of himself and all others similarly situated, against Defendants, Managed Labor Solutions, LLC, and Peoplease, LLC (collectively “Defendants”), alleging violations of the Fair Credit Reporting Act, 15 U.S.C. § 1681, et seq. (the “FCRA”). In the Complaint, the Class Representative seeks certification of a nationwide class under the FCRA.

As alleged in the Arbitration Complaint, Defendants procured a consumer report on the Class Representative in connection with his application for employment with an employer. The Class Representative alleges that, in connection therewith, Defendants violated the FCRA by failing to provide pre-adverse action notice, including a copy of the consumer report, when using a consumer report, in whole or in part, to take an adverse employment action against the applicant or employee. (collectively, the “FCRA Claims”).

Defendants deny the FCRA violations alleged. Defendants have raised several meritorious defenses to the Class Representative’s allegations that Defendants violated the FCRA and a class wide resolution.

3. Why is this a class action?

The parties have agreed and the Arbitrator has ordered that, for settlement purposes only, this lawsuit may be maintained as a class action under Federal Rule of Civil Procedure 23, subject to final approval at the conclusion of the settlement process. If the Proposed Settlement is not finally approved, or if any party withdraws from the Proposed Settlement, the lawsuit will return to the same status as before the Settlement Agreement was signed, and the Arbitrator will later determine if the case may proceed as a class action.

4. How do I know if I am part of the Proposed Settlement?

The Proposed Settlement includes approximately 300 natural persons residing in the United States (including all territories and other political subdivisions of the United States) for whom MLS procured a consumer report for employment purposes in a co-employment relationship with Peoplease, that allegedly was used in whole or in part to take an adverse employment action against an applicant or employee, between June 1, 2016 and January 20, 2022 (“Class Members”).

Excluded from the Class are the persons who timely and validly request exclusion from the Class (see Question 10 below).

You are receiving this Notice because it is alleged that you were subject to an adverse employment action when applying or employed by MLS, but did not receive pre-adverse action notice, including a copy of your consumer report, between June 1, 2016 and January 20, 2022

5. Why is there a Proposed Settlement?

The parties arrived at the Proposed Settlement as a result of arms-length negotiations, including a face-to-face meeting between the lawyers for each side during a mediation session with an authorized mediator. The Proposed Settlement is a compromise of disputed claims and does not mean that any law was violated or that Defendants did anything wrong.

THE PROPOSED SETTLEMENT BENEFITS

6. What benefits does the Proposed Settlement provide?

The Proposed Settlement provides for monetary benefits, as follows:

A. Monetary Benefits:

1. In consideration for the dismissal with prejudice of the FCRA Claims, and the releases set forth below, Defendants shall establish \$225,000.00 as a total gross settlement fund (“Settlement Fund”) to the Class for statutory damages, attorney’s fees and costs, pursuant to the FCRA and all applicable state law(s), in the form of a check (“Settlement Check”)

from which each identifiable Class Member will be provided a notice to file a claim (“Claim Form”) to receive a Settlement Payment in the form of a check (“Settlement Check”) which will be calculated by dividing the Net Settlement Fund by the number of consumers in the Settlement Class (*see* Question 13 below). The Claim Form to be used by Class Members is attached to this Class Notice. The Claim Form provides the estimated amount you are anticipated to receive if you timely file a claim.

2. The Class Counsel’s fees and litigation-related costs and expenses, consideration to the Class Representative for executing a general release, and the settlement administration expenses will be paid from the gross Settlement Fund. (*see* Question 12 below).
3. The payments to the Class Members under this Settlement Agreement shall be made within ten (10) days from the date the Settlement becomes final.
4. The payments to the Class Members shall be in the form of a Settlement Check which will become void ninety (90) days from the date of issue. The date of issue of the Settlement Check shall be the same date as the date the Settlement Check is mailed to each Settlement Class Member. Once a Settlement Check issued to a Class Member pursuant to this section becomes void, Defendants shall have no further obligation to such Class Member.
5. If any Class Member does not negotiate his or her Settlement Check within ninety (90) days from the date of issuance, the funds shall revert back to Defendants, subject to Arbitrator approval.

More details of the proposed Settlement are in a document called the Settlement Agreement, which is available for your inspection at the www.EspinozaFCRASettlement.com.

7. When will the Proposed Settlement go into effect?

The Arbitrator will hold a final approval hearing on September 7, 2022 at 8:30 a.m. to decide whether to approve the Proposed Settlement (*see* Question 16) including the request for attorney’s fees and litigation-related costs and expenses (*see* Question 12). Even if the Arbitrator approves the Proposed Settlement, there could be appeals. The time for an appeal varies.

