

UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
ORLANDO DIVISION

CASE NO.: 6:08-cv-01186-MSS-DAB

NANCY BUTLER-JONES, and HYWEL JONES,
NELSON I. del TORO, MEHMET SAHIN,
LINDA MEYERS, and WILLIAM DAVIS,
individually and on behalf of all other similarly
situated employees,

Plaintiffs,

v.

STERLING CASINO LINES, L.P., a Delaware
Limited Partnership, SEXTANT STERLING I,
INC., a Delaware Corporation, and
JOHN BREVICK, individually, and All
Other Subsidiaries or Successors,

Defendants.

**NOTICE OF PROPOSED CLASS ACTION
SETTLEMENT, FAIRNESS HEARING, AND RIGHT TO APPEAR**

TO: All Persons who, according to Defendants' records, were Employees of the Sterling Casino Lines, L.P. and suffered an employment loss on July 7, 2008, or thereafter, as part of the closing of Sterling Casino Lines' operations at Port Canaveral, Florida, and who did not receive: (1) sixty (60) days advanced notice of their employment loss, (2) sixty (60) days pay in lieu of notice, or (3) a combination of notice and pay equaling sixty (60) days

If you previously were employed by Sterling Casino Lines, L.P. and suffered an employment loss on July 7, 2008, or thereafter, as part of the closing of Sterling Casino Lines' operations at Port Canaveral, Florida, you may be eligible to receive money in this class action settlement.

PLEASE READ THIS NOTICE CAREFULLY. THIS IS A CLASS ACTION SETTLEMENT UNDER FED. R. CIV. P. 23. IF YOU ARE A MEMBER OF THE CLASS DEFINED BELOW, YOU WILL BE BOUND BY THIS SETTLEMENT UNLESS YOU OPT OUT AS EXPLAINED BELOW, AND YOUR RIGHTS WILL BE AFFECTED BY LEGAL PROCEEDINGS IN THIS LITIGATION. YOU MAY BE ENTITLED TO CASH

PROCEEDS PURSUANT TO THE PROPOSED SETTLEMENT DESCRIBED BELOW. TO RECOVER, YOU MAY BE REQUIRED TO SUBMIT AN OFFICIAL CLAIM FORM BY THE CLAIMS DEADLINE.

CLAIMS DEADLINE **November 11, 2009**

OBJECTIONS AND OPT OUT DEADLINE **November 11, 2009**

FAIRNESS HEARING DATE **January 6, 2010**

The purpose of this Notice is to inform you of: (1) the proposed settlement of this class action litigation and (2) of the hearing to be held by the U.S. District Court for the Middle District Florida (the “Court”) to consider the fairness, reasonableness, and adequacy of the proposed amended settlement with the Defendants (the “Fairness Hearing”). The purpose of this Notice is also to enclose an Official Claim Form which you must use if you wish to make a claim for money. An Official Claim Form is enclosed herewith.

The proposed settlement, the terms of which are only summarized in this Notice, is embodied in the Settlement Agreement dated May 7, 2009 (the “Settlement Agreement”), which has been filed with the Court. The Fairness Hearing will be held on Wednesday January 6, 2010, at the U.S. District Courthouse located at 401 West Central Boulevard, Courtroom 5B, Orlando, Florida.

THE LITIGATION

The above-captioned Plaintiffs have filed a lawsuit in the United States District Court for the Middle District of Florida against Sterling Casino Lines, L.P., Sextant Sterling I, Inc., and John Brevick, (collectively, “Defendants”) for recovery of up to 60 days of pay under the Worker Adjustment and Retraining Notification Act (“WARN Act”), 29 U.S.C. § 2101 *et seq.* for each person covered by the Certified Class definition below. Defendants deny that they acted improperly, but, without admitting liability, has concluded that it is in its best interests to settle this lawsuit. You may be eligible to recover if you meet the criteria for recovery.

THE COURT HAS EXPRESSED NO OPINION AS TO THE MERITS OF PLAINTIFFS’ CLAIMS.

THE SETTLEMENT

Under the terms of the Settlement Agreement, and subject to changes in the applicable law, Sterling Casino Lines has agreed as follows:

1. The Settlement Class includes all persons who were employees of the Sterling Casino Lines, L.P. and suffered an employment loss on July 7, 2008, or thereafter, as part of the closing of Sterling Casino Lines’ operations at Port Canaveral, Florida, and who did not receive: (1) sixty (60) days advanced notice of their employment loss, (2) sixty (60) days pay in lieu of notice, or (3) a combination of

- notice and pay equaling sixty (60) days.
2. Sterling Casino Lines has agreed to compensate the Settlement Class as follows:

Four (4) weeks of gross pay, subject to the provisions below. Gross pay for purposes of this Agreement shall be defined as the average of the Class Member's gross wages during the 38 weeks prior to July 7, 2008, excluding any weeks in which the Ambassador II was in the shipyard for repairs.

