

NOTICE TO CLASS MEMBERS AND PAGA AFFECTED EMPLOYEES REGARDING PENDENCY OF A CLASS ACTION AND NOTICE OF HEARING ON PROPOSED SETTLEMENT

To Class Members: For the purpose of this Notice, “**Class Members**” is defined as all individuals employed by Crawford & Company, Broadspire Services, Inc, and/or Broadspire Insurance Services, Inc. in the State of California as hourly-paid adjusters (i.e., all non-exempt employees whose duties included adjusting claims, including liability adjusters, workers’ compensation adjusters, property adjusters, casualty adjusters, multi-line adjusters, medical claim analysts, and catastrophe adjusters) during the period from August 1, 2012 to February 15, 2021 (“**Class Period**”). However, Class Members does not include: (a) individuals who were first hired by Crawford in or after January 2019 and signed an arbitration agreement as part of the onboarding process, or (b) the workweeks that were worked in and/or after January 2019 by Class Members who were rehired in and/or after January 2019 and signed an arbitration agreement as part of the onboarding process.

To PAGA Affected Employees: For the purpose of this Notice , “**PAGA Affected Employees**” is defined as all Class Members first hired on or after August 1, 2015.

PLEASE READ THIS NOTICE CAREFULLY

IT MAY AFFECT YOUR LEGAL RIGHT TO MONEY IN CONNECTION WITH THE SETTLEMENT OF A CLASS ACTION LAWSUIT.

IF YOU WISH TO RECEIVE A SHARE OF THE SETTLEMENT PROCEEDS, YOU DO NOT NEED TO DO ANYTHING. YOU WILL RECEIVE YOUR SHARE OF THE SETTLEMENT AT A LATER DATE IF THE COURT GRANTS FINAL APPROVAL OF THE SETTLEMENT. IF YOUR NAME AND/OR MAILING ADDRESS ARE DIFFERENT THAN AS ADDRESSED ON THIS NOTICE, YOU MAY CONTACT THE SETTLEMENT ADMINISTRATOR TO PROVIDE A CORRECT NAME AND/OR MAILING ADDRESS.

IF YOU DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST SUBMIT A REQUEST FOR EXCLUSION, DATED, SIGNED, AND POSTMARKED BY NOT LATER THAN FEBRUARY 1, 2022, OR ELSE YOU WILL BE BOUND BY THE SETTLEMENT.

IF YOU WISH TO OBJECT TO THE SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS IN THIS NOTICE. PURSUANT TO THE ORDER OF THE SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF FRESNO ENTERED ON OCTOBER 28, 2021.

WHAT IS THIS NOTICE ABOUT?

A settlement agreement (the “**Settlement**”) has been reached between Plaintiff Jeffrey A. Maxwell (“**Plaintiff**”) and Defendants Crawford & Company, Broadspire Services, Inc, and Broadspire Insurance Services, Inc. (collectively, “**Crawford**”) in the class action (the “**Action**”) pending in the Superior Court for the County of Fresno (the “**Court**”). Plaintiff filed the Action on behalf of himself and the Class Members.

Plaintiff also filed the Action on behalf of himself, the State of California and all Affected Employees seeking civil penalties pursuant to the Private Attorneys’ General Act of 2004, California Labor Code section 2698 *et seq.* (“PAGA”). The Court has preliminarily approved the Settlement and conditionally certified a class of all Class Members for purposes of the Settlement only. You have received this notice because Crawford’s records indicate that you are a Class Member and/or a PAGA Affected Employee. This notice is designed to provide you with a brief description of the Action, inform you of the terms of the proposed Settlement, and discuss your rights and options in connection with the Settlement, including how you can participate in the Settlement, opt out of the Settlement or object to the Settlement . Unless you submit a timely and valid Request for Exclusion, the Settlement will be binding upon you if and when it is approved by the Court.

WHAT IS THIS LAWSUIT ABOUT?

The Action is titled “*Jeffrey A. Maxwell, an individual, on behalf of himself and a class of others similarly situated, Plaintiff, v. Crawford & Company, Broadspire Services, Inc, Broadspire Insurance Services, Inc., and Does 1 through 50, inclusive, Defendants,*” designated Case No. 16CECG02457.

