

## **NOTICE OF CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING**

IF YOU WORKED IN CALIFORNIA FOR CONTEMPORARY SERVICES CORPORATION (“DEFENDANT”) AS A NON-EXEMPT SECURITY GUARD OR AS PART OF THE EVENT STAFF AT ANY TIME FROM FEBRUARY 18, 2006 TO AUGUST 15, 2019, THIS CLASS ACTION AND REPRESENTATIVE SETTLEMENT MAY AFFECT YOUR RIGHTS.

*A Court authorized this Class Notice. This is not a solicitation by a lawyer. You are not being sued.*

### **WHY YOU SHOULD READ THIS SETTLEMENT NOTICE?**

A proposed settlement (the “Settlement”) has been reached in various representative and class action lawsuits entitled *West, et al. v. Contemporary Services Corporation*, San Francisco Superior Court Case No. CGC-10-502191, *Johnson, et al. v. Contemporary Services Corporation*, San Francisco County Superior Court Case No. CGC-16-552354, and *Collins, et al. v. Contemporary Services Corporation*, American Arbitration Association Case No. 72-20-1200-0345-12 (the “Civil Actions”).

The purpose of this Notice of Class Action Settlement and Final Approval Hearing (“Class Notice”) is to briefly describe the Civil Actions, and to inform you of your rights and options in connection with the Civil Actions and the proposed Settlement. The proposed Settlement will resolve all claims in the Civil Actions, and will result in, among other things, a final order and judgment.

AS A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE AN INDIVIDUAL SETTLEMENT PAYMENT UNDER THE SETTLEMENT, AND WILL BE BOUND BY THE RELEASE OF CLAIMS DESCRIBED IN THIS CLASS NOTICE AND THE STIPULATION FOR SETTLEMENT OF CIVIL ACTIONS FILED WITH THE COURT, UNLESS YOU TIMELY REQUEST TO BE EXCLUDED FROM THE CLASS AND THE SETTLEMENT.

### **WHO IS AFFECTED BY THIS PROPOSED SETTLEMENT?**

The Court has conditionally certified the following Class for settlement purposes: All persons who worked in California for Defendant as non-exempt security guards and event staff at any time from February 18, 2006 to August 15, 2019 (the “Class Period”).

According to the Defendant’s records, you are a member of the Class (“Class Member”).

### **WHAT IS THIS CASE ABOUT?**

Plaintiff Collins alleges class and representative causes of action for Failure to Pay Wages and Overtime; Meal-Period Liability Under Labor Code section 226.7; Failure to Provide Reporting-Time Pay; Violation of Labor Code section 226(a); Penalties Pursuant to Labor Code section 203; Violation of Business & Professions Code section 17200, *et seq.*; and for Penalties Pursuant to Labor Code section 2699.

Plaintiffs Johnson and Merino allege class and representative causes of action for Failure to Pay Compensation for All Hours Worked; Failure to Pay Overtime Compensation (Cal. Labor Code § 1194); Failure to Pay Meal and Rest Period Compensation; Reporting Time Pay Violations; Waiting Time Penalties (Cal. Labor Code § 203); Violation of Labor Code section 204; Failure to Provide Accurate Itemized Statements (Cal. Labor Code § 226); Payment for Required and Necessary Expenditures (Cal. Labor Code § 2802); Private Attorneys General Act; Conversion (Cal. Civil Code §§ 3336, 3294); and Unfair Business Practices (California Business and Professions Code §§ 17200, *et seq.*).

Plaintiffs West, Andino and Huffman allege class and representative causes of action for Unlawful Failure to Pay Minimum Wages; Unlawful Failure to Pay All Hours Worked Including Overtime Compensation; Failure to Reimburse Employee Expenses in Violation of Labor Code section 2802; Failure to Provide Required Break

For Meal Periods; Failure to Provide Rest Breaks; Failure to Provide Itemized Statements of Hours/Wages; Recovery of Waiting Time Penalties; and Unfair Compensation - Unfair and Unlawful Business Practices.

Defendant denies all liability in the Civil Actions, and is confident that it has strong legal and factual defenses to the above claims, but it recognizes the risks, distractions, and costs associated with litigation. Defendant contends that its conduct is and has been lawful at all times relevant, and that Plaintiffs' claims do not have merit and do not meet the requirements for class certification or for representative actions.

This Settlement is a compromise reached after good faith, arm's length negotiations between Plaintiffs and Defendant (collectively, the "Parties"), through their attorneys, and is not an admission of liability on the part of Defendant. All sides agree that in light of the risks and expenses associated with continued litigation, this Settlement is fair, adequate and reasonable. Plaintiffs and their attorneys also believe this Settlement is in the best interests of all Class Members.

