NOTICE OF CLASS, COLLECTIVE & REPRESENTATIVE ACTION SETTLEMENT

SUPERIOR COURT OF THE STATE OF CALIFORNIA, COUNTY OF SAN DIEGO

ANDREW RASMUSSEN, individually, and on behalf of other members of the general public similarly situated;

Plaintiff,

v.

CUSTOMIZED SERVICES ADMINISTRATORS, INC., a California Corporation, and DOES 1-10, inclusive

Defendants.

CASE NO. 37-2020-00008581-OE-CTL

ASSIGNED FOR ALL PURPOSES TO THE HONORABLE RICHARD S. WHITNEY, DEPT. C-68

NOTICE OF CLASS ACTION SETTLEMENT AND CLAIM, OBJECTION, AND OPT-OUT PROCEDURES

IF YOU WORKED FOR CUSTOMIZED SERVICES ADMINISTRATORS, INC., ("DEFENDANT") AS A NON-EXEMPT EMPLOYEE IN IN CALIFORNIA BETWEEN FEBRUARY 14, 2016 AND DECEMBER 22, 2020, YOU MAY BE ENTITLED TO PARTICIPATE IN A CLASS ACTION SETTLEMENT.

The Superior Court of the State of California, County of San Diego approved this notice. This is not an advertisement.

You are not being sued. Your legal rights are affected whether you act or not.

PLEASE READ THIS NOTICE

YOUR LEGAL RIGHTS AND OPTIONS IN THIS LAWSUIT ARE:	
Participate in Settlement	To participate and receive your share of the money from the settlement, NO FURTHER ACTION IS REQUIRED AT THIS TIME. You will automatically be issued a settlement payment if and when the Court issues a Final Approval of the settlement and will be bound by the terms of the settlement and will have released all of the legal claims covered by this action that you may have against Customized Services Administrators, Inc ("Defendant"). You will be bound by this release whether or not you cash your check before it becomes void.
	This Settlement and your decision about whether to participate or exclude yourself from the Settlement Class (as further explained below) may affect any rights you may have as a potential "aggrieved employee."
Object	If you want to object to the Settlement, you may file a written submission with the Court and/or appear at the Final Approval Hearing and explain why you think the settlement should not be approved. (See # 16 below for instructions.) Even if you object to the Settlement, you will still be considered a Participating Member of the Settlement Class.

Opt-Out	To exclude yourself from the class and the Settlement, you must fax or mail a letter to the Settlement Administrator requesting to be excluded from the Settlement ("Request for Exclusion"), by March 19, 2021. (See #17 below for instructions.) If you opt out, you may not submit a claim form or object to the settlement.
	Note: You may not opt-out of the portion of the Settlement relating to the settlement of claims under PAGA. Even if you opt-out, you will still receive a check for your allocation of the PAGA portion of the Settlement, which will represent a payment for resolving disputed claims for civil penalties that were brought on your behalf. You will be bound by the PAGA portion of the release whether or not you cash this check before it becomes void. You will not be bound by the release of any claims that are not PAGA claims

YOUR RIGHTS AND OPTIONS AND THE DEADLINES TO EXERCISE THEM ARE EXPLAINED IN THIS NOTICE

BASIC INFORMATION

1. Why did I get this notice?

Because employment records indicate you work, or used to work, for Defendant in California as a non-exempt employee. You are receiving this notice because you may be a member of a class on whose behalf a class action lawsuit has been brought and was settled. The lawsuit is *Rasmussen v. Customized Services Administrators, Inc.*, *et al.* which is pending in the Superior Court of California, County of San Diego, Case No. 37-2020-00008581-OE-CTL (the "Class Action"). This notice explains the nature of the Class Action, the proposed settlement, and your legal rights to receive settlement proceeds, to object to the settlement, or to exclude yourself from the class and settlement.

2. What is a class action?

In a class action, one individual called a class representative (in this case, ANDREW RASMUSSEN) acts as a plaintiff and sues on behalf of other people who might have similar claims. The people together are a class. The court resolves the issues for everyone in the class, except for those people who have opted out of the class.

THE CLAIMS IN THE CLASS ACTION

3. Who is in the Class?

The Court preliminarily approved a settlement comprising all current and former non-exempt employees of Defendants who worked in California at any point from February 14, 2016 to December 22, 2020 ("Class" or "Class Members"). The period from February 14, 2016 to December 22, 2020 is the "Class Period."

