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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

DENSON M. SALES; ANDRE
CLEMONS; ROBERT BEJAR; and
MARTIN CHAVEZ on behalf of
themselves, all others similarly situated,
and on behalf of the general public,

Plaintiff,

v.

UNITED ROAD SERVICES, INC.;
URS MIDWEST, INC. and DOES 1-
100, inclusive,

Defendants.

Case No. 4:19-cv-08404-JST

*[Assigned to the Honorable Jon S. Tigar;
Department 6]*

**DECLARATION OF DAVID MARA, ESQ.,
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: October 5, 2023

Time: 2:00 p.m.

Complaint Filed: November 18, 2019

SAC Filed: May 18, 2023

Trial Date: May 20, 2024

1 I, DAVID MARA, declare the following:

- 2 1. I am President of Mara Law Firm, PC, and counsel of record for the Class in this matter. I
3 am duly admitted to practice before all the courts of the state of California. The following
4 facts are within my personal knowledge and, if called to testify, I could and would
5 competently testify thereto.
- 6 2. I have been practicing law in California since 2004.
- 7 3. I extensively handle employment cases which involve violations of the California Labor
8 Code and Industrial Welfare Commission Wage Orders, such as wage and hour class
9 actions and cases alleging violations of the Private Attorneys General Act of 2004
10 (“PAGA”).
- 11 4. I have litigated over three hundred and fifty (350) class action and PAGA lawsuits. I have
12 been litigating wage and hour class action lawsuits for nearly 20 years. I graduated from
13 California Western School of Law and was admitted to practice law in California in May
14 2004. I primarily handle wage and hour class actions and PAGA actions. I am the President
15 of Mara Law Firm, PC.
- 16 5. I was co-class counsel in *Hohnbaum v. Brinker Restaurant Corp.* (San Diego County
17 Superior Court, Case No. GIC834348) which was the underlying case in the California
18 Supreme Court’s landmark decision in *Brinker Restaurant Corp. v. Superior Court* (2012)
19 53 Cal.4th 1004, in which the California Supreme Court delineated the scope of employer
20 obligations to provide, and employee rights to receive, meal and rest periods under
21 California law. I am frequently called upon to author Amicus Curiae briefs on behalf of
22 Consumer Attorneys of California (“CAOC”). For example, I authored the Amicus Curiae
23 briefs on behalf of CAOC in *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257,
24 (The California Supreme Court ruling that, like meal periods, employers must relieve
25 employees of all duty and relinquish all control to satisfactorily discharge its obligation to
26 authorize and permit rest periods.); *Frlekin v. Apple, Inc.* (2020) 8 Cal.5th 1038 (The
27 California Supreme Court ruling that the time spent on the employer’s premises waiting
28 for, and undergoing, required exit searches of packages, bags, or personal technology

1 devices voluntarily brought to work is compensable hours worked within the meaning of
2 the Wage Orders.); *Oliver v. Superior Court* (2021) California Court of Appeal Case No.
3 H049185 (A brief asking the California Court of Appeal for the Sixth Appellate District to
4 determine whether mandatory drive time of personal vehicles should be considered hours
5 worked within the meaning of the Wage Orders' suffered or permitted test.). *Davidson v.*
6 *O'Reilly Auto Enterprises, LLC* (9th Cir., 2020; Docket No. 18-56188)(a brief seeking
7 Review *En Banc* of an order denying class certification in a wage and hour matter). I am
8 also a member of CAOC's Amicus Committee that determines the cases in which the
9 organization will agree to provide amicus support.

10 6. My firm has been named as class counsel in a number of wage and hour class actions in
11 which the Court granted the plaintiff's motion for class certification. For example, my firm
12 has been named class counsel: *Mario Norona v. B&G Delivery System, Inc.* (Sacramento
13 County Superior Court, Case No. 34-2015-00186826-CU-OE-GDS); *Jerald Schroeder v.*
14 *YRC, Inc.; et al.* (Central District of California, Case No. 12-cv-01374-TJH); *John Martin*
15 *v. Sysco Corporation, et al.* (Eastern District of California, Case No. 1:16-cv-00990-DAD-
16 SAB); *William Smith v. Werner Enterprises, Inc. d/b/a C.L. Werner, Inc.* (District of
17 Nebraska, Case No. 8:15-cv-287); *Thomas Perez v. City of San Diego* (San Diego County
18 Superior Court, Case No. 37-2014-00016621-CU-OE-CTL); *Eric Mendez v. M&N*
19 *Consulting, Inc. dba A-Line Messenger Service* (San Bernardino County Superior Court,
20 Case No. CIVDS1923624); *Denson Sales v. Professional Auto Transport, Inc. et al.* (San
21 Bernardino County Superior Court, Case No. CIVDS2010153); *Sonny Williams v. Hansen*
22 *and Adkins Auto Transport, Inc.; et al.* (San Bernardino County Superior Court, Case No.
23 CIVDS2020832); and *Bobby Williams v. Mohsen Transport, Inc.* (San Diego County
24 Superior Court, Case No. 37-2019-00063361-CU-OE-CTL).

25 7. My firm has also been named as class counsel in numerous cases during the settlement
26 process. Here is a non-exhaustive list of cases where my firm has been named as class
27 counsel in cases during the settlement process: *Kenneth Cox v. 3PL Worx, et al.* (Yolo
28 County Superior Court, Case No. CV-18-100); *Brian Davidson v. A&B Trucking Services,*

1 *Inc.* (Kern County Superior Court Case No. BCV-16-102985); *Alex Vega, et al. v. Advance*
2 *Beverage Co., Inc.* (Kern County Superior Court, Case No. BCV-16-100848); *Jaime Ruiz*
3 *v. Altura Centers for Health* (Kern County Superior Court, Case No. BCV-19-101577);
4 *George Zamudio v. AmeriPride Service, Inc.* (Alameda County Superior Court, Case No.
5 RG1809666); *Richard Hendricks v. Antonini Freight Express, Inc.* (San Joaquin County
6 Superior Court, Case No. STK-CV-UOE-2016-6999); *Alton Davis v. Apria Healthcare*
7 *Group, Inc.* (San Diego County Superior Court, Case No. 37-2014-00004724-CU-OE-
8 CTL); *Alan Atchison v. Ashley Furniture Industries, Inc., et al.* (Central District of
9 California, Case No. 17-cv-00528-JAK-SP); *Bernard Payton v. Atech Logistics, Inc.*
10 (Sonoma County Superior Court, Case No. SCV 258595); *Ramon Jenkins v. Compass*
11 *Group USA, Inc., et al.* (Yolo County Superior Court, Case No. CVCV-18-747); *Timothy*
12 *Spikes, et al. v. Bear Trucking, Inc., et al.* (San Bernardino County Superior Court, Case
13 No. CIVDS1715151); *Joshua Turpen v. Benjamin's Transfer Inc.* (Solano County Superior
14 Court, Case No. FCS048845); *Cesar Mendoza v. Bi-Rite Food Service, Inc.* (San Mateo
15 County Superior Court, Case No. 17CIV02044); *Terrance Bailey v. Blue Apron, LLC; et*
16 *al.* (Northern District of California, Case No. 18-cv-07000-VC); *Jeffrey Weast v.*
17 *California Aseptic Beverages, LLC* (San Bernardino County Superior Court, Case No.
18 CIVDS1825256); *Michael Valentich v. Hub Construction Specialties, Inc.* (San Bernardino
19 County Superior Court, Case No. JCCPDS4893); *Jose De Jesus Ortega Velazquez v.*
20 *Hunter Landscape, Inc.; et al.* (San Bernardino County Superior Court, Case No.
21 CIVDS1928062); *Adrian Diaz v. Keystone Automotive Operations, Inc.* (Riverside County
22 Superior Court, Case No. RIC1817450); *Arturo Gonzalez v. NCI Group, Inc. dba NCI*
23 *Building Systems* (Eastern District of California, Case No. 18-cv-00948-AWI-SKO); *Larry*
24 *Perez v. The Nielsen Company (US), LLC* (Orange County Superior Court, Case No. 30-
25 2021-01194324-CU-OE-CXC); *Erik Martinez v. Patrick Industries, Inc.* (San Bernardino
26 County Superior Court, Case No. CIVDS2009663); *Randolph Fitch v. Shaw Industries,*
27 *Inc.; et al.* (San Bernardino County Superior Court, Case No. CIVSB2024674); *Joshua*
28 *Rael v. Intercontinental Hotels Group Resources, Inc.* (Los Angeles County Superior

1 Court, Case No. 19STCV16010); and *Aaron Romero v. Vitro Flat Glass, LLC* (Kern
2 County Superior Court, Case No. BCV-21-101357).

3 8. On November 18, 2019, Plaintiff Denson M. Sales filed his Class Action Complaint for
4 Damages, Injunctive Relief, Declaratory Relief, and Restitution in the Superior Court of
5 Alameda County, California, under Case No. HG19043648 (the “*Sales Action*”), alleging
6 that URS had misclassified him as an independent contractor and asserting a number of
7 wage-and-hour claims under California law. On December 24, 2019, URS removed the
8 case to this Court.

9 9. On February 11, 2020, Plaintiff Andre Clemons filed his Class Action Complaint for
10 Damages and Injunctive Relief in the Superior Court of Alameda County, California, under
11 Case No. RG20054053 (the “*Clemons Action*”), alleging that URS had misclassified him
12 as an independent contractor and asserting a number of wage-and-hour claims under
13 California law. On April 3, 2020, URS removed the case to this Court under Case No. 4:20-
14 cv-02274.

15 10. On April 23, 2020, the Court related the *Sales Action* with the *Clemons Action*. On May
16 4, 2020, the Court granted a request to permit Plaintiff Sales and Plaintiff Clemons to file
17 a joint complaint incorporating Plaintiff Clemons and his claims into the *Sales Action*. The
18 *Clemons Action* was subsequently dismissed on May 27, 2020.

19 11. Plaintiff Sales and Plaintiff Clemons jointly filed a First Amended Complaint on May 4,
20 2020, asserting the following Claims under California law: (1) failure to pay all straight
21 time wages at statutory minimum wage; (2) failure to provide meal periods; (3) failure to
22 authorize and permit rest periods; (4) failure to reimburse/illegal deductions; (5) violations
23 of unfair competition law; (6) knowing and intentional failure to properly itemize wage
24 statements; (7) failure to timely pay all wages owed at termination; and (8) violations of
25 California’s Private Attorneys General Act (“PAGA”). Plaintiffs Sales and Clemons
26 brought these claims on behalf of themselves and all others similarly situated.

27 12. On May 18, 2023, a Second Amended Complaint was filed pursuant to which Plaintiffs
28 Robert Bejar and Martin Chavez were added into this action as plaintiffs and class

1 representatives.

2 13. On May 17, 2023, Plaintiffs Robert Bejar and Martin Chavez filed an amended PAGA
3 letter with the Labor and Workforce Development Agency (“LWDA”).

4 14. URS filed a Motion to Dismiss Plaintiff Clemons’ and Plaintiff Sales’ Meal and Rest Break
5 Claims on May 18, 2020. URS argued that the FMCSA hours-of-service preemption
6 determination prohibited enforcement of any meal and rest break claims with regard to
7 interstate drivers of commercial motor vehicles. After briefing was completed, the Court
8 granted this motion on July 17, 2020, and dismissed Plaintiff Clemons’ and Plaintiff Sales’
9 second and third causes of action with prejudice.

10 15. Plaintiff Clemons and Plaintiff Sales filed a Motion for Class Certification on April 29,
11 2021. Plaintiff Clemons and Plaintiff Sales requested certification of the following class:
12 “All individuals who signed Independent Contractor Service Agreements with URS, who
13 were assigned to a business unit in California, and who drove in California at any time
14 from November 18, 2015, to the date the Court enters an order certifying the matter as a
15 class action.” After briefing was completed, the Court granted this motion on March 29,
16 2022, and certified the Class as defined.

17 16. Class Counsel have engaged in substantial investigation and discovery to assess the relative
18 merits of the claims and URS’s defenses to them. The discovery, investigation, and
19 litigation process has been adequate to give Class Counsel a sound understanding of the
20 value, strength, and vulnerabilities of the Class’s claims. Specifically, Class Counsel has
21 conducted discovery and an investigation into the claims during the prosecution of this
22 action. This discovery, investigation, and prosecution has included, among other things,
23 (a) holding multiple meetings with Plaintiffs and Class Members; (b) serving substantial
24 discovery on URS, including Class-wide discovery; (c) inspecting and analyzing
25 documents and data produced by Plaintiff Clemons and Plaintiff Sales, Class Members,
26 and URS; (d) analyzing the legal positions taken by URS and the developments in the law
27 related to various claims; (e) defending class representative depositions and the depositions
28 of three Class Members; (f) deposing URS’s Rule 30(b)(6) designee; (g) engaging in

1 briefing on the motion to dismiss; (h) prevailing on a contested motion for class
2 certification; (i) communicating and holding meetings with Class Members; (j) analyzing
3 potential damages before and throughout the settlement negotiation process;
4 (k) researching the applicable law with respect to the Class's claims and URS' potential
5 defenses; and (l) assessing the risk of further litigation.

6 17. This settlement was reached with the assistance of an experienced mediator, Jeffrey Ross,
7 after arms-length bargaining by the Parties at a formal mediation and extensive subsequent
8 post-mediation discussions facilitated through the mediator. The Parties' settlement has
9 been memorialized in a long form settlement agreement. The Parties Joint Stipulation of
10 Settlement and Release of Class Action Claims (hereinafter "Joint Stipulation" or
11 "Settlement Agreement") is attached hereto as **Exhibit 1**.

12 18. The class definition set forth in the Joint Stipulation and the class definition certified by
13 the Court are the same with the exception that the Class definition in the Joint Stipulation
14 clarifies that if an individual executing the Independent Contractor Service Agreement did
15 so on behalf of a corporation or LLC, then the individual or individuals who were principals
16 or owners of the corporation or LLC shall be considered part of the Class. However, the
17 same qualifiers for these individuals remain, namely, that the individual must have been
18 assigned to a business unit in California and have driven in California at some time between
19 November 18, 2015, to March 29, 2022.

20 19. Plaintiffs, and the certified Class, are truck drivers who contracted with and drove for URS
21 during the Class Period. Each of the Class Members was classified by URS as an
22 independent contractor. The core question in the case is whether URS correctly classified
23 the drivers as independent contractors. Plaintiffs assert that URS's classification was in
24 error, and that the drivers were URS's employees under California law. As such, all the
25 claims alleged in this matter are based on URS's failure to classify Class Members as
26 employees. Put differently, if Plaintiffs lose on this single issue, they will take nothing from
27 this matter.

28 20. In its Order Granting Plaintiffs' Motion for Class Certification, the Court indicated that the

multi-factored, “right-to-control” employment test articulated by the California Supreme Court in *S.G. Borello & Sons, Inc. v. Department of Industrial Relations* (“*Borello*”) (1989) 48 Cal.3d 341 would control the outcome of whether the class were employees or independent contractors. (See ECF No. 53 at fn 4 (“Because none of Plaintiffs’ claims are grounded in the state wage orders, the ABC Test does not apply to their claims and the Court does not evaluate the predominance question under the ABC test.”)).

21. Based on deposition testimony and documents produced in this matter, Plaintiffs contend that URS substantially controls Class Members, and that Plaintiffs would be able to provide evidence to meet the factors delineated in the *Borello* employment test to show that Class Members should have been classified as employees. URS vehemently denies these contentions.

22. Because Plaintiffs assert that URS misclassified Class Members as independent contractors, Plaintiffs assert that Class Members were entitled to protections under the California Labor Code that they were not afforded while working with URS. For example, under the contracts Class Members signed with URS, Class Members were responsible for paying business expenses such as fuel, maintenance, and insurance, that they would not be responsible for if they were employees. In addition, they had to use their personal cell phones in the performance of their work duties. Under California Labor Code § 2802, employees must be reimbursed for necessary business expenses. Plaintiffs contend that Class Members should have been classified as employees and, thus, should have been reimbursed for these business expenses.

23. Plaintiffs also assert that due to their alleged misclassification, they were not provided with meal periods, rest periods, itemized wage statements and waiting time penalties that were owed to them under California law. Plaintiffs further assert that the contracts they operated under only paid them for the time they were driving and did not pay them for the time they were performing non-driving tasks such as pre-trip and post-trip inspections.

24. Class Members can only recover if they are successful in showing URS misclassified them as independent contractors, rather than employees. In other words, Class Members must

1 show they were employees to recover anything. If they fail to show that threshold issue, no
2 matter how strong their claims are against URS, the Class will recover nothing. Thus, any
3 risk analysis associated with the claims must start foundationally with the existing dangers
4 that could prevent the Class Members from proving they are employees, rather than
5 independent contractors.

6 25. The test that will determine whether the Class of drivers are employees of URS is the right-
7 to-control test articulated by the California Supreme Court, in *Borello*. To be employees
8 under that test, URS must be found to possess “the right to control the manner and means
9 of accomplishing the result desired.” *Ayala v. Antelope Valley Newspapers, Inc.* (2014) 59
10 Cal.4th 522, 532. Courts also must look at secondary factors under the *Borello* test in the
11 determination of whether the Class of drivers are employees. These secondary factors
12 include:

13 (a) whether the one performing services is engaged in a distinct occupation or
14 business; (b) the kind of occupation, with reference to whether, in the locality, the
15 work is usually done under the direction of the principal or by a specialist without
16 supervision; (c) the skill required in the particular occupation; (d) whether the
17 principal or the worker supplies the instrumentalities, tools, and the place of work
18 for the person doing the work; (e) the length of time for which the services are to
19 be performed; (f) the method of payment, whether by the time or by the job; (g)
whether or not the work is a part of the regular business of the principal; and (h)
whether or not the parties believe they are creating the relationship of employer-
employee.

19 *Borello*, 48 Cal. 3d at 351.

20 26. Under the facts, Plaintiffs believe URS controls nearly every aspect of their work of hauling
21 cars and, at a minimum, “retains all *necessary* control” over the drivers. *Borello, supra*, 48
22 Cal.3d at 357 (emphasis in original). For instance, through the contracts, referred to as
23 Independent Contractor Service Agreements (“ICSAs”), URS requires drivers to “full
24 comply with all operating procedures of [URS] and all reasonable specifications of the
25 shipper,” maintain equipment up to URS’s standards and in accordance with URS’s
26 inspection program, and report to dispatch at various points during hauls.

27 27. Despite this confidence, two very real obstacles stand in the way of the Class successfully
28

1 being found to be employees. One, the Ninth Circuit, in *Bowerman v. Field Asset Services,*
2 *Inc.* (9th Cir. 2023) 60 F.4th 459¹, recently issued a ruling that made it substantially more
3 difficult to be found an employee under *Borello*. Two, an employment relationship cannot
4 be established on the basis of mandates and policies that are implemented to comply with
5 federal regulations.

