

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

Eagle, et al. v. Vee Pak, Inc., et al., Case No. 12-cv-09672 (“Vee Pak Matter”)

**I. NOTICE OF PENDENCY OF CLASS ACTION, PROPOSED SETTLEMENT,
AND FAIRNESS HEARING**

A. Introduction

If you are African American and sought a work assignment at an agency known as Staffing Network (at its Cicero, Chicago South, or Burbank offices in Illinois) from January 1, 2011 up through December 31, 2015, or from ASI (at its Cicero, Illinois office) from January 1, 2011 through January 16, 2018, or from a staffing agency known as MVP (at its Cicero, Illinois office) from January 1, 2011 through October 21, 2013, but on one or more occasion were not assigned to work at Vee Pak, the Settlement of a class action lawsuit may affect you.

*A federal court has authorized this Notice. This is not a solicitation from a lawyer.
You are not being sued.*

B. Part 1: Basic Information

What is this Notice About?

This Notice is to tell you about the Settlement of a “class action” lawsuit that was filed against Vee Pak and Staffing Network and to tell you about a “Fairness Hearing” before Judge John J. Tharp, Jr. on April 19, 2024 at 2:00 p.m., in Courtroom 2303 at the Everett McKinley Dirksen Courthouse, 219 South Dearborn Street, Chicago, Illinois, to determine whether the proposed partial Settlement described in the Class Action Settlement Agreement (the “Vee Pak Agreement”) fairly resolves the claims against Vee Pak and Staffing Network as explained below.

C. Why did I get this Notice?

You received this Notice because you may be a member of the Class in the *Vee Pak* Matter. The Class in the *Vee Pak* Matter is made up of three Subclasses which are defined as:

Staffing Network Subclass (represented by Plaintiffs Eagle and Keys)

African American laborers who sought work assignments at Staffing Network from offices that referred workers to Vee Pak during the period of January 1, 2011 up through and including December 31, 2015, but on one or more occasion were not assigned to work at Vee Pak during the period of January 1, 2011 up through and including December 31, 2015.

ASI Subclass (represented by Plaintiff Franklin)

African American laborers who sought work assignments at Alternative Staffing, Inc. from offices that referred workers to Vee Pak during the period of January 1, 2011 up through and including January 16, 2018, but on one or more occasion were not assigned to work at Vee Pak during the period of January 1, 2011 up through and including January 16, 2018.

MVP Subclass (represented by Plaintiff Zollicoffer)

African American laborers who sought work assignments at Personnel Staffing Group, LLC d/b/a MVP from offices that referred workers to Vee Pak during the period of January 1, 2011 up through and including October 21, 2013, but on one or more occasion were not assigned to work at Vee Pak during the period of January 1, 2011 up through and including October 21, 2013.

If you meet this definition of one or more of these Classes, you are eligible to participate in this Settlement and may be eligible for compensation as described below. If you do not wish to participate in the Settlement, you may also exclude yourself or opt-out of the Settlement. Information on how to exclude yourself from the Settlement is available in Section J of this Notice.

This Notice explains:

- What this litigation is about;
- Who is affected by the lawsuit;
- Who represents the Classes in the lawsuit;
- What your legal rights and options are;
- How and by when you need to act.

This Notice **is not** a notice of a lawsuit **against** you. A federal Court has authorized this Notice.

