

TO: ALL TEMPORARY DAY LABORERS EMPLOYED BY LABOR READY IN CALIFORNIA FROM FEBRUARY 14, 1997, TO THE PRESENT

THIS NOTICE MAY AFFECT YOUR RIGHTS, PLEASE READ IT CAREFULLY. PLEASE DO NOT CONTACT THE COURT OR THE COURT CLERK REGARDING THIS ACTION.

This Notice pertains to a class action lawsuit currently pending against Labor Ready in the Superior Court of California, County of Alameda. You may be a member of one or more of the classes for whom relief is being sought. You need not take any further action if you wish to be included in this class action. If you do not wish to be included, you must take further action or your rights will be affected. If you do not want to be included in the class; you must opt-out using the procedures described below.

## I. DESCRIPTION OF LAWSUIT

On February 14, 2001, a complaint was filed by several temporary day laborers ("Plaintiffs") against Labor Ready, Inc. and its subsidiary Labor Ready Southwest, Inc. ("Labor Ready") in the Superior Court of California for the County of Alameda. Plaintiffs claim that they and the class are owed, pursuant to the Labor Code, relevant Wage Orders of the Industrial Welfare Commission, and the Unfair Competition Law (Bus. & Prof. Code § 17200 et seq.): (1) additional pay for the time laborers spent waiting at Labor Ready offices before being dispatched to Labor Ready's clients' worksites ("waiting time"), (2) additional pay for the time laborers spent returning to Labor Ready offices from clients' worksites at the end of each work day ("return time"), (3) additional pay for time laborers spent traveling to Labor Ready's clients' worksites ("travel time"), and (4) reimbursement for work related expenses, including but not limited to work gloves ("work related expenses").

Labor Ready denies that any unlawful policy or practice exists as to these claims. Labor Ready claims waiting time is not compensable because the employees are not required to show up on any given day and are not required to stay at Labor Ready after sign-in. Labor Ready claims that travel time is not compensable as the employees are free to use whatever mode of transportation they choose to reach a jobsite, and are free to engage in personal activities between dispatch and arrival at the jobsite. Finally, Labor Ready contends that return time is not compensable as employees are not required to return to Labor Ready at the end of each work day. Labor Ready denies that Plaintiffs or the classes are entitled to any relief and will contest liability in pre-trial motions and/or in a trial before a referee.

## II. CLASS CERTIFICATION

On July 12, 2002, the Court granted, in part, and denied, in part, Plaintiffs' Motion for Class Certification. The Court reconsidered and revised its class certification ruling on February 26, 2003. There are three classes of temporary day laborers who can pursue claims in this lawsuit, as follows:

(1) Waiting and travel time claims: "All temporary day laborers employed by Labor Ready in California during the period February 14, 1997 to the present who reported to Labor Ready offices and were dispatched from those offices."

(2) Return and travel time claims: "All temporary day laborers employed by Labor Ready in California during the period February 14, 1997 to the present who returned to Labor Ready offices at the conclusion of a work day."

(3) Work related expense claims: "All temporary day laborers employed by Labor Ready in California during the period February 14, 1997 to the present who paid Labor Ready for work equipment."

The Court has not ruled on the merits of these claims and the decision to certify the three (3) classes in this case should not be viewed as a prediction that Plaintiffs or the classes will ultimately prevail on the merits of the action.

### III. CLASS COUNSEL

The attorneys representing the Plaintiffs and the classes of temporary day laborers described above are:

David Borgen  
Joseph E. Jaramillo  
Goldstein, Demchak, Baller, Borgen & Dardarian  
300 Lakeside Drive, Suite 1000  
Oakland, CA 94612  
(800) 989-0058

David Rosenfeld  
Lisa Pau  
Van Bourg, Weinberg, Roger & Rosenfeld  
180 Grand Avenue, Suite 1400  
Oakland, CA 94612  
(800) 989-0058

Anyone with questions about, or information regarding this lawsuit may contact Class Counsel.

### IV. RIGHT TO JOIN THE CLASS

If you are a member of one or more of the three classes above and you would like to be included in this action, you do not need to take any further action and you will be included in this lawsuit. Any member of the three classes described above may exclude himself/herself in the class ("opt-out") by mailing a signed and dated Statement of Exclusion to Class Counsel postmarked no later than \_\_\_\_ (30 days from notice date). If a class member decides to participate In this suit, s/he will have a right to recover any money under any judgment or settlement in this lawsuit and will be bound by any such judgment or settlement. Any member of the three classes who does not timely exercise

the right to exclusion will be included in this class lawsuit and will be bound by any judgment in this lawsuit.

#### V. WAIVER OF RIGHTS

**PLEASE NOTE: INDIVIDUALS WHO BECOME MEMBERS OF THE CLASS WILL AUTOMATICALLY WAIVE CERTAIN RIGHTS GUARANTEED BY THE CONSTITUTION AND CALIFORNIA LAW AS DESCRIBED BELOW**

Members of these classes who do not opt-out of this action and become members of one or more classes will forever waive their right to a trial by jury or judge in any Superior Court in the State of California. Plaintiffs' counsel has stipulated that this matter will proceed to a hearing before a referee chosen by the parties or selected by the Court, for a final and binding decision.

Class members also waive any statutory rights to multiple penalties under Labor Code § 203. Labor Code § 203 provides for a penalty of up to 30 days' wages for an employer's failure to pay all wages due at termination. The parties have stipulated that each member of the class will be entitled to a maximum of 30 days penalty wages.

As a result of the pleadings in this matter, all class members may have waived their rights to obtain statutory attorneys' fees for failure to pay wages for straight time, for any of the three time periods, pursuant to Labor Code § 218.5. You will be entitled to attorneys' fees for recovery of overtime or failure to pay minimum wages, if applicable.

All class members will also waive their rights to pursue these claims before the California Labor Commissioner, free of cost and attorneys' fees. You will not be liable for fees and costs unless the class prevails and you accept the benefit of a common fund recovery, in which case you may be responsible for a pro rata share of class counsel's fees and costs. This share will not exceed any recovery you receive.

#### VI. CONSEQUENCES OF JOINING THE CLASS

No one will retaliate against you because of your decision to opt-in or opt-out of the class.

#### VII. OBTAINING INDEPENDENT COUNSEL

You have the right to retain your own independent counsel and enter an appearance in this lawsuit.

Dated: February 26, 2003      Signed: /s/Hon. Ronald M. Sabraw