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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Samantha Gotta, et al.,
Plaintiffs,
v.
Stantec Consulting Services Incorporated, et
al.,
Defendants.

No. CV-20-01865-PHX-GMS
**ORDER PRELIMINARILY
APPROVING SETTLEMENT**

Currently before the Court for preliminary approval is a Settlement (the “Settlement”) of this class action (the “Action”) wherein Plaintiffs Samantha Gotta Blum and Michael De Sena (“Plaintiffs”) have asserted claims for alleged violations of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001 *et seq.* (“ERISA”), with respect to the Stantec Consulting Services, Inc. 401(k) Plan (the “Plan”) against Defendants Stantec Consulting Services, Inc.; the Board of Directors of Stantec Consulting Services, Inc.; and the Stantec Consulting Services, Inc. Fiduciary Investment Committee (“Defendants” or “Stantec”). The terms of the Settlement are set out in a Stipulation of Settlement executed on October 30, 2023 (the “Stipulation”), which has been signed by Plaintiffs and their Counsel on behalf of the proposed Settlement Class and Defendants (collectively with Plaintiffs, the “Parties”). Capitalized terms not otherwise defined in this Order shall have the same meaning as ascribed to them in the Stipulation. The “Settlement Class” is defined in this Order below.

1 Having considered Plaintiffs' Unopposed Motion for Preliminary Approval of
2 Proposed Settlement (Doc. 76) and the Stipulation attached thereto in order to determine,
3 among other things, whether the Settlement is sufficient to warrant the issuance of notice
4 to members of the proposed Settlement Class,

5 **IT IS HEREBY ORDERED, ADJUDGED AND DECREED** granting the
6 Unopposed Motion for Preliminary Approval of Class Action Settlement (Doc. 76) as
7 follows:

8 **Jurisdiction.** The Court has jurisdiction over the subject matter of this Action and
9 over all Parties to this Action, including all Members of the Settlement Class.

10 **Class Findings.** The Court preliminarily finds, for purposes of the Settlement, that
11 the requirements of the Federal Rules of Civil Procedure, the United States Constitution,
12 the Local Rules of Civil Procedure for the District of Arizona, and any other applicable
13 law have been met as to the Settlement Class, in that:

- 14 (a) The Settlement Class is ascertainable from records kept with respect
15 to the Plan and from other objective criteria, and the Members of the
16 Settlement Class are so numerous that their joinder before the Court
17 would be impracticable.
- 18 (b) Based on allegations in Plaintiffs' Class Action Complaint (the
19 "Complaint"), the Court preliminarily finds that there are one or more
20 questions of fact and/or law common to the Settlement Class.
- 21 (c) Based on allegations in the Complaint, the Court preliminarily finds
22 that the claims of Plaintiffs are typical of the claims of the Settlement
23 Class.
- 24 (d) Plaintiffs will fairly and adequately protect the interests of the
25 Settlement Class in that: (i) the interests of Plaintiffs and the nature of
26 their alleged claims are consistent with those of the Members of the
27 Settlement Class; (ii) there are no significant conflicts between or
28 among Plaintiffs and the Settlement Class; and (iii) Plaintiffs are
represented by qualified, reputable counsel who are experienced in
preparing and prosecuting ERISA class actions of this type.
- (e) The prosecution of separate actions by individual Members of the
Settlement Class would create a risk of: (i) inconsistent or varying
adjudications as to individual class members, that would establish

1 incompatible standards of conduct for the parties opposing the claims
2 asserted in the Action; or (ii) adjudications as to individual class
3 members that would, as a practical matter, be dispositive of the interests
4 of the other members not parties to the adjudications, or substantially
impair or impede those persons' ability to protect their interests.

5 **Class Certification.** Based on the findings set out above, the Court
6 **PRELIMINARILY CERTIFIES** the following Settlement Class for settlement purposes
7 under Federal Rule of Civil Procedure 23(b)(1) in this litigation (hereinafter the
8 "Settlement Class"):

9 All persons, except Defendants and their immediate family members, who were
10 participants in or beneficiaries of the Stantec Consulting Services, Inc. 401(k) Plan
11 (the "Plan") at any time during the Class Period.

12 The "Class Period" shall be defined as September 24, 2014 through the date of this Order.
13 A person was a participant in or beneficiary of the Plan during the Class Period if they had
14 an account balance in the Plan during such period.

