

NOTICE OF PROPOSED CLASS AND COLLECTIVE ACTION SETTLEMENT

Halbert James v. Universal Protection Service, LLC d/b/a Allied Universal Security Services

Case No. 3:22-cv-01668-SMY

United States District Court for the Southern District of Illinois

ATTENTION: YOU ARE HEREBY ADVISED OF A SETTLEMENT THAT WAS REACHED IN THE ABOVE-REFERENCED CLASS AND COLLECTIVE ACTION LAWSUIT. UNDER THE SETTLEMENT, YOU ARE ENTITLED TO RECEIVE A PAYMENT, LESS APPLICABLE TAXES, INCLUDING PAYROLL TAX WITHHOLDING ON A PORTION OF THE SETTLEMENT PAYMENT.

PLEASE READ THIS ENTIRE NOTICE CAREFULLY. IT SUMMARIZES THE SETTLEMENT AND EXPLAINS THE STEPS YOU MUST TAKE TO EITHER: (1) PARTICIPATE IN THE SETTLEMENT AND COLLECT THE ABOVE PAYMENT; (2) EXCLUDE YOURSELF FROM THE SETTLEMENT; OR (3) OBJECT TO THE SETTLEMENT.

- (1) **THE PURPOSE OF THIS NOTICE.** The purpose of this notice is to inform you that a settlement has been reached in the above-referenced lawsuit that was filed against Universal Protection Service, LLC d/b/a Allied Universal Security Services (“Defendant”) by Named Plaintiff Halbert James, a former hourly-paid security guard of Defendant, on his own behalf and on behalf of other similarly situated hourly-paid security professionals who worked for Defendant in Illinois since July 26, 2019 and did not sign an arbitration agreement. Defendant has denied all wrongdoing, but the parties have negotiated a settlement to resolve the matter. Relevant information regarding the lawsuit, the basic terms of the settlement, and how you can participate in the settlement, is set forth below.
- (2) **WHAT IS THIS LAWSUIT ABOUT?** Named Plaintiff filed a lawsuit claiming Defendant violated the Fair Labor Standards Act (“FLSA”) and the Illinois Minimum Wage Law (“IMWL”). Named Plaintiff claimed, among other things, that Defendant violated the law by failing to pay its hourly-paid security professionals for the time they spent performing work-related tasks prior to and after the beginning and end of their shifts, while the workers were off-the-clock.

Defendant denies any liability or wrongdoing of any kind associated with the claims alleged by the Named Plaintiff in the lawsuit, and Defendant specifically asserts that its pay practices complied with the FLSA, the IMWL and all other federal and state laws.

The Court has not made any ruling on the merits of the Named Plaintiff’s claims, and no party has prevailed in this action.

- (3) **THE SETTLEMENT AGREEMENT AND METHOD FOR CALCULATING SETTLEMENT PAYMENTS.** The parties reached a settlement of this matter on September 21, 2023, that has been preliminarily approved by the Court. As part of the settlement and preliminary approval by the Court, the Court certified a Settlement Class and FLSA Settlement Collective of hourly-paid security professionals who worked for Defendant in Illinois since July 26, 2019 and who did not sign an arbitration agreement. You are receiving this notice because you have been identified as a class/collective member who is eligible to participate in the settlement.

After deductions for (i) settlement administration costs, (ii) payroll taxes (excepting employer-side payroll taxes), (iii) the class representative's incentive award, and (iv) attorneys' fees and costs, the total amount of money available to be paid to Settlement Class and FLSA Settlement Collective members under the settlement is approximately \$950,000.00. Individual settlement amounts are based upon the number of workweeks of 39.5 hours or more that you worked for Defendant as an hourly-paid security professional during the Class Period of July 26, 2019 through January 5, 2024, and each individual will receive a minimum settlement payment of \$50.00.