(1) The amounts to be paid to the Class Members shall be reduced by any severance paid to Class Members at the termination of their employment and any wages for work performed by Class Members on or after July 7, 2008. Any payments made to Class Members for accrued vacation will not be construed as severance and will not be subtracted from the amounts to be paid to the Class Members;

(2) No Class Member will be paid for more than 50% of the number of days he or she would be entitled to be paid under the WARN Act;

(3) Under no circumstances will any of the Plaintiffs named in the Amended Complaint who are part of the Settlement Class be paid less than \$500.00 under this Agreement;

(4) If the above calculation yields an amount less than \$10 for a Class Member, the amount owed to that Class Member under this Agreement shall be \$0.

(5) Defendants will deduct applicable withholdings and taxes from the amounts to be paid to the Class Members.

Counsel for the Class assert the above-referenced settlement is a fair and reasonable settlement of the Settlement Class' disputed claims. This case presents disputed issues of liability, and the Defendants have asserted numerous defenses. Further, the settlement supplies significant value to the Settlement Class due to the risks of trial and collectability of a judgment against a Defendant which is not currently conducting any viable business. Finally, the reductions in the settlement provided for above are required by the WARN Act and its applicable regulations.

PLAN OF ALLOCATION

If the Court approves the Settlement Agreement at the Fairness Hearing, each eligible Class Member who submits a timely, complete, and fully documented Official Claim Form demonstrating entitlement to recovery, and who otherwise meets the requirements of the Settlement Agreement, shall be entitled to recovery of actual damages as outlined above.

Each class member will have to execute the Official Claim Form. In the event of a conflict between Sterling Casino Lines' records and the class member's claim regarding

entitlement to recover under this settlement or the amount that the Class Member is entitled to recover, Sterling Casino Lines' records will control subject to Class Counsel's audit rights.

YOUR RIGHT TO OPT OUT OF THE SETTLEMENT AGREEMENT

If you are a Class member and decide that you do not wish to become part of this settlement, and would rather pursue a claim on your own, you may elect to opt out of this settlement. If you decide to opt out of this settlement you will not receive any proceeds from this settlement and you would be forced to file an individual lawsuit on your own behalf against Sterling Casino Lines in order to attempt to recover any money which may or may not be owed to you. If you decide to opt out you must prepare a document reflecting your desire to opt out and setting forth the style of the case as set forth above.

Your opt out document must clearly state that you wish to opt out of this settlement, must be sent via certified mail return receipt requested and postmarked on or before thirty (30) days from the date of this notice to the Claims Administrator, addressed as follows:

Cynthia Kane
Sterling Casino Lines L.P.
3950 South Banana River Boulevard
Cocoa Beach, FL 32931

A copy of this opt out document must be also sent via certified mail return receipt requested to (1) Class Counsel Melanie Damian, Esq. Damian & Valori, LLP, 1000 Brickell Avenue, Suite 1020, Miami, Florida, 33131; and (2) Sterling Casino Lines' counsel Jeffrey E. Mandel, Esq. FISHER & PHILLIPS, LLP, 300 South Orange Avenue, Suite 1250, Orlando, Florida 32801 with proof of service on the Claims Administrator postmarked on or before November 11, 2009. A copy of this opt out document must be also sent via certified mail to the Clerk of Court for the United States District Court for the Middle District of Florida, 401 West Central Boulevard, Suite 1200 Orlando, Florida 32801-0120 with proof of service on the Claims Administrator on or before November 11, 2009. Such opt out document must affirmatively state your desire to opt out of the settlement and otherwise comply with the requirements of Federal law. Any potential Class Member who does not opt out in the time and manner provided above shall be deemed to have waived their right to opt out and shall be bound by the terms of the Settlement Agreement.

PERFECTING A CLAIM TO RECOVER

If you are a Class Member, you must complete and sign the enclosed Official Claim Form and send it by mail, to the Claims Administrator, addressed as follows:

Cynthia Kane
Sterling Casino Lines, L.P.
3950 South Banana River Boulevard
Cocoa Beach, FL 32931

Note that if this notice was originally sent to an outdated or incorrect address, you must

provide your current address where indicated on the Official Claim Form and return it to the Claims Administrator.

IMPORTANT: Official Claim Forms that are postmarked later than November 11, 2009, shall be invalid, and thus barred from recovery under the Settlement Agreement. Under no circumstances will this deadline be extended without the express written consent of Sterling Casino Lines. This is an absolute deadline. The filing of objections, motions to intervene, or any other documents shall not toll or otherwise extend the deadline, and failing to fully or properly complete and postmark the Official Claim Form will constitute an absolute waiver of any right to recover.

