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Members, and Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

MICHAEL IBARRA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

TOYOTA LOGISTICS SERVICES, INC., a
California corporation; and DOES 1 through
100,

Defendants.

Case No. 20STCV29023

*[Assigned for all purposes to the Honorable
Ann I. Jones, Dept. SSC-11]*

**DECLARATION OF PAUL K. HAINES
IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION SETTLEMENT**

Date: TBD
Time: TBD
Dept.: SSC-11

Complaint Filed: July 30, 2020
Trial Date: None set

1 I, PAUL K. HAINES, declare as follows:

2 1. I am a shareholder and principal of Haines Law Group, APC, and counsel for the
3 named Plaintiff Michael Ibarra (“Plaintiff”) and the proposed Class in the above-captioned matter.
4 I am a member in good standing of the bar of the State of California and am admitted to practice
5 in this Court. I have personal knowledge of the facts stated in this declaration and could testify
6 competently to them if called upon to do so.

7 2. I am a 2006 graduate of Pepperdine University School of Law, where I graduated
8 cum laude. During law school, I worked as a law clerk for the appellate firm of Horvitz & Levy,
9 located in Encino, California. I also spent a semester in law school working as an extern for the
10 Honorable Edward Rafeedie, District Judge for the United States District Court for the Central
11 District of California.

12 3. Since graduating from law school, my practice has focused almost exclusively on
13 employment litigation. In September 2007, I began working as an associate attorney at the
14 international law firm of Littler Mendelson P.C., at its Los Angeles office, which according to its
15 website is the “largest U.S.-based law firm exclusively devoted to representing management in
16 every aspect of labor and employment law.” While at Littler Mendelson, I was primarily staffed
17 on wage and hour class actions venued in both state and federal courts, and I also worked on a
18 number of single and multi-plaintiff wage and hour matters as well.

19 4. During my employment at Littler Mendelson, I played a significant role in the
20 class actions that I was staffed on, as I was often the only associate staffed on such cases. In
21 particular, I received a wide-array of wage and hour class action experience performing the
22 following types of tasks: drafting demurrers, motions to strike and/or dismiss; removing actions
23 from state court to federal court; drafting and responding to written discovery; drafting and
24 opposing discovery related motions; arguing discovery related motions; drafting motions to
25 consolidate related matters; interviewing putative class members and obtaining declarations in
26 connection with class certification; drafting oppositions to motions for class certification; drafting
27 motions for decertification following class certification; conducting exposure analyses to assess
28 the strengths and weaknesses of asserted claims, the likelihood of prevailing at class certification

1 and potential damages resulting from such claims; drafting mediation briefs; serving as the
2 primary contact to in-house counsel; deposing named plaintiffs and putative class members;
3 deposing retained expert witnesses; and defending the depositions of corporate witnesses. In
4 short, I played an integral role in all aspects of litigation from the inception of a matter through
5 and beyond class certification. I also supervised the work of several junior attorneys who were
6 staffed on the same wage and hour class actions.

7 5. In June 2011, I voluntarily resigned from Littler Mendelson in order to accept a
8 position with the international law firm of Morgan, Lewis & Bockius LLP, at its Los Angeles
9 office, where I began working in July 2011. During my employment at Morgan, Lewis & Bockius
10 LLP, I worked exclusively on the defense of wage and hour class and collective actions. For the
11 vast majority of these cases, I was the only associate staffed on the matter, and I performed the
12 same job duties as described in the immediately preceding paragraph. In addition to working on
13 wage and hour class actions, at Morgan, Lewis & Bockius I also worked on a number of “hybrid”
14 actions asserting nationwide wage and hour claims under the Fair Labor Standards Act (“FLSA”),
15 as well as California-specific claims under Rule 23 of the Federal Rules of Civil Procedure.

16 6. In July 2012, I transitioned into litigating wage and hour class actions from the
17 Plaintiff’s side, first as a Partner with the law firm of Boren, Osher & Luftman, LLP, and since
18 February 2016 as a Shareholder of Haines Law Group, APC. Currently, over ninety percent
19 (90%) of my practice is dedicated exclusively to the prosecution of wage and hour class actions,
20 and my law firm is currently responsible for prosecuting over fifty (50) wage and hour class
21 actions filed in both State and Federal courts throughout California. I have been appointed as
22 Class Counsel in hundreds of wage and hour class action settlements in state and federal courts
23 in California. A few examples of the matters in which I have been appointed as Class Counsel,
24 all of which have been granted final approval, include the following: *Shaw v. Conant Auto Retail*,
25 *San Diego*, Case No. 37-2014-00044052-CU-OE-CTL, California Superior Court, County of San
26 Diego, Hon. Judge Joan M. Lewis, presiding; *Tirado v. Ricon Corp.*, Case No. BC537042,
27 California Superior Court, County of Los Angeles, Hon. John S. Wiley, presiding; *Horta v.*
28 *Searles Valley Minerals, Inc.*, Case No. CIVDS 1507615, California Superior Court, County of

San Bernardino, Hon. Donald Alvarez presiding; *Rodriguez v. Spartan, Inc.*, Case No. BCV-15-100007-DRL, California Superior Court, County of Kern, Hon. David R. Lampe presiding; *Kostyuk, et al. v. Golden State Overnight Delivery Service, Inc.*, Case No. RG14727191, California Superior Court, Alameda County, Hon. Winifred Y. Smith presiding; *Leverage, et al v. Traeger Pellet Grills, LLC, et al*, Case No. 16-cv-00784-KAW, United States District Court for the Northern district of California, Hon. Kandis A. Westmore presiding; *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior Court, County of Los Angeles, Hon. John Shepard Wiley, Jr., presiding; *Morales v. Caremeridian, LLC, et al.*, Case No. BC593191, California Superior Court, County of Los Angeles, Hon. William F. Highberger presiding; *Rodrigues v. CP Kelco U.S., Inc.*, Case No. 37-2017-00004339-CU-OE-CTL, California Superior Court, County of San Diego, Hon. Joel R. Wohlfeil, presiding; *Beach-Barrow, et al v. The Hertz Corp.*, Case No. RG17848833, California Superior Court, County of Alameda, Hon. Ioana Petrou presiding; *Gooding v. Vita-Mix Corp., et al*, Case No. 2:16-cv-03898-ODW (JEMx), United States District Court for the Central District of California, Hon. Otis D. Wright II presiding; *Afa, et al v. Alliance Ground Int'l, LLC*, Case No. BC661449, California Superior Court, County of Los Angeles, Hon. William F. Highberger presiding.

7. I have also moved to certify and have received an order certifying a class action and/or conditionally certifying a collective action in the following cases:

- *Medeiros v. Vortex Financial Management Inc.*, Case No. 30-2013-00644741-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge Gail A. Andler, presiding (certifying a class of employees misclassified as independent contractors);
- *Javine v. San Luis Ambulance Service, Inc.*, Case No. CV13-07480 BRO (SSx), United States District Court, Central District of California, Honorable Judge Beverly Reid O'Connell, presiding (conditionally certifying an unpaid FLSA overtime wage class);
- *Prado v. Warehouse Demo Services, Inc.*, Case No. CV14-3170 JFW (Ex), United States District Court, Central District of California, Honorable Judge John F. Walter, presiding (certifying a rest period violation class and conditionally certifying a FLSA unpaid overtime wage class);

- 1 • *Bower v. Cycle Gear, Inc.*, Case No. CV14-2712 HSG, United States District Court,
2 Northern District of California, Honorable Judge Haywood S. Gilliam, Jr., presiding
3 (conditionally certifying an unpaid FLSA overtime wage class);
- 4 • *Vega v. Weatherford U.S., Limited Partnership*, Case No. CV14-1790-JLT, United States
5 District Court, Eastern District of California, Honorable Jennifer L. Thurston, presiding
6 (conditionally certifying an unpaid FLSA overtime wage class);
- 7 • *Galvan v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC,
8 California Superior Court, County of Orange, Honorable Judge William Claster, presiding
9 (certifying unpaid overtime wage class and waiting time penalty class);
- 10 • *Camacho v. Residential Fire Systems, Inc.*, Case No. 30-2015-775372-CU-OE-CXC,
11 California Superior Court, County of Orange, Honorable Glenda Sanders, presiding
12 (certifying piece rate pay plan classes, expense reimbursement class, wage statement
13 class, and waiting time penalties class);
- 14 • *Ontiveros v. Safelite Fulfillment, Inc., et al*, Case No. CV 15-7118-DMG (RAOx), United
15 States District Court, Central District of California, Honorable Dolly M. Gee presiding
16 (certifying six classes of employees for rest period violations, wage statement violations,
17 meal period violations, and overtime and double-time violations);
- 18 • *Vazquez, et al v. Kraft Heinz Foods Company*, Case No. 16-cv-2749-WQH-BLM, United
19 States District Court, Southern District of California, Honorable William Q. Hayes
20 presiding (certifying six classes of employees for unpaid wages, meal period violations,
21 wage statement violations, and waiting time penalties);
- 22 • *Caudle, et al. v. Sprint/United Management Company, et al.* Case No. C 17-06874-WHA,
23 United States District Court, Northern District of California, Honorable William H. Alsup
24 presiding (certifying three classes of employees for unlawful wage deduction violations,
25 wage statement violations, and waiting time violations);
- 26 • *Staublein v. Wells Fargo Bank, N.A.*, Case No. CIVDS1712267, California Superior
27 Court, County of San Bernardino, Honorable David S. Cohn presiding (certifying class of
28 employees for alleged wage statement violations);

- *Perez v. Sunbelt Rentals, Inc.*, Case No. 37-2018-00026405-CU=OE-CTL, California Superior Court, County of San Diego, Honorable Eddie C. Sturgeon presiding (certifying class of non-exempt employees for wage statement violations);
- *Bowlin-Burdick et al v. Life Care Centers of America*, Case No. BC657139, Los Angeles County Superior Court, Hon. Maren E. Nelson (certifying four classes for meal period violations, rest period violations, wage statement violations, and waiting time penalties).

8. In 2015, 2016, and 2017, Thomson Reuters recognized me as a Top Young Attorney in Southern California in the annual Rising Stars Edition of Super Lawyer. This is an honor awarded to no more than two-and-a-half percent of attorneys under the age of forty in Southern California each year. In 2018, 2019, 2020, and 2021, Thomson Reuters recognized me as a “Super Lawyer” in the annual Super Lawyer magazine, an honor awarded to no more than five percent of all attorneys in Southern California each year.