If no appeals are taken, the Effective Date is the date on which the Arbitrator approves the Proposed Settlement as final, subject to certain conditions. If an appeal is taken, the Effective Date is the date when all appeals are completed and the Proposed Settlement becomes final.

The Proposed Settlement will go into effect on the Effective Date.

8. What am I giving up as part of the Proposed Settlement?

If you do nothing, you will be part of the Class. That means you cannot sue Defendants and its related parties over the claims settled in this case. It also means that all of the Arbitrator’s orders, including the release of claims and dismissal of the lawsuit with prejudice (*see* Question 9), will apply to you and legally bind you.

Your interests as a member of the Class will be represented by the Class Representative and Class Counsel. You will not be billed for their services. Class Counsel will receive a fee only if the Arbitrator approves the Proposed Settlement, and the attorney's fees and litigation expenses will be set by the Arbitrator and paid from the Settlement Fund (*see* Question 12 below).

9. How does the Proposed Settlement affect my rights?

If the Proposed Settlement is finally approved, the Arbitrator will enter a judgment dismissing all claims against Defendants with prejudice. Under the terms of the Proposed Settlement, you will release Defendants with respect to the claims that were raised or could have been raised in the case related to the FCRA Claims described above. This means you cannot seek equitable relief or any type of monetary relief against Defendants and their clients based on any claim related to or arising out of the FCRA Claims. You will be giving up all such claims, whether or not you know about them.

The Arbitrator's order will apply to you even if you objected or have any other claim, lawsuit, or proceeding pending against Defendants. If you have any questions about the release, you should consult with a lawyer.

EXCLUDING YOURSELF FROM THE PROPOSED SETTLEMENT

If you want to keep your right to sue Defendants and/or its clients with respect to the FCRA Claims, you must take steps to remove yourself from the Proposed Settlement. This is called asking to be excluded from – or “opting out” of – the Class.

10. How do I remove myself from the Proposed Settlement?

If you choose to exclude yourself from the Class, you will not be bound by any order, judgment or settlement of the lawsuit. If you exclude yourself from the Class, you will not receive any benefits from this class action. You will retain and be free to pursue any claim against Defendants that you may have.

To exclude yourself from the Proposed Settlement, you must mail a letter saying that you want to be excluded from the Class in *Espinoza v. Managed Labor Solutions, LLC and Peoplease, LLC*. You must include your full name, current mailing address, and telephone number, and the letter must be signed by you personally. Your letter requesting exclusion must be mailed or otherwise delivered to the following address such that it is **received by August 30, 2022**:

Espinoza v Peoplease Class Action Opt-Out,
c/o Settlement Administrator,
PO Box 23668,
Jacksonville, FL 32241.

You cannot exclude yourself on the phone or by email.

THE LAWYERS REPRESENTING YOU

11. Do I have a lawyer in this case?

Yes. The Arbitrator has appointed Marc Edelman of the law firm Morgan & Morgan, PA to represent you and the other Class Members in this case. Mr. Edelman is called Class Counsel.

You will not be charged for Mr. Edelman's representation. Class Counsel's compensation will be paid from the Settlement Fund. If you want to be represented by another lawyer, you may hire one at your own expense.

12. How will the lawyers be paid? What will the Class Representative receive?

Class Counsel will ask the Arbitrator to approve attorney's fees and expenses to be paid from the Settlement Fund. As attorney's fees, Class Counsel will ask the Arbitrator to award the sum of \$90,000.00 to be paid from the Settlement Fund which represents approximately forty percent (40%) of the value of the total gross Settlement Fund. Class Counsel will also ask the Arbitrator to approve payment to Settlement Administrator in amount not to exceed \$10,000.00 for Settlement Notice and Settlement Administration; and has disclosed and sought the Arbitrator's approval for the Class Representative to receive \$5,000.00 from Defendants as consideration for executing a general release. The Arbitrator may award less than the requested amount to both Class Counsel and the Class Representative.

No Class Member will owe or pay anything for attorney's fees and expenses. Any award of attorney's fees and expenses will be paid from the Settlement Fund.

The Arbitrator must approve the attorney's fees and expenses for Class Counsel and the general release consideration for the Class Representative. The Arbitrator will conduct a hearing on attorney's fees and litigation expenses for Class Counsel and the general release consideration to the Class Representative at the same time of the final approval hearing.

GETTING MONEY FROM THE PROPOSED SETTLEMENT

13. How do I obtain money from the Proposed Settlement?

If you timely return the attached Claim Form noting that you choose to receive a cash recovery, and the Arbitrator grants final approval of the Class Settlement, you will be sent a Settlement Payment in the form of a check anticipated to be in the amount of \$400.00.

THE CLAIM FORM MUST BE RECEIVED BY THE CLASS SETTLEMENT ADMINISTRATOR NO LATER THAN AUGUST 30, 2022.

