

MARICOPA COUNTY, ARIZONA SUPERIOR COURT

BARBARA BURNS, on behalf of herself and all others similarly situated, Plaintiff,

) No. CV2010-022262

vs.

GATEKEEPER ADMINISTRATION AND CONSULTING, LLC and TAMARA MIDDLETON, Defendants.)

NOTICE OF CLASS ACTION SETTLEMENT AND SCHEDULING OF HEARING

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

PURPOSE OF THIS NOTICE

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

DESCRIPTION OF THE LAWSUIT

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

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

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

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

PAYMENT OF SETTLEMENT FUNDS

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

RIGHT TO BE EXCLUDED FROM THE CLASS

If you do not want to be legally bound by the Settlement, you must exclude yourself from the Class by December 16, 2011. To do so, you must send written notice to both of the following attorneys for the parties:

Susan Martin
MARTIN & BONNETT, P.L.L.C.
1850 N. Central Ave., Suite 2010
Phoenix, AZ 85004

Dawn Dauphine
OSBORN MALEDON, P.A.
2929 N. Central Ave., Suite 2100
Phoenix, AZ 85012

Attorneys for Plaintiff and Class

Attorneys for Defendants

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

RIGHT TO OBJECT

A hearing ("Fairness Hearing") will be held before The Honorable John A. Buttrick on the 1st day of February, 2012 at 8:30 a.m. at 201 W. Jefferson, Courtroom 704, Phoenix, AZ for the purpose of approving or rejecting the Settlement Agreement, determining appropriate compensation for the Named Plaintiff, and determining the amount of attorneys' fees and costs to be awarded to Class Counsel. The Fairness Hearing may be continued by the Court. As a Class Member, you may object to the Settlement or to the application for attorneys' fees. You may appear at the Fairness Hearing to object but to do so, by January 18, 2012, you must file an objection with the Court and send a copy to the lawyers identified above.

WHERE CAN YOU OBTAIN MORE INFORMATION

The foregoing is not comprehensive. Class Members are referred to the documents filed with the Court, including the Settlement Agreement. For further information, you may contact Class Counsel at gatekeeperclassaction@martinbonnett.com, call the Administrator at 1-877-282-1173, or visit the Class website: www.GatekeeperSettlement.com.

**** PLEASE DO NOT WRITE OR CALL THE COURT FOR INFORMATION. ****