9. As counsel for Plaintiff and the proposed Class, I have been intimately involved in every aspect of this case from its inception through the present, and I believe that the proposed Settlement is an excellent result for the Class. The proposed Class is defined as follows:

All current and former employees who worked for Toyota Logistics Services, Inc. (“TLS”) in a non-exempt production position at the Long Beach facility at any time from April 6, 2016 through the date on which the Court grants preliminary approval of the Settlement (the “Covered Period”). Non-exempt production positions consist of the following non-exempt job titles: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).

10. TLS is responsible for managing vehicle logistics operations, planning, and administration for Toyota, Lexus, and Scion vehicles.

11. Plaintiff, through my office, filed his original Complaint in this Court on July 30, 2020, alleging TLS failed to pay all wages due, provide compliant meal periods, and furnish accurate itemized wage statements. On October 6, 2020, after exhausting his administrative requirements with the Labor & Workforce Development Agency (LWDA), Plaintiff, through my office, filed a First Amended Complaint adding a claim for civil penalties under the Labor Code Private Attorneys General Act (“PAGA”). In connection with mediation, my office investigated

1 and the Parties negotiated additional claims, including a rest period claim, and the Parties agreed
2 that, to effectuate the Settlement, Plaintiff would file a Second Amended Complaint conforming
3 the claims in the action to those covered by the Settlement. Accordingly, and pursuant to the
4 Parties' Court-approved stipulation, Plaintiff, through my office, filed the operative Second
5 Amended Complaint on June 3, 2021.

6 12. The Parties agreed to attend mediation with David A. Rotman, Esq., an
7 experienced and respected wage and hour class action mediator. In connection with mediation,
8 TLS produced significant discovery and information, including extensive data that contained,
9 among other things, employment start and end dates, pay rates, effective dates of each pay rate,
10 and numbers of shifts worked in excess of 3.5 hours, 5 hours, and 10 hours, for all putative class
11 members. TLS also provided my office with its relevant wage and hour policies and other relevant
12 data. In total, TLS produced hundreds of pages of documents and tens of thousands of lines of
13 relevant data. Plaintiff also provided my office with additional relevant documents and
14 information. My office, in conjunction with our retained expert economist who holds a Ph.D. in
15 economics, conducted an in-depth analysis and extrapolation of this discovery, including
16 calculating the total number of shifts, workweeks, pay periods, average rates of pay, and other
17 analyses. We also drew on our extensive experience in similar cases to assess the strengths and
18 weaknesses of Plaintiff's case. This discovery allowed the parties to assess the merits and
19 potential value of Plaintiff's claims, and TLS's potential defenses.

20 13. The parties participated in a full-day mediation with Mr. Rotman on February 10,
21 2021. During mediation, the parties vigorously debated their opposing legal positions, the
22 likelihood of certification of Plaintiff's claims, and the legal bases for Plaintiff's claims and TLS's
23 defenses. Ultimately, the Parties agreed in principle to a mediator's proposal for classwide
24 resolution and memorialized their agreement in a Memorandum of Agreement. Over the
25 following months, the parties negotiated and finalized the long-form settlement. A true and
26 correct copy of the parties' Settlement Agreement ("Settlement" or "Settlement Agreement") is
27 attached hereto as **Exhibit 1**. The proposed Class Notice and Notice of Estimated Settlement
28 Award are attached as **Exhibits A** and **B**, respectively, to the Settlement Agreement.

14. The monetary terms of the Settlement are set forth below:

• Total Settlement Amount (“TSA”):	\$650,000.00
• Minus Court-approved attorneys’ fees (one-third):	\$216,666.67
• Minus Court-approved, verified costs (up to):	\$40,000.00
• Minus Court-approved incentive award:	\$7,500.00
• Minus Amount set aside as PAGA penalties:	\$50,000.00
• Minus settlement administration costs (up to):	\$9,000.00
Net Settlement Amount (“NSA”):	\$326,833.33
• PLUS 25% of PAGA penalties to the Class:	\$12,500.00
Total Amount Paid to Class Members:	\$339,333.33

15. TLS represents that there are approximately 226 Class Members. Thus, based on that estimate, Class Members will receive average payments of approximately \$1,501.47 as a direct result of the Settlement.

16. Plaintiff alleges that, until August 2020, TLS would sound a “bugle call” bell at 6:58 a.m., two minutes prior to the beginning of employees’ 7:00 a.m. shift start time. Plaintiff alleges this was meant to alert employees that they should begin walking to their work stations so that they would be at their work stations, ready to work, by 7:00 a.m. However, prior to August 2020, Plaintiff alleges that TLS would only begin paying employees at 7:00 a.m., even though Plaintiff alleges employees were subject to TLS’s control two minutes prior, and that this resulted in unpaid wages, including minimum wages and overtime wages. Plaintiff’s expert’s analysis of the data produced by TLS revealed that putative class members worked approximately 179,000 shifts through August 2020 (when TLS changed its policy). Assuming a full 2 minutes of unpaid time per shift as a result of the warning bell at 6:58 a.m., this results in approximately 5,967 unpaid hours. If all of these hours are treated as minimum wage violations, and based on an average minimum wage of about \$11.30 during the Covered Period, then TLS underpaid employees by approximately \$134,854 (5,967 hrs * \$11.30 * 2 (liquidated damages per Lab. Code § 1194.2). If all of these hours are treated as unpaid overtime, and based on employees’ average rate of pay of \$27.07, then TLS underpaid employees by approximately \$242,290 (5,967 hrs * \$27.07 * 1.5). In evaluating this claim, Plaintiff assumed the maximal damages would fall somewhere between these two figures, and therefore estimated a maximum total exposure for this claim of \$188,572. However, TLS contends it pays its employees for all hours worked, the two-minute bell simply is a signal that the shift will begin two minutes later, and it is followed by a

1 bell that rings when the shift actually commences. TLS further contends that work at the Long
2 Beach facility is extremely regimented, and there is simply no work to perform prior to the
3 beginning of the shift. Instead, employees engage in personal activities such as eating, talking to
4 co-workers, or storing personal items in the minutes prior to their shift, rather than any work-
5 related tasks. Thus, TLS asserts, any pre-shift time at the facility is not compensable as hours
6 worked. Finally, TLS contends this claim would require individualized inquiries, including
7 whether each individual employee arrived early to work on each shift, whether each individual
8 employee actually worked prior to the beginning of the shift, and whether TLS knew they were
9 working, and therefore is not amenable to class treatment. Based on these risks, Plaintiff
10 discounted the maximum exposure by 35% for risk of non-certification, and an additional 55% to
11 account for risk of being unsuccessful on the merits or failure to recover the full amount sought,
12 to arrive at an estimated exposure of \$55,157.

13 17. Plaintiff asserts that, prior to August 2020, TLS consistently provided employees
14 with “short” (*i.e.*, less than 30 minutes) meal periods. Specifically, Plaintiff alleges that, similar
15 to the bell system at beginning of the shift, TLS rang a bell 2 minutes before the end of the meal
16 period, signaling employees to begin walking back to their work stations and thus cutting their
17 meal periods short by 2 minutes. In addition, Plaintiff contends that TLS failed to provide second
18 meal periods on shifts of over 10.0 hours. Based on Plaintiff’s expert’s analysis and extrapolation
19 of the data produced by TLS, Class Members worked approximately 177,000 shifts over 5.0 hours
20 during the Covered Period, which Plaintiff alleges would have resulted in one or more meal period
21 violations. Assuming a 100% violation rate, and based on employees’ average rates of pay of
22 \$27.07, Plaintiff estimated maximum potential damages on this claim as: $177,000 * \$27.07 =$
23 $\$4,791,390$. TLS, however, maintains its meal period policies and practices comply with
24 California law. Indeed, TLS argues, it provides employees with 32-minute meal periods, from
25 11:30 a.m. to 12:02 p.m., and thus its meal period practices exceed what is required under
26 California law. Moreover, as with the unpaid wage claim, TLS contends employees’ work is
27 highly regimented, employees all stop working at the same time for their meal periods, and they
28 all begin work after the end of their 32-minute meal periods, pursuant to TLS’s bell system. The

1 warning bell (like the two-minute bell at the beginning of the shift) simply is a signal to let
2 employees know that their meal period is ending soon; employees are all made aware that their
3 meal periods do not actually end until the ringing of the following bell, at the 32-minute mark.
4 Moreover, because employees take meal periods *en masse* and the entire facility shuts down, TLS
5 contends employees could not possibly perform work before the end of the meal period. As for
6 second meal periods, TLS contends employees were not eligible for second meal periods on the
7 vast majority of shifts, as only a tiny fraction of shifts during the Covered Period exceeded 10.0
8 hours. To the extent employees worked 10.0+ hour shifts, TLS maintains employees voluntarily
9 waived their second meal period, as they may do under Labor Code § 512. Moreover, TLS
10 produced a “Letter of Understanding” between TLS and the Teamsters Union waiving second
11 meal periods on shifts over 10.0 hours. Finally, TLS contends this claim is not suitable for class
12 treatment, as individual inquiries would be needed to determine how many meal periods each
13 employee failed to take, and the reasons why each employee failed to take a meal period on each
14 shift. In light of these defenses, Plaintiff discounted the maximal amount by 60% for risk of non-
15 certification, and by an additional 80% for risk of losing on the merits or failure to recover the
16 full amount sought, to arrive at an estimated realistic exposure of \$383,311.

17 18. Plaintiff asserts that for first and second rest periods, TLS sounds one bell at the
18 beginning of the rest period, another bell 13 minutes later, and a third bell at the 15-minute mark,
19 signaling the end of the rest period. On third rest periods, however, TLS provides a 10-minute
20 rest period and rings a bell at the 8-minute mark, requiring employees to cut short their rest periods
21 by 2 minutes. Plaintiff’s expert’s analysis of the data produced by TLS revealed a total of
22 approximately 8,907 shifts of over 10.0 hours during the Covered Period. Thus, and assuming a
23 100% violation rate for all such shifts, Plaintiff calculated maximum potential exposure on his
24 rest period claim as: $8,907 * \$27.07 = \$241,112$. However, TLS contends it has always authorized
25 and permitted employees to take rest periods as required under California law. Indeed, as noted,
26 TLS provides 15-minute rest periods for first and second rest periods, which exceeds the 10
27 minutes required under California law, demonstrating TLS’s serious commitment to providing
28 lawful rest periods. TLS further contends that, as with meal periods, the warning bell does not

1 signal the end of the rest period, and employees are aware the rest period does not end until after
2 the 10-minute bell. TLS further contends that, as with meal periods, many putative class members
3 would testify that they regularly received all required rest periods. Combined with TLS's
4 compliant written policies, TLS argues, this would present a significant hurdle to maintaining a
5 class or representative action. Finally, TLS argues that, as with meal periods, individual inquiries
6 would be required to determine how many rest periods each employee failed to take, and the
7 reasons why each employee failed to take a rest period on a particular shift. Based on these
8 defenses, Plaintiff discounted the maximum amount by 50% for risk of non-certification, and by
9 an additional 60% for risk of being unsuccessful on the merits or failure to recover the full amount
10 sought, to arrive at an estimated exposure of \$48,222.