- (4) **BASED UPON MY WORK HISTORY WITH DEFENDANT, WHAT AMOUNT MAY I BE ELIGIBLE TO RECEIVE UNDER THIS SETTLEMENT?** At the Final Approval Hearing described in paragraph 11 below, the Court will rule upon whether this settlement is finally approved and, if so, you will receive a check in that amount, less applicable taxes and withholdings. Your proposed settlement payment is based on the number of weeks of 39.5 hours or more that you worked for Defendant as an hourly-paid security professional during the Class Period. Defendant's records show that you worked a number of workweeks of 39.5 hours or more as an hourly-paid security professional during the Class Period. Your proposed gross Settlement Payment was calculated as follows: [Number of Workweeks x \$1.90] = [Total Gross Settlement Payment]. If your proposed gross Settlement Payment based on the calculation above is less than \$50.00, you will receive a payment of \$50.00 less applicable taxes and withholdings.

A portion of the settlement payment (25%) is subject to deductions for applicable taxes and withholdings related to the payment of wages. You will receive an IRS Form W-2 for that portion of your settlement payment.

To participate in the Settlement, please carefully review this Notice and a settlement payment will be mailed to you in the event that the Court finally approves the Settlement. Defendant will not take any action against individuals because they participate in the Settlement.

- (5) **WHAT ARE MY OPTIONS?** As a Settlement Class member, you have the following three (3) options:

- (a) **Do Nothing and Receive a Settlement Payment.** *You are not required to take any action to receive a settlement payment.* If you are a Settlement Class member and you do not request to be excluded from the settlement, and if the Court grants final approval of the settlement, you will be mailed a check for your settlement payment, and you will be bound by the release of claims as set forth in Paragraph 6 below. By cashing your settlement check, you also consent to join the FLSA Settlement Collective. If you do not cash your settlement check, you will not release any claims under the FLSA.
- (b) **Exclude Yourself From the Lawsuit.** You may exclude yourself from the lawsuit and "opt-out" of the settlement by submitting a written Exclusion Statement to the Settlement Administrator at the following address:

Universal Protection Settlement
P.O. Box 2004
Chanhassen, MN 55317-2004
Email: universalwage@noticeadministrator.com
www.universalprotectionwagecase.com

Your Exclusion Statement must be **postmarked by and mailed to** the Settlement Administrator no later than **April 5, 2024**. The Exclusion Statement must include: (1) your full name, address, email address, and telephone number; (2) the approximate dates of your employment with Defendant; (3) a statement that you request to be excluded from the settlement and understand that you will not be eligible to recover any monies as part of the settlement; and (4) your signature.

Individuals who request exclusion from the lawsuit will not be bound by the Settlement Agreement, the release set forth therein, or any further proceedings in the lawsuit. If you do not submit a timely Exclusion Statement to request exclusion from the lawsuit and settlement, (i) you will continue to be included in the

lawsuit; (ii) you will be bound by the final order of dismissal in the lawsuit, and (iii) you will be bound by the Settlement Agreement, including the release of claims included therein and set forth in Paragraph 6 below.

- (c) **Object to the Settlement.** If you are not satisfied with the proposed settlement and if you have not submitted an Exclusion Statement, you may object to the settlement by filing a written objection with the Clerk of the United States District Court for the Southern District of Illinois, 301 W. Main Street, Benton, Illinois 62812, by no later than **April 5, 2024**. You must also send a copy of your written objection to the Settlement Administrator stated in paragraph 5(b), and to Class Counsel listed in paragraph 8, via First-Class United States Mail, overnight mail, or email, and post-marked on or before the end of the Exclusion Period. The written objection must include the following: (1) your full name, address, email address, and telephone number, (2) the approximate dates of your employment with Defendant, (3) a written statement of all grounds for the objection, (4) copies of any papers, briefs, or other documents upon which the objection is based (if applicable), (5) a statement of whether you intend to appear at the Fairness Hearing, and (6) your signature, even if represented by counsel.

If you intend to appear at the Fairness Hearing through counsel, the objection must also state the identity of all attorneys representing you who will appear at the Fairness Hearing. You will not be heard at the Final Approval Hearing unless you have filed a timely and proper written objection. If you neither timely request exclusion under paragraph (5)(b), nor enter an appearance through counsel of your own choice, your interests and rights will be represented by Class Counsel.

