

UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

If you are a Jan-Pro franchisee in the state of California, a class action lawsuit may affect your rights.

A federal court authorized this notice. This is not a solicitation from a lawyer.

- A class action lawsuit has been filed against Jan-Pro Franchising International Inc. (“Jan-Pro International”), a Massachusetts corporation with a principal place of business in Georgia, by three unit franchisees who signed a franchise agreement with a regional franchise owner of a Jan-Pro franchise in California and performed cleaning services between December 12, 2004 and January 31, 2017 (the “Class Period”). The plaintiffs in the lawsuit do not sue the regional franchise owners in California, but allege that they and other cleaning franchisees in California should be classified as employees of Jan-Pro International. Plaintiffs contend that, as employees, Jan-Pro International violated sections of the Wage Orders and California Labor Code by not reimbursing unit franchisees for certain expenses, by not paying for hours spent undergoing mandatory training, and by taking deductions from franchisees’ pay for management and sales and marketing fees.
- The Court has certified the following class with respect to the claims outlined above:

All unit franchisees who signed a franchise agreement with a master franchisee in the state of California and who performed cleaning services for defendant from December 12, 2004, to January 31, 2017.
- The Court has granted summary judgment to Plaintiffs with respect to the certified claims, and the Plaintiffs are preparing for a trial to determine the amount of money that the Class is owed as a result of these violations. Jan-Pro International is seeking relief from the Court’s ruling on appeal, but there has been no action from the appeals court at this time. There is no money available now and no guarantee that there will be. However, as you may be a member of the class described above, your legal rights are affected. Please read the following page, which contains important information regarding your legal rights and options in this lawsuit.
- As you may be a member of the class, you have a choice to make now:

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YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT

DO NOTHING	<p>Stay in this lawsuit. Await the outcome. Give up certain rights.</p> <p>By doing nothing, you will remain a member of the class and be bound by any judgment that results and will keep the possibility of getting money or benefits that may come from a trial or a settlement. But, you give up any rights to sue Jan-Pro International separately as to the same legal claims in this lawsuit.</p>
ASK TO BE EXCLUDED	<p>Get out of this lawsuit. Get no benefits from it. Keep rights.</p> <p>If you ask to be excluded you will not be bound by any judgment that you are or are not an employee of Jan-Pro International and, if money or benefits are later awarded, you won't share in those. But, you keep any rights to sue Jan-Pro International separately about the same and related legal claims in this lawsuit, including any claims for additional expenses, wages, or deductions that are not being pursued by Plaintiffs in this case.</p>

- Your options are explained in this notice. To ask to be excluded from the lawsuit, you must act before **January 30, 2023**. To exclude yourself from the lawsuit, you may email janprocal@llrlaw.com and clearly indicate “Jan-Pro International Lawsuit” in the subject line. You must include your name and contact information and indicate clearly that you do not want to participate in the lawsuit and wish to opt out.
- If money or benefits are obtained from Jan-Pro International, you will be notified about how to ask for a share.
- Any questions? Read on and visit www.janprocalifornialawsuit.com.

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BASIC INFORMATION

1. Why did I get this notice?

Records obtained by the Parties show that you may be a member of the class of individuals covered by this litigation. This notice explains that the Court has allowed, or “certified,” a class action litigation that may affect you. If you are a member of the class, you would have legal rights and options that you may exercise before you are bound by any decision in the case. Judge William Alsup of the United States District Court for the Northern District of California is overseeing this class action. The lawsuit is known as *Gloria Roman et al v. Jan-Pro Franchising International, Inc.*, Case No. 3:16-cv-05961-WHA (N.D. Cal.).

2. What is this lawsuit about?

This lawsuit has determined that Jan-Pro International has misclassified California cleaning franchisees as independent contractors, as opposed to its employees, during the Class Period. The Court or jury will now determine how much Jan-Pro International must pay to reimburse franchisees who are in the class for certain expenses and/or unpaid mandatory trainings, and/or for certain deductions for management fees and sales and marketing fees. Jan-Pro International still has a right to appeal the rulings of the district court in this case and it is still possible that a Court will determine that Jan-Pro International did not misclassify California franchisees after all and/or that class members have to arbitrate claims and/or that the franchisees are not entitled to any damages.

3. What is a class action and who is involved?

In a class action lawsuit, one or more people called “Class Representatives” sue on behalf of other people who have similar claims. The people together are a “Class” or “Class Members.” In this case, three of the individuals who initiated this lawsuit, Gerardo Vazquez, Juan Aguilar, and Gloria Roman, are Class Representatives. Together, the Class Representatives and Class Members are called the Plaintiffs. The company that has been sued—in this case Jan-Pro Franchising International, Inc. —is called the Defendant. One court resolves the issues for everyone in the Class—except for those people who chose to exclude themselves from the class.