6 28. In *Bowerman*, the Ninth Circuit reversed the district court’s finding that class members
7 were employees. Although the district court held that “[n]o reasonable juror could review
8 the Vendor Packets, the work orders, the trainings, the Vendor Profiles, the discipline, and
9 the Vendor scorecards, and conclude [that] any of the Vendors are independent
10 contractors[,]”² the Ninth Circuit rejected that holding, arguing that not all controls are
11 treated equally under the *Borello* test. Specifically, the Ninth Circuit reasoned that “if
12 control may be exercised only as to the result of the work and not the means by which it is
13 accomplished, an independent contractor relationship is established.” *Bowerman, supra*,
14 60 F.4th at 474. The Ninth Circuit found that all the facts on which the *Bowerman* plaintiffs
15 relied to establish an employment relationship under *Borello* could reasonably be
16 interpreted as controlling the results of the work. *Id.* at 474-476. The Ninth Circuit also
17 found that many of *Borello*’s secondary factors “tip in favor of independent contractor
18 status.” *Id.* at 476. Specifically, the Ninth Circuit ruled that “the parties intent to create an
19 independent contractor relationship, the class members’ opportunity for profit or loss, the
20 class members’ employment of assistants” tended to show an independent contractor
21 relationship. *Id.*

22 29. Under *Bowerman*, this Court or a jury could find that many of the controls Plaintiffs rely
23 on go to controlling the results of the timely delivery of cars for URS’ customers.
24 Additionally, like *Bowerman*, URS drivers have the ability to hire assistants to perform
25 their work under the ICSA. Indeed, one of the named class representatives in this matter

26 ¹ This opinion was initially issued on July 5, 2022 at 39 F.4th 652. Rehearing *En Banc* was
27 requested and denied. The reviewing Panel, however, ordered the decision amended. Thus, the
2023 decision as cited above is the amended version of the original decision.

28 ² *Bowerman, supra*, 60 F.4th at 466.

1 hired numerous drivers to perform work under his ICSAs with URS. Thus, like *Bowerman*,
2 this Court or jury could find that this “tips in favor of” an independent contractor
3 relationship.

4 30. Although my co-counsel and I believe *Bowerman* is at odds with other Ninth Circuit cases
5 and is distinguishable on certain grounds, it remains binding precedent and counsel does
6 not know how this Court or a jury will apply *Bowerman*. In addition, even if this Court
7 were to rule in Plaintiffs’ favor and find for employment status, like the district court in
8 *Bowerman*, that decision could be similarly overturned by the Appeals Court. The danger
9 of losing on this issue cannot be understated. If the employment status issue is lost, the
10 Class takes nothing.

11 31. Even if Plaintiffs prevail over *Bowerman*, “[a] putative employer does not exercise any
12 degree of control merely by imposing requirements mandated by government regulation.”
13 *Linton v. DeSoto Cab Co., Inc.* (2017) 15 Cal. App. 5th 1208, 1223. The contractual
14 relationship between URS and the Class Members is governed by the federal motor carrier
15 leasing regulations, which set forth the requirements for a written lease between the
16 owners/lessors of motor vehicle equipment (in this case, the Class Members) and the
17 lessees of that equipment (in this case, URS).

18 32. Accordingly, URS asserts that any policies it has that cover independent contractors are in
19 place to meet these requirements. Significantly, one of these requirements is found in 49
20 C.F.R. § 385.5. Under 49 C.F.R. § 385.5, “[t]o meet the safety fitness standard, the
21 motor carrier must demonstrate it has adequate safety management controls in place,
22 which function effectively to ensure acceptable compliance with applicable safety
23 requirements[.]” (Emphasis added). URS argues that the policies Plaintiffs rely on to
24 establish an employment relationship are in place to meet this broad regulation. Put
25 differently, if the policies and practices Plaintiffs rely on as supporting an employment
26 relationship are found to be an offshoot of URS’s federal mandate that it maintain
27 “adequate safety management controls,” they cannot establish an employment relationship
28 and the Class would take nothing.

1 33. Although my co-counsel and I believe that URS' policies and rights to control go beyond
2 simply trying to comply with federal safety mandates or other federal regulations, some of
3 the "control" facts are safety-oriented, such as accident reporting, maintaining the
4 equipment according to URS' specifications, and load securement. With the potential
5 exclusion of some, many, or all facts related to URS' control from the employment
6 question under *Borello*, the probability of losing on the employment issue increases. Given
7 that a loss on that issue would result in the Class taking nothing from this action,
8 considerable weight had to be given to it in evaluating settlement.

9 34. Although prevailing on the employment issue is a necessary predicate to obtaining any
10 money here, success on the issue does not guarantee the Class will recover anything. It just
11 gets them to the next step: showing URS violated Labor Code section 2802 by failing to
12 reimburse Class Members for costs such as insurance, fuel, maintenance, and damage
13 claims and violated California's minimum wage laws. As the following shows, many real
14 and considerable obstacles threaten the success of these underlying claims.

15 35. URS has indicated that it intends to file a motion for summary judgment of Plaintiffs'
16 Business Expense Reimbursement claims under Labor Code § 2802 on the grounds that
17 the claims are preempted under the federal Truth-in-Leasing regulations. Specifically, URS
18 was going to argue that all but Plaintiffs' claims for cell phone reimbursements are
19 preempted and must be dismissed. If successful, this argument would have absolutely
20 gutted the value of the most substantial claims in this case. Despite firmly believing the
21 claims are not preempted, Plaintiffs must deal with the unfortunate and very real fact that
22 three out of five cases in the ninth circuit and California to deal with the issue have found
23 in favor of preemption.

24 36. Given the fact that a majority of courts faced with the issue have ruled against the Plaintiffs'
25 interest, a considerable amount of weight had to be given to the prospect that Plaintiffs here
26 would similarly succumb to a preemption argument on their most valuable expense
27 reimbursement claims.

28 37. Alternatively, URS argues that it pays Class Members enhanced compensation to cover

business expenses. URS relies on the case *Gattuso v. Harte-Hanks Shoppers, Inc.*, 42 Cal. 4th 554 (2017).

38. Plaintiffs disagree that URS pays Class Members an enhanced compensation and rely on the case *Espejo v. The Copley Press, Inc.*, 13 Cal. App. 5th 329, 367 (2017). Plaintiffs argue that URS' compensation is not the same as in *Gattuso* because URS deducts amounts for costs before they pay the compensation and there is no way for drivers to identify what amount is being paid for labor performed and the amount being paid as reimbursement for business expenses.

39. Again, if Plaintiffs had lost on this issue, their most valuable claim would have been gutted.

40. The potential exposure to URS if Plaintiffs prevailed on their reimbursement claims for insurance, fuel, maintenance, and damage claims is considerably higher than the proposed settlement amount. That exposure, however, is extremely misleading and cannot be evaluated in a vacuum and devoid of the very real and threatening context explained above from preemption attacks and, of course, losing on the employment issue. Again, three out of five cases in the Ninth Circuit and California have found in favor of preemption of all but cell phone expenses and *Bowerman*'s precedence must be respected.

41. If Plaintiffs were successful in their reimbursement claims – meaning they won on the employment issue and prevailed over all 2802 challenges – they and the Class Members could be entitled to the maximum potential damages of \$82,580,165.³ As outlined above, if the Court were to side with a majority of courts that Class Members are only entitled to reimbursements for cell phone expenses, this would drastically reduce the maximum potential exposure. If this were the case, the maximum potential exposure would be reduced to \$506,750⁴, which represents only cell phone reimbursements. If the Court were to find that Class Members' compensation was enhanced to cover reimbursements or if the

³ \$21,587,775 for insurance; \$52,327,151 for fuel expenses; \$5,452,272 for repairs; \$1,481,658 for damage caused to the vehicles they were transporting; \$1,224,559 for operating expenses; and \$506,750 for cell phone expenses.

⁴ Approximately 20,270 months worked by Class Members in the Class Period x \$25.00 (25% of a \$100 cell phone bill).

1 Court found no employment relationship exists, Class Members would not be entitled to
2 any damages under this claim.

3 42. Plaintiffs claim the ICSAs fail to pay for non-driving time and only pay for the actual
4 hauling of cars. Thus, Plaintiffs argue when they are not driving, the ICSAs pay them
5 nothing, which violates California's minimum wage laws. Whether any compensation is
6 owed to employees is a matter determined primarily by contract, which, here, would be the
7 ICSAs. *Oman v. Delta Airlines, Inc.* 9 Cal.5th 762, 782.

8 43. In opposing this claim, URS relies on the case *Salter v. Quality Carriers*, 20-cv-479, 2021
9 U.S. Dist. LEXIS 213111 *1 (C.D. Cal. Oct. 27, 2021). In *Salter*, the Central District of
10 California granted summary judgment in the employer's favor of the plaintiff's cause of
11 action for failure to pay minimum wage. *Id.* at *30-*32. There, the parties entered into an
12 agreement that outlined the compensation to be paid. The agreement set forth compensation
13 that the plaintiff would receive for services which were defined to include "transport, load,
14 unload, and perform other transportation-related services." *Id.* at *30. The plaintiff earned
15 an adjusted gross revenue for each load tendered to him. *Id.* The *Salter* court found that the
16 plaintiff understood that his compensation pursuant to the parties' agreement "was for
17 'transportation-related services,' which included tasks beyond merely driving his truck
18 from one location to another." *Id.* at *32.

19 44. Here, if the ICSAs can be read to compensate for transportation related services, like *Salter*,
20 they would compensate for all tasks, including non-driving time, associated with
21 transporting. Therefore, considerable deference had to be paid to the fact this Court or a
22 jury could find the ICSAs did not contemplate compensation of specific acts – i.e., driving
23 – but paid for everything, which would result in Class Members taking nothing for their
24 minimum wage claims.

25 45. If Plaintiffs were successful in their unpaid wages claim, they and the Class Members could
26 be entitled to the maximum potential damages of \$3,389,027.⁵ As noted above, if the Court

27
28 ⁵ 285,512 hours logged as on-duty not driving x \$11.87 per hour (average of the applicable
minimum wages between November 19, 2015, and the present) per hour = \$3,389,027.44.

1 or jury were to find that the ICSA compensates drivers for all transportation related
2 services, then the damages under this claim would be zero.

3 46. Early in the case, this Court granted URS' motion to dismiss Plaintiffs Sales' and Clemons'
4 claims for meal and rest periods with prejudice pursuant to the FMCSA's December 28,
5 2018, Decision and Order. In that Decision and Order, the FMCSA ordered that
6 California's meal and rest period claims were preempted. The Ninth Circuit ruled that the
7 agency did not exceed its authority in issuing the decision. *Int'l Bhd. Of Teamsters, Local*
8 *2785 v. Fed. Motor Carrier Safety Administration* (9th Cir. 2021) 986 F.3d 841, 846.
9 ("Because the agency's decision reflects a permissible interpretation of the Motor Carrier
10 Safety Act of 1984 and is not arbitrary or capricious, we deny the petitions for review.").

11 47. The Ninth Circuit, however, left open the question of whether that Decision and Order of
12 the FMCSA could apply to claims retroactive to its issuance date of December 28, 2018.
13 The Ninth Circuit, however, answered that question in the affirmative, in *Valiente v. Swift*
14 *Transportation Co. of Arizona, LLC* (9th Cir. 2022) 54 F.4th 581, 587. (Finding "Congress
15 and the FMCSA have spoken with a clear voice in prohibiting enforcement of California's
16 MRB rules[, and] [a]llowing Plaintiffs to move forward with their claims would require
17 this Court to act in opposition to that decree."). Thus, the meal and rest period claims are
18 not part of the class certification order here and the only potential value of meal and rest
19 period claims lies in the remote and totally unknowable prospect that the agency may
20 reverse course at some point. There is no evidence the agency is going to change its
21 opinion.

22 48. As to the waiting time penalties claims, URS argues that Plaintiffs would not be able to
23 prove that URS "willfully" failed to pay Class Members the appropriate wages due upon
24 separation of employment. "A willful failure to pay wages within the meaning of Labor
25 Code Section 203 occurs when an employer intentionally fails to pay wages to an employee
26 when those wages are due. However, a good faith dispute that any wages are due will
27 preclude imposition of waiting time penalties under Section 203." Cal. Code Regs. Tit. 8
28 § 13520. "A 'good faith dispute' that any wages are due occurs when an employer presents

1 a defense, based in law or fact, which would preclude any recovery on the part of the
2 employee. The fact that a defense is ultimately unsuccessful will not preclude a finding
3 that a good faith dispute did exist.” *Id.*

4 49. URS contends that any failure to pay wages due at the separate of employment was not
5 willful. URS argues that it would not be liable for waiting time penalties because a “good
6 faith dispute” exists over the payment of those wages. *See* Cal. Code Regs. Tit. 8 § 13520;
7 *Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1201.

8 50. As to Plaintiffs’ wage statement claim, URS asserts that any violation of California Labor
9 Code § 226 was not “knowing and intentional.” *See* Cal. Lab. Code § 226(e) (“An
10 employee suffering injury as a result of a **knowing and intentional** failure by an employer”
11 may recover damages”) (emphasis added); *Amaral v. Cintas Corp. No. 2* (2008) 163
12 Cal.App.4th 1157, 1195 (“Some statutory penalties are imposed only if an employers’
13 violation was ‘willful’ or ‘knowing.’ . . . [S]ection 226, subdivision (e) penalizes an
14 employer’s ‘knowing and intentional’ failure to provide itemized wage statements under
15 section 226, subdivision (a)[.]”). URS also contends that employees cannot show that they
16 have suffered an injury because of any potential violation of California Labor Code § 226.

17 51. If Plaintiffs were successful in their wage statement claim, they and the Class Members
18 could be entitled to the maximum potential damages of \$964,000.⁶ Further, if Plaintiffs
19 were successful in their waiting time penalties claim, they and the Class Members could
20 be entitled to the maximum potential damages of \$427,320.⁷ It should be noted that the
21 waiting time penalties claim is derivative of the meal period, rest period, and unpaid wages
22 claims. As such, if those claims fail, the waiting time penalties claim would also be
23 extinguished.

24 52. Plaintiffs’ PAGA claims are based upon the same underlying conduct as Plaintiffs’ class

25
26 ⁶ \$4,000 maximum penalty x 241 Class Members who worked within the 1-year statute of
limitations = \$964,000.

27 ⁷ 8 hours x \$11.87 per hour (average of the applicable minimum wages between November 19,
28 2015, and the present) x 30 days x 150 former employees in 3-year statute of limitations =
\$427,320.

claims. As such, they are subject to the same risks of establishing employment status and the underlying claims are subject to the same risks on the merits.

53. In addition, there is the risk that the Court would reduce the maximum penalty amount, if established. Section 2699, subdivision (e)(2) provides that “[i]n any action by an aggrieved employee seeking recovery of a civil penalty available under subdivision (a) or (f), a court may award a lesser amount than the maximum penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary, oppressive, or confiscatory.” In *Thurman v. Bayshore Transit Management, Inc.*, the court found that penalties may be reduced when a defendant has taken its obligations to comply with the law seriously. *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal. App. 4th 1112, 1135-1136 (2012). URS argues that if the case were to continue in litigation, it would be able to show that it took its obligations to comply with the law seriously. As such, if Plaintiffs were able to prevail on the merits of their PAGA claims, the Court may reduce the maximum penalty amount.

54. As noted, Plaintiffs PAGA claims are based on the same alleged unlawful conduct as their class claims. Because of this, the likelihood of the Court reducing the PAGA penalties awarded to Plaintiffs and the Aggrieved Individuals – assuming liability is proven as to each of Plaintiffs’ claims – is higher in this case where Class Members would be receiving damages for the same conduct under both the class claims and the PAGA claims. URS argues that this would be an unjust double recovery and would lead the Court to reducing any PAGA penalty amount.

55. If Plaintiffs were successful in their PAGA claim, they and the Class Members could be entitled to the maximum potential damages of \$5,210,000.⁸ This amount does not take into

⁸ 10,420 pay periods in the PAGA period x 5 violations x \$100 per violation = \$5,210,000. However, the Court has already dismissed the meal and rest period claims for Plaintiffs Sales and Clemons. As such, if these claims are taken out of the PAGA exposure analysis, the potential penalties would be \$3,126,000 (10,420 pay periods in the PAGA period x 3 violations x \$100 per violation = \$3,126,000). The Parties have allocated \$126,325 to Plaintiffs’ PAGA claims. This is approximately 2% of the Gross Settlement Amount. As outlined herein, the exposure under

1 consideration the very likely possibility that the Court could reduce the penalty amount.

2 56. Should litigation continue, there is also the risk that Plaintiffs may not be able to maintain
3 certification of the Class or of a subset of Class Members. Specifically, URS argues that if
4 litigation were to continue, it would move to decertify a subset of the Class Members that
5 used assistant drivers. URS contends that decertification is proper because some Class
6 Members used assistant drivers and Plaintiffs will not be able to show class-wide data
7 reflecting which routes were driven by a Class Member and which were driven by a
8 secondary driver utilized by a Class Member. This is important because, if there is no way
9 to determine who drove each load there is no way to determine who incurred damages, i.e.,
10 who incurred expenses or who incurred wage loss.

11 57. URS contends that to try to determine who was injured would prove unmanageable. URS
12 relies on the rationale in the case *Villapando v. Excel Direct*. See *Villalpando v. Exel Direct*
13 *Inc.*, 12-cv-04137, 161 F. Supp. 3d 873 (N.D. Cal. May 20, 2016). In *Villapando*, the
14 Northern District decertified a portion of a certified class for similar reasons that URS
15 presents here. The court in *Villapando* decertified class members who utilized secondary
16 drivers as to all damages. *Id.* at 880. The *Villapando* court found that class members who
17 used secondary drivers could not recover damages for hours worked, miles driven, and
18 expenses incurred by secondary drivers. *Id.* at 881. The *Villapando* court found that the
19 challenge occurred in determining as to these class members what proportion of the driving
20 was personally performed by the class member and what portion of the driving was done
21 by assistant drivers. *Id.* On this basis, the *Villapando* court found that in determining
22 damages for these class members, individual issues overwhelmed common ones and
23 decertification was proper. *Id.* 881-882.

24 58. For these reasons, while the Court has already granted class certification, Plaintiffs would
25 face challenges in maintaining that certification through trial.

26
27 Plaintiffs' PAGA claims is approximately 5% of the total exposure under all of Plaintiffs' claims,
28 had Plaintiffs been successful in establishing the employment relationship and in proving all of
their underlying claims. Given the fact that the Court would likely reduce the amount of PAGA
penalties, this allocation is in line with its relative value compared to the total exposure.