The Court has not ruled on the merits of Plaintiffs' claims or Defendant's defenses.

### ***WHO ARE THE ATTORNEYS REPRESENTING THE PARTIES?***

The attorneys representing the Parties in the Civil Actions are:

#### **Plaintiffs' Attorneys ("Class Counsel")**

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#### **Defendant's Attorneys**

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## **Settlement Administrator**

CSC Settlement Administrator  
CPT Group, Inc.  
50 Corporate Park  
Irvine, CA 92606  
Telephone: 1(888) 541-6809

## **WHAT ARE THE SETTLEMENT PAYMENT TERMS?**

Subject to the Court's final approval, the payment terms of the Settlement are as follows:

### **Total Maximum Settlement Payment Amount.**

Defendant will pay \$3,600,000.00 (the Total Maximum Settlement Payment ("TMSP")), which shall be inclusive of all Individual Settlement Payments to Plaintiffs and all other Class Members, all attorneys' fees and expenses (including court costs) to be paid to Class Counsel, all required payroll withholdings/taxes, any Class Representative Service Awards, settlement administration costs and expenses, and all payments to the State of California Labor and Workforce Development Agency ("LWDA") for penalties under the Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698, *et seq.* ("PAGA"). In no event will Defendant be required to pay more than the TMSP under the terms of the Settlement.

### **Net Payment Amount.**

The "Net Payment" means the portion of the TMSP available for distribution to Class Members who do not timely and properly seek to be excluded from the Class and Settlement ("Settlement Class Members") after the deduction of: (1) Class Representative Service Awards to Plaintiffs in an amount up to \$55,000.00, in the aggregate, for their service to the Class and their individual releases; (2) settlement administration costs to the Settlement Administrator, CPT Group, Inc., estimated at approximately \$122,500.00; (3) a payment of \$37,500.00 to the LWDA; (4) payroll taxes to appropriate local, state and federal taxing authorities; and (5) Class Counsel's attorneys' fees in an amount up to \$1,200,000.00 and Class Counsel's litigation costs in an amount up to \$50,000.00. All of these payments are subject to Court approval.

### **Individual Settlement Payment Formula and Distribution.**

If you are a Class Member and submit a completed, valid and timely Claim Form online, you will be eligible to receive an Individual Settlement Payment based on the number of Compensable Pay Periods that you were employed during the Class Period. Compensable Pay Periods means the total number of pay periods during which each Class Member performed work for Defendant during the Class Period based on Defendant's records. The Net Payment will be divided by the total number of Compensable Pay Periods for all Settlement Class Members during the Class Period. The result of this division will yield a dollar value for each Compensable Pay Period. The gross amount of each Individual Settlement Payment will then be derived by multiplying the dollar value for each Compensable Pay Period by the number of Compensable Pay Periods attributable to each Settlement Class Member. Due to mandated tax withholdings applicable to the wage portion of each Individual Settlement Payment, your net Individual Settlement Payment will be less than your calculated gross Individual Settlement Payment. For purposes of tax reporting under the Settlement, payments made to Settlement Class Members will be treated as 34% wages and 66% as penalties and interest. Nothing in this Class Notice or the Settlement is intended to constitute tax advice. You should consult your own tax advisor for such advice.

If you disagree with the number of Compensable Pay Periods specified on your Claim Form, you must submit with your completed Claim Form any information and documentation you have to support your position

regarding the number of Compensable Pay Periods during the Class Period. The Claim Form and any supporting information and documentation must be submitted by November 23, 2019.

The Settlement Administrator will review your Claim Form and any supporting information and documentation that you provide, as well as Defendant's records, to resolve any disputes regarding the accurate number of Compensable Pay Periods. Defendant's calculation of your Compensable Pay Periods will be presumed accurate unless you submit verifiable evidence that establishes that a mistake was made by Defendant.

***WHAT CLAIMS ARE BEING RELEASED BY THE PROPOSED SETTLEMENT?***

Provided the Court gives its final approval of the Settlement, each Settlement Class Member, as of the Effective Date, shall fully, finally and forever settle, release and discharge Defendant and the other Released Parties of and from all "Released Claims." The Released Claims include the following:

All claims, rights, causes of action, losses, liabilities, and other legal responsibilities, of any form whatsoever, whether based on federal, state, local, statutory, or common law, or any other law, rule or regulation, whether known or unknown, unforeseen, unanticipated, unsuspected or latent, which were asserted in the Civil Actions and any other claims against Defendant by Settlement Class Members and the heirs, successors and/or assigns of any of them (whether directly, indirectly, representatively, derivatively or in any other capacity) based on the allegations of wrongful conduct in all pleadings filed by Plaintiffs, or any of them, in the Civil Actions arising any time during the Class Period.