11 19. As for Plaintiff's wage statement claim, based on the data provided by TLS, there
12 were 207 unique employees, and about 26,000 wage statements, issued to Class Members during
13 the statutory period corresponding with Lab. Code § 226(a). Under Labor Code § 226, employees
14 may recover \$50 per "initial" violation and \$100 per "subsequent" violation, up to a maximum of
15 \$4,000 per employee. Applying \$50/pay period "initial" violation rate, however, resulted in more
16 than \$4,000 on average per Class Member. Therefore, Plaintiff utilized the \$4,000 maximum
17 penalty for each of the 207 employees, to arrive at \$828,000 in maximum wage statement
18 penalties. But TLS presented several defenses to this claim, including its assertion that no
19 violations occurred (based on its defenses to Plaintiff's underlying claims), that Plaintiff would
20 not be able to show that any alleged wage statement violation was "knowing and intentional" or
21 that any employee "suffered injury" as a result of any alleged violation, that meal and rest period
22 claims cannot support a claim for wage statement penalties based on the relevant case law, and
23 that wage statements always accurately listed the amount *paid* and thus wage statement penalties
24 would not be recoverable. As for Plaintiff's "direct" wage statement claim that TLS's full address
25 was not on employee wage statements, TLS counters that the address on its wage statements is
26 complete, and that mail directed to the address on the wage statement is in fact delivered to TLS.
27 TLS also maintains that, even if Plaintiff were successful in this claim, Plaintiff would not be able
28 to recover the maximum \$4,000 per employee, since not all employees worked enough pay

1 periods to recover the maximum penalty. Based on these defenses, Plaintiff discounted the
2 maximum exposure by 50% for risk of non-certification, and by an additional 75% for risk of
3 being unsuccessful on the merits, to arrive at an estimated total of \$103,500.

4 20. Plaintiff also seeks PAGA civil penalties as a result of the foregoing alleged Labor
5 Code violations. Based on data provided by TLS, Plaintiff estimated a total maximum potential
6 PAGA exposure of \$2,600,000 (calculated from 26,000 alleged “initial” violations at \$100 each
7 under Labor Code § 2699(f)). However, these penalties derived from the underlying violations
8 discussed herein, each of which TLS vigorously disputes, as discussed above. TLS also contends
9 that the proper PAGA civil penalty for Plaintiff’s claims is found in Labor Code § 558, which
10 provides for a \$50 “initial” civil penalty, rather than the \$100 civil penalty in Labor Code §
11 2699(f). TLS further argues that even if Plaintiff were to prevail on some or even all his
12 underlying claims, he would not be able to show a violation in *each and every* pay period, and
13 therefore his projected PAGA damages are grossly overstated. Moreover, PAGA grants courts
14 discretion to reduce penalties, and TLS argues the Court would significantly reduce penalties
15 since TLS presented good-faith defenses to Plaintiff’s claims and made good-faith efforts to
16 comply with the law. Based on these risks, Plaintiff discounted that maximal figure by 70% for
17 risk of losing on the merits or failure to demonstrate a violation occurred in every pay period, and
18 by an additional 80% for risk of the Court reducing penalties, to arrive at an estimated exposure
19 of \$156,000.

20 21. Using these estimated figures for each of the claims described above, Plaintiff
21 predicted the realistic total recovery for the Class on Plaintiff’s claims would be approximately
22 \$746,190. The proposed settlement of \$650,000 therefore represents over 87% of Plaintiff’s
23 reasonably forecasted recovery.

24 22. Although the parties had engaged in significant informal discovery in connection
25 with mediation, the parties still had to complete formal written and deposition discovery if this
26 case did not settle, which would have required the expenditure of substantial time and resources
27 by all parties. Moreover, Plaintiff still had to file for class certification, and faced the prospect of
28 appeals in the wake of a disputed class certification ruling and/or an adverse summary judgment

1 ruling. Even if the classes sought to be certified by Plaintiff were in fact certified, the parties
2 would incur considerably more attorneys' fees and costs through a possible decertification
3 motion, trial, and possible appeal. The Settlement avoids those risks and accompanying delay and
4 expense.

5 23. At final approval, my office will apply for an attorneys' fees award equal to one-
6 third of the TSA (estimated at \$216,666.67), as well as up to \$40,000 in verified costs. As
7 explained in the accompanying Motion, the requested fee is fair compensation for undertaking
8 complex, risky, expensive, and time-consuming litigation on a purely contingent basis. My office
9 has incurred substantial attorneys' fees conducting pre-filing investigation; analyzing Plaintiff's
10 claims; conducting legal research; reviewing documents and data produced by TLS and provided
11 by Plaintiff; performing, along with our retained expert, substantial data analysis of employee
12 timekeeping and payroll data and other information to create a comprehensive damages model;
13 preparing for and attending mediation; negotiating and preparing the long-form Settlement
14 Agreement; preparing this Motion; and otherwise prosecuting this case. Further, I anticipate that
15 my office will incur significant future attorneys' fees in appearing at the hearing on this Motion,
16 overseeing the Notice process, fielding phone calls from Class Members, preparing the Motion
17 for Final Approval and supporting documents, and appearing at the Final Approval Hearing.

18 24. As part of the Settlement, Plaintiff will apply for an incentive award at final
19 approval of \$7,500. I believe this amount is reasonable given Plaintiff's efforts on behalf of Class
20 Members, the risks he has undertaken as a class representative, as well as his general release of
21 claims. Among other things, Plaintiff provided substantial factual information and documents to
22 my office, identified potential witnesses, and participated in numerous telephonic meetings with
23 my office to discuss the claims and theories at issue in the litigation.

24 25. I am not aware of any conflicts between Plaintiff or my firm and the Class which
25 Plaintiff seeks to represent, and Plaintiff's claims are in line with those of the Class Members.

26 26. The proposed Notice process, by which Phoenix Settlement Administrators, the
27 Settlement Administrator, will send Notice Packets to Class Members by first-class mail, is fair,
28 reasonable, and adequate, and is the best possible notice under the circumstances. Class Members'

1 addresses will be ascertainable through TLS's records. The Settlement Administrator will also
2 obtain Class Members' updated addresses, to the extent they have changed, through a search of
3 the National Change of Address database prior to mailing, and will perform "skip traces" on any
4 Notice Packets returned as undeliverable without a forwarding address.

5 I declare under penalty of perjury under the laws of the State of California that the
6 foregoing is true and correct. Executed on June 24, 2021, at El Segundo, California.

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Paul K. Haines
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EXHIBIT 1

SETTLEMENT AGREEMENT

This Settlement Agreement (this “Settlement” or “Agreement”) is made by and between plaintiff Michael Ibarra (“Plaintiff”) and defendant Toyota Logistics Services, Inc. (“TLS”). Plaintiff and TLS collectively are referred to in this Agreement as the “Parties.”

I. RECITALS

- A. On July 30, 2020, Plaintiff filed a complaint against TLS entitled “*MICHAEL IBARRA, as an individual and on behalf of all others similarly situated, Plaintiff, vs. TOYOTA LOGISTICS SERVICES, INC., a California corporation; and DOES 1 through 100, Defendants,*” in the Superior Court of the State of California, for the County of Los Angeles. The complaint asserted putative class claims against TLS for several alleged violations of the California Labor Code.
- B. On July 31, 2020, Plaintiff submitted to the Labor and Workforce Development Agency of the State of California (the “LWDA”) notice of claims under the California Labor Code Private Attorneys General Act, Cal. Lab. Code section 2698 *et seq.*, (“PAGA”) against TLS.
- C. On October 6, 2020, Plaintiff filed a First Amended Complaint, adding a claim for civil penalties under PAGA.
- D. On February 10, 2021, the Parties participated in a mediation presided over by David A. Rotman, Esq., of Mediated Negotiations. During the mediation, each side, represented by its respective counsel, recognized the substantial risk of an adverse result in the Action and agreed to settle the Action, and all other matters covered by this Agreement pursuant to the terms and conditions of this Agreement. This Agreement replaces and supersedes the Memorandum of Agreement entered into at the settlement conference and any other agreements, understandings, or representations between the Parties.
- E. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission by TLS that Plaintiff’s claims in the Action have merit or that it has any liability to Plaintiff or the Class on those claims, or as an admission by Plaintiff that TLS’s defenses in the Action have merit.

Based on these Recitals, the Parties agree as follows:

II. DEFINITIONS

In addition to other terms defined in this Agreement, the terms below have the following meaning in this Agreement:

- A. “Action” means the civil action titled “*MICHAEL IBARRA, as an individual and on behalf of all others similarly situated, Plaintiff, vs. TOYOTA LOGISTICS SERVICES, INC., a California corporation; and DOES 1 through 100,*

Defendants,” designated as No. 20STCV29023, and currently pending in the Superior Court of the State of California, for the County of Los Angeles.

- B. “Class” means all current and former employees who worked for TLS in a non-exempt production position at the Long Beach facility at any time from April 6, 2016 through the date on which the Court grants preliminary approval of the Settlement. Non-exempt production positions consist of the following non-exempt job titles: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).
- C. “Class Counsel” means Paul K. Haines, Tuvia Korobkin and Alexandra R. McIntosh of Haines Law Group, APC.
- D. “Class Counsel Fees and Expenses Payment” means the amount awarded to Class Counsel by the Court to compensate them for their fees and expenses in connection with the Action, including their pre-filing investigation, their commencement of the Action and all related litigation activities, this Settlement, and all post-Settlement compliance procedures.
- E. “Class Members” means all members of the Class.
- F. “Class Notice” means the Notice of Proposed Settlement, Conditional Certification of Settlement Class, Preliminary Approval of Settlement, and Hearing Date for Final Court Approval as evidenced by Exhibit A to this Agreement and incorporated by reference into this Agreement.
- G. “Class Notice Packet” means the Class Notice (Exhibit A to this Agreement) and the Notice of Estimated Settlement Award (Exhibit B to this Agreement).
- H. “Class Representative Payment” means the special payment made to Plaintiff in his capacity as Class Representative to compensate him for initiating and pursuing the Action, undertaking the risk of liability for attorneys’ fees and expenses in the event he was unsuccessful in the prosecution of the Action, and granting the release described in section III.H.1 of the Settlement.
- I. “Covered Period” means the period of time from April 6, 2016 through the date on which the Superior Court grants preliminary approval of the Settlement.
- J. “Effective Date” means the date by which all of the following have occurred:
 - 1. TLS has not voided this Settlement pursuant to section III.G.6;
 - 2. the Superior Court enters the Judgment; and
 - 3. the Judgment becomes Final.