1 59. As outlined above, several formidable obstacles related to both the misclassification
2 question and underlying claims threaten to award the Class Members nothing in the
3 continued pursuit of their claims. \$7,500,000 is a substantial sum guaranteed now with an
4 average settlement amount estimated at \$17,017.79. Due to the risks and uncertainty of
5 prolonged litigation, the proposed class settlement is fair and reasonable. *See Edwards v.*
6 *City of Long Beach*, 2011 WL 13180208, at *3, n. 5 (C.D. Cal. Oct. 31, 2011) (“[t]he
7 reasonableness of a settlement is not dependent upon it approaching the potential recovery
8 plaintiffs might receive if successful at trial”); *Nat’l Rural Telecomm. Corp.*, 221 F.R.D. at
9 527 (“a proposed settlement may be acceptable even though it amounts to only a fraction
10 of the potential recovery”).

11 60. Plaintiffs requested quotes from three administration companies: Phoenix; ILYM Group,
12 Inc.; and Simpluris. Phoenix’s quote for the administration process is a not-to-exceed total
13 of \$9,000. Phoenix’s quote is attached hereto as **Exhibit 2**. ILYM Group, Inc.’s quote for
14 the administration process is not-to-exceed total of \$29,000. ILYM Group, Inc.’s quote is
15 attached hereto as **Exhibit 3**. Simpluris’ quote for the settlement administration process is
16 not-to-exceed total of \$12,000. Simpluris’ quote is attached hereto as **Exhibit 4**.

17 61. My firm has used Phoenix to administer settlements in 22 cases in the last two years.
18 Below is a list of these cases:

- 19 a. *Larry Perez v. The Nielsen Company (US), LLC* (Orange County Superior Court,
20 Case No. 30-2021-01194324-CU-OE-CTL);
- 21 b. *Erik Martinez v. Patrick Industries, Inc.* (San Bernardino County Superior Court,
22 Case No. CIVDS2009663);
- 23 c. *David Baird v. Safe Haven Security Services, Inc.* (San Bernardino County Superior
24 Court, Case No. CIVDS1924470);
- 25 d. *Aaron Romero v. Vitro Flat Glass, LLC* (Kern County Superior Court, Case No.
26 BCV-21-101357);
- 27 e. *Peter Young v. R.C. Store Maintenance, Inc.* (San Bernardino County Superior
28 Court, Case No. CIVDS2000963);

- 1 f. *Luis Figueroa v. Thrifty Payless, Inc.* (Los Angeles County Superior Court, Case
2 No. 19STCV26348);
- 3 g. *Mayreli Martinez v. Vision Precision Holdings, LLC* (Kern County Superior Court,
4 Case No. BCV-18-103076);
- 5 h. *Randolph Fitch v. Shaw Industries, Inc.* (San Bernardino County Superior Court,
6 Case No. CIVSB2024674);
- 7 i. *Kira Burgess v. OB Sports Golf Management MB, LLC* (Orange County Superior
8 Court, Case No. 30-2019-01083428-CU-OE-CXC);
- 9 j. *Daisy Solano v. Goodwill Serving the People of Southern Los Angeles County* (Los
10 Angeles County Superior Court, Case No. 21STCV19280);
- 11 k. *Christian Brink, et al. v. Central Valley Auto Transport, Inc.* (Tulare County
12 Superior Court, Case No. VCU27466);
- 13 l. *Malik Griffin v. Adecco USA, Inc.* (San Bernardino Court Superior Court, Case No.
14 CIVDS1929893);
- 15 m. *Kenbron Fryer v. Transforce, Inc.* (Alameda County Superior Court, Case No.
16 RG20071048);
- 17 n. *Billy Boyd v. Fleet-Car Lease, et al.* (San Diego County Superior Court, Case No.
18 37-2020-00019474-CU-OE-CTL);
- 19 o. *Eddie Escamilla, et al. v. Keystone Freight Corp., et al.* (San Bernardino Court
20 Superior Court, Case No. CIVDS1931366);
- 21 p. *Ashley Caballero v. Fidelitone Last Mile, Inc.* (San Bernardino County Superior
22 Court, Case No. CIVSB2102002);
- 23 q. *Alicia Juarez v. Florexpco, LLC, et al.* (San Diego County Superior Court, Case No.
24 37-2020-00015644);
- 25 r. *Abel Escobedo, et al. v. Matheson Tri-Gas, Inc.* (San Diego County Superior Court,
26 Case No. 37-2020-00044507-CU-OE-CTL);
- 27 s. *Arnold Garcia v. McCollister's Transportation Systems, Inc.* (Alameda County
28 Superior Court, Case No. RG21112345);

- 1 t. *Paul Hernandez v. United Facilities, Inc.* (Stanislaus County Superior Court, Case
2 No. CV-21-004264);
3 u. *Jaime Ruiz v. Altura Centers for Health* (Kern County Superior Court, Case No.
4 BCV-19-101577); and
5 v. *Warren Jackson v. LMS Transportation, LLC; et al.* (Los Angeles County Superior
6 Court, Case No. BC635316).

7 62. Currently, my firm has incurred litigation costs in the amount of \$21,822.53.

8 63. To date, my firm has worked 1,178 hours on this case which results in a lodestar fee of
9 \$774,100.

10 64. The preliminary approval motion and supporting documents were uploaded to the Labor
11 Workforce Development Agency. Attached hereto as **Exhibit 5** is a confirmation received
12 as a result of this upload.

13 I hereby declare under penalty of perjury under the laws of the United States of America
14 that the foregoing is true and correct.

15 Dated: August 30, 2023

MARA LAW FIRM, PC

17 /s/ David Mara
18 David Mara, Esq.
19 Representing the Class
20
21
22
23
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25
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27
28

Exhibit 1

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**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA**

DENSON M. SALES; ANDRE
CLEMONS; ROBERT BEJAR; and
MARTIN CHAVEZ on behalf of
themselves, all others similarly situated,
and on behalf of the general public,

Plaintiffs,

v.

UNITED ROAD SERVICES, INC.;
URS MIDWEST, INC. and DOES 1-
100, inclusive,

Defendants.

Case No. 4:19-cv-08404-JST

*[Assigned to the Honorable Jon S. Tigar;
Department 6]*

**JOINT STIPULATION OF SETTLEMENT
AND RELEASE OF CLASS ACTION
CLAIMS**

Complaint Filed: November 18, 2019
SAC Filed: May 18, 2023
Trial Date: None Set

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1 JOINT STIPULATION OF SETTLEMENT AND RELEASE OF CLASS ACTION
2 CLAIMS

3 This Joint Stipulation of Settlement and Release of Class Action Claims (Stipulation) is
4 made and entered into by Signing Plaintiffs Robert Bejar and Martin Chavez (“**Signing**
5 **Plaintiffs**”) and the Certified Class, as defined below, on the one hand, and Defendants, URS
6 Midwest, Inc. d/b/a United Road and United Road Services, Inc. (collectively “URS”), on the other
7 hand. This Stipulation is subject to the approval of the Court under Rule 23(e) of the Federal Rules
8 of Civil Procedure (Rule 23(e)) and is made for the purpose of consummating settlement of this
9 Action, as defined below, on a classwide basis subject to the following terms and conditions. As
10 detailed below, in the event the Court does not enter an order granting final approval of the
11 Stipulation or the conditions precedent are not met for any reason, this Stipulation shall be null
12 and void and shall have no force or effect whatsoever.

13 **I. DEFINITIONS**

14 As used in this Stipulation, the following terms shall have the meanings specified below.
15 To the extent terms or phrases used in this Stipulation are not specifically defined below, but are
16 defined elsewhere in this Stipulation, they are incorporated by reference into this definition section.

17 **1. Action.** “Action” shall mean the civil action entitled *Denson M. Sales and Andre*
18 *Clemons, on behalf of themselves, all others similarly situated, and on behalf of the general public,*
19 *v. United Road Services, Inc. and URS Midwest, Inc.*, Case No. 4:19-cv-08404-JST, pending in
20 the U.S. District Court for the Northern District of California.

21 **2. Administrative Expenses.** “Administrative Expenses” shall include any and all
22 costs incurred in connection with the Settlement Administrator’s work.

23 **3. CAFA Notice.** “CAFA Notice” shall mean the notice of this Stipulation required
24 to be served by URS with the appropriate federal and state agencies as required by 28 U.S.C.
25 § 1715(b).

26 **4. Claims.** “Claims” shall mean the claims for relief asserted in the Second Amended
27 Class Action Complaint: (1) failure to pay all straight time wages at statutory minimum wage; (2)

1 failure to provide meal periods (Lab. Code §§ 226.7, 512, IWC Wage Order No. 9-2001(11); Cal.
2 Code Regs., tit. 8 § 11090); (3) failure to authorize and permit rest periods (Lab. Code § 226.7;
3 IWC Wage Order No. 9-2001(12); Cal. Code Regs. Title 8 § 11090); (4) failure to reimburse/illegal
4 deductions (Lab. Code §§ 221, 2802, Cal. Regs., tit. 8, § 11090(8)); (5) violation of Unfair
5 Competition Law (Bus. & Prof. Code § 17200, *et seq.*); (6) knowing and intentional failure to
6 properly itemize wage statements (Lab. Code § 226); (7) failure to timely pay all wages owed at
7 termination (Lab. Code § 203); and (8) violations of California’s Private Attorneys General Act
8 (“PAGA”) (Lab. Code § 2699, *et seq.*).

9 **5. Class.** “Class” shall mean all individuals who signed Independent Contractor
10 Service Agreements with URS, who were assigned to a business unit in California, and who drove
11 in California at any time from November 18, 2015 to March 29, 2022. If the individual executing
12 the Independent Contractor Service Agreement did so on behalf of a corporation or LLC, then the
13 individual or individuals who were principals or owners of the corporation or LLC shall be
14 considered part of the Class.

15 **6. Class Counsel.** “Class Counsel” shall mean Mara Law Firm, 2650 Camino Del Rio
16 N., Suite 302, San Diego, California 92108, and Hunter Pyle Law, 505 14th Street, Suite 600,
17 Oakland, California 94612.

18 **7. Class List.** “Class List” shall mean the list of names, Social Security numbers, last-
19 known addresses, phone numbers, and email addresses, and contract lease and termination dates
20 of Class Members.

21 **8. Class Member.** “Class Member” shall mean any person who is a member of the
22 Class, or, if such person is incompetent or deceased, the person’s legal guardian, executor, heir, or
23 successor-in-interest.

24 **9. Class Notice.** “Class Notice” shall mean the Notice of Proposed Class Action
25 Settlement and Final Approval Hearing, as set forth in the form of **Exhibit 1** attached hereto, or as
26 otherwise approved by the Court, which is to be mailed and emailed to Class Members.

1 **10. Class Period.** “Class Period” shall mean November 18, 2015 through the date on
2 which the Court issues an order granting preliminary approval.

3 **11. Class Participants or Participating Class Members.** “Class Participant(s)” or
4 “Participating Class Member(s)” shall mean any and all Class Member(s) who do not submit a
5 timely and valid Opt-Out Request.

6 **12. Complaint.** “Complaint” shall mean the Second Amended Complaint filed on May
7 18, 2023 in this Action as ECF No. 90.

8 **13. Court.** “Court” shall mean the U.S. District Court for the Northern District of
9 California.

10 **14. Defense Counsel.** “Defense Counsel” shall mean Adam C. Smedstad, Scopelitis,
11 Garvin, Light, Hanson & Feary, P.C., 5470 Shilshole Ave. NW, Suite 520, Seattle, Washington
12 98107.

13 **15. Effective Date.** “Effective Date” shall be the date when all of the following events
14 have occurred: (a) this Stipulation has been fully executed; (b) the Court has given preliminary
15 approval to the Settlement; (c) Notice has been given to the Class Members providing them with
16 an opportunity to opt-out of the Settlement; (d) if more than 10% of the Class Members opt-out,
17 URS has elected not to exercise its rights to void the settlement; (e) the Court has held a Final
18 Approval and Fairness Hearing and entered a final order and judgment approving this Stipulation;
19 and (f) the later of the following dates: (i) when the period for filing any appeal, writ, or other
20 appellate proceeding opposing the Settlement has elapsed without any appeal, writ, or other
21 appellate proceeding having been filed; or (ii) any appeal, writ, or other appellate proceeding
22 opposing the Settlement has been dismissed finally and conclusively with no right to pursue further
23 remedies or relief; or (iii) any appeal, writ, or other appellate proceeding has upheld the Court’s
24 final order with no right to pursue further remedies or relief. In this regard, it is the intention of the
25 Parties that the Settlement shall not become effective until the Court’s order approving the
26 Settlement is completely final and there is no further recourse by an appellant or objector who
27 seeks to contest the Settlement.

1 **16. Estimated Individual Settlement Amount.** “Estimated Individual Settlement
2 Amount” shall mean the Individual Settlement Amount originally calculated by the Settlement
3 Administrator using the ratio of a Class Member’s Weeks Worked divided by the total number of
4 Weeks Worked by the Class, times the Net Settlement Amount.

5 **17. FMCSA.** “FMCSA” shall mean the Federal Motor Carrier Safety Administration,
6 an agency of the U.S. Department of Transportation.

7 **18. Final Approval and Fairness Hearing.** “Final Approval and Fairness Hearing”
8 shall mean the final hearing held to ascertain the fairness, reasonableness, and adequacy of the
9 Settlement.

10 **19. Gross Settlement Amount.** “Gross Settlement Amount” shall mean **\$7,500,000**,
11 which will be all-inclusive and non-reversionary, including Individual Settlement Amounts to all
12 Class Participants that URS will pay in connection with this Settlement, in exchange for the release
13 of the Participating Class Members’ Released Class Claims and Released PAGA Claims. The
14 Gross Settlement Amount shall be used to satisfy all of URS’s liabilities arising from the
15 Settlement, including interest, Class Counsel’s attorney’s fees and costs, Administrative Expenses,
16 civil penalties recoverable under PAGA, and the Net Settlement Amount. URS will have no
17 obligation to pay any amount in connection with this Settlement apart from the Gross Settlement
18 Amount. No portion of the Gross Settlement Amount will revert to URS for any reason.

19 **20. Hearing on Preliminary Approval.** “Hearing on Preliminary Approval” shall
20 mean the hearing held on the motion for preliminary approval of the Settlement.

21 **21. Individual Settlement Amount.** “Individual Settlement Amount” shall mean the
22 settlement payments the Settlement Administrator calculates and sends to Class Participants using
23 the ratio of a Participating Class Member’s Weeks Worked divided by the total number of Weeks
24 Worked by all Participating Class Members, times the Net Settlement Amount.

25 **22. Net Settlement Amount.** “Net Settlement Amount” shall mean the Gross
26 Settlement Amount less (a) Class Counsel’s claim for attorneys’ fees, not to exceed twenty-five
27 percent (25%) of the Gross Settlement Amount or \$1,875,000, as approved by the Court; (b) Class
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1 Counsel's claim for actual costs and expenses, not to exceed \$50,000, as approved by the Court;
2 (c) Administrative Expenses, not to exceed \$20,000, as approved by the Court; and (d) the PAGA
3 payment to the LWDA and the PAGA Payment, and shall be the maximum amount to be
4 distributed to Participating Class Members.

5 **23. Notice of Estimated Individual Settlement Amount.** "Notice of Estimated
6 Individual Settlement Amount" shall mean the notice sent to Class Members of their Estimated
7 Individual Settlement Amount calculated by the Settlement Administrator.

8 **24. Notice Packet.** "Notice Packet" shall mean the Class Notice that will be mailed to
9 each Class Member by the Settlement Administrator.

10 **25. PAGA Aggrieved Individual(s).** "PAGA Aggrieved Individuals" shall mean
11 Class Members that worked at any time during the PAGA Period.

12 **26. PAGA Payment.** "PAGA Payment" shall mean the funds allocated for the
13 settlement and full release of the Released PAGA Claims by the PAGA Aggrieved Individuals.

14 **27. PAGA Payment to the LWDA.** "PAGA Payment to the LWDA" means the funds
15 allocated to the PAGA Payment, which shall be paid to the LWDA.

16 **28. PAGA Period.** "PAGA Period" shall mean February 10, 2019, through the date on
17 which the Court issues an order granting preliminary approval.

18 **29. Opt-Out(s).** "Opt-Out(s)" shall mean any and all Class Members who timely and
19 validly request exclusion from the Class portion of the settlement in accordance with the terms of
20 the Notice.

21 **30. Opt-Out and Objection Deadline.** "Opt-Out and Objection Deadline" shall mean
22 the date by which Class Members must submit their Opt-Out Request to the Settlement
23 Administrator, or if a Class Member objects to the fairness of the settlement, the date by which
24 such Class Member must file their written objection with the Court, both of which shall be 60 days
25 after the Settlement Administrator mails the Notice.

26 **31. Opt-Out Request.** "Opt-Out Request" shall mean a timely and valid request for
27 exclusion from the Class portion of the settlement in accordance with the terms of the Notice.

1 **32. Parties.** “Parties” shall mean Signing Plaintiffs and URS.

2 **33. Preliminary Approval Date.** “Preliminary Approval Date” shall mean the date
3 upon which the Court enters an order preliminarily approving this Settlement.

4 **34. Released Class Claims.** “Released Class Claims” shall mean all claims that were
5 plead in the Second Amended Complaint, including claims for unpaid minimum wages under Cal.
6 Lab. Code §§ 558, 1182.1-1182.3, 1194, 1194.2, 1197, and 1198; unpaid meal and rest breaks
7 under Cal. Lab. Code §§ 558, 226.7, and 512, Cal. Code Regs., tit. 8 § 11090, and IWC Wage
8 Order No. 9-2011; failure to reimburse/illegal deductions under Cal. Lab. Code §§ 221 and 2802,
9 and Cal. Regs., tit. 8 § 11090; related claims under California Labor Code §§ 201-3, 226, 204,
10 210; and claims for unlawful business practices under the California Business and Professions
11 Code §§ 17200, *et seq.*, as alleged in the Second Amended Complaint. The Released Class Claims
12 shall be for the Class Period.

13 **35. Released PAGA Claims.** “Released PAGA Claims” shall mean all claims asserted
14 in the Operative PAGA letter and/or the Second Amended Complaint, including claims for unpaid
15 minimum wages under Cal. Lab. Code §§ 558, 1182.1-1182.3, 1194, 1194.2, 1197, and 1198;
16 failure to pay wages due for missed meal and rest breaks under Cal. Lab. Code §§ 226.7, and 512;
17 failure to reimburse/illegal deductions under Cal. Lab. Code § 2802; and related claims under
18 California Labor Code §§ 201-203, 204, 210, and 226, 226.3, and 226.8. The Released PAGA
19 Claims shall be for the PAGA Period.

20 **36. Released Parties.** “Released Parties” shall mean URS, and all its present and
21 former officers, directors, shareholders, members, partners, agents, employees, insurers,
22 representatives, attorneys, parent companies, subsidiaries, divisions, affiliates, successors and
23 assigns, and related companies.

24 **37. Settlement.** “Settlement” shall mean the class action settlement embodied in this
25 Stipulation, which is subject to Court approval. The Settlement is non-reversionary and is not made
26 on a “claims made” basis. No portion of the Settlement shall revert to, or become due and payable
27 to, URS.