4. Why is this lawsuit a class action?

The Court decided that some of the claims in this lawsuit can proceed as a class action because they meet the requirements of Federal Rule of Civil Procedure 23, which governs class actions in federal courts. Specifically, the Court found that, as to those claims:

- The size of the Class is so large that it would be impractical to join each Class Member as a party to this lawsuit;
- There are legal questions and facts that are common to each Class Member;
- The Class Representatives’ claims are typical of the claims of the rest of the Class; and

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- The Class Representatives and the lawyers representing the Class will fairly and adequately represent the Class' interests.

More information on why the Court is allowing the lawsuit to be a class action is in the Court's Order Certifying the Class, which is available at www.janprocaliforniaclassaction.com.

THE CLAIMS IN THE LAWSUIT

5. What does the lawsuit complain about?

In this lawsuit, Plaintiffs claim that Jan-Pro International has misclassified cleaning franchisees as independent contractors and that they should be classified as Jan-Pro International's employees. The Plaintiffs did not sue the regional franchise owners from whom they purchased their franchises.

Plaintiffs contend that cleaning franchisees were employees under the California Labor Code during the Class Period and that the "ABC test" applies to their claims. Under the ABC test, a worker is an employee of the entity that hired them unless the hiring entity satisfies all three of the following conditions:

- (A) The worker is free from the control and direction of the hiring entity in connection with the performance of the work, both under the contract for the performance of the work and in fact;
- (B) The worker performs work that is outside the usual course of the hiring entity's business; and
- (C) The worker is customarily engaged in an independently established trade, occupation, or business of the same nature as that involved in the work performed.

Here, the Court has certified a class on Prong B of the three-part ABC test and has found that Jan-Pro International cannot satisfy Prong B of the test such that cleaning franchisees are Jan-Pro International's employees as a matter of law.

You can read the Complaint Plaintiffs submitted at www.janprocaliforniaclassaction.com.

6. What are the parties' positions?

Plaintiffs sought to prove that California cleaning franchisees were employees of Jan-Pro International under the California Wage Orders. Plaintiffs sought to claim that a class of California cleaning franchisees were misclassified and entitled to various forms of damages. As noted above, the Court found that the plaintiffs were misclassified and certified some of the plaintiffs' claims but not others. Specifically, the Court certified claims to recover reimbursement for certain expenses incurred, for minimum wages for any mandatory training, and for deductions taken for management and sales and marketing fees. The Court granted

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summary judgment to Plaintiffs on these claims, and it only remains for the Court to determine how much Jan-Pro owes the Class in damages.

Jan-Pro disputes Plaintiffs' claims and denies that it did anything wrong. Jan-Pro's position is that cleaning franchisees are not and have never been its employees and are not entitled to expense reimbursement, minimum wage, or recovery of deductions. Jan-Pro's Answer to the Complaint is also available at www.janprocaliforniaclassaction.com.

7. Has the Court decided who is right?

The Court has decided that Plaintiffs are correct on some of their claims. Specifically, the Court has found that Plaintiffs are Jan-Pro International's employees under California law and that Jan-Pro International violated the Labor Code by failing to reimburse them for certain expenses (for cleaning supplies, equipment and uniforms), by failing to pay minimum wage for any hours spent on mandatory trainings, and for taking certain unlawful deductions for management fees and sales and marketing fees from Plaintiffs' pay. At trial, Plaintiffs still must prove their own damages, and any damages owed to the class. Jan-Pro International also has the right to appeal the outcome of the case.

8. Is there any money available now?

No money or benefits are available now because the Court has not yet decided the issue of damages and has not yet determined how much, if anything, Jan-Pro International owes to the Class, nor have the two sides settled the case. There is no guarantee that money or benefits ever will be obtained. If they are, you will be notified about how to ask for a share.

WHO IS IN THE CLASS

9. Which individuals are included?

Judge Alsup determined that you are part of the Class if you meet the following criteria:

- A. You signed a franchise agreement with a California master franchisee of Jan-Pro Franchising International Inc. in California; and
- B. You performed cleaning services during the Class Period.

10. Which individuals are not included in the Class?

The following groups of franchisees, among others, are not included in the Class:

- A. Franchisees who did not sign a franchise agreement (either individually, with a partner, or through a corporate entity) with a California master franchisee of Jan-Pro Franchising International, Inc..
- B. Franchisees who signed an agreement with a master franchisee of Jan-Pro Franchising International, Inc. *outside* California.
- C. Franchisees who did not perform cleaning work between December 12, 2004 and January 31, 2017.
- D. Persons who did not sign franchise agreements, even if such persons performed services for a franchisee who worked on “Jan-Pro” accounts.

11. I'm not sure if I am included.

If you are not sure whether you are included, you can get free help at www.janprocalifornialawsuit.com, or by calling, 1-617-994-5800.

YOUR RIGHTS AND OPTIONS

You have to decide whether to stay in the Class or ask to be excluded before the damages trial, and you have to decide this now.