D. What is the Litigation about?

The *Vee Pak* Matter was filed against Vee Pak, Inc., Vee Pak, LLC d/b/a Voyant Beauty (“Vee Pak”), Staffing Network Holdings, LLC (“Staffing Network”), Alternative Staffing, Inc. (“ASI”), and Personnel Staffing Group d/b/a MVP (“MVP”) by Joe Eagle, Michael Keys, Evan Franklin and James Zollicoffer (“Named Plaintiffs”), on behalf of themselves and other similarly situated African American laborers who sought work assignments from Staffing Network at its Cicero, Chicago South, or Burbank offices in Illinois from January 1, 2011 through December 31, 2015, or from ASI at its Cicero, Illinois office from January 1, 2011 through January 16, 2018, or from MVP at its Cicero, Illinois office from January 1, 2011 through October 21, 2013, but on one or more occasion were not assigned to work at Vee Pak. In this lawsuit, Plaintiffs sought to recover on their own behalf and on behalf of the Staffing Network, ASI and MVP Subclasses in the *Vee Pak* Matter the lost wages that they could have received if they had been assigned to work at Vee Pak. Plaintiffs also sought to recover compensatory damages, punitive damages, and attorney’s fees and costs. Class Settlements were previously reached with ASI and MVP. The funds for all three of these Settlement agreements will be distributed together. If you are eligible to receive funds from multiple Settlement agreements, you will receive them together as a single check. The Defendants in this case have denied all allegations of wrongdoing in this matter, and no Court has held that they have violated the law. The Plaintiffs and Defendants have reached a Settlement in this Matter.

E. The Settlement

What is the Vee Pak Settlement and how was it reached?

In the *Vee Pak* Matter, Plaintiffs and Defendants agreed to a Settlement in which Vee Pak and Staffing Network have agreed to contribute to a fund to compensate Plaintiffs and the other members of the three subclasses for the race discrimination alleged when Staffing Network, ASI and MVP denied job referrals to Vee Pak during the relevant subclass periods. Defendants deny all wrongdoing, and no court has held that either of the Defendants have violated the law. The Named Plaintiffs and Defendants are now seeking Court approval of the Settlement, which is required for the Settlement to become effective. The Settlement includes a procedure for eligible persons to receive their share of the Class Settlement Fund.

The parties have devoted substantial amounts of time, energy, and other resources in prosecuting and in defending the *Vee Pak* Matter which was initially filed with the Equal Employment Opportunity Commission in 2012 and filed in Court in late 2012. Unless there is a Settlement, the lawsuit will continue against the Defendants and there would be no guarantee of a greater recovery. In light of these factors, the Parties believe that this Settlement is the best way to fully resolve the *Vee Pak* Matter while minimizing further expenditures, delay and risk.

The Parties and their attorneys believe that the Settlements are fair, reasonable, and adequate, and in the best interests of all Settling Parties.

What are the terms of the Settlement?

In the Settlement, Defendants have agreed to pay Six Million Six Hundred Thousand and 00/100 Dollars (\$6,600,000.00), toward a Settlement fund (the “*Vee Pak* Class Settlement Fund”). The *Vee Pak* Class Settlement Fund will be used to pay Settlement Awards to Staffing Network, ASI and MVP Subclass Members in the *Vee Pak* Matter, after deduction of the cost of claims administration, the employer’s share of payroll taxes and any service award to the Named Plaintiffs as approved by the Court.

Class Members who do not exclude themselves from the *Vee Pak* Settlement will release Vee Pak, Inc., Vee Pak, LLC d/b/a Voyant Beauty and Staffing Network Holdings, LLC and each of their respective current, former, and future affiliates, including, without limitation, parents, subsidiaries, and related entities, predecessors, successors, divisions, joint ventures and assigns, and each of these entities’ past or present owners, shareholders, advisors, directors, officers, employees, partners, members, employee benefit plans (and their agents, administrators, fiduciaries, insurers and reinsurers), principals, insurers, co-insurers, re-insurers, managers, shareholders, attorneys, and personal or legal representatives, in their individual and representative capacities (collectively referred to as the “Releasees”) from any and all race discrimination claims against the Releasees that arise out of the same transactions or occurrences alleged in Plaintiffs’ Sixth Amended Complaint in the *Vee Pak* Matter (“*Vee Pak* Released Claims”). The scope of release for the Defendants’ Releasees in this matter shall be the same as permitted under the doctrine of *res judicata* had a judgment been entered in Vee Pak and Staffing Network’s favor. The Waiver and Release explicitly does not waive any rights that cannot be waived by law, including for events that occurred after January 1, 2019, the right to file a charge of discrimination with an administrative agency, such as the United States Equal Employment Opportunity Commission (“EEOC”) and the right to participate in any agency investigation or proceeding. However, any *Vee Pak* Class Member who does not opt-out of the *Vee Pak* Settlement, if approved, will waive any right to recover a monetary award from any of the Releasees in connection with such a charge or investigation related to the Released Claims for a charge filed by any individual, by the EEOC, or by any other city, local, state, or federal agency.