1 **38. Settlement Administrator.** “Settlement Administrator” shall mean Phoenix Class
2 Action Administration Solutions, which the Parties have agreed will be responsible for
3 administration of the Settlement and related matters, or another neutral administrator mutually
4 agreed to by the Parties.

5 **39. Settlement Payment.** “Settlement Payment” shall mean an amount paid to a Class
6 Member from the Net Settlement Amount.

7 **40. Stipulation.** “Stipulation” shall mean this Joint Stipulation of Settlement and
8 Release of Class Action, including any attached exhibits.

9 **41. URS.** “URS” shall mean URS Midwest, Inc. d/b/a United Road, and United Road
10 Services, Inc.

11 **42. Weeks Worked.** “Weeks Worked” shall mean the weeks between a Class
12 Member’s contract lease date and contract termination date. Partial weeks will count as a week
13 worked.

14 **II. FACTUAL AND PROCEDURAL BACKGROUND OF ACTION**

15 **1. Plaintiffs’ Claims.**

16 On November 18, 2019, Plaintiff Denson M. Sales filed his Class Action Complaint for
17 Damages, Injunctive Relief, Declaratory Relief, and Restitution in the Superior Court of Alameda
18 County, California, under Case No. HG19043648 (the “*Sales Action*”), alleging that URS had
19 misclassified him as an independent contractor and asserting a number of wage-and-hour claims
20 under California law. On December 24, 2019, URS removed the case to the U.S. District Court for
21 the Northern District of California under Case No. 3:19-cv-08404-SK.

22 On February 11, 2020, Plaintiff Andre Clemons filed his Class Action Complaint for
23 Damages and Injunctive Relief in the Superior Court of Alameda County, California, under Case
24 No. RG20054053 (the “*Clemons Action*”), alleging that URS had misclassified him as an
25 independent contractor and asserting a number of wage-and-hour claims under California law. On
26 April 3, 2020, URS removed the case to the U.S. District Court for the Northern District of
27 California under Case No. 4:20-cv-02274.

1 On April 23, 2020, the Court related the *Sales* Action with the *Clemons* Action. On May
2 4, 2020, the Court granted the joint request to permit Plaintiffs to file a joint complaint
3 incorporating the plaintiff and claims from the *Clemons* Action into the *Sales* Action. The *Clemons*
4 Action was subsequently dismissed on May 27, 2020.

5 Plaintiffs jointly filed a First Amended Complaint on May 4, 2020, asserting the following
6 Claims under California law: (1) failure to pay all straight time wages at statutory minimum wage;
7 (2) failure to provide meal periods; (3) failure to authorize and permit rest periods; (4) failure to
8 reimburse/illegal deductions; (5) violations of unfair competition law; (6) knowing and intentional
9 failure to properly itemize wage statements; (7) failure to timely pay all wages owed at termination;
10 and (8) violations of California's Private Attorneys General Act ("PAGA"). Plaintiffs brought
11 these claims on behalf of themselves and all others similarly situated.

12 On May 18, 2023, a Second Amended Complaint was filed pursuant to which Signing
13 Plaintiffs Robert Bejar and Martin Chavez were added into this action as plaintiffs and class
14 representatives.

15 On May 17, 2023, Signing Plaintiffs Robert Bejar and Martin Chavez filed an amended
16 PAGA letter with the Labor and Workforce Development Agency ("LWDA") ("the Operative
17 PAGA Letter").

18 URS denied and continues to deny any liability to Plaintiffs and Class Members and has
19 raised various defenses to the Claims.

20 **2. Relevant Procedural History.**

21 URS filed a Motion to Dismiss Plaintiffs' Meal and Rest Break Claims on May 18, 2020.
22 URS argued that the FMCSA hours-of-service preemption determination prohibited enforcement
23 of any meal and rest break claims with regard to interstate drivers of commercial motor vehicles.
24 After briefing was completed, the Court granted this motion on July 17, 2020 and dismissed
25 Plaintiffs' second and third causes of action with prejudice.

26 Plaintiffs filed a Motion for Class Certification on April 29, 2021. Plaintiffs requested
27 certification of the following class: "All individuals who signed Independent Contractor Service
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1 Agreements with URS, who were assigned to a business unit in California, and who drove in
2 California at any time from November 18, 2015 to the date the Court enters an order certifying the
3 matter as a class action.” After briefing was completed, the Court granted this motion on March
4 29, 2022. The Court certified the Class as defined by Plaintiffs, appointed Plaintiffs as co-class
5 representatives, and appointed Plaintiffs’ counsel as Class Counsel.

6 **3. Class Counsels’ Discovery, Investigation, and Evaluation of Risk.**

7 Class Counsel have vigorously prosecuted this case, and URS has vigorously contested it.
8 Class Counsel have engaged in sufficient investigation and discovery to assess the relative merits
9 of the Claims and URS’s defenses to them. This discovery, investigation, and litigation process
10 has been adequate to give Class Counsel a sound understanding of the merits of the Class’s Claims
11 and to evaluate the worth of the Claims to the Class. This Settlement was reached with the
12 assistance of an experienced mediator, Jeffrey Ross, after arms-length bargaining by the Parties at
13 a formal mediation scheduled on November 4, 2021 and many subsequent conversations.

14 Specifically, Class Counsel has conducted discovery and an investigation relating to the
15 Claims during the prosecution of the Action. This discovery, investigation, and prosecution has
16 included, among other things, (a) holding multiple meetings with Plaintiffs and Class Members;
17 (b) serving substantial discovery on URS, including Class-wide discovery; (c) inspecting and
18 analyzing documents and data produced by Plaintiffs, Class Members, and URS; (d) analyzing the
19 legal positions taken by URS and the developments in the law related to various Claims; (e)
20 defending Plaintiffs’ depositions and the depositions of numerous Class Members; (f) deposing
21 URS’s Rule 30(b)(6) designee; (g) engaging in briefing on the motion to dismiss and class
22 certification; (h) communicating with Class Members; (i) analyzing potential damages before and
23 throughout the mediation process; (j) researching the applicable law with respect to the Claims
24 and the potential defenses thereto; and (k) assessing the risk of further litigation.

25 Class Counsel believe that the Claims have merit. However, Class Counsel recognize and
26 acknowledge the expense and delay of continued lengthy proceedings necessary to prosecute the
27 Claims in this Action against URS, including URS’s defenses to their claims, through trial and
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1 appeals. Class Counsel has considered the uncertain outcome and the risk of any litigation, the risk
2 of continued litigation in complex actions such as this, as well as the difficulties and delays
3 inherent in such litigation, and the potential difficulty of continuing to maintain the Action as a
4 class action. Class Counsel is mindful of the inherent problems of proof under, and possible
5 defenses to, the Claims. Class Counsel believes that the Settlement set forth in this Stipulation
6 confers substantial benefits upon Class Members and that an independent review of this Stipulation
7 by the Court in the approval process will confirm this conclusion. Based on their own independent
8 investigation and evaluation, Class Counsel have determined that the Settlement set forth in the
9 Stipulation is in the best interests of the Class Members.

10 **4. URS's Denial of Wrongdoing and Liability.**

11 URS denies each and every one of the claims and contentions alleged by Plaintiffs in the
12 Action. URS has expressly denied and continues to deny all charges of wrongdoing or liability
13 against it arising out of any of the conduct, statements, acts or omissions alleged, or that could
14 have been alleged, in the Action. Nonetheless, URS has concluded that further litigation relating
15 to the Claims would be protracted and expensive and that it is desirable that the Claims be fully
16 and finally settled in the manner and upon the terms and conditions set forth in this Stipulation in
17 order to limit further expense, inconvenience and distraction, to dispose of burdensome and
18 protracted litigation, and to permit the operation of URS's business without further expensive
19 litigation and the distraction and diversion of its personnel with respect to matters at issue in the
20 Action. URS has also carefully considered the uncertainty and risks inherent in any litigation,
21 especially in complex cases such as the Action. URS has, therefore, determined that it is desirable
22 and beneficial that the Claims be settled in the manner and upon the terms and conditions set forth
23 in this Stipulation.

24 **5. Intent of the Settlement.**

25 The Settlement set forth herein intends to achieve the following: (1) entry of an order
26 approving the Settlement and granting the monetary and other relief set forth in this Stipulation to
27 the Participating Class Members; (2) entry of an order granting final approval and entering
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1 judgment; (3) discharge of Released Parties from liability for any and all of the Released Class
2 Claims as to the Participating Class Members for the Class Period; and (4) discharge of the
3 Released Parties from liability for any and all of the Released PAGA Claims as to PAGA
4 Aggrieved Individuals for the PAGA Period.

5 **III. SETTLEMENT CONSIDERATION**

6 **1. Gross Settlement Amount.**

7 The Gross Settlement Amount shall constitute adequate consideration for the Settlement
8 and will be made in full and final settlement of: (a) the Released Class Claims and any interest
9 thereon, (b) the Administrative Expenses, (c) Class Counsel's claims for attorneys' fees, costs and
10 expenses, as approved by the Court, (d) the Released PAGA Claims, penalties under PAGA,
11 including PAGA payments to the LWDA and PAGA Aggrieved Individuals; and (e) any other
12 obligation of URS under this Stipulation.

13 **2. Class Counsel's Attorneys' Fees, Costs, and Expenses.**

14 At the time Class Counsel submit a motion for final approval of the Settlement, Class
15 Counsel may also submit a motion for an award of attorneys' fees not to exceed \$1,875,000 or
16 twenty-five percent of the Gross Settlement Amount, and for reimbursement of costs and expenses
17 not to exceed \$50,000, which will be heard by the Court at the Final Approval and Fairness
18 Hearing. As a condition of this Settlement, Class Counsel have agreed to pursue their attorneys'
19 fees, costs, and expenses with respect to the Claims only in the manner reflected by this Section.
20 Any attorneys' fees, costs, and expenses awarded by the Court shall be paid from the Gross
21 Settlement Amount and shall not constitute payment to any Class Members. The Settlement is not
22 conditioned on the Court's approval of Class Counsel's motion for attorneys' fees, costs, and
23 expenses, and any amounts that are not approved for attorneys' fees, costs, and expenses shall
24 remain part of the Net Settlement Amount.

25 The attorneys' fees, costs, and expenses approved by the Court shall encompass, with
26 respect to the Claims: (a) fees for all work performed and costs and expenses incurred by, or at the
27 direction of, any attorney purporting to represent Plaintiffs or the Class through the Effective Date;

1 (b) fees for all work to be performed and costs and expenses to be incurred in connection with
2 approval by the Court of the Settlement, including any appeal arising out of an objection to the
3 Settlement; and (c) fees for all work to be performed and costs and expenses, if any, incurred in
4 connection with administering the Settlement through final approval of the Settlement and entering
5 of judgment.

6 **3. Administrative Expenses.**

7 All costs and expenses due to the Settlement Administrator in connection with its
8 administration of the Settlement, including, but not limited to, providing the Notice, calculating
9 Weeks Worked and the Estimated Individual Settlement Amounts, locating Class Members,
10 processing Opt-Out Requests, and calculating, administering, and distributing Settlement
11 Payments to the Class Members, shall be paid from the Gross Settlement Amount. The Parties
12 agree to cooperate in the settlement administration process and to make all reasonable efforts to
13 control and minimize the costs incurred in the administration of the Settlement.

14 The Parties have agreed that the Administrative Expenses shall not exceed \$20,000. To the
15 extent the Administrative Expenses exceed \$20,000, the excess is to be paid from the Gross
16 Settlement Amount, subject to Court approval. Under no circumstances will URS be required to
17 pay more than the Gross Settlement Amount.

18 **4. PAGA Penalties and LWDA Payment.**

19 The Parties agree that \$126,325 will be allocated to civil penalties recoverable under
20 PAGA, of which 75%, or \$94,743.75, will be paid to the LWDA; and 25%, or \$31,581.25, will be
21 distributed among PAGA Aggrieved Individuals.

22 **5. Settlement Payments to Class Members and PAGA Aggrieved Individuals.**

23 Each Class Participant and PAGA Aggrieved Individual shall receive payment based on a
24 formula calculated in accordance with Article IV, Section 1(b).

25 **6. Tax Treatment of Payments.**

26 For the purpose of calculating applicable taxes for the payment of the Individual Settlement
27 Amounts paid to Class Participants and PAGA Aggrieved Individuals, the Parties agree that 100%

1 of the Individual Settlement Amounts will be paid on a 1099 basis and will not be subject to tax
2 withholding. The Settlement Administrator shall be responsible for issuing and providing
3 Form 1099s to Class Participants and PAGA Aggrieved Individuals for their Individual Settlement
4 Amounts. Accordingly, URS will not owe any payroll taxes under this Settlement. Unless
5 otherwise set forth therein, each Class Participant, PAGA Aggrieved Individuals, and Class
6 Counsel will be responsible for payment of their own tax obligations, if any. Class Members who
7 may have questions about their tax liability, if any, should consult independent tax counsel.

8 **7. Deposit by URS.**

9 Within 14 days after the Preliminary Approval Date, URS shall remit \$10,000 by wire
10 transfer to the Settlement Administrator from the Gross Settlement Amount and for partial
11 payment of the Settlement Administrator's costs and expenses to administer the Settlement. In the
12 event the Court does not approve the Settlement, any unused amount from the \$10,000 shall be
13 returned to URS and the Parties shall split the fees and costs incurred to the Settlement
14 Administrator.

15 **8. Payment by URS of Balance of the Gross Settlement Amount.**

16 Within thirty days after the Effective Date, URS will remit the balance of the Gross
17 Settlement Amount to the Settlement Administrator by wire transfer.

18 **IV. SETTLEMENT DISTRIBUTION**

19 **1. Allocation of the Gross Settlement Amount.**

20 The Claims of all Class Participants and PAGA Aggrieved Individuals are settled for the
21 Gross Settlement Amount. The Gross Settlement Amount of \$7,500,000 shall be allocated as
22 follows:

23 **a. Administrative Expenses.**

24 The Administrative Expenses, shall include any Attorneys' Fees, Costs and Expenses for
25 Class Counsel, costs and expenses of the Settlement Administrator, including providing Class
26 Notice to Class Members, the PAGA Payment, and the PAGA payment to the LWDA as set forth
27 above in Article III.

1 **b. Individual Settlement Amounts.**

2 Individual Settlement Amounts to be paid from the Net Settlement Amount to the Class
3 Participants will be determined as follows: Each of the Class Participants shall receive a pro rata
4 share of the Net Settlement Amount. Pro rata shares shall be determined by, first, determining the
5 value of a single Week Worked by dividing the Net Settlement Amount by the total number of
6 Weeks Worked by all Class Participants during the Class Period. Individual Settlement Amounts
7 will be determined by multiplying the value of a single Week Worked by the number of the total
8 Weeks Worked by each Class Participant during the Class Period.

9 Individual Settlement Amounts to be paid from the PAGA Payment to the PAGA
10 Aggrieved Individuals will be determined as follows: Each of the PAGA Aggrieved Individuals
11 shall receive a pro rata share of the PAGA Payment available for distribution to PAGA Aggrieved
12 Individuals. Pro rata shares shall be determined by, first, determining the value of a single Week
13 Worked by dividing the PAGA Payment available for distribution to PAGA Aggrieved Individuals
14 by the total number of Weeks Worked by all PAGA Aggrieved Individuals during the PAGA
15 Period. Individual Settlement Amounts will be determined by multiplying the value of a single
16 Week Worked by the number of the total Weeks Worked by each PAGA Aggrieved Individuals
17 during the PAGA Period.

18 The Individual Settlement Amounts are payments for all Released Class Claims and
19 Released PAGA Claims. The Individual Settlement Amounts will be treated as non-wage
20 payments reported on a Form 1099. The Settlement Administrator shall be responsible for issuing
21 and providing Form 1099s to Class Participants and/or PAGA Aggrieved Individuals for their
22 Individual Settlement Amounts. Unless otherwise set forth herein, each Class Participant, and
23 Class Counsel will be responsible for payment of their own tax obligations, if any. Class
24 Participants who may have questions about their tax liability, if any, should consult independent
25 tax counsel.

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1 **2. Time for Payment of Attorney Fees, Costs, and Expenses to Class Counsel.**

2 The Settlement Administrator shall pay any attorney fees, costs, and expenses awarded by
3 the Court to Class Counsel by wire transfer within 14 days after the Settlement Administrator
4 receives the balance of the Gross Settlement Amount from URS after the Effective Date of the
5 Settlement. Class Counsel will provide the Settlement Administrator with the necessary W-9 form,
6 tax ID number, and bank routing information for the payment.

7 **3. Time for PAGA Payment to LWDA.**

8 Within seven days after the Effective Date of the Settlement, Class Counsel shall provide
9 a copy of the Final Order Approving Settlement and Judgment to the Settlement Administrator
10 and upload a copy of the order to the LWDA's website. Within 14 days after the Settlement
11 Administrator receives the balance of the Gross Settlement Amount from URS after the Effective
12 Date of the Settlement, the Settlement Administrator will transmit the LWDA's portion of the
13 PAGA Payment to the LWDA. The LWDA's address is:

14 Department of Industrial Relations
15 Accounting Unit
16 455 Golden Gate Avenue, 10th Floor
17 San Francisco, CA 94102

18 **4. Time for Payment of Individual Settlement Amounts.**

19 The Settlement Administrator shall make every effort to mail, by first-class U.S. mail, to
20 the last-known address, the Individual Settlement Amount to each Class Participant and PAGA
21 Aggrieved Individual no later than 14 days after the Settlement Administrator receives the balance
22 of the Gross Settlement Amount from URS after the Effective Date of the Settlement.

23 If the Settlement Administrator is not able to mail the Individual Settlement Amounts to
24 Class Participants and PAGA Aggrieved Individuals within the time period set forth above, it shall
25 so inform Class Counsel and Defense Counsel and provide an approximate date by which the
26 Individual Settlement Amounts will be mailed. Under no circumstances shall the Settlement
27 Administrator distribute checks to Class Participants and PAGA Aggrieved Individuals until all

1 disputes of Estimated Individual Settlement Amounts have been resolved, all Individual
2 Settlement Amounts calculated, and accounted for, and the obligations set forth in Section IV(1)(a)
3 have been calculated and approved by the Court. In the event any Class Participant or PAGA
4 Aggrieved Individual is deceased, payment shall be made payable to the estate of that Class
5 Participant or PAGA Aggrieved Individual as the case may be, and delivered to the executor or
6 administrator of that estate, unless the Settlement Administrator has received an affidavit or
7 declaration pursuant to California Probate Code § 13101, in which case payment shall be made to
8 the affiant(s) or declarant(s).

9 Upon request by Class Counsel, the Settlement Administrator shall provide a declaration
10 of payment to Class Counsel, who will be responsible for filing it with the Court.