- K. “Final” means the last of the following dates, as applicable.
1. The last date on which a notice of appeal from the Judgment may be filed, and none is filed.
 2. If a timely appeal from the Judgment is filed, the last of the following dates:
 - a. the last date by which a petition for review by the California Supreme Court of the California Court of Appeal’s decision affirming the Judgment may be filed, and none is filed;
 - b. the last date by which a petition for a writ of *certiorari* to the United States Supreme Court of a decision by the California Court of Appeal or the California Supreme Court affirming the Judgment may be filed, and none is filed;
 - c. if a petition for review by the California Supreme Court, or a petition for a writ of *certiorari* to the U.S. Supreme Court, seeking review of the Judgment or of the California Court of Appeal’s decision on an appeal from the Judgment is timely filed, the date on which the highest reviewing court renders its decision denying the petition (where the immediately lower court affirmed the Judgment) or affirming the Judgment.
- L. “Final Approval Hearing” means the hearing to be conducted by the Superior Court to determine whether to approve finally and implement the terms of this Agreement.
- M. “TLS’s Counsel” means Zachary P. Hutton and Anna M. Skaggs of Paul Hastings LLP.
- N. “Judgment” means the Order Granting Final Approval of Class Action Settlement and Entering Final Judgment entered by the Superior Court in substantially the same form evidenced by Exhibit D to this Agreement and incorporated by reference into this Agreement.
- O. “LWDA Payment” means 75% of the PAGA Civil Penalties payable to the LWDA for its share of the settlement of claims for civil penalties under PAGA, as specified in section III.E.3 of this Agreement.
- P. “Net Settlement Amount” means the amount from the Total Settlement Amount that is available for distribution as Settlement Shares to Class Members after deductions for (a) PAGA Civil Penalties; (b) the Class Representative Payment; (c) the Class Counsel Fees and Expenses Payment; and (d) the Settlement Administrator’s fees and expenses. The entire Net Settlement Amount will be distributed to Class Members. If any Settlement Share check is not timely cashed by a Class Member, that share will be sent to the California State Controller’s Office, Unclaimed Property Division in the name of the Class Member, where the Class Member can later claim their funds.

- Q. “Notice of Estimated Settlement Award” means the form that Class Members will receive that describes their estimated Settlement Shares, as evidenced by Exhibit B to this Agreement and incorporated by reference into this Agreement.
- R. “PAGA Amount” means the 25% of the PAGA Civil Penalties payable to Class Members under PAGA, as specified in section III.D.1.b of this Agreement.
- S. “PAGA Civil Penalties” means the amount set aside from the Total Settlement Amount for settlement of claims for civil penalties under PAGA, as specified in section III.B of this Agreement. Per Labor Code § 2699(i), 75% of such penalties will be payable to the LWDA as the LWDA Payment, and the remaining 25% will be payable to Class Members as the PAGA Amount.
- T. “Preliminary Approval of the Settlement” means the Superior Court’s preliminary approval of the Settlement without material change, or with material changes to the Settlement to which the Parties both agree. An award by the Superior Court of lesser amounts than sought for the Class Representative Payment or Class Counsel Fees and Expenses Payment will not be considered a material change to the Settlement.
- U. “Settlement Administrator” means the administrator proposed by the Parties and appointed by the Superior Court to administer the Settlement.
- V. “Settlement Share” means the portion of the Net Settlement Amount and PAGA Amount allocable to each Class Member as provided by this Agreement.
- W. “Superior Court” means the Superior Court of the State of California in and for the County of Los Angeles.
- X. “Total Settlement Amount” means the total amount to be paid by TLS as provided by this Agreement. The Total Settlement Amount is \$650,000.00 (Six Hundred Fifty Thousand Dollars). The Total Settlement Amount will cover (a) all Settlement Shares paid to Class Members pursuant to the Settlement; (b) the PAGA Civil Penalties (75% of which will constitute the LWDA payment and 25% of which will constitute the PAGA Amount); (c) Plaintiff’s Class Representative Payment; (d) the Class Counsel Fees and Expenses Payment (which includes all attorneys’ fees and expenses incurred to date and to be incurred in documenting the Settlement, securing court approval of the Settlement, attending to the administration of the Settlement, and obtaining dismissal of action); and (e) the Settlement Administrator’s fees and expenses. The Total Settlement Amount does not include the employer portion of payroll taxes, which will be paid by TLS outside of, and in addition to, the Total Settlement Amount.

III. SETTLEMENT TERMS AND CONDITIONS

- A. **Amended Complaint:** Prior to seeking court approval of the Settlement, Plaintiff will file a Second Amended Complaint (“SAC”) that will make the claims at issue coextensive with the claims and Class Members covered by this Settlement. In the

event that the Settlement for any reason is not enforced and approved, the SAC shall be deemed stricken, null and void *ab initio*, with the previously filed complaint in the Action remaining the operative pleading.

- B. **Total Settlement Amount.** Subject to the terms and conditions of this Agreement, including but not limited to section III.G.6, the Total Settlement Amount is \$650,000.00 (Six Hundred Fifty Thousand Dollars). The Total Settlement Amount will cover (a) all Settlement Shares paid to Class Members pursuant to the Settlement; (b) the PAGA Civil Penalties of \$50,000 (75% of which will constitute the LWDA Payment and 25% of which will constitute the PAGA Amount); (c) Plaintiff's Class Representative Payment; (d) the Class Counsel Fees and Expenses Payment (which includes all attorneys' fees and expenses incurred to date and to be incurred in documenting the Settlement, securing court approval of the Settlement, attending to the administration of the Settlement, and obtaining dismissal of action); and (e) the Settlement Administrator's fees and expenses.
- C. **Employer's Side Payroll Taxes.** TLS's share of payroll taxes on the Wage Portions of the Settlement Shares paid to the Class shall be paid by TLS separately from, and in addition to, the Total Settlement Amount.
- D. **Settlement Shares.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will allocate Settlement Shares from the Net Settlement Amount to Class Members as follows:
 - 1. **Calculation.** The Settlement Administrator will calculate each Class Member's Settlement Share based on the following formula:
 - a. **Payments to all Class Members.** Each participating Class Member will receive a payment equal to the Net Settlement Amount times the ratio of (i) the number of workweeks worked by the Class Member for TLS in a position covered by the Settlement during the Covered Period ("Covered Workweeks") to (ii) the total number of Covered Workweeks worked by all participating Class Members.
 - b. **PAGA Amount.** In addition to the Net Settlement Amount, \$12,500 (25% of the PAGA Civil Penalties) has been designated as the "PAGA Amount." Each Class Member who worked for TLS in a position covered by the Settlement at any time from April 6, 2019 through the end of the Covered Period ("Covered Pay Periods"), shall receive a portion of the PAGA Amount which will equal the PAGA Amount times the ratio of (i) the number of Covered Pay Periods worked by the Class Member to (ii) the total number of Covered Pay Periods worked by all such Class Members.

2. **Effect of Class Members Who Opt Out of Settlement.** A Class Member who timely and validly opts out of the Settlement by submitting a written “Request for Exclusion” to the Settlement Administrator will not participate in or be bound by the Settlement; will not receive a Settlement Share; and will not be included with those other Class Members counted for purposes of the calculation of Settlement Shares, except that all Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 through the date of preliminary approval) will release the PAGA claims released in section III.H.2, and will receive a portion of the amount set aside as PAGA penalties regardless of whether they opt-out from the Class. The Settlement Share that otherwise would have been payable to such Class Member will be retained in the Net Settlement Amount for distribution to all other Class Members.
3. **Treatment.** The Settlement Shares shall be reported to taxing authorities as follows:
 - a. One-third (1/3) of each Settlement Share (the “Wage Portion”) will be treated as a payment in settlement of the Class Member’s claims for unpaid wages. Accordingly, the Wage Portion will be reduced by applicable payroll tax withholding and deductions, and the Settlement Administrator will issue to the Class Member a Form W-2 with respect to the Wage Portion.
 - a. Two-thirds (2/3) of each Settlement Share (the “Non-Wage Portion”) will be treated as a payment in settlement of the Class Member’s claims for all penalties and interest. Accordingly, the Non-Wage Portion will not be reduced by payroll tax withholding and deductions; and, instead, the Settlement Administrator will issue to the Class Member a Form 1099 with respect to the Non-Wage Portion.

E. **Payments to Plaintiff, Class Counsel, LWDA, and Settlement Administrator.** Subject to the terms and conditions of this Agreement, the Settlement Administrator will make the following payments out of the Total Settlement Amount as follows:

1. **To Plaintiff:** In addition to Plaintiff’s Settlement Share, Plaintiff will apply to the Superior Court for an award of not more than \$7,500 as Plaintiff’s Class Representative Payment in consideration of initiating and pursuing the Action, undertaking the risk of liability for attorneys’ fees and expenses in the event he was unsuccessful in the prosecution of the Action, and granting the release provided for in section III.H.1 of the Settlement. TLS will not oppose a Class Representative Payment of \$7,500 to Plaintiff. The Settlement Administrator will pay the Class Representative Payment approved by the Superior Court (but not more than \$7,500) out of the Total Settlement Amount. If the Superior Court approves a Class Representative Payment of less than \$7,500, the remainder will be retained in the Net

Settlement Amount. Tax deductions and withholdings will not be taken from the Class Representative Payment, and instead a Form 1099 will be issued to Plaintiff with respect to this payment.