In the Action, Plaintiff alleges that Crawford failed to pay him and putative class members for all time worked, failed to provide him and all putative class members with meal and rest breaks in compliance with California law, failed to provide him and all putative class members accurate, itemized wage statements, failed to pay terminated employees all wages due upon termination, and engaged in unfair business practices. Based on these allegations, Plaintiff asserts claims under California Labor Code sections 200, 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1174.5, 1175, 1194, 1194.2, and 1197, and the applicable Industrial Welfare Commission Wage Order; and California Business & Professions Code section 17200 *et seq.* Plaintiff seeks recovery of allegedly unpaid wages (including overtime), meal and rest break premiums, wage statement penalties, waiting time penalties, and civil penalties pursuant to the PAGA.

Crawford denies all of Plaintiff's material allegations. Specifically, Crawford contends, among other things, that its policies and practices with respect to recording and paying for all hours worked, overtime, meal and rest breaks, and timely payment of wages comply with California law; that Plaintiff's derivative claims for unfair competition, wage statement penalties, waiting time penalties, and civil penalties must fail because Plaintiff cannot demonstrate any violation of the California Labor Code; that Plaintiff is not entitled to recover unpaid wages or civil penalties under the PAGA; a class could not be appropriately certified in the Action; and if a class were certified, Crawford's defenses to Plaintiff's claims would be applicable to the claims of the Class Members.

After good-faith negotiations presided over by a private mediator, in which both sides recognized the substantial risk of an uncertain outcome, Plaintiff and Crawford agreed to settle the Action pursuant to the terms and conditions of the Settlement. The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by Crawford that Plaintiff's claims in the Action have merit or that Crawford has any liability to Plaintiff, Class Members, the State of California or PAGA Affected Employees. On the contrary, Crawford denies any and all such liability. The Parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation.

SUMMARY OF THE SETTLEMENT PAYMENTS

- 1. Maximum Settlement Amount:** Crawford will pay \$3,850,000.00 as the Maximum Settlement Amount. The Maximum Settlement Amount will fund all payments to be made under the Settlement, which shall include all amounts paid for the Service Award to Plaintiff, the Class Counsel Fees and Costs Award, the Settlement Administration Costs, the PAGA LWDA Payment to the Labor and Workforce Development Agency ("LWDA"), the PAGA Class Payment, and Class Member Payments to Participating Class Members.
- 2. Plaintiff's Service Award:** In addition to his respective Class Member Payment and PAGA Class Payment, Plaintiff will seek approval from the Court for a payment of \$15,000 in recognition of his work in prosecuting the Action on behalf of Class Members and PAGA Affected Employees, undertaking the risk of liability for attorneys' fees and expenses in the event he was unsuccessful in the prosecution of the Action, and for the Complete and General Release that he is providing to Crawford as part of the Settlement. If awarded by the Court, this Service Award will be paid out of the Maximum Settlement Amount.
- 3. Class Counsel Fees and Costs Award:** Class Counsel have represented and continue to represent the Class Members and PAGA Affected Employees on a contingency-fee basis. That means that attorneys' fees are paid only if money is recovered in the Action. It is common to award attorneys' fees as a percentage of the settlement amount negotiated by the attorneys for the Class Members and PAGA Affected Employees. As part of the final approval hearing, Morris Nazarian of the Law Offices of Morris Nazarian; and Judy Sha and Andrew Jaramillo of the Altus Law Firm will request up to \$1,283,333 (representing approximately one-third of the Maximum Settlement Amount) for their attorneys' fees and up to \$10,000 for costs incurred in connection with their work in the Action, for a combined Class Counsel Fees and Costs Award not to exceed \$1,293,333. which shall be allocated to Class Counsel as follows: \$324,833.25 to the Law Offices of Morris Nazarian and \$968,499.75 to the Altus Law Firm. These amounts constitute full and complete compensation for all legal fees, costs, and expenses of all Class Counsel, including costs and expenses resulting from vendors retained by Class Counsel in connection with the Action and all work done through the completion of the Action, whatever date that may be. Class Members and PAGA Affected Employees are be required to pay Class Counsel for any other attorneys' fees, costs or expenses under the Settlement. If awarded by the Court, the Class Counsel Fees and Costs Award will be paid out of the Maximum Settlement Amount. Class Counsel's Motion for Attorneys' Fees will be heard at the Final Settlement Approval Hearing. You may review and download a copy of that motion through the following link:

https://www.altuslawfirm.com/motions/crawford_class_action_settlement_attorneys_fees_motion.pdf;