11 **5. Returned and Uncashed Settlement Checks.**

12 Each Class Participant and PAGA Aggrieved Individual must cash his or her Individual
13 Settlement Amount check within 180 days after it is mailed to him or her. If a check is returned to
14 the Settlement Administrator, the Settlement Administrator may make such efforts, if any, as it
15 deems to be reasonable to re-mail it to the Class Participant or PAGA Aggrieved Individual at his
16 or her correct address. If any Class Participant's Individual Settlement Amount or PAGA
17 Aggrieved Individual's check is not cashed within 90 days after it is mailed or re-mailed,
18 whichever is later, the Settlement Administrator will send the Class Participant and or PAGA
19 Aggrieved Individual a letter informing him or her that, unless the check is cashed within the next
20 90 days, it will expire and become non-negotiable and will offer to replace the check if it was lost
21 or misplaced, but not cashed. If the check remains uncashed by the expiration of the 180-day
22 period, the Settlement Administrator will pay over the Individual Settlement Amount and or
23 PAGA Payment represented by the check to the California State Controller – Unclaimed Property
24 Division, with the identity of the Class Participant to whom the funds belong. In such event, the
25 Class Participant and PAGA Aggrieved Individual will nevertheless remain bound by the
26 Settlement.

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1 **6. Extension of Time to Pay and/or Process Claims.**

2 Should the Settlement Administrator need more time than is provided under this Stipulation
3 to complete any of its obligations, the Settlement Administrator may request, in writing, such
4 additional time (including an explanation of the need for additional time) from Defense Counsel
5 and Class Counsel. If Defense Counsel and/or Class Counsel do not agree, in writing, to the
6 Settlement Administrator's request for additional time, the Settlement Administrator, Class
7 Counsel, or Defense Counsel may seek such additional time from the Court.

8 **7. No Additional Contribution by URS.**

9 URS's monetary obligations under this Stipulation are limited to the Gross Settlement
10 Amount. Thus, all costs and expenses arising out of or in connection with the performance of this
11 Stipulation shall be paid from the Gross Settlement Amount.

12 **V. NOTICE TO CLASS MEMBERS AND CLAIMS ADMINISTRATION**
13 **PROCESS**

14 **1. The Settlement Administrator.**

15 The Settlement Administrator will be responsible for locating correct Class Members'
16 addresses, mailing and emailing, to the extent that emails are available, the Notice Packet to Class
17 Members, processing Opt-Outs received (if any), calculating the weeks worked for each Class
18 Participant, calculating the Individual Settlement Amount for each Class Participant, handling
19 inquiries from Class Members concerning the Class Notice, Estimated Individual Settlement
20 Amounts, or any other issue, preparing, administrating, and distributing settlement checks to Class
21 Participants and PAGA Aggrieved Individuals, and performing such other duties as the Parties
22 may direct.

23 On a weekly basis, the Settlement Administrator will provide reports to Class Counsel and
24 Defense Counsel updating them as to the number of validated timely received Opt-Outs submitted
25 by Class Members. The Settlement Administrator will serve on Class Counsel and Defense
26 Counsel via e-mail copies of disputes no later than seven days after their receipt. Within 14 days
27 after the Opt-Out Deadline, but no later than 14 days before the Final Approval Hearing, or as soon
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1 thereafter as practicable, the Settlement Administrator will provide Class Counsel with a
2 declaration of due diligence and proof of mailing of the Class Notice, which Class Counsel will
3 file with the Court no later than seven days prior to the Court's Final Approval and Fairness
4 Hearing. Within 14 days after the Opt-Out Deadline, or as soon thereafter as practicable, the
5 Settlement Administrator will compile and deliver to Class Counsel and Defense Counsel a final
6 report with information regarding the final pro rata portion of each Class Participant and the final
7 number of Opt-Outs.

8 The Settlement Administrator will also host a settlement website subject to the Parties
9 approving the website's name that includes relevant documents such as the Second Amended
10 Complaint, the settlement approval motions, the Court's orders granting settlement approval, and
11 the Class Notice.

12 All costs and expenses of the Settlement Administrator for administration of the Settlement
13 shall be paid from the Gross Settlement Amount as part of the Administrative Expenses.

14 **2. Class List to Be Provided by URS to the Settlement Administrator.**

15 URS shall provide a Class List to the Settlement Administrator, as well as to Class Counsel,
16 within 14 days after entry and service of an Order Granting Preliminary Approval of this
17 Settlement. The Class List will contain the information URS has in its files reflecting Class
18 Members' names, Social Security numbers, last-known addresses, phone numbers, and email
19 addresses, and contract lease and termination dates. The Class List shall be marked "Confidential
20 – Attorney's and Settlement Administrator's Eyes Only." Class Counsel represents, warrants,
21 covenants and agrees that (a) Class Counsel shall hold the Class List, including any copies thereof,
22 in strictest confidence and shall not disclose or divulge its contents to any Class Member, including
23 the Plaintiffs, or to any third party other than the Settlement Administrator; (b) the Class List shall
24 be kept in secure facilities; and (c) the contents of the Class List shall be used exclusively for
25 administration of the Settlement pursuant to this Stipulation and for no other purpose, including,
26 but not limited to, fact-gathering, or discovery. This provision does not preclude Class Counsel
27 from speaking with Class Members about the terms of this Settlement once the Motion for
28

1 Preliminary Approval is filed with the Court or earlier with those Class Members with whom they
2 have had contact.

3 **3. Calculation of Weeks Worked.**

4 The Settlement Administrator will calculate Weeks Worked based on the contract lease
5 and termination dates provided in the Class List. Partial weeks worked shall count as a Week
6 Worked for this purpose. The Settlement Administrator will prepare the Notice of Estimated
7 Individual Settlement Amount based on its calculation of Weeks Worked.

8 **4. Notice of Class Action.**

9 The Class Notice, which includes each Class Member's estimated Individual Settlement
10 Amount, is attached hereto as Exhibit 1.

11 Within 14 days after the Settlement Administrator receives the Class List from URS, the
12 Settlement Administrator will first update all addresses using the National Change of Address
13 System (NCOA) and then mail to all Class Members, via first-class U.S. mail, the Class Notice.
14 At the same time, the Settlement Administrator will also email the Notice Packet to all Class
15 Members for whom Defendant has email addresses.

16 **5. Returned or Undeliverable Notice Packets.**

17 In the event of returned or non-deliverable Notice Packets, the Settlement Administrator
18 will make reasonable efforts, including skip-tracing services offered by publicly available
19 databases, to locate Class Members and re-send the Notice Packet. If the Settlement Administrator
20 is not able to find a more accurate address through its skip-tracing efforts, the Settlement
21 Administrator will call the Class Member's last known phone number in an attempt to obtain an
22 accurate address. If the Settlement Administrator is unable to obtain an accurate address for a Class
23 Member, the Settlement Administrator shall provide Class Counsel with the name of the Class
24 Member so Class Counsel can perform a TLO search in an attempt to obtain an accurate address
25 for the Class Member. It will be conclusively presumed that a Class Member's Notice Packet was
26 received if the Notice Packet has not been returned within 21 days of the original mailing of the
27 Notice Packet to the Class Member.

1 **6. Dispute Resolution Regarding Weeks Worked.**

2 Each Class Member will receive a Class Notice, as set forth in the form of **Exhibit 1**
3 attached hereto, which will specify the Weeks Worked for which that Class Member is credited.

4 Class Members will be entitled to dispute the number of Weeks Worked reported on the
5 Notice of Estimated Individual Settlement Amount Form by sending written notice of their dispute
6 to the Settlement Administrator by the Opt-Out Deadline. To be considered by the Settlement
7 Administrator, such written dispute must be: (a) signed by the Class Member; (b) timely; and (c)
8 if possible, be accompanied by evidence of the actual weeks worked during the Class Period.
9 Evidence of dates of engagement with Defendants alone will not constitute sufficient evidence if
10 the Class Member has worked in other jobs or positions for Defendants.

11 Within seven days of receiving a dispute concerning a Class Member's Weeks Worked,
12 the Settlement Administrator shall review all documents received from the Class Member in
13 support of the Class Member's dispute and shall contact Defendants and Class Counsel regarding
14 the dispute. Defendants and Class Counsel shall work in good faith to resolve the dispute.

15 The Settlement Administrator shall be the final arbiter of the number of Weeks Worked by
16 the Class Member during the Class Period. The Settlement Administrator shall inform the Parties
17 of its decision regarding the dispute. The Settlement Administrator shall resolve all disputes prior
18 to the date upon which the Settlement Administrator must submit its Declaration to counsel for
19 final approval of the Stipulation by the Court.

20 Any changes to a Class Member's Weeks Worked will be reflected in the total weeks
21 worked for the entire Class on the updated Class List. For example, if Class Member "A" disputed
22 his or her Weeks Worked and provides satisfactory evidence that his or her Weeks Worked should
23 be increased by two weeks, and the Settlement Administrator, in consultation with Defendants,
24 Class Counsel, and the records provided, agrees, the total Weeks Worked for the entire Class will
25 also be increased by two weeks for purposes of calculating Individual Settlement Amounts.

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1 **7. Objection Requirements.**

2 In order to object to the Settlement, a Class Member must not have excluded himself or
3 herself from the Settlement and must send their written objection to the Court no later than the
4 Opt-Out Deadline or, if applicable, the extended date upon a re-mailing of the Notice Packet. In
5 the instance that the Class Member's Notice Packet is re-mailed, that Class Member's Objection
6 Deadline, dispute and/or Opt-Out Deadline shall be recalculated so that the Class Member shall
7 have an additional 14 calendar days from the Opt-Out Deadline and Objection Deadline to Opt-
8 Out or object.

9 **8. Non-Receipt of Notice Packet.**

10 In the event the procedures set forth herein are followed and the intended Class Member
11 of a Notice Packet later asserts that he or she did not receive the Notice Packet, the Class Member
12 will remain a Class Participant and will be bound by all terms of the Stipulation and the order
13 granting final approval entered by the Court.

14 **9. Opt-Out Procedure.**

15 The Notice of Class Action Settlement will notify all Class Members of their right to Opt-
16 Out of the Class portion of the Settlement. It will also instruct Class Members who wish to Opt-
17 Out of the Class portion of the Settlement to send to the Settlement Administrator a letter setting
18 forth their name, information needed to be properly identified, and their desire to Opt-Out of the
19 Class portion of the Settlement.

20 For a Class Member to request exclusion from the Class portion of the Stipulation and
21 Settlement, the Opt-Out Request must be mailed to the Settlement Administrator and postmarked
22 no later than the Opt-Out Deadline. Any returned envelopes containing the Class Notice from the
23 initial mailing which have forwarding addresses will be used by the Settlement Administrator to
24 locate Class Members. In the event that, prior to the Opt-Out Deadline, any Class Notice mailed
25 to a Class Member is returned as having been undelivered by the U.S. Postal Service, the
26 Settlement Administrator shall perform a skip trace search and seek an address correction for such
27 Class Member(s), and a second Notice Packet will be sent to any new or different address obtained.

1 In such instance, the Opt-Out Request must be postmarked no later than 14 days after the Opt-Out
2 Deadline.

3 It will be conclusively presumed that, if an envelope containing the Class Notice has not
4 been returned within 21 days of the mailing, the Class Member received the Class Notice.
5 However, a Class Member may ask the Settlement Administrator for a substitute Notice Packet
6 and file an Opt-Out Request any time up to the Opt-Out Deadline.

7 Within 14 days after the Opt-Out Deadline, the Settlement Administrator shall provide
8 Class Counsel and Defense Counsel with a Declaration of Due Diligence and Proof of Mailing
9 (Declaration) about the mailing of the Class Notice and its attempts to locate Class Members. The
10 Declaration shall specify the number of Class Members to whom Class Notices were sent, the
11 number of Class Members to whom Class Notices were not delivered, the number of Opt-Out
12 Requests received, and the name of individuals who submitted Opt-Out Requests. Class Counsel
13 shall file the Declaration with the Court in conjunction with final approval.

14 If the Settlement Administrator determines that an Opt-Out Request returned by a Class
15 Member before the Opt-Out Deadline is deficient, then the Settlement Administrator shall mail or
16 email a deficiency letter to that Class Member identifying the problem and informing the Class
17 Member that they must rectify the problem by the Opt-Out Deadline.

18 Those Class Members who have not submitted an Opt-Out Request by the Opt-Out
19 Deadline shall share in the distribution of the Net Settlement Amount of the Gross Settlement
20 Amount and shall be bound by the judgment in this Action and the release of Released Class
21 Claims and Released PAGA Claims set forth in Article XI of this Stipulation. PAGA Aggrieved
22 Individuals may not Opt-Out of PAGA portion of the Settlement and shall release the Released
23 PAGA Claims and receive a portion of the PAGA Payment.

24 **10. Objections.**

25 The Class Notice shall inform the Class Members of their right to object to the Settlement.
26 Any Class Member who wishes to object to the Settlement must send a written objection to the
27 Court no later than the Objection and Opt-Out Deadline. The date of delivery of the written
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1 objection is deemed to be the date the objection is deposited in the U.S. mail, postage prepaid, as
2 evidenced by the postmark. The objection must include the case name and number and must set
3 forth, in clear and concise terms a statement of the reasons why the objector believes that the Court
4 should find that the proposed Settlement is not in the best interest of the Class and the reasons why
5 the Settlement should not be approved, including the legal and factual arguments supporting the
6 objection. The objection must state whether it applies only to the objector, to a specific subset of
7 the class, or to the entire class.

8 If an objector also wishes to appear at the Final Approval Hearing, in person or through an
9 attorney, he or she must *also* file a notice of their intention to appear at the same time as the
10 objection is filed. Unless otherwise ordered by the Court, Class Members shall not be entitled to
11 speak at the Final Approval Hearing unless they have submitted a timely written objection and
12 notice of intention to appear pursuant to this Section. Class Members who have properly and timely
13 submitted objections may appear at the Final Approval Hearing, either in person or through a
14 lawyer retained at their own expense.

15 **11. Notice of Settlement to State and Federal Officials.**

16 Within 10 days of receiving notice of filing of a Motion for Preliminary Approval of this
17 Stipulation, Defense Counsel shall serve the CAFA Notice of this Stipulation on the appropriate
18 federal and state officials, as required by 28 U.S.C. § 1715(b). Defense Counsel will also file proof
19 with the Court that this notice was provided.

20 **VI. MOTIONS FOR COURT APPROVAL**

21 **1. Preliminary Approval.**

22 Class Counsel will submit this Stipulation to the Court and request preliminary approval
23 of the Settlement within 14 days of execution of this Stipulation by the Parties and their counsel.
24 If preliminary approval of this Settlement is not granted by the Court, the Action will proceed as
25 if the parties had not entered into this Stipulation.

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1 **2. Final Approval.**

2 Class Counsel will request final approval of the Settlement no later than 35 days prior to
3 the date set by the Court for the Final Approval and Fairness Hearing. The Final Approval and
4 Fairness Hearing shall be held in the U.S. District Court for the Northern District of California on
5 a date to be determined by the Court. At preliminary approval, the Parties will propose to the Court
6 a date for the Final Approval and Fairness Hearing.

7 **3. Motion for Attorneys' Fees and Costs.**

8 Class Counsel will file a motion for attorneys' fees and costs no later than 35 days prior to
9 the Opt-Out and Objection Deadline.

10 **4. Proposed Order and Judgment.**

11 Upon Final Approval of the Settlement, the Parties shall present to the Court a proposed
12 Final Approval Order, approving of the Settlement and entering Judgment in accordance therewith.
13 After entry of Judgment, the Court shall have continuing jurisdiction over the action for purposes
14 of: (1) enforcing this Settlement Agreement, including the enforcement of Participating Class
15 Members' Release of the Released Class Claims and PAGA Aggrieved Individuals' Release of
16 the Released PAGA Claims; (2) addressing settlement administration matters, and (3) addressing
17 such post-judgment matters as may be appropriate under Court rules and applicable law. This
18 Judgment will effectuate the release of all Participating Class Members' Released Class Claims
19 against the Released Parties and all PAGA Aggrieved Individuals' Released PAGA Claims against
20 the Released Parties. To the extent that Class Members and/or the named Class Representatives
21 opt out of the settlement, their claims shall be deemed to have been tolled from November 18,
22 2019, to the date that the Court finally approves of the Settlement Agreement.

23 **5. Post-Distribution Accounting.**

24 Within 21 days after the check cashing, the Class Counsel will file a Post-Distribution
25 Accounting and post it on the settlement website, which provides for the information outlined in
26 the Northern District Procedural Guidance for Class Action Settlements and the Court's Standing
27 Order for All Civil Cases Before District Judge Jon S. Tigar.

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2 **VII. NULLIFICATION OF THIS STIPULATION**

3 **1. Non-Approval of the Stipulation.**

4 If (a) the Court should for any reason decline to approve this Stipulation in the form agreed
5 to by the Parties, or (b) the Court should for any reason fail to enter an order granting final approval
6 and entering judgment, or (c) the final approval order and judgment is reversed, modified or
7 declared or rendered void, then the Stipulation and Settlement shall be considered null and void,
8 and the Stipulation, Settlement, or any of the related negotiations or proceedings, shall be of no
9 force or effect, and all parties to the Stipulation shall stand in the same position, without prejudice,
10 as if the Stipulation had been neither entered into nor filed with the Court. Notwithstanding the
11 foregoing, the Parties may attempt in good faith to cure any perceived defects in the Stipulation to
12 facilitate approval. The Parties will be equally responsible for all charges incurred by the
13 Settlement Administrator as of the date of entry of any order denying preliminary or final approval
14 of this Stipulation.

15 **2. URS's Right to Void Settlement.**

16 URS shall have the right to terminate this Stipulation if 10% or more of the Class Members
17 opt-out. In such event, URS, shall have the option to terminate the Stipulation and decline to
18 proceed with the Settlement, in which case URS shall have no obligation to fund the Gross
19 Settlement Amount, and none of the Gross Settlement Amount shall be distributed to Class
20 Participants, the Plaintiffs, or Class Counsel.

21 **3. Invalidation.**

22 Invalidation of any material portion of the Stipulation shall invalidate the Stipulation in its
23 entirety, unless the Parties shall subsequently agree in writing that the remaining provisions of the
24 Stipulation are to remain in full force and effect. The Parties will be equally responsible for all
25 charges incurred by the Settlement Administrator as of the time the Stipulation is invalidated.

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1 **4. Stay Upon Appeal.**

2 In the event of a timely appeal from the final approval order and judgment, other than as
3 described in Article V, Section 2, the judgment shall be stayed, URS shall have no obligation to
4 fund the Gross Settlement Amount, and none of the Gross Settlement Amount shall be distributed
5 to Class Participants, the Plaintiffs, or Class Counsel. The actions required by this Stipulation shall
6 not take place until all appeal rights have been exhausted by operation of law.

7 **5. Apportionment of Settlement Administrator Charges in the Event of**
8 **Stipulation Failure.**

9 In the event the Stipulation is not finally approved, any unused amount from the deposit
10 shall be returned to URS by the Settlement Administrator, and Class Counsel shall reimburse URS
11 for one-half of the portion of the deposit expended by the Settlement Administrator for expenses.
12 In the event the Settlement Administrator has expended more than the deposit on the expenses of
13 claims administration for the Settlement, the Parties shall be equally responsible for all such
14 charges.