4. What is the Class Action about?

The Class Action alleges that the Class was not paid regular, minimum, or overtime wages or final wages upon separation from employment, as required by California law; was not provided meal and rest periods under the California Labor Code and Wage Orders; was not reimbursed for all business-related expenses; and, was not provided pay statements with information specified in the California Labor Code. The Class Action also alleges violations under the California Business and Professions Code §§ 17200 et seq. based on the foregoing state law claims. The lawsuit also seeks penalties under California's Private Attorneys General Act ("PAGA") set forth in California Labor Code §§ 2699 et seq.

5. What is Defendant's response to the Class Action?

Defendant denies all allegations raised in the Class Action and assert it did not violate the law and has no liability for any of the Class Members' claims.

6. Has the Court decided who is right?

No. The Court has not decided whether either party is correct or whether the allegations are true. By establishing the Class for settlement purposes and issuing this notice, the Court is not suggesting whether Plaintiff or Defendant will win or lose this case.

SUMMARY OF THE SETTLEMENT

7. Why is there a settlement?

Both sides have conducted detailed investigations and analysis of the facts and applicable law. Plaintiff believes the claims asserted have merit; Defendants strongly dispute that contention. This case involves many unresolved factual and legal issues, and the outcome is uncertain. Substantial time, energy, and other resources have been devoted by both parties in litigating this case and, unless there is a settlement, the litigation will continue. By agreeing to a settlement, the parties avoid the costs, risks, and uncertainty of trial, and the Class Members will receive a financial payment and benefit.

8. What does the settlement provide?

Admitting no wrongdoing, Defendants have agreed to pay a total amount of \$180,000.00 (the "Gross Settlement Amount") to resolve the Class Action. The Gross Settlement Amount will be used for:

- ➤ Payments to Class Members in the estimated maximum aggregate amount of \$90,000.00 (the "Net Settlement Amount"). All individual payments are based on a formula that accounts for the amount of workweeks each Class Member was employed during the Class Period.
- Fees of the Settlement Administrator to administer the settlement, not to exceed \$12,000.00;
- Payment to the Class Representatives, not to exceed \$500.00;
- ➤ Plaintiff's counsel's fees not to exceed 33 & 1/3 % (\$60,000.00) of the Gross Settlement Amount;
- Plaintiff's counsel's costs, not to exceed \$10,000.00; and
- ➤ Payment (to resolve the PAGA claims) to the California Labor & Workforce Development Agency ("LWDA") in the amount of \$7,500.00

9. Who can participate in the settlement?

Class Members who do not opt out of the Class will receive their pro rata share of the Net Settlement Amount and be bound by the settlement. Objecting to the settlement will not impact whether a Class Member can claim settlement proceeds. Class Members who opt out of the Class, however, are not entitled to settlement proceeds, other than the proceeds allocated to the PAGA portion of the settlement, or to object to the settlement and will not be bound by the settlement, except that you will be bound by the PAGA portion of the release.

10. How will the Class be paid?

Class Members will receive a pro-rata share ("Individual Settlement Payment") of the Net Settlement Amount based on the number of weeks worked during the Class Period and credited to that individual as a percentage of the total number of weeks worked and credited to all Class Members. Defendants have agreed to pay a maximum aggregate amount of \$90,000.00 to Class Members. A payment will automatically be issued and sent to Class Members unless they "opt-out" of the Settlement, with the exception that Class Members who opt-out of the Settlement cannot opt-out of the PAGA portion of the Settlement and will receive a pro-rata payment of the Settlement proceeds allocated to PAGA based on the number of weeks worked and credited to that individual as a percentage of the total number of weeks worked and credited to all Class Members. Class Members are reminded to keep the Settlement Administrator apprised of any changes of address to ensure payments are timely received.

If you wish to participate in the settlement, no further action is required at this time and you will be considered a Participating Class Member. Your Settlement payment will be mailed to you following final approval of the settlement by the Court.

11. How will my share be calculated if I participate?

Your settlement payment will be calculated by assigning a certain dollar value to each week that Class Members worked during the Class Period. The dollar value of each week will be calculated by dividing the aggregate value of the Net Settlement Amount by the total number of weeks worked by the Class Members during the Class Period. A Class Member's individual settlement payment will be determined by multiplying the number of weeks he or she worked during the Class Period by the dollar value of each week.