15 The Court previously certified a class defined as: "All persons, except Defendants
16 and their immediate family members, who were participants in or beneficiaries of the Plan,
17 at any time between September 24, 2014 and the date of judgment." (ECF No. 69 at 1.)
18 The definition of the Settlement Class modifies the class definition by replacing "between
19 September 24, 2014 and the date of judgment" with "during the Class Period," which is
20 defined as "September 24, 2014 through the date of this Order." The parties changed "the
21 date of judgment" to "the date of this Order" in the Settlement Class definition to enable
22 effective administration of the Settlement. The Court previously found that the class was
23 sufficiently well-defined and cohesive to warrant certification as a non-opt-out class under
24 Fed. R. Civ. P. 23(a) and 23(b)(1) (ECF No. 69 at 2-3), and so finds again with respect to
25 the Settlement Class.

26 The Court also previously found that McKay Law, LLC and Edelson Lechtzin, LLP
27 have and will continue to represent fairly and adequately the interests of the Settlement
28 Class (ECF No. 69 at 3-4), and nothing in the Settlement affects that finding. Accordingly,

1 pursuant to Federal Rule of Civil Procedure 23(g)(2) the Court preliminarily designates
2 McKay Law, LLC and Edelson Lechtzin, LLP as co-lead class counsel (“Class Counsel”)
3 with respect to the Settlement Class in this Action.

4 As indicated above, the Court finds that Plaintiffs are adequate and typical class
5 representatives for the Settlement Class and, therefore, hereby appoints Plaintiffs Samantha
6 Gotta Blum and Michael De Sena as the representatives of the Settlement Class.

7 The Court having determined preliminarily that this Action may proceed as a non-
8 opt out class action under Fed. R. Civ. P. 23(a) and 23(b)(1), Members of the Settlement
9 Class shall be bound by any judgment concerning the Settlement in this Action, subject to
10 the Court’s final determination as to whether this Action may so proceed.

11 **Preliminary Approval of Settlement.** The Settlement documented in the
12 Stipulation of Settlement is hereby **PRELIMINARILY APPROVED**, as the Court
13 preliminarily finds that: (a) the proposed Settlement resulted from arm’s-length
14 negotiations; (b) the Stipulation of Settlement was executed only after Class Counsel had
15 researched and investigated multiple legal and factual issues pertaining to Plaintiffs’
16 claims; (c) there is a genuine controversy between the Parties involving Defendant’s
17 compliance with the fiduciary requirements of ERISA; (d) the Settlement appears on its
18 face to be fair, reasonable, and adequate; and (e) the Settlement evidenced by the
19 Stipulation is sufficiently fair, reasonable, and adequate to warrant sending notice of the
20 Action and the Settlement to the Settlement Class.

21 **Fairness Hearing.** A hearing (the “Fairness Hearing”) pursuant to Fed. R. Civ. P.
22 23(e) is set for **March 8, 2024, at 10:00 a.m.** in Courtroom 602 at the U.S. District Court,
23 Sandra Day O’Connor U.S. Courthouse, 401 West Washington Street, Phoenix, AZ 85003
24 to determine finally, among other things:

- 25 (a) Whether the Settlement should be approved as fair, reasonable, and
26 adequate;
- 27 (b) Whether the Settlement Class satisfies the requirements of Fed. R. Civ.
28 P. 23, and should be finally certified as preliminarily found by the Court;

- 1 (c) Whether the litigation should be dismissed with prejudice pursuant to the
2 terms of the Stipulation;
- 3 (d) Whether the Final Approval Order attached to the Stipulation should be
4 entered and whether the Releasees should be released of and from the
5 Released Claims, as provided in the Stipulation;
- 6 (e) Whether the notice and notice methodology implemented pursuant to the
7 Stipulation (i) were reasonably calculated, under the circumstances, to
8 apprise Members of the Settlement Class of the pendency of the
9 litigation, their right to object to the Settlement, and their right to appear
10 at the Fairness Hearing; (ii) were reasonable and constituted due,
11 adequate, and sufficient notice to all persons entitled to notice; and (iii)
12 met all applicable requirements of the Federal Rules of Civil Procedure,
13 and any other applicable law;
- 14 (f) Whether Class Counsel adequately represents the Settlement Class for
15 purposes of entering into and implementing the Stipulation as required
16 by Fed. R. Civ. P. 23(g) and as preliminarily found by the Court;
- 17 (g) Whether the proposed Plan of Allocation of the Net Settlement Fund is
18 fair, reasonable, and adequate and should be approved by the Court;
- 19 (h) Whether the Settlement has been negotiated at arm's length by Class
20 Counsel on behalf of the Plan and the Settlement Class, whether Plaintiffs
21 have acted independently, whether Plaintiffs' interests are identical to the
22 interests of the Plan and the Settlement Class, and whether the
23 negotiations and consummation of the Settlement by Plaintiffs on behalf
24 of the Plan and the Settlement Class does not constitute "prohibited
25 transactions" as defined by ERISA §§ 406(a) or (b) and/or qualify for a
26 class exemption from the prohibited transaction rules, including
27 Prohibited Transaction Exemption 2003-39;
- 28 (i) Whether the application for attorneys' fees and expenses to be filed by
Class Counsel should be approved;
- (j) Whether case contribution awards should be awarded to Plaintiffs; and
- (k) Any other issues necessary for approval of the Settlement.