15 **VIII. RELEASES**

16 **1. Release of Claims by Class Participants.**

17 Upon the Effective Date, the Class Participants will have each released URS and the
18 Released Parties, and each of them, of and from any and all of the Released Class Claims, and
19 PAGA Aggrieved Individuals will have released URS and the Released Parties, and each of them,
20 of and from any and all of the and Released PAGA Claims. It is the desire of the Parties to fully,
21 finally, and forever settle, compromise, and discharge the Class Participants' Released Class
22 Claims, and the PAGA Aggrieved Individuals' Released PAGA Claims, against the Released
23 Parties.

24 As such, the Class Participants are providing the Released Parties with a full and complete
25 release with respect to the Released Class Claims. Similarly, the PAGA Aggrieved Individuals
26 understand and agree that they are providing the Released Parties with a full and complete release
27 with respect to the Released PAGA Claims.

Each Class Participant will be bound to the release of Released Class Claims as a result of the final approval of this Stipulation. Each PAGA Aggrieved Individual will be bound to the release of Released PAGA Claims as a result of the final approval of this Stipulation.

2. Claims Not Resolved.

It is understood and agreed that the Stipulation will not release any person, party or entity from claims, if any, by Class Participants for worker's compensation, unemployment, or disability benefits of any nature, nor does it release any claims, actions, or causes of action which may be possessed by Class Participants under state or federal discrimination statutes, including, without limitation, the California Fair Employment and Housing Act, the Cal. Government Code section 12940, *et seq.*; the Unruh Civil Rights Act, the Cal. Civil Code § 51, *et seq.*; the California Constitution; Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000, *et seq.*; the Americans with Disabilities Act, as amended, 42 U.S.C. § 12101, *et seq.*; the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. § 1001 *et seq.*; and all of their implementing regulations and interpretive guidelines.

IX. DUTIES OF THE PARTIES

1. Mutual Full Cooperation.

The Parties agree to cooperate fully with one another to accomplish and implement the terms of this Stipulation. Such cooperation shall include, but not be limited to, execution of such other documents and the taking of such other actions as may reasonably be necessary to fulfill the terms of this Stipulation. The Parties shall use their best efforts, including all efforts contemplated by this Stipulation and any other efforts that may become necessary by court order, or otherwise, to effectuate this Stipulation and the terms set forth herein. As soon as practicable after execution of this Stipulation, Class Counsel, with the cooperation of URS and Defense Counsel, shall take all necessary and reasonable steps to secure the Court's final approval of this Stipulation.

2. Duty to Support and Defend the Stipulation.

The Parties hereto agree to abide by all terms of the Stipulation in good faith and to support the Stipulation fully and to use their best efforts to defend this Stipulation from any legal challenge,

whether by appeal or collateral attack.

3. Duties Prior to Court Approval.

Class Counsel shall promptly submit this Stipulation to the Court for preliminary approval and determination by the Court as to its fairness, adequacy, and reasonableness. Promptly upon execution of this Stipulation, Class Counsel shall apply to the Court for the entry of a preliminary approval order agreed upon by the Parties, scheduling a hearing on the question of whether the proposed Settlement should be approved as fair, reasonable, and adequate as to the Class Members, approving as to form and content the proposed Class Notice attached hereto as **Exhibit 1**, and directing the mailing of the Class Notice to Class Members. Defense Counsel shall file a notice of non-opposition to the motion for preliminary approval or join in the motion.

X. MISCELLANEOUS PROVISIONS.

1. Different Facts.

The Parties acknowledge that, except for matters expressly represented herein, the facts in relation to the dispute and all claims released by the terms of this Stipulation may turn out to be other than or different from the facts now known by each party and/or its counsel, or believed by such party or counsel to be true, and each party therefore expressly assumes the risk of the existence of different or presently unknown facts, and agrees that this Stipulation shall be in all respects effective and binding despite such difference.

2. No Prior Assignment.

The Parties represent, covenant, and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or right herein released and discharged except as set forth herein.

3. Non-Admission.

Nothing in this Stipulation shall be construed to be or deemed an admission by URS of any liability, culpability, negligence, or wrongdoing toward Plaintiffs, the Class Members, or any other person, and URS specifically disclaims any liability, culpability, negligence, or wrongdoing

1 toward Plaintiffs, the Class Members, or any other person. Each of the Parties has entered into this
2 Stipulation with the intention to avoid further disputes and litigation with the attendant
3 inconvenience, expenses, and contingencies. Nothing herein shall constitute any admission by
4 URS of wrongdoing or liability, or of the truth of any factual allegations in the Action. Nothing
5 herein shall constitute an admission by URS that the Action was properly brought as a class,
6 collective or representative action other than for settlement purposes. To the contrary, URS has
7 denied and continues to deny each and every material factual allegation and alleged claim asserted
8 in the Action. To this end, the Settlement of the Action, the negotiation and execution of this
9 Stipulation, and all acts performed or documents executed pursuant to or in furtherance of this
10 Stipulation, shall not be deemed to be, and may not be used as, an admission or evidence of any
11 wrongdoing or liability on the part of URS or of the truth of any of the factual allegations in the
12 Complaint in the Action; and are not, shall not be deemed to be, and may not be used as, an
13 admission or evidence of any fault or omission on the part of URS in any civil, criminal or
14 administrative proceeding in any court, administrative agency, or other tribunal.

15 **4. Public Comments Regarding the Litigation or the Stipulation.**

16 Neither the Signing Plaintiffs nor Class Counsel shall issue any press release related to the
17 settlement. Signing Plaintiffs and Class Counsel agree that, prior to preliminary approval of the
18 Stipulation, they will keep the terms of the Stipulation and Settlement confidential except for
19 purposes of communicating with the Plaintiffs only. The Plaintiffs shall be informed that the
20 Stipulation and Settlement is confidential and shall be advised to keep the Stipulation and
21 Settlement confidential.

22 From and after preliminary approval of the Stipulation, Class Counsel may: (i) as required
23 by law; (ii) as required under the terms of the Stipulation; or (iii) as required under Class Counsel's
24 duties and responsibilities as Class Counsel, comment regarding the specific terms of the
25 Stipulation, including placing a general description of the case and the Stipulation on its website.
26 In all other cases, the Signing Plaintiffs and Class Counsel agree to limit their statements regarding
27 the terms of the Stipulation, whether oral, written or electronic (including the world wide web), to
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1 say the Action have been resolved and that the Signing Plaintiffs and Class Counsel are satisfied
2 with the Stipulation terms. Nothing in this Paragraph is intended to interfere with Class Counsel's
3 duties and obligations to faithfully discharge their duties as Class Counsel, including but not
4 limited to, communicating with Class Members regarding the Stipulation and Settlement.

5 Following entry of the order granting final approval of the Stipulation, Class Counsel shall
6 not be prohibited from including information regarding the Stipulation that is a matter of public
7 record on its firm's website but shall not mention URS's name in any such information. All
8 necessary disclosures may be made on the Parties' financial statements; to the Parties' accountants
9 and auditors; in public filings; to government regulatory agencies; and to any local, state, or federal
10 taxing authority; or as otherwise required by law.

11 **5. Non-Retaliation.**

12 URS understands and acknowledges that it has a legal obligation not to retaliate against
13 any Class Member. URS will refer any inquiries regarding this Stipulation to the Settlement
14 Administrator or Class Counsel and will not discourage Class Members, directly or indirectly,
15 from participating in, opting out of, or objecting to the Stipulation.

16 **6. Construction.**

17 The Parties hereto agree that the terms and conditions of this Stipulation are the result of
18 lengthy, intensive, arms-length negotiations between the Parties and that this Stipulation is not to
19 be construed in favor of or against any party by reason of the extent to which any party or his or
20 its counsel participated in the drafting of this Stipulation.

21 **7. Governing Law.**

22 This Stipulation is intended to and shall be governed by the laws of the State of California,
23 without regard to conflict of law principles, in all respects, including execution, interpretation,
24 performance, and enforcement.

25 **8. Notices.**

26 Except for the Notice to Class Members required by the Settlement Administrator and the
27 CAFA Notice, any and all notices or other communications required or permitted under this
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1 Stipulation shall be in writing and shall be sufficiently given if delivered in person to the party or
2 their counsel or if sent to the party without counsel by United States certified mail, postage prepaid,
3 e-mail, facsimile, or overnight delivery addressed to the address of the party appearing in this
4 Stipulation.

5 **9. Captions and Interpretations.**

6 Article and section titles or captions contained herein are inserted as a matter of
7 convenience and for reference only and in no way define, limit, extend, or describe the scope of
8 this Stipulation or any provision thereof.

9 **10. Modification.**

10 This Stipulation may not be changed, altered, or modified, except in writing signed by the
11 Parties and approved by the Court. This Stipulation may not be discharged except by performance
12 in accordance with its terms or by a writing signed by the Parties.

13 **11. Integration Clause.**

14 This Stipulation contains the entire agreement between the Parties relating to the
15 Settlement of the Action and the transactions contemplated thereby, and all prior or
16 contemporaneous agreements, understandings, representations, and statements, whether oral or
17 written, and whether by a party or such party's legal counsel, are hereby superseded. No rights
18 under this Stipulation may be waived except in writing.

19 **12. Successors and Assigns.**

20 This Stipulation shall be binding upon and inure to the benefit of the Parties and their
21 respective present and former heirs, trustees, executors, administrators, representatives, officers,
22 directors, shareholders, agents, employees, insurers, attorneys, accountants, auditors, advisors,
23 consultants, pension and welfare benefit plans, fiduciaries, parent companies, subsidiaries,
24 affiliates, related companies, joint ventures, predecessors, successors, and assigns.

25 **13. Class Counsel Signatories.**

26 Because the Class Members are so numerous, the Parties agree that it is impossible or
27 impractical to have each Class Member sign this Stipulation. It is agreed that, for purposes of
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1 seeking approval of the Stipulation and Settlement, this Stipulation may be executed on behalf of
2 the Class Members by Class Counsel and the Signing Class Members.

3 **14. Corporate Signatories.**

4 Any person executing this Stipulation or any such related document on behalf of a
5 corporate signatory hereby warrants and promises, for the benefit of all Parties hereto, that such
6 person has been duly authorized by such corporation to execute this Stipulation or any such related
7 document.

8 **15. Execution in Counterparts.**

9 This Stipulation shall become effective upon its execution by all of the undersigned. The
10 Parties may execute this Stipulation in counterparts, and execution of counterparts shall have the
11 same force and effect as if all Parties had signed the same instrument.

12 **16. Attorney Fees, Costs, and Expenses.**

13 Except as otherwise specifically provided for herein, each party shall bear his or its own
14 attorneys' fees, costs, and expenses, taxable or otherwise, incurred by them with respect to the
15 Claims in the Action and shall not seek reimbursement thereof from any other party to this
16 Stipulation.

17 **17. Action to Enforce Stipulation.**

18 In any suit or court action to enforce the terms of this Stipulation, the prevailing party shall
19 be entitled to recover attorneys' fees, costs, and expenses.

1 Dated: 6/21/2023

UNITED ROAD SERVICES, INC.



Name: Mark Anderson, President & CEO
Title:

5 Dated:

ROBERT BEJAR

8 Dated:

MARTIN CHAVEZ

12 Dated:

MARA LAW FIRM, PC

David Mara, Esq.
Jill Vecchi, Esq.
Representing the Class

16 Dated:

HUNTER PYLE LAW

Hunter Pyle, Esq.
Andrea Núñez, Esq.
Representing the Class

20 Dated:

**SCOPELITIS, GARVIN, LIGHT,
HANSON & FEARY, P.C.**



Adam C. Smedstad, Esq.
Representing Defendants

4882-3219-2873, v. 1
4882-3219-2873, v. 1

1 Dated:

UNITED ROAD SERVICES, INC.

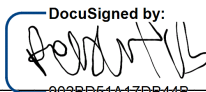
2
3 Name:

4 Title:

5 Dated: 6/14/2023

ROBERT BEJAR

6 DocuSigned by:

7 

8 902BD51A17DB44B...

9 Dated: 6/14/2023

MARTIN CHAVEZ

10 DocuSigned by:

11 

12 C5785CED9520441...

13 Dated: 6/14/2023

MARA LAW FIRM, PC

14 DocuSigned by:

15 

16 David Mara, Esq.

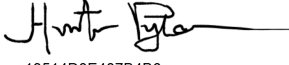
17 Jill Vecchi, Esq.

18 Representing the Class

19 Dated: 6/14/2023

HUNTER PYLE LAW

20 DocuSigned by:

21 

22 13514D8E487B4B8...

23 Hunter Pyle, Esq.

24 Andrea Núñez, Esq.

25 Representing the Class

26 Dated:

**SCOPELITIS, GARVIN, LIGHT,
HANSON & FEARY, P.C.**

27 Adam C. Smedstad, Esq.

28 Representing Defendants

4882-3219-2873, v. 1

4882-3219-2873, v. 1

Exhibit 1

NOTICE OF CLASS ACTION SETTLEMENT

UNITED STATES DISTRICT COURT, NORTHERN DISTRICT OF CALIFORNIA

Denson M. Sales, et al. v. United Road Services, Inc., Case No. 4:19-cv-08404-JST

TO: All individuals who signed Independent Contractor Service Agreements with URS, who were assigned to a business unit in California, and who drove in California at any time from November 18, 2015, to March 29, 2022. This includes individuals who are principals or owners of the corporations or LLCs on whose behalf an individual executed the Independent Contractor Service Agreement. These individuals are referred to in this Notice as “Class Members.”

The United States District Court for the Northern District of California authorized this notice.

This is not a solicitation from a lawyer.

- This notice contains important information about your legal rights as part of a class action settlement. Please read it fully and carefully.
- Denson M. Sales and Andre Clemons, Drivers who worked for URS Midwest, Inc. d/b/a United Road and United Road Services, Inc. (“URS”), sued URS. Robert Bejar and Martin Chavez were later added as named Plaintiffs and Class Representatives in this case. The term “Plaintiffs” as used in this document refers to Mr. Sales, Mr. Clemons, Mr. Bejar and Mr. Chavez. The term “Signing Plaintiffs” refers to Mr. Bejar and Mr. Chavez.
- The case is pending in the United States District Court for the Northern District of California (Case No. 4:19-cv-08404-JST). Plaintiffs and URS are referred to collectively as the “Parties.”
- Plaintiffs’ allegations are brought on their own behalf and on behalf of all Class Members, as defined above.
- Plaintiffs have asserted the following claims against URS: (1) failure to pay all straight time wages at statutory minimum wage; (2) failure to provide meal periods (Lab. Code §§ 226.7, 512, IWC Wage Order No. 9-2001(11); Cal. Code Regs., tit. 8 § 11090); (3) failure to authorize and permit rest periods (Lab. Code § 226.7; IWC Wage Order No. 9-2001(12); Cal. Code Regs. Title 8 § 11090); (4) failure to reimburse/illegal deductions (Lab. Code §§ 221, 2802, Cal. Regs., tit. 8, § 11090(8)); (5) violation of Unfair Competition Law (Bus. & Prof. Code § 17200, et seq.); (6) knowing and intentional failure to properly itemize wage statements (Lab. Code § 226); (7) failure to timely pay all wages owed at termination (Lab. Code § 203); and (8) violations of California’s Private Attorneys General Act (“PAGA”) (Lab. Code § 2699, et seq.).
- URS denies that it violated the law in any manner and contends that its policies and practices have complied with the law at all times.
- The Court has not decided whether URS did anything wrong.

- Under the proposed Settlement, URS will pay a total of \$7,500,000, to be apportioned and paid among identified members of the Class, after deductions for Court-approved payments, including payment of penalties to the State of California, requested in the amount of \$94,743.75.

YOUR OPTIONS	
Do Nothing	You will receive a proportionate share of the Settlement if final approval is granted and will give up any right to bring any claims in the future that are part of the Settlement.
Opt Out of the Settlement	If you opt yourself out of the Settlement, you will not receive a Settlement payment. But, you will retain the right to assert claims that are included in the Settlement. By doing so, you will bear the risk that you may lose those claims. To opt out, you must timely write to the Class Administrator and follow the procedures described below.
Object to the Settlement	If you disagree with any aspect of this Settlement, you may assert your objections by timely writing to the Class Administrator and filing with the Court your objection according to the procedures described below. If you opt out, you may not object. If you object, you will still be bound by the Settlement if it is approved by the Court.

- These rights and options—**and the deadlines to exercise them**—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will be made only if the Court approves the Settlement and after appeals (if any) are resolved. Please be patient.

BASIC INFORMATION

1. Why did I get this notice package and Why Should I Read this Notice?

The records of URS indicate that you have been a Class Member during the time period from November 18, 2015 through [insert preliminary approval date] (the Class Period). If the Court approves the Settlement, you will receive a payment and your legal rights may be affected. Thus, you have a right to information about the Settlement and your legal rights. That is the intent of this notice.

2. What is this lawsuit about?

Plaintiffs have asserted the following claims against URS on behalf of the Class Members:

(1) failure to pay all straight time wages at statutory minimum wage; (2) failure to provide meal periods; (3) failure to authorize and permit rest periods; (4) failure to reimburse/illegal deductions; (5) violation of Unfair Competition Law; (6) knowing and intentional failure to properly itemize wage statements; (7) failure to timely pay all wages owed at termination; and (8) violations of California's Private Attorneys General Act ("PAGA"). These claims are referred to in this Notice as the "Claims."

URS denies that the Claims are valid, denies that the Court should permit Plaintiffs to bring the Claims on behalf of the Class, and contends that it complied with the law at all times.

3. What is a class action?

In a class action, one or more people sue on behalf of people whom they allege have similar claims.

4. Why is there a settlement?

The Court has not yet decided in favor of Plaintiffs or URS on the Claims being settled. Plaintiffs think they could recover a significant amount of wages, penalties, and interest on behalf of the Class if they were to win at trial. On the other hand, URS denies all liability and believes that Plaintiffs will not win anything in the case. After years of negotiations, both sides have agreed to the Settlement of the Claims.

The purpose of the Settlement is so that the risks and costs of trial, for both sides, are eliminated, and the Class can be provided with an immediate monetary benefit. Signing Plaintiffs, URS, and their attorneys all believe that this Settlement is best for the Class and the Parties.

The Court has given its preliminary approval to the Settlement as fair and reasonable to the Class.

5. How do I know if I am part of the Settlement?

Everyone who fits this description is a Class Member:

All individuals who signed Independent Contractor Service Agreements with URS, who were assigned to a business unit in California, and who drove in California at any time from November 18, 2015 to March 29, 2022.

If the individual executing the Independent Contractor Service Agreement did so on behalf of a corporation or LLC, then the individual or individuals who were principals or owners of the corporation or LLC shall be considered part of the Class.

6. Are there exceptions to being included?

Yes. If you are a Class Member, you may opt out as stated in Section 13 below. If you do not opt out, you will receive part of the Settlement if approved.