The "Released Parties" are as follows: (i) Defendant; (ii) past and present subsidiaries, parents, affiliated and related companies, divisions, successors, predecessors or assigns of Defendant; and (iii) past and present officers, directors, shareholders, partners, agents, insurers, employees, advisors, accountants, representatives, trustees, heirs, executors, administrators, predecessors, successors or assigns of any of the foregoing.

***HOW TO RECEIVE YOUR INDIVIDUAL SETTLEMENT PAYMENT:***

**You must complete the Claim Form and submit it online to the Settlement Administrator on or before November 23, 2019, in order to be eligible to receive an Individual Settlement Payment.** No Individual Settlement Payments will be made unless and until the Court grants final approval of the Settlement.

If you submit online a completed and timely Claim Form and thereafter receive an Individual Settlement Payment, you will be bound by all the terms of the Settlement, including the release of claims as set forth above, that will prevent you from suing Defendant and the other Released Parties on the Released Claims.

***HOW TO REQUEST EXCLUSION FROM THE SETTLEMENT AND THE CLASS:***

You may request to be excluded from the Settlement and Class by submitting to the Settlement Administrator a request for exclusion which must: (1) contain your name, address, telephone number and last four digits of your Social Security number; (2) be signed by you; and (3) be mailed and postmarked or delivered to the Settlement Administrator. To be considered timely, your request to be excluded must be mailed and postmarked or delivered on or before November 23, 2019. Do not use a postage meter because that may not result in a postmark appearing on the envelope containing your request for exclusion.

If you submit a proper and timely request for exclusion, you will no longer be a member of the Class, and you will not be eligible to receive any of the benefits under the Settlement or be entitled to object to the terms of the Settlement. You also will not be bound by the terms of the Settlement, and you may pursue any claims that you may have, at your own expense, against the Defendant.

### ***HOW TO OBJECT TO THE SETTLEMENT?***

If you believe the Settlement is unfair or inadequate in any respect, you may object to it. To be valid, an objection must (i) be in writing and signed by you, (ii) identify each specific objection, as well as its basis and any legal support for each objection, (iii) your full name and address, and (iv) be mailed and postmarked or delivered to the Settlement Administrator no later than November 23, 2019. If you submit an objection, you also may appear at the Final Approval Hearing (discussed below) to address your objection, if permitted by the Court.

Any Settlement Class Member who does not object in the manner provided above shall be deemed to have approved the Settlement and to have waived any objections, and shall be forever foreclosed from objecting to the fairness or adequacy of the Settlement, including the plan of distribution, the payment of attorneys' fees and costs, the claims process, the Class Representative Service Awards to the Plaintiffs, the PAGA payment, and any other aspect of the Settlement.

### ***WHAT IF I DO NOTHING?***

If you do nothing, you will not receive an Individual Settlement Payment under the Settlement, but you will nonetheless be bound by all the terms of the Settlement, including the release of claims as set forth above, that will prevent you from suing Defendant and the other Released Parties on the Released Claims.

### ***WHAT ARE THE NEXT STEPS IN THE APPROVAL OF THE PROPOSED SETTLEMENT?***

The Final Approval Hearing to determine the fairness and adequacy of the proposed Settlement, including the plan of distribution, the payment of attorneys' fees and costs, the claims process, the Class Representative Service Awards to the Plaintiffs, the PAGA payment, and any other aspect of the Settlement, will be held on **January 8, 2020, at 9:30 a.m.**, in Department 302 of the San Francisco County Superior Court, 400 McAllister St., San Francisco, CA 94102. The Final Approval Hearing may be changed or continued without further notice. It is not necessary for you to appear at this hearing.

### ***HOW DO I GET ADDITIONAL INFORMATION?***

This Class Notice only summarizes the Civil Actions, the Settlement and related matters. For more detailed information, you may inspect the Court files for this case at 400 McAllister St., San Francisco, CA 94102, during regular business hours Monday through Friday, or the Court's website at [www.sfsuperiorcourt.org](http://www.sfsuperiorcourt.org), or you may contact Class Counsel. If your address changes, or is different from the address on the postcard you received, please promptly notify the Settlement Administrator.

**PLEASE DO NOT CONTACT THE COURT ABOUT THIS CLASS NOTICE**