2. **To Class Counsel:** Class Counsel will apply to the Superior Court for an award of not more than one-third of the Total Settlement Amount (currently estimated at \$216,666.67) for attorneys' fees, and \$40,000 for expenses as their Class Counsel Fees and Expenses Payment, and TLS will not oppose their request. If the Superior Court approves a Class Counsel Fees and Expenses Payment of less than the amount authorized to be sought under this Agreement, the remainder will be retained in the Net Settlement Amount. TLS will issue to Class Counsel a Form 1099 with respect to the awarded attorneys' fees and costs, and Class Counsel beforehand will provide TLS with a completed Form W-9.
 3. **To LWDA.** The Parties will apply to the Superior Court for an LWDA Payment of \$37,500 (75% of the PAGA Civil Penalties) as the LWDA's share of the settlement of civil penalties paid under this Agreement pursuant to PAGA. This amount reflects the Parties' good-faith and reasonable assessment, for purposes of settlement, of the likelihood that a PAGA representative action would be maintained; that liability under PAGA would be established; and the amount of penalties the Superior Court would award even if a PAGA representative action were maintained and liability were found. If the Superior Court approves an LWDA Payment of less than \$37,500, the remainder will be retained in the Net Settlement Amount.
 4. **To the Settlement Administrator.** The Settlement Administrator will pay to itself out of the Total Settlement Amount its reasonable fees and expenses as approved by the Superior Court. It is projected that these fees and expenses shall not exceed \$9,000.
- F. **Appointment of Settlement Administrator.** The Parties will ask the Superior Court to appoint Phoenix Settlement Administrators to act as Settlement Administrator, which, as a condition of appointment, will agree to be bound by this Agreement with respect to the performance of its duties and its compensation. The Settlement Administrator's duties will include translating the Class Notice Packet into Spanish; preparing, printing, and mailing the Class Notice Packet to the Class Members; conducting a National Change of Address search and using Accurant and/or other reasonable and cost-effective skip trace methods to locate any Class Member whose Class Notice Packet was returned by the U.S. Postal Service as non-deliverable, and re-mailing the Class Notice Packet to the Class Member's new address; receiving Class Member opt-outs from, and objections to, the Settlement; providing the Parties with weekly status reports about the delivery of Class Notice Packets and receipt of Class Member opt-outs from, and objections to, the Settlement; calculating Settlement Shares; issuing the checks to effectuate the payments due under the Settlement; and otherwise administering the Settlement pursuant to this Agreement. The Settlement Administrator will have the final

authority to resolve all disputes concerning the calculation of a Class Member's Settlement Share, subject to the dollar limitations set forth in this Agreement. The Settlement Administrator's reasonable fees and expenses, including the cost of printing and mailing the Class Notice Packet, will be paid out of the Total Settlement Amount.

G. Procedure for Approving Settlement.

1. Motion for Preliminary Approval.

- a. The Parties jointly will file a motion (the "Motion for Preliminary Approval") with the Superior Court for an order granting Preliminary Approval of the Settlement, conditionally certifying the Class, setting a date for the Final Approval Hearing, and approving the Class Notice and the Notice of Estimated Settlement Award.
- b. Pursuant to PAGA, on the date the Parties file the Motion for Preliminary Approval with the Court, Plaintiff will submit to the LWDA the Motion for Preliminary Approval and the Settlement. The Parties intend and believe that providing notice of this Settlement to the LWDA pursuant to the procedures described in this section complies with the requirements of PAGA, and will request the Court to adjudicate the validity of the PAGA Notice in the Motion for Final Approval of the Settlement and bar any claim to void the Settlement under PAGA.
- c. At the hearing on the Motion for Preliminary Approval, the Parties will jointly appear, support the granting of the motion, and submit an order granting the motion in the form evidenced by Exhibit C to this Agreement.
- d. Should the Superior Court decline to preliminarily approve all material aspects of the Settlement, or order material changes to the Settlement to which the Parties do not agree, the Settlement will be null and void and the Parties will have no further obligations under it. However, the Parties agree to meet and confer in good faith to attempt to address any issues or concerns raised by the Court, including by amending the Settlement as necessary, before declaring the Settlement null and void.

2. Notice to Class Members. After the Superior Court enters its order granting Preliminary Approval of the Settlement, every Class Member will be provided with the Class Notice Packet (which will include the Class Notice completed to reflect the order granting Preliminary Approval of the Settlement, and the Notice of Estimated Settlement Award) as follows:

- a. Within thirty (30) days after the Superior Court enters its order granting Preliminary Approval of the Settlement, TLS will provide

to the Settlement Administrator an electronic database for the Class Members, containing each Class Member's name, last-known mailing address, telephone number, Social Security number, and his or her number of Covered Workweeks and Covered Pay Periods. If any or all of the Class Members' data are unavailable to TLS, TLS will use best efforts to deduce or reconstruct the Class Members' data prior to when it must be submitted to the Settlement Administrator. This information will otherwise remain confidential and will not be disclosed to anyone, except in order to carry out the reasonable efforts described in section III.G.2.c, or pursuant to TLS's express written authorization or by order of the Superior Court.

- b. Within fifteen (15) days after receiving the Class Members' data from TLS, the Settlement Administrator will (i) search for updated addresses for all Class Members using the National Change of Address (NCOA) database; (ii) update any Class Member addresses found through the NCOA search; (iii) calculate each Class Member's estimated Settlement Share; (iv) send to counsel for all parties its payment calculations for Class Members and obtain approval from counsel of the calculations; and (v) send a Class Notice Packet to each Class Member. The Settlement Administrator will mail this information to all identified Class Members. In the event of returned or non-deliverable notices, the Settlement Administrator will make reasonable efforts to locate Class Members and re-send the notices.
- c. If a Class Notice Packet is returned because of an incorrect address and no forwarding address is affixed thereto, the Settlement Administrator will promptly, and not later than five (5) business days from receipt of the returned packet, search for a more current address for the Class Member using a skip trace, and re-mail the Class Notice Packet to the Class Member. The Settlement Administrator will use the Class Members' data and otherwise work with TLS to find a more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed-upon job parameters, court orders, and fee to trace the mailing address of any Class Member for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps will include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. If the Class Notice Packet is re-mailed, the Settlement Administrator will note for its own records and notify Class Counsel and TLS's Counsel of the date of each such re-mailing as part of a weekly status report provided to the Parties. If an updated address cannot be found

for a Class Member despite the Settlement Administrator's reasonable efforts, or if a Class Member's Class Notice Packet is returned a second time as undeliverable, nothing further need be done by the Settlement Administrator to mail the Class Notice Packet to the Class Member.

- d. Each week, the Settlement Administrator will provide to Class Counsel and TLS's Counsel a report showing whether any Class Notice Packets have been returned and re-mailed and the receipt of any opt-outs or objections to the Settlement.
- e. In connection with the filing of the parties' motion for final approval of the Settlement, the Settlement Administrator will prepare, and the parties will file with the Superior Court, a declaration of due diligence setting forth its compliance with its obligations under this Agreement. Prior to the Final Approval Hearing, the Settlement Administrator will supplement its declaration of due diligence if any material changes occur from the date of the filing of its prior declaration.

3. **Objections to Settlement; Opt-outs from Settlement.** Class Members may submit objections to the Settlement or opt out of the Settlement pursuant to the following procedures:

- a. **Objections to Settlement.** Class Members who wish to object to any term of the Settlement may submit a written objection to the Settlement Administrator, postmarked no later than sixty (60) days after the Settlement Administrator mails the Class Notice Packets. The Settlement Administrator shall, within two (2) business days of receipt, serve any objection(s) as received on Class Counsel and TLS's Counsel, who shall then promptly file all such objections with the Court. TLS's Counsel and Class Counsel shall file and serve any responses to objections no later than five (5) calendar days prior to the Final Approval hearing. To be valid, any written objection must: (1) contain the objecting Settlement Class member's full name, current address, and telephone number, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence supporting the objection; and (4) be postmarked no later than sixty (60) days after the Settlement Administrator mails the Class Notice Packets. The objection also will indicate whether the Class Member intends to appear at the Final Approval Hearing. Class Members may also appear at the Final Approval Hearing to object to the Settlement, regardless whether they submitted a written objection. Any attorney who

intends to represent an objecting Class Member at the Final Approval Hearing must file a Notice of Appearance with the Court no later than the deadline to submit written objections. Class Members who do not object in either manner specified above will be deemed to have waived any objections and will be foreclosed from making any objections (whether by appeal or otherwise) to the Settlement or other related matters.

- b. **Request for Exclusion.** The Class Notice will provide that Class Members may exclude themselves from the Settlement by mailing to the Settlement Administrator a written Request for Exclusion letter, postmarked no later than sixty (60) days after the Settlement Administrator mails the Class Notice Packets. The Request for Exclusion is a letter prepared by the Class Member containing: (1) the Class Member's name, address, telephone number, and the last four digits of his or her Social Security number; (2) a statement that the Class Member wishes to exclude himself or herself from the Settlement; and (3) the Class Member's signature. If a question is raised about the authenticity of a signed Request for Exclusion, the Settlement Administrator will have the right to demand additional proof of the Class Member's identity. A Class Member who timely submits a valid Request for Exclusion will not participate in or be bound by the Settlement and the Judgment (except for the PAGA release and portion of the PAGA Payment, to the extent the Class Member worked for TLS during the PAGA Period). A Class Member who does not complete and mail a valid Request for Exclusion in the manner and by the deadline specified above will automatically be bound by all terms and conditions of the Settlement, including its release of claims, if the Settlement is approved by the Court, and by the Judgment.
- c. **Report.** Not later than ten (10) days after the deadline for submission of opt-outs to the Settlement, the Settlement Administrator will provide the Parties with a complete and accurate list of objections and opt-outs submitted by Class Members.

- 4. **Resolution of Disputes.** If a Class Member disputes the information shown on his or her Notice of Estimated Settlement Award, the Class Member must ask the Settlement Administrator to resolve the matter by returning the Notice of Estimated Settlement Award with the information that he or she contends is correct and including with the sheet any documentation the Class Member has to support his or her contention. In the event of such a dispute, TLS will have the right to review its payroll and personnel records to verify the correct information. After consultation with Class Counsel, the Class Member, and TLS, the Settlement Administrator will make a determination of the correct information, and that determination will be final, binding on the Parties and the Class Member, and non-appealable.