4. **Settlement Administration Costs:** The reasonable costs of administering the Settlement, up to a maximum of \$9,000, will be paid out of the Maximum Settlement Amount.
5. **PAGA Distribution Amount:** \$10,000 of the Maximum Settlement Amount has been allocated to PAGA civil penalties. Seventy-five percent (75%) of the PAGA civil penalties will be paid to the LWDA, and twenty-five percent (25%) of the PAGA civil penalties will be paid to Affected Employees. The PAGA civil penalties shall be paid from the Maximum Settlement Amount.
6. **Net Settlement Amount:** The Net Settlement Amount shall be what remains of the Maximum Settlement Amount after deductions are made for the Plaintiff's Service Award, the Class Counsel Fees and Costs Award, the Settlement Administration Costs, and the PAGA LWDA Payment. Assuming the Service Award is \$15,000, the Class Counsel Fees and Costs Award is \$1,293,333, the Settlement Administration Costs are \$9,000, and the PAGA LWDA Payment is \$7,500, then the Net Settlement Amount shall be \$2,525,167.
7. **Class Member Payments:** Crawford will pay the Net Settlement Amount to Participating Class Members based on the number of workweeks he or she worked as an hourly-paid adjuster for Crawford during the Class Period. Each Class Member Payment shall be calculated by dividing a Participating Class Member's individual workweeks worked as an hourly paid adjuster in California during the Class Period by the total workweeks worked by all Class Members as hourly paid adjusters in California during the Class Period - all according to Crawford's business records - and multiplying this result by the Net Settlement Amount. The Class Member Payment will be allocated 20% as wages and 80% as penalties and interest. The wage portion of each Class Member Payment shall be subject to applicable employment taxes and other applicable payroll withholdings. The penalty and interest portions of each Class Member Payment will be subject to IRS 1099 reporting.
8. The Class Member Payments, PAGA LWDA Payment, and PAGA Class Payment, and other amounts awarded by the Court will be paid after final Court approval of the Settlement, entry of the final judgment, and the exhaustion of all rights to appeal or review, or after any appeal or review has been resolved in favor of the Settlement (i.e., the "**Effective Date**").
9. If the Court does not grant final approval of the Settlement or if the Settlement does not become final and binding for any reason, then the Settlement will become null and void; if that occurs, neither Plaintiff nor Crawford will have further obligations under the Settlement, including any obligation by Crawford to pay the Maximum Settlement Amount or any amounts that otherwise would have been owed under this Settlement. An award by the Court of a lesser amount than that sought by Plaintiff and Class Counsel for the Service Award, Class Counsel Fees and Costs Award, or Settlement Administration Costs will not render the Settlement null and void.
10. The Court has appointed Phoenix Class Administration Solutions to act as an independent Settlement Administrator for purposes of administering this Settlement.

HOW MUCH WILL I RECEIVE IF I PARTICIPATE IN THE SETTLEMENT?

The records of Crawford indicate that, between August 1, 2012 and February 15, 2021, the total number of individual workweeks you worked within the Class Period is: _____ individual workweeks.

Based on this, it is estimated that your Class Member Payment will be approximately \$_____, assuming the Net Settlement Amount is \$2,525,167, as described above. If you dispute the workweeks worked listed above, you must notify the Settlement Administrator in writing of this dispute within thirty (30) days of the date this Notice was mailed to you at the address listed below, and provide documents (e.g., payroll records) evidencing your claim. You can only submit a dispute if you do not request to be excluded from or opt out of the Settlement. Any dispute over the hours worked that cannot be resolved by the parties shall be submitted to the Settlement Administrator for a final and binding determination.

WHAT CLAIMS ARE RELEASED?

If you are a Class Member and you do not request to be excluded from the Class Member Payment portion of the Settlement (i.e., a Participating Class Member), you will be unable to sue, continue to sue, or be a part of any other lawsuit against the Released Parties regarding the "Released Class Claims" in this Settlement. "**Released Parties**" means Defendants Crawford & Company, Broadspire Services, Inc, and Broadspire Insurance Services, Inc. and their subsidiary, affiliate, and parent companies, including their successors and predecessors in interest; any employee benefit plans sponsored or maintained by any of the foregoing; all of their respective officers, directors, shareholders, employees, agents, administrators, fiduciaries,

attorneys, trustees, beneficiaries, principals, heirs, representatives, accountants, auditors, consultants, insurers, and reinsurers; and all of their respective past and future officers, directors, shareholders, employees, agents, administrators, fiduciaries, attorneys, trustees, beneficiaries, principals, heirs, representatives, accountants, auditors, consultants, insurers, and reinsurers.

1. **Released Class Claims:** Upon the Effective Date, Plaintiff – on behalf of himself, the State of California and PAGA Affected Employees – and Participating Class Members will fully and irrevocably release the Released Parties from the Class Claims in exchange for the consideration provided by this Settlement.

