

1  
2 MARICOPA COUNTY, ARIZONA SUPERIOR COURT

3 BARBARA BURNS, on behalf of herself ) No. CV2010-022262  
4 and all others similarly situated, Plaintiff, )  
5 vs. ) NOTICE OF CLASS ACTION  
6 GATEKEEPER ADMINISTRATION ) SETTLEMENT AND  
7 AND CONSULTING, LLC and ) SCHEDULING OF HEARING  
8 TAMARA MIDDLETON, Defendants. )

9 **TO: ALL CURRENT AND FORMER EMPLOYEES OF SCHOOL**  
10 **DISTRICTS OR COLLEGES WHO CONTRIBUTED TO SECTION 403(b) OR**  
11 **SECTION 457(b) RETIREMENT PLANS WHOSE EMPLOYER-REMITTED**  
12 **CONTRIBUTIONS TO GATEKEEPER ADMINISTRATION AND**  
13 **CONSULTING, LLC WERE NOT REMITTED OR NOT TIMELY**  
14 **REMITTED TO INVESTMENT PROVIDERS, FOR PAYROLLS THROUGH**  
15 **DECEMBER 31, 2009.**

16 **PURPOSE OF THIS NOTICE**

17 **YOU MAY BE ELIGIBLE FOR A PAYMENT FROM A CLASS ACTION**  
18 **SETTLEMENT.**

19 **DESCRIPTION OF THE LAWSUIT**

20 This case is a class action involving late remittances and the failure to make  
21 remittances of section 403(b) and section 457(b) retirement funds deducted from the  
22 paychecks of certain employees of schools and colleges (the "Districts"). The  
23 Defendants are Tamara Middleton and Gatekeeper Administration and Consulting  
24 LLC ("Gatekeeper"). Plaintiff alleged that Defendants acted wrongfully by failing to  
25 remit all Class Members' contributions to their retirement plans. Defendants deny  
26 fault. The parties reached this proposed Settlement. The Class consists of the  
27 following Class Members:

28 all participants and beneficiaries of section 403(b) Plans and section  
457(b) Plans for which Defendants provided services and whose 403(b)  
or 457(b) funds were transmitted or otherwise made available to  
Defendants but were either never deposited in their 403(b) or 457(b)  
retirement accounts or were not deposited in their 403(b) or 457(b)  
retirement accounts in accordance with applicable Internal Revenue  
Service Regulations, and/or provisions set forth in applicable contracts  
or agreements, if shorter and/or in a reasonably timely and prudent  
manner.

**SUMMARY OF THE SETTLEMENT TERMS**

This is just a summary of the terms. **The full terms are set forth in the**  
**Settlement Agreement filed with the Court and available from Class Counsel.**  
(a) **Payment of Settlement Funds and Right of Class Counsel to Seek Attorney Fees**  
**from the Settlement Funds.** Gatekeeper, through its insurance carriers, is to pay

1 \$1,739,000,(the "Settlement Funds"). The Settlement Funds are to cover: (i) 100% of  
2 unremitted retirement fund contributions of Class Members plus interest at the rate of  
3 approximately 4.8% on lost earnings, with the distributions to be made to Class  
4 Members' retirement accounts; (ii) \$100,000 for claims administration; and (iii) an  
5 award of attorneys' fees to Class Counsel in an amount of up to 25% of the Settlement  
6 Funds as approved by the Court. A separate payment in the amount of \$10,000 that  
7 will not reduce the Settlement Funds will be paid by Defendants to the Named  
8 Plaintiff if approved by the Court.

9 **(b) Release of Claims and Waiver of Rights. This Settlement, if approved, will  
10 forever release Defendants from all claims that were alleged or could have been  
11 alleged in the lawsuit, as well as release the Districts and their retirement Plans,  
12 and related parties identified in the Settlement Agreement including CPI  
13 Qualified Plan Consultants, Inc. and its parent company CUNA Mutual Group.  
14 All Class Members, and anyone claiming through or on behalf of any Class  
15 Member, will be forever barred from bringing any such claims against these  
16 Defendants and entities. The Districts and retirement Plans will have to sign  
17 equivalent releases releasing Defendants and other entities.**

18 **(c) Assignment of Claims. Under the Settlement, Hiscox Insurance Company, one of  
19 Gatekeeper's insurance carriers, will be assigned any and all claims of Class Members  
20 against their Investment Providers arising out of matters alleged or that could have  
21 been alleged in the Action. The Districts and retirement Plans will have to sign forms  
22 assigning their claims against the Investment Providers to Hiscox.**

#### 23 **PAYMENT OF SETTLEMENT FUNDS**

24 **To receive a distribution of Settlement Funds, you may be required to  
25 submit a Claim Form, which must be submitted by December 16, 2011.  
26 Information may be obtained from Class Counsel identified below.**

#### 27 **RIGHT TO BE EXCLUDED FROM THE CLASS**

28 **If you do not want to be legally bound by the Settlement, you must exclude  
yourself from the Class by January 18, 2012. To do so, you must send written  
notice to both of the following attorneys for the parties:**

29 Susan Martin  
30 MARTIN & BONNETT, P.L.L.C.  
31 1850 N. Central Ave., Suite 2010  
32 Phoenix, AZ 85004  
33 *Attorneys for Plaintiff and Class*

34 Dawn Dauphine  
35 OSBORN MALEDON, P.A.  
36 2929 N. Central Ave., Suite 2100  
37 Phoenix, AZ 85012  
38 *Attorneys for Defendants*

39 Information concerning the required letter can be obtained at the website provided  
40 below. **If you elect to be excluded from the Class, you will retain all existing legal  
41 rights against the Defendants but you will not be permitted to obtain a recovery  
42 from the Settlement Funds.**

#### 43 **RIGHT TO OBJECT**