Under the Settlement Agreement, the Named Plaintiffs Joe Eagle, Michael Keys and Evan Franklin will ask the Court to award them a payment of Fifteen Thousand and 00/100 Dollars (\$15,000.00) and Plaintiff James Zollicoffer¹ will ask the Court to award him Ten Thousand and 00/100 Dollars (\$10,000.00) for executing a full release of all claims as to Vee Pak and Staffing Network and for helping to litigate and settle this litigation. Plaintiffs’ counsel will ask the Court to award them Four Million and 00/100 Dollars (\$4,000,000.00) as a partial payment for the work they performed on behalf of the class for more than 10 years and will ask the Court to reimburse their actual expenses incurred in this litigation up to Five Hundred Thousand and 00/100 Dollars (\$500,000.00).

The Court has also ordered that the terms of the prior Settlement agreements with ASI and MVP be modified to allow for *pro rata* distribution of Settlement funds – that is, each claimant will receive an equal share. The Court has ordered that the distribution of these funds should be consolidated with the distribution of the funds in the *Vee Pak* Settlement. If you are eligible to receive monies from multiple Settlement funds, you will receive them together as a single check.

F. What am I entitled to recover under the Settlement?

If the Court approves the *Vee Pak* Settlement, each Vee Pak Class Member who submits a valid and timely claim may receive a share of the *Vee Pak* Class Settlement Fund of Six Million Six Hundred Thousand and 00/100 Dollars (\$6,600,000.00), minus the cost of claims administration, the service awards to the Named Plaintiffs and the employer’s share of payroll taxes. The award to each Claimant shall be no more than Five Thousand Dollars (\$5,000.00). The actual amount each Claimant in the *Vee Pak* Settlement will receive will depend upon how many claims are filed. If more claims are received than have been expected, then each claimant’s Settlement award will be reduced proportionately. If the total number of claims received is less than the number of claims expected, then each eligible Claimant’s Settlement payment will be increased proportionately.

¹ Named Plaintiff Zollicoffer previously received a Five Thousand and 00/100 Dollar (\$5,000.00) payment in this case as a part of the partial Settlement with MVP as the representative plaintiff of the MVP Subclass.

The Parties have agreed that thirty percent (30%) of each Claimant's Settlement award in the *Vee Pak* Matter will be considered wages and will be reported as such on an IRS Form W-2 and that the remaining seventy percent (70%) will be considered compensatory damages and interest and will be reported as such on an IRS Form 1099 where mandated by the Internal Revenue Service. Appropriate withholding of federal, state, and local income taxes shall be made from the wage portion of the Settlement award and the Claimants' share of Federal Insurance Contributions Act (FICA) taxes shall be deducted from these Settlement payments and reported in the above referenced Form W-2. Other than the withholding and reporting requirements herein, Claimants shall be solely responsible for the reporting and payment of their share of any federal, state, or local income or other taxes on payments received pursuant to this Settlement.

G. How do I receive a Settlement Award in the Vee Pak Settlement?

How do I participate?