OBJECTING TO THE PROPOSED SETTLEMENT

14. How do I tell the Arbitrator I don't agree with the Proposed Settlement?

You may object to any part of the Proposed Settlement. To do so, you must file a written objection in the case *Espinoza v. Managed Labor Solutions, LLC and Peoplease, LLC*. Any objection must set forth your full name, current mailing address and telephone number and must include: (a) a written statement explaining the reasons for your objection; (b) copies of any papers, briefs, or other documents you want to bring to the Arbitrator's attention; (c) any evidence you wish to introduce in support of your objection; and (d) a statement of whether you or your lawyer will ask to appear at the final approval hearing to talk about your objections.

Your objection must be mailed or otherwise delivered to each of the following addresses so that it is **received by July 31, 2022**:

Arbitrator	Settlement Administrator
Arbitrator Carlos Burruezo Burruezo & Burruezo, PLLC 911 Outer Road Orlando, Florida 32814 407.754.2904	Espinoza v Peoplease Class Action Objection, c/o Settlement Administrator, PO Box 23668, Jacksonville, FL 32241.
Class Counsel	Defendant's Counsel
Marc Edelman Morgan & Morgan, P.A. 201 N. Franklin Street, Suite 700 Tampa, Florida 33602 813.223.5505	Matthew R. Simpson Fisher & Phillips LLP 1075 Peachtree Street NE, Suite 3500 Atlanta, GA 30309 Adam Primm Benesch Friedlander Coplan & Aronoff, LLP 200 Public Square, Suite 2300 Cleveland, OH 44114

If you or your lawyer ask to appear at the final approval hearing, in addition to providing the above information, you must include in your objection letter: (a) the points you wish to speak about at the hearing; (b) copies of documents you intend to rely upon at the hearing; (c) the amount of time you request for speaking at the hearing; and (d) whether you intend to have a lawyer speak on your behalf.

If you intend to have a lawyer present, your lawyer must file a written notice of appearance of counsel with the Clerk of the Arbitrator no later than **August 30, 2022**.

15. What is the difference between objecting and asking to be excluded?

Objecting is simply telling the Arbitrator that you do not like something about the Proposed Settlement. You can object only if you stay in the Class. Excluding yourself is telling the Arbitrator that you do not want to be part of the Class. If you exclude yourself from the Class, you have no basis to object because the case no longer affects you.

THE ARBITRATOR’S FINAL APPROVAL HEARING

16. When and where will the Arbitrator decide whether to approve the Proposed Settlement?

The Arbitrator will hold a final approval hearing to decide whether the Proposed Settlement is fair, reasonable, and adequate and should be granted final approval. The Arbitrator will also consider whether to award attorney’s fees and other expenses to Class Counsel, whether to approve the general release consideration to the Class Representative, and whether to enter a final judgment and dismiss the lawsuit. If there are objections, the Arbitrator will consider them. You may attend and you may ask to speak.

The final approval hearing will be at 8:30 a.m. on September 7, 2022 before Arbitrator Carlos Burruezo. Contact Arbitrator Burruezo at 407.754.2904 to confirm location.

The Proposed Settlement may be approved with modifications, and without further notice, if consented to by the Class Representative and Defendants and their respective attorneys in accordance with the terms of the Settlement Agreement.

17. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Arbitrator may have. If you send a written objection, you do not have to come to the final approval hearing to talk about it. As long as you mailed your written objection on time and according to the Arbitrator’s rules, the Arbitrator will consider it. You may also pay your own lawyer to attend the final approval hearing, but it is not necessary.

IF YOU DO NOTHING

18. What happens if I do nothing?

You have the right to do nothing. If you do nothing, you will remain part of the Class and you will not be able to start a lawsuit, continue with a lawsuit, or be part of any other lawsuit against Defendants about the claims in this case, ever again.

GETTING MORE INFORMATION

19. How do I get more information?

If you have any questions concerning the matters dealt with in this notice, please visit the settlement website at www.EspinozaFCRASettlement.com. You may also contact the Settlement Administrator or Class Counsel at:

Espinoza v Peoplease Class Action Objection,
c/o Settlement Administrator,
PO Box 23668,
Jacksonville, FL 32241.

Class Counsel:

Marc Edelman, Esq.
Morgan & Morgan, P.A.
201 N. Franklin Street, Suite 700
Tampa, Florida 33602
(813) 223-5505

The pleadings and other records in this litigation are available and may be examined on the website. **PLEASE DO NOT TELEPHONE THE CLERK'S OFFICE OR THE ARBITRATOR'S CHAMBERS CONCERNING THIS NOTICE OR THIS CASE.**

DATE: JULY 1, 2022.