Class Notice. The Parties have presented to the Court a proposed Class Notice which is appended to the Stipulation as Exhibit 2. The Court **APPROVES** the form and content of the Class Notice finding that it fairly and adequately: (1) describes the terms and effect of the Stipulation and of the Settlement; (2) gives notice to the Settlement Class

1 of the time and place of the Fairness Hearing; and (3) describes how the recipients of the
2 Class Notice may object to approval of the Settlement. The Parties have proposed the
3 following manner of communicating the notice to Members of the Settlement Class, and
4 the Court finds that such proposed manner is adequate, and directs that Plaintiffs shall:

- 5 (a) By no later than 60 days before the Fairness Hearing, cause the Class
6 Notice, with such non-substantive modifications thereto as may be
7 agreed upon by the Parties, to be disseminated to the last known
8 address of each Member of the Settlement Class who can be identified
9 by reasonable effort.
- 10 (b) By no later than 60 days before the Fairness Hearing, cause the Class
11 Notice, with such non-substantive modifications thereto as may be
12 agreed upon by the Parties, to be disseminated to the last known e-mail
13 address of each Member of the Settlement Class who can be identified
14 by reasonable effort.
- 15 (c) By no later than 60 days before the Fairness Hearing, cause the Class
16 Notice, with such non-substantive modifications thereto as may be
17 agreed upon by the Parties, to be electronically published on a website
18 maintained by the Settlement Administrator.

19 At or before the Fairness Hearing, Class Counsel shall file with the Court a proof of timely
20 compliance with the foregoing mailing and publication requirements.

21 **Objections to Settlement.** “Objector” shall mean any Member of the Settlement
22 Class who wishes to object to the fairness, reasonableness or adequacy of the Settlement,
23 to the Plan of Allocation, to any term of the Stipulation of Settlement, to the proposed case
24 contribution awards, or to the proposed award of attorney fees and expenses. Any Objector
25 must file with the Court a statement of his, her, or its objection(s), specifying the reason(s),
26 if any, for each such objection made, including any legal support and/or evidence that such
27 Objector wishes to bring to the Court’s attention or introduce in support of such objection.
28 Any objection must be signed by the Settlement Class member. The Objector must also
mail the objection and all supporting law and/or evidence to counsel for the Parties, as
stated below. The addresses for filing objections with the Court and service on counsel are
as follows:

1 **COURT CLERK**
2 Clerk, US District
3 Court
4 Sandra Day O'Connor
5 U.S. Courthouse
6 401 W. Washington St.
7 Phoenix, AZ 85003

PLAINTIFFS'
COUNSEL
Michael McKay
McKay Law, LLC
5635 N. Scottsdale
Rd., Suite 170
Scottsdale, AZ
85250

DEFENDANTS'
COUNSEL
Charles Dyke
Nixon Peabody
One Embarcadero Center
32d Floor
San Francisco, CA 94111

6 The Objector, or, if represented by counsel, his, her, or its counsel, must both effect
7 service of the objection on counsel listed above and file the objection with the Court at
8 least fourteen (14) calendar days prior to the Fairness Hearing, or by no later than **4:00 p.m.**
9 **February 23, 2024.** Any Member of the Settlement Class or other person who does not
10 timely file and serve a written objection complying with the terms of this paragraph shall
11 be deemed to have waived, and shall be foreclosed from raising, any objection to the
12 Settlement and any untimely objection shall be barred.