THE FAIRNESS HEARING:

A hearing known as the Fairness Hearing shall be held before the court on January 6, 2010, at the United States District Court for the Middle District of Florida Courthouse, 401 West Central Boulevard, Courtroom 5B Orlando, Florida 32801-0120, to determine the reasonableness, adequacy and fairness of the proposed settlement. The Fairness Hearing may be continued or adjourned from time to time by the Court with or without further notice to Class Members. For an update you may contact Class Counsel Melanie Damian at (305) 371-3960.

Any Class Member may appear at the Fairness Hearing and show cause as to any reason why the proposed settlement contained in the Settlement Agreement should not be approved as fair, reasonable and adequate. However, no Class Member or any other person shall be entitled to appear and show such cause or otherwise contest the approval of the terms and conditions of the proposed settlement in any respect, unless, no later than ten (10) days before the hearing, that person: (1) has served written notice on the Claims Administrator; (2) has further filed such notice with the Clerk of the United States District Court for the Middle District of Florida Courthouse, 401 West Central Blvd., Suite 1200, Orlando, Florida, 32801-0120 with proof of delivery to the above attorneys on or before December 21, 2009 at the following addresses: (1) Class Counsel Melanie Damian, Esq. Damian & Valori, LLP, 1000 Brickell Avenue, Suite 1020, Miami, Florida, 33131; and (2) Sterling Casino Lines' counsel Jeffrey E. Mandel, Esq. FISHER & PHILLIPS, LLP, 300 South Orange Avenue, Suite 1250, Orlando, Florida 32801. Such notice shall set forth each objection and the basis for the objection, as follows:

Any such objections or any petition to intervene by a Class Member in the Action must be in writing, and must include: (1) sworn proof that the objector or intervenor is a Class Member as defined in this Notice and the Settlement Agreement; (2) a notice of intent to appear at the Fairness Hearing; (3) a statement of each objection being made and/or each ground for intervention; (4) a detailed description of the facts underlying each objection and/or ground(s) for intervention; (5) a detailed description of any legal authorities underlying each objection and/or ground for intervention; (6) a list of witnesses, including impeachment witnesses, who may be called to testify at the Fairness Hearing, either live or by deposition or by affidavit, and a summary of the testimony to be presented at the hearing; and (7) a list of exhibits, including impeachment exhibits, along with copies of the exhibits, that the objector and/or intervenor may offer during the Fairness Hearing.

All of these documents must be both filed with the Court and delivered to attorneys for Plaintiffs and attorneys for Sterling Casino Lines, no later than five (5) days before the hearing. Any Class Member who does not make an objection in the time and manner provided shall be deemed to have waived such objection, shall be bound by the terms of the Settlement Agreement and Release contained therein, and shall forever be foreclosed from making any objection to the fairness, reasonableness, or adequacy of the proposed settlement as set forth in the Settlement Agreement.

You may also enter an appearance at the Fairness Hearing, through your own attorney at your own expense. This will not change, however, the amount you are entitled to recover, if anything, and in no event, will you or your counsel be able to seek attorneys' fees from Defendants in this litigation or in connection with the Settlement Agreement. If you do not opt out, or you do not elect to be represented by your own attorney, or you do not object to the proposed settlement, you will be represented by counsel for the Settlement Class.

SETTLEMENT PAYMENTS

You are not required to attend the Fairness Hearing in order to claim your recovery.

If you are a former Sterling Casino Lines employee, to recover the payment: (1) you must properly complete and timely submit your Official Claim Form; (2) you must otherwise qualify to recovery under the Settlement Agreement, and (3) the Court must approve the settlement. If the Court approves the settlement, it is believed that checks and claim denial letters will be mailed to Class Members who have perfected claims within 15 days of the Court's final order approving the settlement.

If you disagree with the resolution of your claim, you must request in writing that Class Counsel audit the determination of your claim. If Class Counsel disagrees with Defendants' determination of the claim, Class Counsel shall attempt to resolve the matter with Defendants' Counsel. If the determination of the claim cannot be resolved by counsel, Class Counsel shall petition the Court to review the determination of the claim.

ADDITIONAL INFORMATION

This notice provides a summary of the litigation and the proposed settlement. For a more detailed statement of the matters involved in the litigation, you may refer to the pleadings, the Settlement Agreement, the orders of the court, and to the other papers filed in the litigation. These papers are available for inspection at the office of the Clerk of the U.S. District Court for the Middle District of Florida 401 West Central Boulevard, Suite 1200 Orlando, Florida 32801-0120.

INQUIRIES SHOULD NOT BE DIRECTED TO THE COURT

If you wish to obtain additional information about the settlement, you may contact Class Counsel Melanie Damian, Esq. at (305) 371-3960.

DATED October 12, 2009.