- (6) **WAIVER AND RELEASE OF CLAIMS.** As of the date the Final Approval Order is entered, if you do not submit an Exclusion Statement, you will be deemed to have forever discharged and released your claims against Defendant as follows: if you endorse or deposit your settlement payment check, you will release all FLSA claims contained in the operative Complaint in the Action, and any additional FLSA wage and hour claims that could have been brought based on the facts or legal theories alleged in the operative Complaint, through the date of preliminary approval, including all claims related to performing work off-the-clock whether such work was overtime or non-overtime work. Further, if you do not opt out (i.e., submit an Exclusion Statement), you will release all Illinois state law claims contained in the operative Complaint in the Action, and any additional Illinois state law wage and hour claims that could have been brought based on the facts or legal theories alleged in the operative Complaint, through the date of preliminary approval, including all claims related to performing work off-the-clock whether such work was overtime or non-overtime work.
- (7) **WHO SHOULD I CONTACT IF I HAVE QUESTIONS ABOUT MY SETTLEMENT PAYMENT?** The Settlement Administrator, who is identified in Paragraph 5(b) above, is available to answer questions you may have about the Settlement Payment.
- (8) **IF I HAVE QUESTIONS ABOUT MY LEGAL RIGHTS IN THIS CASE, DO I HAVE A LAWYER TO CONTACT?** The Court has designated the following lawyers to serve as “Class Counsel” and to represent the interests of the Named Plaintiff and the Settlement Class members:

James X. Bormes
Catherine P. Sons
Law Office of James X. Bormes, P.C.
8 S. Michigan Ave.
Suite 2600
Chicago, IL 60603
(312) 201-0575
jxbormes@bormeslaw.com
cpsons@bormeslaw.com

Thomas M. Ryan
Law Offices of Thomas M. Ryan, P.C.
35 E. Wacker Drive
Suite 650
Chicago, IL 60601
(312) 726-3400
tom@tomryanlaw.com

David T. Butsch
Christopher E. Roberts
Butsch Roberts & Associates LLC
231 S. Bemiston Ave.
Suite 260
Clayton, MO 63105
(314) 863-5700
butsch@butschroberts.com
roberts@butschroberts.com

The above lawyers represent your legal interests and will answer your questions in strict confidence. Please feel free to contact them with any questions or issues about your legal rights.

- (9) **HOW WILL THE LAWYERS GET PAID?** The lawyers identified above have worked on this lawsuit without receiving any payment for their time or out-of-pocket expenses. Under the settlement, the Court will consider the lawyers' request for attorneys' fees in an amount not to exceed \$316,667.00, and out-of-pocket expenses in an amount not to exceed \$15,000.00. You will not pay any lawyer's fees or expenses out of your individual share of the settlement proceeds.
- (10) **WHAT WILL THE NAMED PLAINTIFF RECEIVE?** The Court will consider the Named Plaintiff's (*i.e.*, Halbert James) request for an incentive payment of \$7,500.00. This payment is requested due to the efforts of the Named Plaintiff in filing this lawsuit, participating in the litigation process, and assisting in achieving this settlement.
- (11) **THE HEARING ON THE SETTLEMENT.** A Final Approval Hearing on the proposed Settlement will be held on May 20, 2024 at 9:30 a.m. before the Honorable Judge Staci M. Yandle, United States District Court for the Southern District of Illinois, 301 West Main Street, Benton, Illinois 62812, to determine whether the settlement should be confirmed and approved as fair, reasonable and adequate (the "Final Approval Hearing"). Without further notice, this hearing may be adjourned from time to time. If you are satisfied with the proposed settlement and if you do not wish to be heard, you need not appear at the Final Approval Hearing.
- (12) **EXAMINATION OF COURT FILE.** All of the above descriptions of this lawsuit, the Settlement, and other matters are only summaries. All documents filed in this lawsuit, including the full Settlement Agreement that details the terms of the settlement, may be inspected at the clerk's office of the United States District Court, Southern District of Illinois, 301 West Main Street, Benton, Illinois 62812, or by contacting Class Counsel.

PLEASE DO NOT ADDRESS ANY QUESTIONS ABOUT THE SETTLEMENT OR LAWSUIT TO DEFENDANT, THE CLERK OF THE COURT, OR TO THE JUDGE.