13 **Appearance at Fairness Hearing.** An Objector who files and serves a timely,
14 written objection in accordance with the paragraph above may also appear at the Fairness
15 Hearing either in person or through counsel retained at the Objector's expense. Objectors
16 or their attorneys intending to appear at the Fairness Hearing must effect service of a "Notice
17 of Intention to Appear" setting forth, among other things, the name, address, and telephone
18 number of the Objector (and, if applicable, the name, address, and telephone number of the
19 Objector's attorney) on counsel identified above and file it with the Court at least fourteen
20 (14) calendar days prior to the Fairness Hearing, or by no later than **4:00 p.m. on**
21 **February 23, 2024.** Any Objector who does not timely file and serve a "Notice of
22 Intention to Appear" in accordance with this paragraph shall not be permitted to appear at
23 the Fairness Hearing, except for good cause shown. The Parties' counsel shall promptly
24 furnish each other with copies of any and all objections that come into their possession.

25 **Response to Objectors.** The Parties shall respond to any Objector at least seven
26 (7) calendar days prior to the Fairness Hearing, or by no later than **4:00 p.m. on March 1,**
27 **2024.**

28 **Compliance with Class Action Fairness Act.** Defendants shall, on or before ten

1 (10) calendar days prior to the Fairness Hearing, file with the Court proof of compliance
2 with the Class Action Fairness Act of 2005, as specified in 28 U.S.C. § 1715 and paragraph
3 2 of the Stipulation.

4 **Notice Expenses.** Reasonable expenses of effectuating Class Notice shall be paid
5 out of the Settlement Fund.

6 **Fees and Expenses Incurred by the Independent Fiduciary and Settlement**
7 **Administrator.** The Court understands that the Plan’s fiduciaries have retained or will
8 retain an Independent Fiduciary for the purpose of evaluating the Settlement to determine
9 whether to authorize the Settlement on behalf of the Plan. Defendants has caused or will
10 cause to be paid all fees and expenses incurred by the Independent Fiduciary (including
11 fees and expenses incurred by consultants, attorneys, and other professional retained or
12 employed by the Independent Fiduciary) in the course of evaluating and authorizing the
13 Settlement on behalf of the Plan up to \$30,000 (the “Independent Fiduciary Fees Amount”).
14 The Independent Fiduciary Fees Amount is not considered part of the Settlement Amount
15 and will not be paid out of the Settlement Fund. However, all costs of the Independent
16 Fiduciary in excess of the \$30,000 Independent Fiduciary Fees Amount shall be borne by
17 and paid from the Settlement Fund. The Court understands that the expenses incurred by
18 the Settlement Administrator in administering the Settlement and allocating the Settlement
19 Fund pursuant to the Plan of Allocation approved by the Court shall be paid out of the
20 Settlement Fund.

21 **Application for Attorneys’ Fees.** Any application by Class Counsel for attorneys’
22 fees and reimbursement of expenses, for a case contribution award to the Plaintiffs, and
23 all papers in support thereof, shall be filed with the Court and served on all counsel of
24 record at least twenty-eight (28) calendar days prior to the Fairness Hearing.

25 **Motion for Final Approval of Settlement and Plan of Allocation.** Class Counsel
26 shall file with the Court a motion for entry of the Final Approval Order and approval of the
27 Plan of Allocation at least twenty-eight (28) calendar days prior to the Fairness Hearing.

28 **Injunction.** Pending final determination of whether the Settlement should be

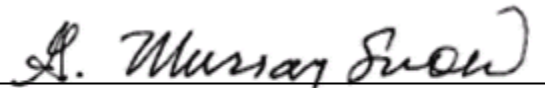
1 approved, all Members of the Settlement Class and the Plan are each hereby **BARRED**
2 **AND ENJOINED** from instituting or prosecuting any action that asserts any Released
3 Claim against any Releasees.

4 **Termination of Settlement.** If the Settlement is terminated in accordance with
5 the Stipulation of Settlement or does not become Final under the terms of the Stipulation
6 of Settlement for any other reason, this Order and all Class Findings shall become null
7 and void, and shall be without prejudice to the rights of the Parties, all of whom shall be
8 restored to their respective positions existing immediately before this Court entered this
9 Order.

10 **Use of Order.** In the event this Order becomes of no force or effect, no part of it
11 shall be construed or used as an admission, concession, or declaration by or against
12 Defendants of any fault, wrongdoing, breach, or liability, nor shall the Order be construed
13 or used as an admission, concession, or declaration by or against Plaintiffs or the Settlement
14 Class that their claims lack merit or that the relief requested in the Action is inappropriate,
15 improper, or unavailable, or as a waiver by any party of any defenses or claims he, she, or
16 it may have.

17 **Continuance of Hearing.** The Court reserves the right to continue the Fairness
18 Hearing without further written notice.

19 Dated this 3rd day of November, 2023.

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21 _____
22 G. Murray Snow
23 Chief United States District Judge
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