“Class Claims” means any and all claims, rights, demands, liabilities and causes of action of every nature and description, whether known or unknown, for wages, benefits, and related penalties actually asserted or that could have been asserted in the Action by the Plaintiff on behalf of himself, the Class Members, the State of California, and/or PAGA Affected Employees, based on the facts alleged in the Action, the operative First Amended Complaint in the Action, and/or Plaintiff’s notice letter to the LWDA, including but not limited to claims for: (a) failure to pay wages in violation of California Labor Code sections 510 and 1194; (b) failure to provide meal periods or compensation in lieu thereof in violation of California Labor Code sections 226.7, 512, and the applicable IWC Wage Order; (c) failure to provide rest breaks or compensation in lieu thereof in violation of California Labor Code section 226.7, 512, and the applicable IWC Wage Order; (d) failure to provide accurate, itemized wage statements in violation of California Labor Code section 226, 1174, 1174.5, and 1175; (e) failure to timely pay wages at termination in violation of California Labor Code sections 201-204; (f) unfair competition in violation of California Business & Professions Code section 17200 et seq.; (g) civil penalties pursuant to the PAGA for the California Labor Code violations that were or that could have been alleged in the Action based on the facts stated in the original or First Amended Complaint; (h) liquidated damages pursuant to California Labor Code section 1194.2; (i) injunctive relief to halt any unlawful practices alleged in the Action to be unlawful; (j) restitution and an order requiring Defendant to restore and disgorge funds to each Class Member acquired by means of any act or practice alleged in the Action to be unlawful; (k) attorneys’ fees and costs incurred to prosecute the Action on behalf of Class Members, the State of California and PAGA Affected Employees, including but not limited to fees incurred for the services of Class Counsel or any other counsel; and (l) any other derivative remedies, penalties, and interest available under the law based on the facts alleged in the Action, including but not limited to California Labor Code sections 203, 226, 226.7, 512, 1194, and 1194.2 and the applicable IWC Wage Order. “Class Claims” also includes all claims that Plaintiff, Class Members, the State of California and/or PAGA Affected Employees may have against the Released Parties relating to (a) the payment, taxation, and allocation of attorneys’ fees and costs to Class Counsel pursuant to this Settlement Agreement; (b) the payment, taxation, and allocation of Plaintiff’s Service Awards pursuant to this Settlement Agreement; and (c) the payment, taxation and allocation of payments to Class Members and PAGA Affected Employees (collectively, “Released Class Claims”).

The Released Class Claims include a 1542 Waiver but only insofar as these apply to the specific Class Claims that were asserted in this lawsuit, identified above. “**1542 Waiver**” means an express waiver, to the fullest extent permitted by law, of the provisions, rights, and benefits of California Civil Code section 1542, or any other similar provision under federal or state law, which Section provides: A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party. The Released Class Claims include all such claims, whether known or unknown. Therefore, Participating Class Members and PAGA Affected Employees who do not submit a valid and timely Request for Exclusion from the Settlement, respectively, expressly waive and relinquish the provisions, rights, and benefits of California Civil Code section 1542.

Plaintiff and Participating Class Members may discover facts in addition to or different from those they now know or believe to be true with respect to the subject matter of the Released Class Claims, but upon the Effective Date, shall be deemed to have, and by operation of the Final Approval Order shall have, fully, finally, and forever settled and released any and all of the Released Class Claims. It is the intent of the Parties that the Final Approval Order entered by the Court shall have full *res judicata* effect and be final and binding upon Participating Class Members regarding the Released Class Claims. **All Released Class Claims are released for the Class Period.**

WHAT ARE MY RIGHTS AS A CLASS MEMBER AND/OR PAGA AFFECTED EMPLOYEE?

1. **Participating in the Settlement:** You do not need to do anything to participate in this Settlement. Unless you submit a valid and timely Request for Exclusion from the Settlement, you will be bound by the terms of the Settlement and any final judgment that may be entered by the Court, and you will be deemed to have released the Released Class Claims against the Released Parties described above. You will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.
2. **Objecting to the Settlement:** You may object to the terms of the Settlement before final approval by filing a written objection with the Court and mailing the written objection to the Settlement Administrator postmarked no later than **February 1, 2022**.