5. **No Solicitation of Objection, Appeal, or Opt-Out.** Neither the Parties nor their respective counsel will solicit or otherwise encourage directly or indirectly any Class Member to object to the Settlement, appeal from the Judgment, or opt out of the Settlement.
6. **Right of TLS to Reject Settlement.** If ten percent (10%) or more of Class Members, or a number of Class Members whose Settlement Shares would be worth ten percent (10%) or more of the Net Settlement Amount as calculated, timely submit valid Requests for Exclusion, TLS will have the right to rescind the Settlement, and the Settlement and all actions taken in furtherance of it will be null and void. TLS must exercise this right within fifteen (15) days after the Settlement Administrator notifies the Parties of the number of opt-outs, which the Settlement Administrator will do within ten (10) days after the deadline for submission of Requests for Exclusion. If TLS exercises the right to rescind, it will be responsible for the costs of administration of the Settlement incurred through that time. If TLS does not exercise the right to rescind, the Parties jointly will move for final approval of the Settlement and for an award of the Class Representative Payment and the Class Counsel Fees and Expenses Payment pursuant to the Settlement, which TLS will not oppose.
7. **Additional Briefing and Final Approval.**
 - a. Not later than sixteen (16) court days before the Final Approval Hearing, the Parties jointly will file with the Superior Court a motion for final approval of the Settlement, the LWDA Payment, payment of the Settlement Administrator's reasonable fees and expenses, and for awards of the Class Representative Payment and the Class Counsel Fees and Expenses Payment pursuant to this Settlement.
 - b. Not later than five (5) days before the Final Approval Hearing, Plaintiff and/or the Parties jointly may file a reply in support of the motion for final approval of the Settlement to the extent that any opposition to the motion is filed.
 - c. If the Superior Court does not grant final approval of the Settlement, or if the Court's final approval of the Settlement is reversed or materially modified on appellate review, then this Settlement will be null and void; if that occurs, the Parties will have no further obligations under the Settlement, including any obligation by TLS to pay the Total Settlement Amount, except that TLS will pay the Settlement Administrator's reasonable fees and expenses incurred as of the date that the Settlement is deemed null and void. An award by the Court of lesser amounts than sought for the Class Representative Payment or Class Counsel Fees and Expenses Payment will not constitute a material modification of the

Settlement; although Plaintiff maintains the right to appeal any such reduction.

- d. Together with the motion for final approval, the Parties will present a proposed Judgment to the Superior Court for its approval and entry, in substantially the form evidenced by Exhibit D to this Agreement. After entry of the Judgment, the Superior Court will have continuing jurisdiction over the Action and the Settlement solely for purposes of (1) enforcing this Agreement, (2) addressing settlement administration matters, and (3) addressing such post-judgment matters as may be appropriate under court rules or applicable law.

8. **Waiver of Right to Appeal.** Provided that the Judgment is consistent with the material terms of this Agreement, Plaintiff, Class Members who did not timely submit an objection to the Settlement and intervene in the Action, TLS, and their respective counsel hereby waive any and all rights to appeal from the Judgment, including all rights to any post-judgment proceeding and appellate proceeding, such as a motion to vacate judgment, a motion for new trial, and any extraordinary writ, and the Judgment therefore will become non-appealable at the time it is entered. The waiver of appeal does not include any waiver of the right to oppose any appeal, appellate proceedings or post-judgment proceedings, or to file a cross-appeal. This paragraph does not preclude Plaintiff or Class Counsel from appealing from a refusal by the Superior Court to award the full Class Representative Payment or the Class Counsel Fees and Expenses Payment sought by them. If an appeal is taken from the Judgment, the time for consummating the Settlement (including making payments under the Settlement) will be suspended until such time as the appeal is finally resolved and the Judgment becomes Final, as defined in this Agreement.

9. **Vacating, Reversal, or Material Modification of Judgment on Appeal or Review.** If, after a notice of appeal or a petition for *certiorari* or review, or any other motion, petition, or application, the reviewing court vacates, reverses, or modifies the Judgment such that there is a material change to the Settlement, and that court's decision is not completely reversed and the Judgment is not fully affirmed on review by a higher court, then either Plaintiff or TLS will have the right to void the Settlement, which the Party must do by giving written notice to the other Parties, the reviewing court, and the Superior Court not later than thirty (30) days after the reviewing court's decision vacating, reversing, or materially modifying the Judgment becomes Final. A vacation, reversal, or modification of the Superior Court's award of the Class Representative Payment or the Class Counsel Fees and Expenses Payment will not constitute a vacating, reversal, or material modification of the Judgment within the meaning of this paragraph. However, before voiding the Settlement under this section, the Parties will meet and confer in good faith to determine whether the Settlement may be

amended in order to address the issues that caused the reviewing court to vacate, reverse, or modify the approval of the Settlement.

10. **Timing of Settlement Payments.** Within three (3) days after the Settlement becomes Final, as defined in this Agreement, the Settlement Administrator will provide TLS with wire transfer information. Within twenty (20) days after the Settlement Administrator provides TLS with wire transfer information, TLS will transfer the Total Settlement Amount to the Settlement Administrator via wire transfer. Within ten (10) days thereafter, the Settlement Administrator will pay to Class Members the Settlement Shares; to Plaintiff, the Class Representative Payment; to the LWDA, the LWDA Payment; to Class Counsel, the Class Counsel Fees and Expenses Payment; and to the Settlement Administrator, its reasonable fees and expenses.
11. **Uncashed Settlement Share Checks.** A Class Member must cash his or her Settlement Share check within one hundred eighty (180) calendar days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Class Member at his or her correct address. If any Class Member's Settlement Share check is not cashed within one hundred twenty (120) days after its last mailing to the Class Member, the Settlement Administrator will send the Class Member a letter or postcard informing him or her that unless the check is cashed in the next sixty (60) days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If a Class Member fails to cash the check for his or her Settlement Share within one hundred eighty (180) days after it is mailed to him or her, the Settlement Administrator will distribute the funds to the California State Controller's Office, Unclaimed Property Division in the name of the Class Member.

H. **Release and Waiver of Claims.**

1. **Plaintiff.** In consideration of Plaintiff's awarded Class Representative Payment, Plaintiff's Settlement Share, and the other terms and conditions of the Settlement, as of the date the Settlement becomes Final and is fully funded, except as provided below, Plaintiff releases any and all known and unknown claims, arising up until the date this agreement is signed, against TLS and any present and former parents, subsidiaries and affiliated companies or entities, including but not limited to Toyota Motor North America, Inc., and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities ("Released Parties"), and waives the protection of California Civil Code section 1542, which reads:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or

her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

(“Plaintiff’s Released Claims”). Expressly excluded from Plaintiff’s Released Claims are any claims for workers compensation benefits, unemployment insurance benefits, and any other claims that cannot be waived by law.

2. **Class Members.** In consideration for their awarded Settlement Shares, as of the date the Settlement becomes Final and is fully funded, all Class Members (other than those Class Members who timely and validly requested to be excluded from the Settlement) release any and all claims against TLS and the Released Parties that arise out of or relate to the claims alleged in the Complaint or that could have been alleged based on the factual allegations in the Complaint, including but not limited to allegations that, from April 6, 2016 through the date upon which the Settlement Administrator mails notice of the Settlement, TLS failed to pay for all compensable work time, including minimum wages and overtime wages; provide meal and rest periods; record meal periods; and furnish accurate itemized wage statements. The released claims include but are not limited to claims brought under California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198, and all claims under California Business and Professions Code sections 17200-17208, and the Industrial Welfare Commission Wage Order based on the above Labor Code sections. Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code, PAGA, relief from unfair competition under California Business and Professions Code section 17200 *et seq.*, and the Industrial Welfare Commission Wage Order; attorneys’ fees and costs; and interest (the “Class Members’ Released Claims”). However, all Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 through the date of preliminary approval) will release the PAGA claims described above, and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt-out from the Class.

3. **Class Counsel.** Class Counsel will not seek or be entitled to any attorneys’ fees and/or expenses in this Action, other than those specified in this Agreement. If the Settlement is not approved by the Court, then this term will be null and void and the Parties will revert to their positions held immediately prior to this Agreement.

I. **No Effect on Other Benefits.** The Settlement Shares will not result in any additional benefit payments (such as 401(k) or bonus) beyond those provided by this Agreement to Plaintiff or Class Members, and Class Members will be deemed to have waived all such claims for such additional benefit payments as part of their release of claims under this Agreement.

- J. **Confidentiality Preceding Preliminary Approval.** Neither Plaintiff nor his attorneys will issue any press or other media releases or talk to the press or media regarding the Settlement, and Plaintiff's attorneys will not publicize the Settlement on their website or social media. In addition, prior to filing of the Motion for Preliminary Approval, Plaintiff and his attorneys will not have any communication with anyone other than family members, clients, Class Members, financial advisors, retained experts, and vendors related to settlement administration, regarding the Settlement. If, before the filing of the Motion for Preliminary Approval, Plaintiff or his attorneys disclose to any unauthorized party (a) that a settlement has been reached or (b) any of the terms of the Settlement except as required by law or to effect the Settlement, TLS may rescind the Settlement, rendering it null and void.
- K. **Unanticipated Increase in Class Size.** TLS represents that there were approximately 226 Class Members as of December 2020. If the actual class size as of the end of the Covered Period is ten percent (10%) or more greater than the 226 Settlement Class Members as represented by TLS, the Total Settlement Amount will increase on a pro-rata basis equal to the number of Covered Workweeks worked by the additional Class Members in excess of the 10% increase.
- L. **Miscellaneous Terms.**
1. **No Admission of Liability.**
- a. TLS denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, has any liability to anyone under the claims asserted in the Action, or that but for the Settlement a class should be certified in the Action. This Agreement is entered into solely for the purpose of compromising highly disputed claims. Nothing in this Agreement is intended or will be construed as an admission of liability or wrongdoing by TLS, or an admission by Plaintiff that any of his claims were non-meritorious or any defense asserted by TLS was meritorious. This Settlement and the fact that Plaintiff and TLS were willing to settle the Action will have no bearing on, and will not be admissible in connection with, any litigation (other than solely in connection with the Settlement).
- b. The Parties agree that the Motion for Preliminary Approval seeking, *inter alia*, certification of a class is for purposes of the Settlement only and if, for any reason, the Settlement is not approved, the certification will have no force or effect and will be immediately revoked. The Parties further agree that certification for purposes of the Settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation purposes and that this Settlement will not be admissible in this or any other proceeding as evidence that (a) a class should be certified or (b) TLS is liable to Plaintiff or the Class. Further, in the event that the Settlement for any reason is not enforced and approved, TLS

reserves all rights to contest the scope of the Complaint, and to seek to compel individual arbitration of any claims that TLS contends are subject to binding arbitration.