To receive a part of the Class Settlement Fund, you must be a class member in the *Vee Pak* Matter which is determined by answering on the Claim Form, under oath, "Yes" to Questions 1 (affirming under oath that you identify as African American) and 2 (affirming under oath that you sought work at Staffing Network, ASI and/or MVP at an office that made assignments to Vee Pak during the relevant Subclass Period). You must complete and sign the Claim Form without alteration or amendment and return it to the Claims Administrator on or before Friday, March 22, 2024. *If you do not timely complete and return a signed and fully completed Claim Form, you will not receive a monetary Settlement award.*

H. Am I required to participate in the Settlement?

No, you may do nothing, and you will remain a member of the *Vee Pak* Class and be bound by the Settlement of this matter, but you will not receive a Settlement check and will not be eligible to later receive a proportionate share of the Class Settlement Fund described above.

You also have the right to object or exclude yourself from the Settlement if you comply with the opt-out procedure stated below. However, if you exclude yourself from the Settlement, you will not be eligible to receive any money from the Settlement.

I. What is the Fairness Hearing and do I need to attend?

The purpose of the Fairness Hearing is to determine whether the proposed Settlement of the lawsuit is fair, reasonable, and adequate, and whether the proposed Settlement should be finally approved by the Court. There will be a Fairness Hearing for the *Vee Pak* Settlement before Judge Tharp. Information about the Fairness Hearing is provided below. **Any Class Member who is satisfied with the proposed Settlement does not have to appear at the Fairness Hearing.**

J. How can I opt-out of the Settlement?

If you do not wish to participate in the Vee Pak Settlement, you may also exclude yourself from the Settlement ("Opt-Out Request"). To exclude yourself from the *Vee Pak* Settlement, you must submit the following written statement on your Opt-Out Request: "I request to be excluded from the Settlement in *Eagle, et al. v. Vee Pak, Inc., et al.*, Case No. 12-cv-09672" and return it to the Claims Administrator and postmarked on or before Friday, March 22, 2024

Your Opt-Out Request must include your full name, address and telephone number and must be personally signed by you and returned to the Claims Administrator and postmarked on or before Friday, March 22, 2024. If you exclude yourself from the *Vee Pak* Settlement, you will not receive a Settlement award in the *Vee Pak* Matter as described above and you will not be bound by the release against Vee Pak or Staffing Network and may pursue other legal remedies against Vee Pak or Staffing Network on your own apart from the *Vee Pak* Settlement that may be available to you. *You should not opt-out if you wish to participate in the Settlement.*

K. How can I object to the Settlement?

Any person who has not validly and timely opted-out of the Settlement but who objects to the proposed Settlement may appear in person or through counsel at the Fairness Hearing and be heard as to

why the Settlement should not be approved as fair, reasonable, and adequate. Neither Plaintiffs nor Defendants will pay attorneys' fees to an objector's counsel for work related to an objection to this Settlement. If you choose to object to the Settlement, your written objection must be received by the Claims Administrator on or before Friday, April 12, 2024. The objection should set forth, in clear and concise terms, the legal and factual arguments supporting the objection. Your written objection must also include your full name, address and telephone number and be personally signed and dated by you. Class Members who do not make timely objections in this manner will be deemed to have waived all objections and shall not be heard or have the right to appeal approval of the Settlement.

If you file an objection and wish it to be considered in the *Vee Pak* Matter, you must also appear at hearing on April 19, 2024 at 2:00 p.m., in Courtroom 2303 at the Everett McKinley Dirksen Courthouse, 219 South Dearborn Street, Chicago, Illinois, at which time the judge presiding over the *Vee Pak* Matter (The Hon. John J. Tharp, Jr.) will consider whether to grant final approval of the *Vee Pak* Settlement. **YOU ARE NOT REQUIRED TO ATTEND THIS HEARING UNLESS YOU PLAN TO OBJECT TO THE SETTLEMENT.**

L. When is the Court hearing to determine if the Settlement is fair?

The Fairness Hearing in the *Vee Pak* Matter will be held before the Honorable John J. Tharp, Jr. on April 19, 2024 at 2:00 p.m., in Courtroom 2303 at the Everett McKinley Dirksen Courthouse, 219 South Dearborn Street, Chicago, Illinois. This Fairness Hearing may be adjourned from time to time as the Court may direct, without further notification. If you are a member of the *Vee Pak* Class, you will be bound by the proposed *Vee Pak* Settlement with Vee Pak and Staffing Network if it is approved, unless you opt-out by making a timely Request for Exclusion as described above.