7. What if I'm still not sure if I am included.

If you are still not sure whether you are included, you can call the Class Administrator at [Number] or write to the Class Administrator at [address]. You also may contact Class Counsel identified below for more information.

8. How much money is the Settlement for and how is it allocated?

URS has agreed to pay \$7,500,000 to settle all Claims in this lawsuit. That amount will cover all expenses related to the Settlement.

The Class Administrator will apportion the fund to be paid to Class Members based on their number of workweeks during the Class Period.

9. How much will my payment be and what is the information used to calculate my share?

Based on upon the calculation described above, it is currently estimated that your share of the Settlement will be _____.

This amount could change, depending on how many Class Members opt-out, and/or further determinations by the Class Administrator and/or rulings of the Court.

Of your share of the Settlement, 100% will be reported as "1099" miscellaneous income by the Class Administrator to federal and state tax authorities. No deductions will be taken out of your share of the Settlement. However, you are responsible for all tax liability in relation to payments to you under the Settlement.

This Notice is not tax advice. Do not ask Class Counsel, or URS, or its counsel for tax advice, as they will not provide it. You should consult your own tax advisor.

URS's records show that the following information pertinent to the calculation of your estimated settlement share:

Your number of workweeks during the Class Period is _____.

Your number of workweeks during the PAGA Period (February 10, 2019 to [Preliminary Approval]) is _____.

If you disagree with this information, you must notify the Class Administrator by writing to them at the address set forth in paragraph 7. Be sure to include your full name, email address, mailing address, telephone number, last four digits of your social security number, and all supporting documentation, and to sign your document.

Your notification must be signed and postmarked no later than [60 days from mailing]. After inquiring further of URS, the Class Administrator will make a final resolution of dispute.

10. How can I get a payment?

You do not need to do anything to qualify for a payment. It is important that you immediately notify the Class Administrator if your mailing address is different from the address to which this Notice was sent, or if that address changes.

11. When will I receive a payment?

Payments will be distributed pursuant to a schedule established by the Settlement and by the Court. Presently, the expected date of payment is estimated to be _____. This could change depending on factors influencing the Class Administrator's tasks, any objections to the Settlement, and/or actions by the Court.

12. What am I giving up to get a payment?

Each member of the Class (except those who properly opt out) on behalf of themselves and on behalf of all who claim by or through them or in their stead, do hereby and forever release, acquit and discharge and covenant not to sue URS, and all its present and former officers, directors, shareholders, members, partners, agents, employees, insurers, representatives, attorneys, parent companies, subsidiaries, divisions, affiliates, successors and assigns, and related companies (referred to as the "Released Parties") for any and all claims during the Class Period pleaded in the operative Second Amended Complaint, including without limitation claims for: (1) failure to pay all straight time wages at statutory minimum wage; (2) failure to provide meal periods (Lab. Code §§ 226.7, 512, IWC Wage Order No. 9-2001(11); Cal. Code Regs., tit. 8 § 11090); (3) failure to authorize and permit rest periods (Lab. Code § 226.7; IWC Wage Order No. 9-2001(12); Cal. Code Regs. Title 8 § 11090); (4) failure to reimburse/illegal deductions (Lab. Code §§ 221, 2802, Cal. Regs., tit. 8, § 11090(8)); (5) violation of Unfair Competition Law (Bus. & Prof. Code § 17200, et seq.); (6) knowing and intentional failure to properly itemize wage statements (Lab. Code § 226); (7) failure to timely pay all wages owed at termination (Lab. Code § 203); (8) violations of California's Private Attorneys General Act ("PAGA") (Lab. Code § 2699, et seq.); and (9) interest associated with any of the claims released in this paragraph.

13. How do I opt out of the settlement?

To exclude yourself from the Settlement, you must send a signed letter by mail to the Class Administrator stating words to the effect of, “I wish to be excluded from the Settlement Class.” You must also include your name, mailing address, and telephone number.

Your request to opt out of the Settlement must be postmarked no later than [60 days from mailing] to the Class Administrator at the address in paragraph 7.

If you ask to be excluded, you will not be legally bound by the Settlement if approved. You will not get any money from the Settlement, and you will not be allowed to object to the Settlement.

14. If I don’t exclude myself, can I sue URS for the same thing later?

No. Unless you exclude yourself, you will give up any right to sue URS for the claims that this Settlement resolves. If you have a pending lawsuit or the same claims that are being settled against URS, speak to your lawyer in that case immediately. You must exclude yourself from this Settlement in order to continue your own lawsuit if it involves the same claims.

15. If I exclude myself, can I get money from this settlement?

No. If you exclude yourself, you will not receive any money from this Settlement.

16. Who is my legal representative in this case?

The Court has appointed as Class Counsel the following attorneys:

Mara Law Firm, 2650 Camino Del Rio N., Suite 302, San Diego, California 92108, (619) 234-2833; and

Hunter Pyle Law, 505 14th Street, Suite 600, Oakland, CA 94612, (510) 444-4400.

You will not be charged for the work performed by these lawyers. If you want to be represented by your own lawyer, you may hire one at your own expense.

If you have questions about this Settlement, you may contact Class Counsel. They will consult with you and attempt to answer your questions. Do not contact URS with any such questions.

17. How do I object to the Settlement?

If you are a Class Member and do not opt out, you can object to the Settlement if you don't like any part of it. However, the Court cannot order a larger settlement, The Court can only approve or deny the proposed Settlement.

If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want, you must object. You can give reasons why you think the Court should not approve the Settlement. The Court will consider your views.

To object to the Settlement, you must send a written objection to the Court no later than [60 days from mailing] to the Class Administrator at the address in paragraph 7. Your objection must include your name and address, as well as the case name and number and must set forth, in clear and concise terms a statement of the reasons why you believe that the Court should find that the Settlement is not in the best interest of the Class and the reasons why the Settlement should not be approved. Your objection must state whether it applies only to the objector, to a specific subset of the class, or to the entire class.

If you also wish to appear at the Fairness Hearing, in person or through an attorney, you must *also* file a notice of your intention to appear at the same time as the objection is filed. Unless otherwise ordered by the Court, you will not be entitled to speak at the Final Approval Hearing unless you have submitted a timely written objection and notice of intention to appear.

18. What's the difference between objecting and opting out?

Objecting is simply saying that you don't like something about the Settlement and do not want it approved. Opting out is saying that you don't want to be part of the Class and participate in the Settlement. If you opt out, you have no basis to object because the case no longer affects you.

19. When and where will the Court decide whether to approve the settlement?

The Court will hold a Fairness Hearing at _____ a.m. on _____, [insert court information]. At this hearing, the Court will make a final decision as to whether the Settlement is fair, reasonable, and adequate. If you or other Class Members object to the Settlement, the Court will consider the objections. At or after the hearing, the Court will decide whether to grant final approval to the Settlement. At the Fairness Hearing, the Court may continue the hearing to another date without additional notices being sent out.

20. Do I have to come to the hearing?

No. Class Counsel will answer questions the Judge may have. You are welcome to come at your own expense. If you properly submit an objection, you don't have to come to Court to talk about

it. As long as you properly submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it's not necessary.

21. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. You cannot appear and speak at the hearing if you opt out.

22. What happens if I do nothing at all?

If you do nothing, or fail to act timely, you'll receive your share of the Settlement, but you will be barred from bringing the released claims against URS as described in paragraph 12.

23. No retaliation by URS

California law makes it unlawful to retaliate against you for participating in a lawsuit like this one.

24. How do I get more details about the Settlement?

This notice is intended as a summary and does not fully describe this action, the claims, the defenses, or the proposed Settlement, which is subject to the terms and conditions of the Settlement Agreement filed with the Court as preliminarily approved by the Court. For further information, you may call or contact the Class Administrator (see paragraph 7 for contact information) or Class Counsel (see paragraph 16 for contact information). Do not contact URS.

The Class Administrator also maintains a website at which some important documents in this case are available. The URL for the website is [insert].

You may also obtain more information by contacting Class Counsel, at either address or telephone number listed above; by accessing the Court docket in this case through PACER at <https://ecf.cand.uscourts.gov>; or by visiting the office of the Clerk of the United States District Court, located in Suite 400 S of the United States District Court, Northern District of California, Oakland Courthouse, located at 1301 Clay Street, Oakland, CA 94612, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays (you may also visit the Court at any of its other locations, listed at <https://cand.uscourts.gov/locations>).

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR DEFENDANT OR ITS COUNSEL WITH INQUIRIES.

Date: _____

This Notice has been approved by the Judge of the United States District Court for the Northern District of California responsible for overseeing and deciding this case.

Settlement Administrator
Address 1
Address 2

**NOTICE TO INDIVIDUALS WHO CONTRACTED WITH UNITED ROAD SERVICES
BETWEEN NOVEMBER 18, 2015 AND MARCH 29, 2022**

Class Member Name
Address 1
Address 2

Exhibit 2



CASE ASSUMPTIONS

Class Members	300
Opt Out Rate	1%
Opt Outs Received	3
Total Class Claimants	297
Subtotal Admin Only	\$9,000.00

Not-to-Exceed Total \$9,000.00

For 300 Members

Pricing Good for Scope of Estimate Only

May 18, 2023

Case:

Phoenix Contact: Jodey Lawrence
Contact Number: 949.566.1455
Email: Jodey@phoenixclassaction.com

Requesting Attorney: Jill Vecchi
Firm: Mara Law Firm
Contact Number: 619-234-2833
Email: jvecchi@maralawfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PSA will need to adjust this Estimate accordingly. Estimate is based on **300** Class Members. PSA assumes class data will be sent in Microsoft Excel or other usable format with no or reasonable additional formatting needed. A rate of \$150 per hour will be charged for any additional analysis or programming.

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item Estimate
Programming Manager	\$100.00	3	\$300.00
Programming Database & Setup	\$100.00	3	\$300.00
Toll Free Setup*	\$140.12	1	\$140.12
Call Center & Long Distance	\$2.00	16	\$32.00
NCOA (USPS)	\$0.25	300	\$75.00
Total			\$847.12

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Spanish Translation / Reporting

Project Action	Rate	Hours/Units	Line Item Estimate
Notice Packet Formatting	\$100.00	3	\$300.00
Data Merge & Duplication Scrub	\$0.50	300	\$150.00
Notice Packet & Opt-Out Form	\$1.50	300	\$450.00
Estimated Postage (up to 2 oz.)*	\$0.87	300	\$261.00
Static Website	\$250.00	1	\$250.00
Total			\$1,411.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Associate	\$55.00	3	\$165.00
Skip Tracing Undeliverables	\$1.50	60	\$90.00
Remail Notice Packets	\$1.50	60	\$90.00
Estimated Postage	\$0.87	60	\$52.20
Programming Undeliverables	\$50.00	2	\$100.00
Total			\$497.20

Database Programming / Processing Opt-Outs, Deficiencies or Disputes			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Claims Database	\$100.00	3	\$300.00
Non Opt-Out Processing	\$125.00	1	\$125.00
Case Associate	\$55.00	2	\$110.00
Opt-Outs/Deficiency/Dispute Letters	\$10.00	3	\$30.00
Case Manager	\$85.00	3	\$255.00
Total			\$820.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks			
Project Action:	Rate	Hours/Units	Line Item Estimate
Programming Calculations	\$125.00	3	\$375.00
Disbursement Review	\$125.00	3	\$375.00
Programming Manager	\$95.00	2	\$190.00
QSF Bank Account & EIN	\$100.00	2	\$200.00
Check Run Setup & Printing	\$125.00	4	\$500.00
Mail Class Checks *	\$1.50	297	\$445.50
Estimated Postage	\$0.64	297	\$190.08
Total			\$2,275.58

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations			
Project Action:	Rate	Hours/Units	Line Item Estimate
Case Supervisor	\$125.00	4	\$500.00
Remail Undeliverable Checks (Postage Included)	\$1.50	59	\$89.10
Case Associate	\$55.00	5	\$275.00
Reconcile Uncashed Checks	\$100.00	3	\$300.00
Conclusion Reports	\$100.00	2	\$200.00
Case Manager Conclusion	\$85.00	1	\$85.00
Final Reporting & Declarations	\$100.00	2	\$200.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting Included)	\$1,500.00	1	\$1,500.00
Total			\$3,149.10

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$9,000.00



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

Exhibit 3

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Case Name: United Road

Date: 5/16/2023

Requesting Law Firm:

Hunter Pyle Law

Law Firm Contact:

Hunter Pyle

E-Mail:

hunter@hunterpylelaw.com

ILYM Contact:

Michael Sutherland

E-Mail:

msutherland@ilymgroup.com

Contact Number:

321.223.5067

ESTIMATE FOR ADMINISTRATION SOLUTIONS

ASSUMPTIONS	
Total Number of Class Members	300
Estimated Mail Returned as Undeliverable	20%
NCOA	Yes
Reminder Notice-Check Cashing Deadline	No
Toll Free Telephone Support Line	Yes
Case Duration (Year(s))	1

Activity	Rate Type	Unit Cost	Volume	Amount
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CASE STARTUP				
Initial Setup - Import and Formatting of Data*	Hourly	\$150.00	4	\$600.00
Static Website for Documents	Flat Fee	\$250.00	1	\$250.00
Programming of Class Database	Hourly	\$175.00	4	\$700.00

*ILYM assumes that data will be in a standard format. Client will be notified immediately if not in standard format to correct data or ILYM can convert to standard format @ \$150.00 per hour.

Subtotal \$1,550.00

PROJECT MANAGEMENT & NOTICING				
Project Manager (Case notification and maintenance)	Hourly	\$120.00	6	\$720.00
Staff Hours for Processing Returned Mail	Hourly	\$70.00	2	\$140.00
Staff Hours for Processing Opt-Outs, Disputes & Objection(s)	Hourly	\$70.00	2	\$140.00
Report Processing	Hourly	\$70.00	3	\$210.00
NCOA	Flat Rate	\$100.00	1	\$100.00
Toll Free Customer Service Representative	Flat Fee	\$500.00	1	\$500.00
ILYM Group, Static Website, Includes Hosting	Flat Fee	\$250.00	1	\$250.00
Weekly Reports	Flat Rate	\$750.00	1	Waived

Subtotal \$2,060.00

ILYM | GROUP, Inc.

SETTLEMENT ADMINISTRATION EXPERTS

Activity	Rate Type	Unit Cost	Volume	Amount
NOTIFICATION/MAILING				
Fulfillment of Notice	Per Piece	\$1.00	300	\$300.00
USPS First Class Postage	Per Piece	\$0.60	300	\$180.00
Re-Mails (Forward/Skip trace Undeliverables)	Per Piece	\$2.50	30	\$75.00
USPS First Class Postage	Per Piece	\$0.60	30	\$18.00
Storage, Photocopies, Deliveries	Flat Fee	\$250.00	1	\$250.00

Subtotal \$823.00

DISTRIBUTION (Includes EIN, Bank Acct * /QSF Setup)				
Distribution Setup & Management	Hourly	\$150.00	4	\$600.00
Account Reconciliation & Distribution Reporting	Hourly	\$125.00	4	\$500.00
Check, Stub & Release - Print & Mail (W-2/1099)	Per Check	\$1.50	300	\$450.00
USPS First Class Postage	Per Piece	\$0.60	300	\$180.00
Federal Express delivery of checks over \$10,000	Per Check	\$70.00	270	\$18,900.00
Re-Mails (Forward/Skip trace Undeliverables up to 10%)	Per Piece	\$2.00	30	\$60.00
Escheat Management of uncashed Funds-State	Flat Fee	\$250.00	1	\$250.00
Preparation of Taxes 1099 Only	Hourly	\$120.00	6	\$720.00
Annual Filing of Tax Return	Per Year	\$1,500.00	1	\$1,500.00

**Additional Bank fees may apply*

Subtotal \$23,160.00

CASE CONCLUSION				
Data Manager Final Reporting	Hourly	\$100.00	4	\$400.00
Project Manager Final Reporting	Hourly	\$120.00	4	\$480.00
Process Unclaimed Funds to State Controller's Office	Flat Fee	\$750.00	1	\$750.00
Declaration	Hourly	\$125.00	4	\$500.00

Subtotal \$2,130.00

Estimated Fee: \$29,723.00

Will Not Exceed: \$29,000.00

Terms and Conditions

All services to be provided by ILYM Group, Inc. (hereinafter, "ILYM") to Client shall be subject to the following terms and conditions:

Services: Subject to the terms hereof, ILYM agrees to provide the Client with Administration Services (hereinafter, "services") as specified in the Proposal provided to Client to which these Terms and Conditions are attached. The estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make provision for any services or class members/size not delineated in the request for proposal or stipulations. Such services do not in any way constitute legal services or advice. ILYM is performing its services as an Independent Contractor and neither it nor its employees shall be deemed to be employees of the Client.

Mailing and Data Conversion: ILYM's database administration assumes the Client will provide complete data that includes all information required to send notifications and complete the administration process. Data must be provided in a complete, consistent, standardized electronic format. ILYM's standard format is Microsoft Excel, however, ILYM may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by ILYM on a time and materials basis, according to ILYM's Standard Rates.

Charges for Services: Charges to the Client for services shall be on a time and materials basis at our prevailing rates, as the same may change from time to time. Any fee estimates set forth in the proposal are estimates only, based on information provided by Client to ILYM. Actual fees charged by ILYM to Client may be greater or less than such estimate, and Client shall be responsible for the payment of all such charges and expenses in accordance with Section 5 hereof. Charges incurred related to resolving post distribution withholdings and related corrective files due to voids and re-issues of payments and related correspondence with state and federal taxing authorities will not be charged to the Client to the extent that funds are received from the taxing authorities offset these charges. ILYM may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and loans at favorable rates.

Indemnification: Client will indemnify and hold ILYM (and the officers, employees, affiliates and agents harmless against any Losses incurred by ILYM, arising out of, in connection with, or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by ILYM in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by ILYM pursuant to Client's instructions.

Payment of Charges: ILYM reserves the right to request payment of postage charges and 50% of the final administration charges at the start of the case. ILYM bills are due upon receipt unless otherwise negotiated and agreed to with the Client. In the event settlement terms provide that ILYM is to be paid out of the Settlement Fund, ILYM will request that Counsel endeavor to make alternate payment arrangements for ILYM charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the Settlement Account is funded by, or no later than the time of disbursement. Decisions of the court and actions of the parties, including disapproval or withdrawal of a settlement, do not affect the Client's liability to ILYM for payment of services. Services are not provided on a contingency fee basis.

Confidentiality: ILYM maintain reasonable and appropriate security measures and safeguards to protect the security and confidentiality of Client data provided to ILYM by Client in connection herewith. Should ILYM ever be notified of any judicial order or other proceedings in which a third party seeks to obtain access to the confidential data created by or for the Client, ILYM will promptly notify the Client, unless prohibited by applicable law. The Client shall have the option to (1) provide legal representation at the Client's expense to avoid such access or (2) promptly reimburse ILYM for any of its costs, including attorneys' fees, reasonably incurred in avoiding, attempting to avoid or providing such access and not paid by the entity seeking the data. If ILYM is required, pursuant to a court order, to produce documents, disclose data, or otherwise act in contravention of the obligations imposed by this Agreement, or otherwise, with respect to maintaining the confidentiality, proprietary nature and secrecy of the produced documents or disclosed data, ILYM will not be liable for breach of said obligation.