According to the records of Defendants during the Class Period, which runs from February 14, 2016 through December 22, 2020, you worked for Defendants as a non-exempt employee in the State of California for approximately «TotalWorkweeks» weeks.

Your portion of the settlement is based on the above information. If you believe the information above is incorrect, you may dispute this information by sending your corrections and any supporting documentation to the Claims Administrator via U.S. Mail (See Section 22 for contact information). Please be advised that the information listed above is presumed to be correct unless you prove otherwise.

The estimated value of each week for purposes of calculating Settlement Payments is approximately: \$4.26. Your settlement amount will be calculated by multiplying this amount by your number of weeks employed during the Class Period. This is only an estimate. Your actual share may change depending on the Court's final ruling and the final number of Participating Class Members.

With regard to payments to participating Class Members, the payments shall be allocated as 20% wages, 35% interest, 35% penalties and 10% reimbursement of business expenses. W-2's shall be issued for settlement payments allocated to wages, 1099s shall be issued for settlement payments allocated to interest and penalties. With regard to payments to Class Members that are allocated as wages, appropriate deductions will be made for all state and federal withholding taxes.

12. How will Class Member weeks worked be calculated?

A Class Member will be given credit only for periods of employment that the Class Member actively worked for Defendants in California, between February 14, 2016 through December 22, 2020, as a non-exempt employee.

13. How much will the Class Representative be paid?

Subject to Court approval, Class Representative ANDREW RASMUSSEN will be paid an additional \$500.00 each for his service as the Class Representative.

14. How will the attorneys for the Class be paid?

The attorneys for the Class Representative and Class Members will recover their fees in an amount to be determined by the Court and not to exceed 33 & 1/3 % (\$60,000.00) of the Gross Settlement Amount. Their costs of up to \$10,000.00 will also be paid from the Gross Settlement Amount, as approved by the Court.

YOUR RIGHTS AND OPTIONS

15. OPTION #1: DO NOTHING AND PARTICIPATE IN THE SETTLEMENT

YOU ARE NOT REQUIRED TO TAKE ANY ADDITIONAL ACTION IF YOU WISH TO PARTICIPATE AND RECEIVE YOUR SHARE OF SETTLEMENT PROCEEDS.

If you wish to be a Class Member and participate in the settlement, and do not dispute your workweeks during the claim period, no further action is required at this time and you will be considered a Participating Class

Member. Your Settlement payment will be mailed to you following final approval of the settlement by the Court. All settlement checks will be valid for 180 days from their issuance.

16. OPTION #2: REMAIN A CLASS MEMBER AND OBJECT TO THE SETTLEMENT.

The Court has scheduled a final fairness hearing on May 7, 2021 in Department C-68 of the San Diego County Superior Court, located at 330 W. Broadway, San Diego, California 92101, to hear evidence and testimony regarding whether final approval should be given to the proposed Settlement. The hearing will begin at 10:30 a.m. The Court may continue the time and date of the hearing without further notice.

If you are a member of the Settlement Class, you may appear at the fairness hearing to comment on, or object to, the proposed Settlement. Prior to the hearing, you may also file a written statement commenting on, or objecting to, the proposed Settlement. However, filing a written statement is not mandatory. Any written statement should include your name and address (the name and address of your attorney, if you have one, is insufficient) and the basis for your comments or objections. All comments or objections or statements of intention to appear should be filed with the San Diego County Superior Court, Department C-68, 330 W. Broadway, San Diego, California 92101, with copies mailed to the Settlement Administrator, Class Counsel and Counsel for Defendants (whose contact information is in sections 21-22, below).

17. OPTION #3: OPT-OUT OF CLASS AND SETTLEMENT

You may opt-out of the Class and the settlement by submitting a timely and valid Request for Exclusion. This allows you to bring claims (in court or in arbitration, as applicable) against Defendants for the matters asserted in this case, if you wish to preserve those rights. But, you may have to get your own attorney, and you will receive no share of the money from the settlement, except your allocation of the PAGA portion of the settlement.

Unless you file a request to be excluded from the Settlement, you will become a California Settlement Class Member; you will receive Individual Settlement Payments under the Agreement; you will be bound by the release of California Settlement Class Members Released Claims; and if you cash your Individual Settlement Payment check, you will thereby opt into the FLSA Settlement Collective and release the FLSA Settlement Collective Members Released Claims.