12. What happens if I do nothing at all?

You don't have to do anything now if you want to keep the possibility of getting money or benefits from this lawsuit. By doing nothing you are staying in the Class. If you stay in and Plaintiffs obtain money or benefits, you will be notified about how to apply for a share (or how to ask to be excluded from any settlement). Keep in mind that if you do nothing now, regardless of whether Plaintiffs win or lose, you will not be able to sue JAN-PRO INTERNATIONAL—as part of any other lawsuit—about the same legal claims that are the subjects of this lawsuit for the time period covered by this case. You will also be legally bound by all of the orders the Court issues and judgments the Court makes in this class action, including any orders or judgments regarding Plaintiffs' claim that you are an employee of JAN-PRO INTERNATIONAL.

13. Why would I ask to be excluded?

If you exclude yourself from the Class—which also means to remove yourself from the Class—you won't be bound by any determination that Class members are Jan-Pro International's employees or get any money or benefits from this lawsuit even if Plaintiffs obtain them. However, you may then be able to file your own suit against Jan-Pro International for claims that are the same or similar to the claims being raised in this lawsuit. If you exclude yourself, you will not be legally bound by the Court's judgments in this class action.

If you start your own lawsuit against Jan-Pro International after you exclude yourself, you'll have to hire and pay your own lawyer for that lawsuit if you want to use a lawyer, and you'll have to prove your claims. If you do exclude yourself so you can start your own lawsuit against Jan-Pro International, you should talk to your own lawyer soon, because your claims may be subject to a statute of limitations.

14. How do I ask the Court to exclude me from the Class?

To ask to be excluded, you must send a written request in the form of an email or a letter sent by mail, stating that you want to be excluded from *Roman v. Jan-Pro*. You must email your request to be excluded from the class by **January 30, 2023**. Alternatively, you may send a letter by mail containing the same information to the address set forth below. The letter must be postmarked by **January 30, 2023**.

Attn: Notice Administrator
Lichten & Liss-Riordan, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116
janprocal@llrlaw.com

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15. Can Jan-Pro International retaliate against me for participating in this case?

No, it is against the law for Jan-Pro International to retaliate against you for participating in this lawsuit.

THE LAWYERS REPRESENTING YOU

16. Do I have a lawyer in this case?

The Court decided that Ms. Shannon Liss-Riordan, Esq. and Ms. Adelaide Pagano Esq. of the law firm Lichten & Liss-Riordan, P.C. are qualified to represent you and all Class Members. These lawyers are called “Class Counsel.” They are experienced in handling similar cases against other defendants. If you have questions about the lawsuit or your rights in this case, you can contact them at the address below:

Plaintiffs’ Counsel
Shannon Liss-Riordan, Esq.
Adelaide Pagano, Esq.
Lichten & Liss-Riordan, P.C.
729 Boylston Street, Suite 2000
Boston, MA 02116
(617) 994-5800
janprocal@llrlaw.com

17. Should I get my own lawyer?

You do not need to hire your own lawyer because Class Counsel is working on your behalf. But, if you want your own lawyer, you may have to pay that lawyer. For example, you can ask him or her to appear in Court for you if you want someone other than Class Counsel to speak for you.

18. How will the lawyers be paid?

If Class Counsel get money or benefits for the Class, they will ask the Court for fees and expenses. You won’t have to pay these fees and expenses. If the Court grants Class Counsel’s request, the fees and expenses would be either deducted from any money obtained for the Class or paid separately by Jan-Pro.

NEXT STEPS IN THE CASE

19. What are the next steps in the case?

As long as the case isn't resolved by a settlement, Class Counsel will have to prove Plaintiffs' damages at trial. No trial date has been set in this case, but the Parties expect it will take place in the first half of 2023. At the trial, the Court will calculate how much Jan-Pro International owes to the Class, if anything, in damages. However, there is no guarantee that Plaintiffs will win this case, or that they will get any money for the Class because Jan-Pro International might prove there are no damages, or Jan-Pro International might prevail on appeal at the end of the case, and it is possible the Court's rulings in Plaintiffs' favor could eventually be reversed.

20. Will I get money from this case?

If Plaintiffs obtain a judgment in their favor and obtain money or benefits as a result of winning at trial or through a settlement, you will be notified about how to participate. We do not know how long this will take.

GETTING MORE INFORMATION

21. Are more details available?

Visit the website, www.janprocaliforniaclassaction.com, where you will find the Court's Orders Certifying the Class and granting Summary Judgment, the operative Complaint that Plaintiffs submitted, and Jan-Pro International's Answer to Plaintiffs' Complaint. You may also speak to one of the Plaintiffs' lawyers by calling (617) 994-5800 or writing to janprocal@llrlaw.com or apagano@llrlaw.com.

PLEASE DO NOT CALL THE COURT

Dated: **December 1, 2022**

Clerk of the Court for the United States District
Court for the Northern District of California