Data Rights: ILYM does not convey nor does the Client obtain any right in the programs, system data, or materials utilized or provided by ILYM in the ordinary course of business in the performance of this Agreement.

Document Retention: Unless directed otherwise in writing by Client, ILYM will destroy undeliverable mail on the effective date of the settlement or the date that the disposition of the case is no longer subject to appeal or review, whichever is later. ILYM will maintain claim forms and other correspondence for one year after final distribution of funds or benefits, or until the date that the disposition of the case is no longer subject to appeal or review, whichever is later.

Limitation of damages: ILYM is not responsible to the Client for any special, consequential or incidental damages incurred by Client. Any liability of ILYM to the Client shall not exceed the total amount billed to the Client for the particular services that give rise to any loss.

Termination: The services to be provided under this Agreement may be terminated, at will by the Client upon at least 30 calendar days' prior written notice to ILYM. The Client's obligation to pay for services or projects in progress at the time of notice of withdrawal shall continue throughout that 30 day period. ILYM may terminate this Agreement (i) with 10 calendar days' prior written notice, if the Client is not current in payment of charges or (ii) in any event, upon at least 3 months' prior written notice to the Client.

Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, or sent by registered mail, postage prepaid, or overnight courier service to the responsible officer or principal of ILYM or the Client, as applicable, and shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service.

Force Majeure: To the extent performance by ILYM of any of its obligations hereunder is substantially prevented by reason of any act of God or by reason of any other matter beyond ILYM's reasonable control, then such performance shall be excused and this Agreement, at ILYM's option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

Waiver of Rights: No failure or delay on the part of a party in exercising any right hereunder will operate as a waiver of, or impair, any such right. No single or partial exercise of any such right will preclude any other or further exercise thereof or the exercise of any other right. No waiver of any such right will be effective unless given in a signed writing.

Jurisdiction: The parties hereto submit to the jurisdiction of the Court of the applicable case for purposes of any suit, action or proceeding to enforce any provision of, or based on any right arising out of, this Agreement. The parties hereto hereby waive any objection to the laying of venue of any such suit, action or proceeding in the Court.

Entire Agreement: These terms and conditions and the proposal embody the entire agreement between the parties with respect to the subject matter hereof, and cancels and supersedes all prior negotiations, representations, and agreements related thereto, either written or oral, except to the extent they are expressly incorporated herein. No changes in, additions to, or waivers of, the terms and conditions set forth herein will be binding upon any party, unless approved in writing by such party's authorized representative.

Exhibit 4



Reference No. 20230517-PJI-01

May 17, 2023

Hunter Pyle, Esq.
Hunter Pyle Law
505 14th Street, Suite 600
Oakland, CA 94612

RE: *Clemons v. United Road Services, Inc.*
Case No: 4:19-cv-08404-JST; N.D.Cal.

Dear Hunter,

Thank you for this opportunity to provide a quote for your class and PAGA settlement. Using the parameters you described, our total estimated cost is \$18,003. As a courtesy, we are offering a discount of \$6,003. Additionally, we are proposing a not-to-exceed administration total of \$12,000.

Please let me know if you have questions. I look forward to this opportunity to work together.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Patrick J. Ivie".

PATRICK J. IVIE
Chief Sales Executive

m: 310-995-6455
o: 714-975-5260
e: pivie@simpluris.com



3194-C Airport Loop Drive, Costa Mesa, CA 92626
www.simpluris.com | 1 (800) 779 - 2104



3194-C Airport Loop Drive
Costa Mesa, CA 92626
800-779-2104
www.simpluris.com

Estimate Number:	20230517-PJI-01	Prepared By:	Patrick J. Ivie
Estimate Date:	5/17/2023	Telephone Number (mobile):	310.995.6455
Estimate Expiration Date:	8/15/2023	Email:	pjvie@simpluris.com

Attorney Contact
Attorney: **Hunter Pyle, Esq.**
Firm: Hunter Pyle Law
Email: hunter@hunterpylelaw.com

Opposing Counsel Contact
Attorney:
Firm:
Email:

Case Name: *Clemons v. United Road Services, Inc. - Class and PAGA Settlement*
Case No: *4:19-cv-08404-JST; N.D.Cal.*

Assumptions

In addition to the assumptions enumerated below, this estimate assumes that

- (1) Simpluris will receive data in a single, complete file; (2) there will be no substantial change to class size or in response rate;
- (3) administration costs will be paid from the QSF, and (4) Simpluris will submit revisions to this estimate to account for any material changes to scope.

Anticipated Class Size:	300	Undeliverable Rate:	10%
Claims Rate:	N/A	Mail Skip Trace Success Rate:	85%
Opt-out Rate:	1%	Call Rate:	4%
Language(s) for Communication	EN	Average Call Length:	4 Minutes
Check Cashing Reminder Mailing:	Postcard	Fund Distribution:	Simpluris
Unclaimed Funds:	Escheat	Number of Distributions:	1
State(s):	CA	Tax Year(s):	2023, 2024
Length of Administration:	12 Months	Fund:	\$7,500,000

Case Setup

- Static class website hosting notice, FAQ, and other class documents
- Data compilation: develop case-specific response tracking

Category	Unit Value	# of Units	Total
Project Manager - Case Setup	\$110.00	3	\$330.00
Static Case Website	\$450.00	1	\$450.00
Website Monthly Maintenance	\$135.00	12 Months	\$1,620.00
Database Manager - Initial Data Analysis	\$125.00	3	\$375.00
Total:			\$2,775.00

Notice and Communications

- 6-page Class Notice and 1-page Notice of Estimated Individual Settlement Amount, mailed in English

Category	Unit Value	# of Units	Total
Notice Packet	\$1.75	300	\$525.00
Postage	\$0.62	300	\$186.00
NCOA/CASS/LACS	\$0.25	300	\$75.00
Undeliverable Processing and Skip Trace	\$0.50	30	\$15.00
Remail Notice (assuming 85% skip trace success)	\$2.75	26	\$70.13
Remail Postage	\$0.62	26	\$15.81
Mailing Supervisor	\$50.00	3	\$150.00
Total:			\$1,036.94

Contact Center

- Establish case-specific toll-free number and 24/7 IVR
- Assuming 4-minute calls

Category	Unit Value	# of Units	Total
IVR Call Center Setup	\$450.00	1	\$450.00
IVR Monthly Maintenance	\$225.00	12 Months	\$2,700.00
IVR (includes toll-free number charges)	\$15.00	1	\$15.00
Subtotal			\$3,165.00

Administration

- Process incoming class and counsel communications, opt-outs, disputes and objections

Category	Unit Value	# of Units	Total
Database Manager	\$125.00	4	\$500.00
Project Manager	\$110.00	4	\$440.00
Disputes Processing	\$3.50	15	\$52.50
Opt-out Processing	\$3.50	3	\$10.50
Reporting to Counsel (weeks)	\$100.00	8	\$800.00
Total:			\$1,803.00

Award Disbursement

- Establish 26 CFR § 1.468B-1 compliant Qualified Settlement Fund ("QSF")
- Disburse award payments and tax documents
- Check cashing reminder postcard at day 90 of the 180-day check cashing period
- Conduct regular and annual IRS-mandated QSF reporting and reconciliation (one per calendar year)
- Complete all required filings with state and federal tax authorities

Category	Unit Value	# of Units	Total
Disbursement Data Preparation	\$125.00	3	\$375.00
Disbursement Manager - Data Validation	\$90.00	4	\$360.00
Setup Banking Account/QSF	\$675.00	1	\$675.00
QSF Monthly Reconciliation and Maintenance	\$200.00	12	\$2,400.00
Print & Mail Checks, W2s and 1099s (as applicable)	\$0.65	300	\$195.00
Postage	\$0.62	300	\$186.00
Process Returned Checks (assuming 5%)	\$0.25	15	\$3.75
Skip Trace Search Undeliverable Checks	\$0.50	15	\$7.50
Remail Checks (includes postage)	\$2.00	15	\$30.00
Check Cashing Reminder Postcard @ Day 90	\$0.18	255	\$45.90
Postage	\$0.47	255	\$119.85
QSF Reporting and Final Declaration	\$500.00	1	\$500.00
QSF Annual Tax Reporting and Reconciliation	\$1,350.00	2	\$2,700.00
Escheat uncashed checks to Unclaimed State Fund	\$500.00	1	\$500.00
Distribution Manager	\$90.00	3	\$270.00
Total:			\$8,368.00

Case Completion

- Final audit and review
- Send final declaration and reporting to counsel

Category	Unit Value	# of Units	Total
Data Manager-Final Reporting	\$125.00	3	\$375.00
Clerical-Clean Up Any Misc.	\$50.00	3	\$150.00
Project Manager-Wrap-up Final Issues	\$110.00	3	\$330.00
Total:			\$855.00

Total Estimated Cost of Administration:	\$18,003
Less Client Courtesy Discount:	-\$6,003
Not-to-Exceed Total:	\$12,000

Optional Services

- CAFA Notice - California

Category	Unit Value	# of Units	Total
CAFA Notice Mailing - California only	\$300.00	1	\$300.00

Terms and Conditions

All administration services to be provided by Simpluris to Client, are provided subject to the following terms and conditions ("Agreement"):

1. Services: Simpluris agrees to provide Client those services set forth in the Proposal (the "Services") to which these terms and conditions are attached and which has been provided to Client. As compensation for such Services, Client agrees to pay the fees for Services outlined in the Proposal. Simpluris will often take direction from Client's representatives, employees, agents and or professionals (collectively, the "Client Parties") with respect to the Services. The parties agree that Simpluris may rely upon, and Client agrees to be bound by, any direction, advice or information provided by the Client Parties to the same extent as if provided by Client. Client agrees and understands that Simpluris shall not provide Client or any other party with any legal advice.

2. Fee Estimates Not Binding: Simpluris and Client acknowledge that it is difficult to determine all necessary work required for the Services or the total amount of fees that may be incurred in performing the Services. Client agrees that fees for Services described in the Proposal are estimated based on the requirements provided by Client. Actual fees charged by Simpluris may be greater or less than such estimate. Client specifically agrees that it will be responsible for the payment of all such fees. Simpluris will provide estimates and budgets, but they are not intended to be binding; are subject to unforeseen circumstances, and by their nature are inexact.

3. Billing and Payment: Simpluris will invoice Client on a regular basis unless a specific timeframe is otherwise set forth in the Proposal. Client shall pay all invoices within 30 days of receipt. Amounts unpaid after thirty (30) days are subject to a service charge at the rate of 1.5% per month or, if less, the highest rate permitted by law. Services are not provided on a contingency basis and Client shall remain liable to Simpluris for all fees incurred by Simpluris in performing the Services, regardless of any circumstance that impacts the outcome of Client's matter, including but not limited to, court decisions, actions by the parties, or a failure to consummate a settlement.

4. Further Assurances: Client agrees that it will use its best efforts to include provisions reasonably acceptable to Simpluris in any relevant court order, settlement agreement or similar document that provide for the payment of Simpluris' fees and expenses hereunder. No agreement to which Simpluris is not a party shall reduce or limit the full and prompt payment of Simpluris' fees and expenses as set forth herein and in the Proposal.

5. Rights of Ownership: The parties understand that the software programs and other materials furnished Simpluris to Client and/or developed during the course of the performance of Services are the sole property of Simpluris. The term "program" shall include, without limitation, data processing programs, specifications, applications, routines, and documentation. Client agrees not to copy or permit others to copy the source code from the support software or any other programs or materials furnished to Client. Fees and expenses paid by Client do not vest in Client any rights in such property, it being understood that such property is only being made available for Client's use during and in connection with the Services provided by Simpluris.

6. Bank Accounts: Simpluris will establish a demand deposit checking account (i.e. non-interest bearing) for funds received related to a distribution, unless directed otherwise in writing by the parties or unless the settlement agreement stipulates otherwise. Simpluris may derive financial benefits from financial institutions in connection with the deposit and investment of settlement funds with such institutions, including without limitation, discounts on eligible banking services and fees, and compensation for services Simpluris performs for financial institutions to be eligible for FDIC deposit insurance. The amounts held pursuant to these Terms and Conditions are at the sole risk of Client and, without limiting the generality of the foregoing, Simpluris shall have no responsibility or liability for any diminution of the fund that may result from any deposit made with a financial institution including any losses resulting from a default by such institution or other credit losses. It is acknowledged and agreed that Simpluris will have acted prudently in depositing the fund at such institution.

7. Retention of Documents & Data: Unless otherwise required in writing by the Client or court orders, all returned/undeliverable physical documents will be securely shredded after the data has been confirmed uploaded to our systems. Simpluris will retain bank and tax documents for such period of time as it determines is required to maintain compliance with various federal and state law requirements. Unless otherwise required in writing by the Client or court orders, Simpluris will adhere to the Company's data deletion policies and will destroy all remaining project-related information from our systems three (3) years after the conclusion of the project. Storage beyond three (3) years is available upon request and will be billed as incurred.

8. Limitation of Liability; Disclaimer of Warranties: Simpluris warrants that it will perform the Services diligently, with competence and reasonable care. In no event will Simpluris be liable to Client or any third party for any claims, losses, costs, penalties, fines, judgments, tax activities, lost profits or business opportunities, business interruptions or delay, special, exemplary, punitive, consequential, indirect or incidental damages relating to the performance of the Services, regardless of whether Client's claim is for breach of contract, tort (including negligence and strict liability) or otherwise, regardless of whether such damage was foreseeable and whether such party has been advised of the possibility of such damages. Simpluris' cumulative liability for damages to Client hereunder will be limited to the total fees charged or chargeable to Client for the particular portion of the Services affected by Simpluris' omission or error. THE WARRANTIES SET FORTH IN THIS SECTION ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE.

9. Force Majeure: To the extent performance by Simpluris of any of its obligations hereunder is substantially prevented or delayed by reason of any act of God, flood, fire, earthquake or explosion, war, terrorism, invasion, riot or other civil unrest, embargoes or blockades in effect on or after the date

that Simpluris began performing Services, epidemic, pandemic, quarantine, civil commotion, national or regional emergency, strikes, labor stoppages or slowdowns or other industrial disturbances, passage of Law or any action taken by a governmental or public authority, including imposing an export or import restriction, quota, or other restriction or prohibition or any complete or partial government shutdown, or national or regional shortage of adequate power or telecommunications or transportation or because of any other matter beyond Simpluris' reasonable control, then Simpluris' performance shall be excused and this Agreement, at Simpluris' option, be deemed suspended during the continuation of such condition and for a reasonable time thereafter.

10. Rights in Data: Client agrees that it will not obtain, nor does Simpluris convey, any rights of ownership in the programs, system data, or materials provided or used by Simpluris in the performance of the Services.

11. Electronic Communications: During the provision of the Services, the parties may wish to communicate electronically with each other at a business e-mail address. However, the electronic transmission of information cannot be guaranteed to be secure or error free and such information could be intercepted, corrupted, lost, destroyed, arrive late or incomplete or otherwise be adversely affected or unsafe to use. Accordingly, each party agrees to use commercially reasonable procedures to check for the then most commonly known viruses and to check the integrity of data before sending information to the other electronically, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. It remains the responsibility of the party receiving an electronic communication from the other to carry out a virus check on any attachments before launching any documents whether received on disk or otherwise.

12. Notice: Any notice required or permitted hereunder shall be in writing and shall be delivered personally, by, or sent by registered mail, postage prepaid, or overnight courier to the address identified by each Party in the Proposal. Notice shall be deemed given when so delivered personally, or, if mailed, five days after the date of deposit in United States mail, or, if sent by courier, one business day after delivery to such courier service. Notice should be addressed to an officer or principal of Client and Simpluris, as the case may be.

13. Waiver: Failure or delay on the part of a party to exercise any right, power or privilege hereunder shall not operate as a waiver thereof or any of other subject, right, power or privilege.

14. Termination: Client may terminate the Services at any time upon 30 days prior written notice to Simpluris. Termination of Services shall in no event relieve Client of its obligation make any payments due and payable to Simpluris for Services rendered up to the effective date of Termination. Simpluris may terminate this Agreement (i) for any reason upon no less than 60 days prior written notice to the Client; or (ii) upon 15 calendar days' prior written notice if the Client is not current in payment of fees.

15. Jurisdiction: These Terms and Conditions will be governed by and construed in accordance with the laws of the state of California, without giving effect to any choice of law principles.

16. Survival: Any remedies for breach of this Agreement, this Section and the following Sections will survive any expiration or termination of this Agreement: Section 4 - Limitation of Liability; Disclaimer of Warranties, Section 6 – Rights in Data, and Section 12- Jurisdiction, 14 -Confidentiality, and Section 15 – Indemnification.

17. Confidentiality: Simpluris maintains reasonable and appropriate safeguards to protect the confidentiality and security of data provided by Client to Simpluris in connection with the Services. If, pursuant to a court order or other proceeding, a third-party requests that Simpluris to disclose any confidential data provided by or for Client, Simpluris will promptly notify the Client unless prohibited by applicable law. Client will then have the option to provide Simpluris with qualified legal representation at Client's expense to defend against such request. If, pursuant to a court order, Simpluris is required to disclose data, produce documents, or otherwise act in contravention of the obligation to maintain confidentiality set forth in these terms and conditions, Simpluris will not be liable for breach of said obligation.

18. Indemnification: Client will indemnify and hold Simpluris (and the officers, employees, affiliates and agents) harmless against any losses whatsoever incurred by Simpluris, arising out of any action by a third party, including governmental agencies, in connection with , or related to (i) any breach of the terms by Client; (ii) the processing and handling of any payment by Simpluris in accordance with Client's instructions, including without limitation, the imposition of any stop payment or void payment on any check or the wrongful dishonor of a check by Simpluris pursuant to Client's instructions.

19. Severability: If any term or condition or provisions of this Agreement shall be held to be invalid, illegal, unenforceable or in conflict with the law of any jurisdiction, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

20. Database Administration: Simpluris' database administration for Client assumes that Client will provide complete data that includes all information required to send notifications and calculate and mail settlement payments. Data must be provided in a complete, consistent, standardized electronic format. Simpluris' standardized format is Microsoft Excel, however, Simpluris may accept other formats at its discretion. Further developments or enhancements to non-standardized data will be billed to Client by Simpluris on a time and materials basis according to Simpluris' Standard Rates.

21. Entire Agreement: These Terms and Conditions together with the Proposal constitutes the entire agreement between the parties with respect of the subject matter hereof and supersede all prior understandings, agreements, or representations by or among the parties, written or oral, to the extent they relate in any way to the subject matter hereof.