To opt-out, you must fax or mail a letter requesting to be excluded from the Settlement containing your name, address, telephone number, and the last four digits of your Social Security Number and clearly stating that you do not wish to be included in the Settlement. You must sign the Request for Exclusion letter and fax or mail the letter to the Settlement Administrator's fax number or mailing address, as set forth in #22, by March 19, 2021. The name and last four digits of the Social Security Number you provide must match Defendants' records to ensure it can be processed.

Any Class Member who timely submits a proper Request for Exclusion will not be entitled to recovery under the settlement and will not be bound by the settlement or judgment or order in this Class Action. However, you may not opt-out of the portion of the settlement relating to the settlement of claims under PAGA. Even if you opt-out, you will still receive a check for your allocation of the PAGA portion of the settlement, which will represent a payment for resolving disputed claims for civil penalties that were brought on your behalf. You will be bound by the PAGA portion of the release whether or not you cash this check before it becomes void. You will not be bound by the release of any claims that are not PAGA claims.

18. What rights will I give up if I do not opt out of the Class?

All Class Members who do not opt out of the Class will be deemed to have, and will have, waived and released all claims under California Labor Code §§ 201-204, 226, 226.7, 510, 512, 1194, and 1199, 2802, and claims for violation of all similar provisions or requirements in the California Labor Code and California Industrial Welfare Commission Wage Orders, and claims based on California Business and Professions Code §§ 17200 et seq., and Labor Code §§ 2698 et seq. (PAGA) (the "Released Claims"). The release does not apply to claims for workers' compensation, unemployment insurance, employment discrimination or to any other claims Class Members may have against Defendants, which are unrelated to the Class Action and the Released Claims. This release also

applies even if you object to the settlement. The only way this release will not apply is if you submit a valid and timely Request for Exclusion, as set forth in #17.

19. What will happen at the Final Approval Hearing?

A Final Approval Hearing will be held on May 7, 2021, at 10:30 a.m., in Department C-68 of the Superior Court of the State of California, County of San Diego, located at 330 West Broadway, San Diego, CA 92101. The Court will determine: (i) whether the settlement should be given the Court's final approval as fair, reasonable, adequate, and in the best interests of the Class Members; (ii) the amount of the attorney fees and costs awarded to Class Counsel; and (iii) the amount that should be awarded to Plaintiff for class representative services. At the Final Approval Hearing, the Court will hear all objections, and arguments for and against the proposed settlement. You have a right to attend this hearing, but you do not have to do so.

20. Should I get my own lawyer?

The Court has approved the law firm of Sullivan Law Group, APC as Class Counsel. Class Counsel represents you and all Class Members in the Class Action. You may also consult or hire an attorney (at your own cost).

GETTING MORE INFORMATION

21. Who are the attorneys representing the parties?

Class Counsel: William B. Sullivan Eric K. Yaeckel Ryan T. Kuhn

Sullivan Law Group, APC 2330 Third Avenue, San Diego, CA 92101

Tel: (619) 702-6760

Email: ryan@sullivanlawgroupapc.com

<u>Defendants' Counsel</u>: Travis K. Jang-Busby Lindsay C. David

Gordon Rees Scully Mansukhani, LLP

101 W. Broadway, Suite 2000, San Diego, CA 92101

Tel: (619)544-7226

Email: tjang-busby@grsm.com

22. Who is the settlement administrator?

The Settlement Administrator is CPT Group. The Settlement Administrator can be contacted at:

Rasmussen v. Customized Services Administrators, Inc.

c/o CPT Group Inc. 50 Corporate Park Irvine, CA 92606 Tel: 1-888-413-3261

Fax: 1-949-419-3446

23. How can I get more information?

If you need more information or have questions, you may:

- > Contact Class Counsel (see contact information listed above).
- Contact the Settlement Administrator (see contact information listed above). Please refer to the *Rasmussen v. Customized Services Administrators, Inc.* Class Action Settlement.
- ➤ Inspect the pleadings and papers on file in this case by going to the Office of the Clerk of the Superior Court of the State of California, County of San Diego, located at 330 West Broadway, San Diego, CA 92101, during regular business hours of each court day.

PLEASE DO <u>NOT</u> CONTACT THE COURT, OR DEFENDANTS OR ANY OF THEIR MANAGERS ABOUT THIS NOTICE.