MAIL YOUR OBJECTION TO:

Phoenix Class Administration Solutions
P.O. Box 7208
Orange, CA 92863

To be valid, any written objection must: (a) contain the full name, address and last four digits of the social security number of the Class Member; (b) state: the case name and number, *i.e.*, *Jeffrey A. Maxwell v Crawford & Company et al.*, Superior Court of California, County of Fresno, Case No. 16CECG02457; the basis for the objection; and whether the Class Member intends to appear at the Final Approval Hearing; and (c) must be signed by the Class Member. If the Notice of Objection does not contain the information listed in (a)-(c) or is not filed with the Court and mailed to the Settlement Administrator by the Response Deadline, it will not be deemed a timely and valid Notice of Objection to this Settlement. As applicable, the date of the filing with the Court and the date of the postmark on the service mailing envelope for the Settlement Administrator shall be the exclusive means used to determine whether a Notice of Objection has been timely submitted to the Court and served on the Settlement Administrator. Class Members who fail to submit a timely and valid Notice of Objection shall be deemed to have waived any objections and shall be foreclosed from making any objections to the Settlement. Class Members who submit a timely and valid Notice of Objection will have a right to appear at the Final Approval Hearing to have their objections heard by the Court.

3. **Excluding Yourself from the Settlement:** If you do not wish to participate in the Settlement, you must submit a Request for Exclusion which must be completed, dated, signed by you, and returned to the Settlement Administrator by mail postmarked by not later than **February 1, 2022**. Any Request for Exclusion must be signed by you and state your full name, address, and the last four digits of your social security number. Any Request for Exclusion must also contain the following statement in substance: "I wish to exclude myself from the Settlement in *Jeffrey A. Maxwell v Crawford & Company et al.*, Superior Court of California, County of Fresno, Case No. 16CECG02457."

If the Court grants final approval of the Settlement, but the Request for Exclusion does not contain the information listed in (a)-(c) or is not postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address, it will not be deemed a timely and valid Request for Exclusion. The date of the postmark on the return mailing envelope shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Class Members who submit a timely and valid Request for Exclusion will not be entitled to a Class Member Payment under the Settlement, and will not be bound by the terms of the Settlement, including the Released Class Claims. Any Class Member who submits a timely and valid Request for Exclusion will not have any right to object to, appeal, or comment on the Settlement. Class Members who fail to submit a timely and valid Request for Exclusion on or before the Response Deadline shall be deemed Participating Class Members and will be bound by all terms of the Settlement and the Final Approval Order entered in this Action.

Consistent with Crawford's policies, there will be no retaliation or adverse action taken against any Class Member or PAGA Affected Employee who participates in the Settlement or elects not to participate in the Settlement.

If you choose to submit a Request for Exclusion, send your Request for Exclusion to the Settlement Administrator at the following address:

Phoenix Class Administration Solutions
P.O. Box 7208
Orange, CA 92863

FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a final approval hearing on March 15, 2022, at 3:30 p.m., in Department 501 at the Superior Court of California for the County of Fresno, 1130 O Street, Fresno, CA 93721, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the requests for the Plaintiff's Service Award, Class Counsel Fees and Costs Award, PAGA Distribution Amount, and Settlement Administration Costs.

The hearing may be postponed without further notice to Class Members and PAGA Affected Employees. **It is not necessary for you to appear at this hearing. If you have submitted an objection, and indicated that you intend to appear in the manner set forth above, you may appear at the hearing and be heard.** Class Members and PAGA Affected Employees are advised to contact the Settlement Administrator or check the Court's Case Management and Information System at <https://publicportal.fresno.courts.ca.gov/FRESNOPORTAL/> to confirm the hearing date has not been changed.

GETTING MORE INFORMATION

This is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which may be examined by visiting the website regarding this Settlement maintained by the Settlement Administrator at <http://www.phoenixclassaction.com/> accessing the Court's docket in the Action through the Court's Case Management and Information System at <https://publicportal.fresno.courts.ca.gov/FRESNOPORTAL/>; contacting the Settlement Administrator at Tel: (800) 523-5773 or contacting Class Counsel at:

Morris Nazarian
Law Offices of Morris Nazarian
1875 Century Park East, Suite 1790
Los Angeles, CA 90064
Telephone: 310.284.7333
Facsimile: 310.284.7332
Email: monazarian@yahoo.com

Andrew J. Jaramillo
Altus Law Firm
5 Park Plaza, Suite 200
Irvine, CA 92614
Telephone: 949.346.3391
Facsimile: 949.271.4097
Email: andrew.jaramillo@altuslawfirm.com

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT OR THE SETTLEMENT PROCESS.

Dated: October 28, 2021.

By Order of the Court