- c. Whether or not the Judgment becomes Final, nothing in the Settlement, this Agreement, any document, statement, proceeding or conduct related to the Settlement or the Agreement, or any reports or accounting of those matters, will be (i) construed as, offered or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to TLS or the Released Parties, including, but not limited to, evidence of a presumption, concession, indication or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession or damage; or (ii) disclosed, referred to or offered in evidence against any of the Released Parties, in any further proceeding in the Action, or any other civil, criminal or administrative action or proceeding except for purposes of effectuating the Settlement pursuant to this Agreement.
 - d. This section and all other provisions of this Agreement notwithstanding, any and all provisions of this Agreement may be admitted in evidence and otherwise used in any and all proceedings to enforce any or all terms of this Agreement, or in defense of any claims released or barred by this Agreement.
- 2. **Integrated Agreement.** After this Agreement is signed and delivered by all Parties and their counsel, this Agreement and its exhibits will constitute the entire agreement between the Parties relating to the Settlement, and it will then be deemed that no oral representations, warranties, covenants, or inducements have been made to any Party concerning this Agreement or its exhibits other than the representations, warranties, covenants, and inducements expressly stated in this Agreement and its exhibits.
 - 3. **Modification of Agreement.** This Agreement, and any and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by counsel for all Parties or their successors-in-interest.
 - 4. **Agreement Binding on Successors.** This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
 - 5. **Applicable Law.** All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the laws of the State of California, without giving effect to any conflict of law principles or choice of law principles.
 - 6. **Cooperation in Drafting.** The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed

against any Party on the basis that the Party was the drafter or participated in the drafting.

7. **Fair Settlement.** The Parties and their respective counsel believe and warrant that this Agreement reflects a fair, reasonable, and adequate settlement of the Action and have arrived at this Agreement through arm's-length negotiations, taking into account all relevant factors, current and potential.
8. **Headings.** The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
9. **Notice.** All notices, demands or other communications given under this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, addressed as follows:

To Plaintiff and the Class:

HAINES LAW GROUP, APC
Paul K. Haines
Tuvia Korobkin
Alexandra R. McIntosh
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350
Facsimile: (424) 292-2355
phaines@haineslawgroup.com
tkorobkin@haineslawgroup.com
amcintosh@haineslawgroup.com

To TLS:

Zachary P. Hutton
Anna M. Skaggs
Paul Hastings LLP
101 California Street, 48th Floor
San Francisco, California 94111
Telephone: (415) 856-7000
Facsimile: (415) 856-7100
zachhutton@paulhastings.com
annaskaggs@paulhastings.com

10. **Execution in Counterpart.** This Agreement may be executed in one or more counterparts. All executed counterparts and each of them will be deemed to be one and the same instrument provided that counsel for the Parties will exchange between themselves original signed counterparts. Facsimile signatures will be accepted if the original signature is provided within seven days, and verified electronic signatures (via DocuSign or similar program) will be accepted as original signatures. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.

[SIGNATURES ON NEXT PAGE]

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IV. EXECUTION BY PARTIES AND COUNSEL

The Parties and their counsel hereby execute this Agreement.

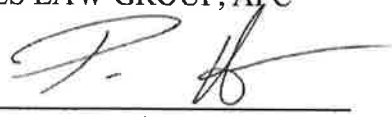
Dated: 5/19/, 2021.

MICHAEL IBARRA


Michael Ibarra (May 19, 2021 12:51 CDT)

Dated: May 25, 2021.

PAUL K. HAINES
TUVIA KOROBKIN
ALEXANDRA R. MCINTOSH
HAINES LAW GROUP, APC

By: 

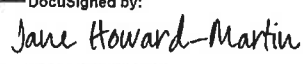
Paul K. Haines

Attorneys for Plaintiff Michael Ibarra

5/25/2021

Dated: _____, 2021.

TOYOTA LOGISTICS SERVICES, INC.

DocuSigned by:

By: 
B2EA1FDD1AE845C...
Jane Howard Martin
Toyota Logistics Services, Inc.

5/25/2021

Dated: _____, 2021.

ZACHARY P. HUTTON
ANNA M. SKAGGS
PAUL HASTINGS LLP

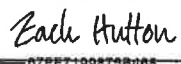
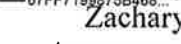
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By: 
07FF7192575B968...
Zachary P. Hutton
Attorneys for Defendant
Toyota Logistics Services, Inc.

EXHIBIT A

**[NOTICE OF PROPOSED SETTLEMENT, CONDITIONAL CERTIFICATION OF
SETTLEMENT CLASS, PRELIMINARY APPROVAL OF SETTLEMENT, AND
HEARING DATE FOR FINAL COURT APPROVAL]**

Exhibit A

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT AND FINAL APPROVAL HEARING

To: All current and former employees who worked for Toyota Logistics Services, Inc. ("TLS") at the Long Beach facility at any time from April 6, 2016 through [date of preliminary approval] in one of the following non-exempt production positions: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).

PLEASE READ THIS NOTICE CAREFULLY

IT MAY AFFECT YOUR LEGAL RIGHTS TO MONEY YOU MAY BE OWED IN CONNECTION WITH YOUR EMPLOYMENT BY TLS. IF YOU DO NOT WANT TO PARTICIPATE IN THE SETTLEMENT, YOU MUST MAIL TO THE SETTLEMENT ADMINISTRATOR A WRITTEN REQUEST FOR EXCLUSION, POSTMARKED NOT LATER THAN [60 DAYS AFTER MAILING OF CLASS NOTICE], OR ELSE YOU WILL BE BOUND BY THE SETTLEMENT.

IF YOU WISH TO RECEIVE A SHARE OF THE SETTLEMENT PROCEEDS, READ THE ENCLOSED NOTICE OF ESTIMATED SETTLEMENT AWARD AND CONFIRM THAT YOUR IDENTIFYING INFORMATION AND THE INFORMATION ABOUT YOUR EMPLOYMENT WITH TLS IS CORRECT. IF IT IS CORRECT, YOU DO NOT NEED TO DO ANYTHING, AND YOU WILL RECEIVE YOUR SHARE OF THE SETTLEMENT AT A LATER DATE IF THE COURT GRANTS FINAL APPROVAL OF THE SETTLEMENT. IF THE NOTICE OF ESTIMATED SETTLEMENT AWARD IS INCORRECT, RETURN IT TO THE SETTLEMENT ADMINISTRATOR IN ACCORDANCE WITH THE INSTRUCTIONS IN THIS NOTICE.

IF YOU WISH TO OBJECT TO THE SETTLEMENT, YOU MUST FOLLOW THE DIRECTIONS IN THIS NOTICE.

PURSUANT TO THE ORDER OF THE SUPERIOR COURT OF THE STATE OF CALIFORNIA FOR THE COUNTY OF LOS ANGELES (THE "COURT") ENTERED ON [DATE OF PRELIMINARY APPROVAL], YOU ARE HEREBY NOTIFIED AS FOLLOWS:

WHAT IS THIS NOTICE ABOUT?

A proposed settlement (the "Settlement") has been reached between plaintiff Michael Ibarra, ("Plaintiff") and defendant Toyota Logistics Services, Inc. ("TLS"), in the class action pending in the Court (the "Action") brought by Plaintiff on behalf of the following individuals (the "Class"):

All current and former employees who worked for TLS in a non-exempt production position at the Long Beach facility at any time from April 6, 2016 through [date of preliminary approval] (the "Covered Period"). Non-exempt production positions

consist of the following non-exempt job titles: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).

The Court has preliminarily approved the Settlement and conditionally certified the Class for purposes of the Settlement only. You have received this notice because TLS's records indicate that you are a member of the Class. This notice is designed to inform you of how you can object to the Settlement, opt out of the Settlement, or provide corrected information to the Settlement Administrator. Unless you opt out of the Settlement, the Settlement if finally approved by the Court will be binding upon you.

WHAT IS THIS LAWSUIT ABOUT?

The Action, which is currently pending in the Superior Court of California, County of Los Angeles, is titled "*Michael Ibarra v. Toyota Logistics Services, Inc.*," No. 20STCV29023 (the "Action").

In this Action, Plaintiff alleges that TLS failed to pay for all compensable work time, including minimum wages and overtime wages, provide meal and rest periods, and furnish accurate itemized wage statements.

TLS denies that it has engaged in any unlawful activity, has failed to comply with the law in any respect, or has any liability to anyone under the claims.

After good-faith negotiations, in which both sides recognized the risk of an uncertain outcome, Plaintiff and TLS agreed to settle the Action pursuant to the terms and conditions of the Settlement.

The Settlement represents a compromise and settlement of highly disputed claims. Nothing in the Settlement is intended or will be construed as an admission by TLS that Plaintiff's claims in the Action have merit or that it has any liability to Plaintiff or the proposed Class on those claims. On the contrary, TLS denies any and all such liability, and maintains that it complied with all applicable laws.

The parties and their counsel have concluded that the Settlement is advantageous, considering the risks and uncertainties to each side of continued litigation. The parties and their counsel have determined that the Settlement is fair, reasonable, and adequate and is in the best interests of the members of the Class.

SUMMARY OF THE SETTLEMENT

WHO IS INCLUDED IN THE SETTLEMENT?

You are included in the Settlement if you fall within the following definition:

All current and former employees who worked for TLS in a non-exempt production position at the Long Beach facility at any time during the Covered Period. Non-exempt production positions consist of the following non-exempt job titles: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts

Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).

WHAT WILL I RECEIVE FROM THE SETTLEMENT?

1. TLS will pay \$650,000.00 as the Total Settlement Amount. The Total Settlement Amount will fund all payments to be made under the Settlement.
2. The “Net Settlement Amount” is the amount from the Total Settlement Amount that is available for distribution as Settlement Shares to Class Members after deductions for the amount set aside as civil penalties under the Private Attorneys General Act (“PAGA”), the Class Representative Payment, the Class Counsel Fees and Expenses Payment, the Settlement Administrator’s reasonable fees and expenses, and any other fees or expenses (other than attorneys’ fees and expenses) incurred in implementing the terms of this Settlement as approved by the Court.
3. Out of the Net Settlement Amount, TLS will pay a Settlement Share to each Class Member who does not timely submit a valid Request for Exclusion.
4. The Settlement Administrator will calculate each Class Member’s Settlement Share based on the following formula:
 - a. Each Class Member will receive a payment from the Net Settlement Amount based on the proportional number of workweeks the Class Member worked for TLS in a position covered by the Settlement (“Covered Workweeks”) during the Covered Period. Specifically, each Class Member’s portion of the Net Settlement Amount will be calculated by multiplying the Net Settlement Amount by the ratio of (i) the Class Member’s number of Covered Workweeks to (ii) the total number of Covered Workweeks worked by all Class Members.
 - b. In addition to the Net Settlement Amount, \$12,500 of the Total Settlement Amount has been designated as the “PAGA Amount,” which is 25% of the \$50,000 set aside as PAGA civil penalties. Each Class Member who worked for TLS in a position covered by the Settlement at any time from April 6, 2019 through the end of the Covered Period (“Covered Pay Periods”), will receive a payment from the PAGA Amount equal to the PAGA Amount times the ratio of (i) the number of Covered Pay Periods worked by the Class Member to (ii) the total number of Covered Pay Periods worked by all such Class Members.
5. The Settlement Share for a Class Member will depend on the number of workweeks the Class Member worked in a position covered by the Settlement during the Covered Period (if any), the number of pay periods the Class Member worked in a position covered by the Settlement at any time from April 6, 2016 through the end of the Covered Period (if any), and the amounts awarded by the Court for the payments to Plaintiff, Class Counsel, the LWDA, and the Settlement Administrator.
6. An approximation of your Settlement Share appears on your Notice of Estimated Settlement Award accompanying this Notice. Your actual Settlement Share may be more

or less once awarded. The Settlement Shares and other amounts awarded by the Court will be paid after final court approval of the Settlement, entry of the final judgment, the funding of the Settlement, and the exhaustion of all rights to appeal or review, or after any appeal or review has been resolved in favor of the Settlement.