M. What rights am I giving up if I participate in the Settlement?

Class Members who do not opt out of the *Vee Pak* Settlement will release the Vee Pak and Staffing Network's Releasees from the Released Claims in this Matter, as discussed above.

N. How are the lawyers for the Settlement Class Paid?

Multiple law firms have worked on this lawsuit for more than 10 years and have incurred approximately \$500,000.00 in case expenses, including hiring experts to help prove this case, and have expended more than \$5,000,000.00 in attorneys' fees. The parties negotiated payment of attorneys' fees and costs separately from the amount available to pay claims of class members and have agreed that Class Counsel may petition the Court for reimbursement of some of the attorneys' fees incurred over the last decade in this case in the amount of Four Million and 00/100 Dollars (\$4,000,000.00). In addition, Class Counsel may petition the Court for reimbursement of their costs up to Five Hundred Thousand and 00/100 Dollars (\$500,000.00) incurred in the litigation of the *Vee Pak* Matter.

O. What if the court does not approve the Settlement?

If the Court does not approve the Settlement, the case will proceed as if no Settlement had been attempted, and there can be no assurance that Class Members will recover more than is provided for in the Settlement agreement, or indeed, anything.

P. Can I review a copy of the Settlement Agreement or other filings in this case?

Yes, for a detailed statement of the matters involved in this case and the proposed Settlement, you may review the pleadings and other papers filed in the Lawsuit, which are available online through the court's PACER (Public Access to Court Electronic Records) system or may be inspected at the Office of the Clerk of the United States District Court, 219 S. Dearborn St., Chicago, Illinois, 60604, during regular business hours of each court day. Additional information about the Settlements is available at the Settlement website, www.VPSettlement.com. You may also contact Class Counsel to review copies of the Settlement papers filed with the Court.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT OR THE JUDGE WITH INQUIRIES ABOUT THIS SETTLEMENT. DIRECT QUESTIONS ABOUT THE SETTLEMENT TO CLASS COUNSEL OR THE SETTLEMENT ADMINISTRATOR.

Claims Administrator

Vee Pak Class Claims Administrator
c/o Atticus Administration
PO Box 64053
St. Paul, MN 55164

Fax: 1-888-326-6411
Toll-Free: 1-888-212-3832

Email: VPSettlement@atticusadmin.com
Settlement Website: www.VPSettlement.com

The Lawyers Representing the Class

The following law firms were appointed by the *Vee Pak* Court to represent the Class (called “Class Counsel”):

Class Counsel

Christopher J. Williams NATIONAL LEGAL ADVOCACY NETWORK 1 N. LaSalle St Suite 1275 Chicago, IL 60602 (312) 795-9121 cwilliams@n-lan.org	Joseph Sellers, Harini Srinivasan and Megan Reif COHEN, MILSTEIN, SELLERS & TOLL, PLLC 1100 New York Ave. NW Fifth Floor Washington, DC 20005 (202) 408-4600 jsellers@cohenmilstein.com hsrinivasan@cohenmilstein.com mreif@cohenmilstein.com	Christopher Wilmes Caryn Lederer HUGHES, SOCOL, PIERS, RESNICK & DYM, LTD 70 W Madison St #4000 Chicago, IL 60602 (312) 580-0100 cwilmes@hsplegal.com clederer@hsplegal.com
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BY ORDER OF THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS, EASTERN DIVISION IN THE MATTER OF *EAGLE, ET AL. V. VEE PAK, INC., ET AL.*, CASE NO. 12-CV-09672