HOW DO I EXCLUDE MYSELF FROM THE SETTLEMENT?

You will be included in the Settlement and receive your proportional share of the Settlement unless you opt out from the Settlement, by mailing to the Settlement Administrator a signed “Request for Exclusion” letter, **postmarked no later than [60 days after mailing of class notice]**. The Request for Exclusion must include your name, address, telephone number, and the last four digits of your Social Security number, and should state:

“I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE IBARRA V. TOYOTA LOGISTICS SERVICES, INC. LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE A PORTION OF THE NET SETTLEMENT AMOUNT.”

In addition, the Request for Exclusion must include your signature.

If you request to be excluded from the Settlement by the deadline, you will be excluded from the Settlement and will not receive a Settlement Share. You will retain the right you may have, if any, to pursue an individual claim against TLS. However, all Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 through **[date of preliminary approval]**) will be bound by the release of PAGA claims, and will receive a portion of the amount set aside as PAGA penalties regardless of whether they opt-out from the Class.

WHAT IF THE INFORMATION ON THE ENCLOSED NOTICE OF ESTIMATED SETTLEMENT AWARD IS INACCURATE?

1. The Court has appointed **[Phoenix Settlement Administrators]** to act as an independent Settlement Administrator and to resolve any dispute concerning the calculation of a Class Member’s entitlement to a Settlement Share.
2. If you dispute the accuracy of any of the information used to calculate your Covered Workweeks and Covered Pay Periods, shown on your enclosed Notice of Estimated Settlement Award, you must ask the Settlement Administrator to resolve the matter. In order to do so, you must return your Notice of Estimated Settlement Award to the Settlement Administrator **postmarked no later than [60 days after mailing of class notice]**. You should submit any documentary evidence that you have, along with the form. After consultation with you, Class Counsel, and TLS, the Settlement Administrator will make a determination of the number of your Covered Workweeks and Covered Pay Periods, and that determination will be final, binding on you and TLS, and non-appealable.

WHAT CLAIMS ARE BEING RELEASED AS PART OF THE SETTLEMENT?

- 1. Class Members.** In consideration for their awarded Settlement Shares, as of the date the Settlement becomes Final, all Class Members (other than those Class Members who timely and validly requested to be excluded from the Settlement) release any and all claims against TLS and any present and former parents, subsidiaries and affiliated companies or entities, including but not limited to Toyota Motor North America, Inc., and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities (“Released Parties”) that arise out of or relate to the claims alleged in the Complaint or that could have been alleged based on the factual allegations in the Complaint, including but not limited to allegations that, from April 6, 2016 through the date upon which the Settlement Administrator mails notice of the Settlement, TLS failed to pay for all compensable work time, including minimum wages and overtime wages; provide meal and rest periods; record meal periods; and furnish accurate itemized wage statements. The released claims include but are not limited to claims brought under California Labor Code sections 201-204, 210, 226, 226.3, 226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198, and all claims under California Business and Professions Code sections 17200-17208, and the Industrial Welfare Commission Wage Order based on the above Labor Code sections. Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code, PAGA, relief from unfair competition under California Business and Professions Code section 17200 *et seq.*, and the Industrial Welfare Commission Wage Order; attorneys’ fees and costs; and interest. However, all Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 through [date of preliminary approval]) will release the PAGA claims described above, and will receive a portion of the amount set aside as PAGA penalties regardless of whether they opt-out from the class.
- 2. Class Representative Payment:** Plaintiff will seek approval from the Court for a payment of \$7,500 in consideration of initiating and pursuing the Action, undertaking the risk of liability for attorneys’ fees and expenses in the event he was unsuccessful in the prosecution of the Action, and granting his general release as part of the Settlement. This payment, which will be paid in addition to Plaintiff’s Settlement Share, will be made out of the Total Settlement Amount.
- 3. Class Counsel Fees and Expenses Payment:** As part of the final approval hearing, Class Counsel will request up to one-third (1/3) of the Total Settlement Amount (currently estimated at \$216,666.67) for attorneys’ fees, and up to \$40,000 for their expenses incurred in connection with their work in this case. TLS does not oppose these payments. These amounts constitute full and complete compensation for all legal fees, costs, and expenses of all Class Counsel, including costs and expenses resulting from experts and other vendors retained by Class Counsel in connection with the litigation and all work done through the completion of the litigation, whatever date that may be. Class Members will not be required to pay Class Counsel for any other attorneys’ fees, costs or expenses out of their own pockets if the Settlement Agreement and the attorneys’ fees and expenses payment is

finally approved by the Court. Class Counsel's attorneys' fees and expenses as approved by the Court will be paid out of the Total Settlement Amount.

4. **Payment to LWDA:** Because Class Members are also releasing their claims for civil penalties under PAGA, the parties have agreed that the Labor and Workforce Development Agency of the State of California (the "LWDA"), which is entitled to share in any recovery of civil penalties, will be paid \$37,500 out of the Total Settlement Amount as the LWDA's share of the settlement of civil penalties. This represents 75% of the \$50,000 set aside as PAGA civil penalties under the Settlement. This amount is subject to the Court's approval.
5. **Costs of Administration:** The reasonable costs of administering the Settlement, including the Settlement Administrator's fees and expenses, estimated to be no more than \$9,000, will be paid out of the Total Settlement Amount.
6. **Plaintiff and Class Counsel's Support of the Settlement:** Plaintiff as Class Representative and Class Counsel support the Settlement. Their reasons include the risk of a trial on the merits, the inherent delays and uncertainties associated with litigation, and the possibility that the Class is not entitled to any recovery. Based on their experience litigating similar cases, Class Counsel believe that further proceedings in this case, including a trial and probable appeals, would be very expensive and protracted. No one can confidently predict how the various legal questions at issue, including the amount of damages, would ultimately be resolved. Therefore, upon careful consideration of all of the facts and circumstances of this case, Class Counsel believe that the Settlement is fair, reasonable, and adequate.

WHAT ARE MY RIGHTS AS A CLASS MEMBER?

1. **Participating in the Settlement:** Plaintiff as Class Representative and Class Counsel represent your interests as a Class Member. Unless you opt out of the Settlement, you are a part of the Class, you will be bound by the terms of the Settlement and any final judgment that may be entered by the Court, and you will be deemed to have released the claims against TLS and the other Released Parties described above. All Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 through [date of preliminary approval]) will release the PAGA claims described above, and will receive a portion of the amount set aside as PAGA penalties regardless of whether they opt-out from the class. As a member of the Class, you will not be responsible for the payment of attorneys' fees or reimbursement of litigation expenses unless you retain your own counsel, in which event you will be responsible for your own attorneys' fees and expenses.
2. **Dispute the Information in the Notice of Estimated Settlement Award:** The enclosed Notice of Estimated Settlement Award provides the information on which your Settlement Share will be calculated and an estimate of your Settlement Share if all Class Members participate and all payment amounts are awarded; your actual Settlement Share may be more or less. If the information in the Notice of Estimated Settlement Award (including your mailing address) is correct, you need not return the form. However, if you believe any of the information contained in the Notice of Estimated Settlement Award is incorrect, you must complete the form as directed on the form, and return the form with any supporting documents or evidence to the Settlement Administrator. Any correction to the

Notice of Estimated Settlement Award must be completed, signed by you, and returned to the Settlement Administrator, **postmarked by not later than [60 DAYS AFTER MAILING OF CLASS NOTICE]**. It is your obligation to keep the Settlement Administrator informed of any changes in your mailing address until your Settlement Share is received, should final approval of the Settlement be granted. Failing to provide the Settlement Administrator with any change of your mailing address may prevent you from receiving your Settlement Share.

3. **Excluding yourself from the Settlement:** If you do not wish to participate in the Settlement, you must mail a written “Request for Exclusion” letter (described above), **postmarked no later than [60 DAYS AFTER MAILING OF CLASS NOTICE]**. Any person who timely and properly opts out of the Settlement will no longer be a member of the Class and will not be eligible to receive a Settlement Share, and he or she will not be included in calculating the Settlement Share of any other Class Member. Any such person will retain the right, if any, to pursue at his or her own expense an individual claim against TLS. However, all Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 through **[date of preliminary approval]**) will release the PAGA claims described above, and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt-out from the Class. An incomplete or unsigned Request for Exclusion will be deemed invalid.

Consistent with TLS policies, there will be no retaliation or adverse action taken against any Class Member who participates in the Settlement or opts out of the Settlement.

4. **Objecting to the Settlement:** If you do not submit a Request for Exclusion, you may object to the terms of the Settlement before final approval.

MAIL YOUR OBJECTION TO:

Ibarra v. TLS Settlement Administrator
c/o **[settlement administrator]**
[settlement administrator address]

Any written objection must state your full name, address, and the dates of your employment at TLS. Written objections to the Settlement must be mailed and postmarked by not later than **[60 DAYS AFTER MAILING]**.

If you choose to object to the Settlement, you may also appear or appear through counsel of your choice, paid at your own expense, and be heard at the time of the final approval hearing, if you wish to do so. Any attorney who intends to appear on behalf of an objecting Class Member must file a Notice of Appearance with the Court no later than **[60 DAYS AFTER NOTICE MAILING]**.

If the Court overrules your objection, you will be bound by the terms of the Settlement and receive a Settlement Share.

THE LAWYERS FOR THE PARTIES

CLASS COUNSEL

HAINES LAW GROUP, APC
Paul K. Haines
Tuvia Korobkin
Alexandra R. McIntosh
2155 Campus Drive, Suite 180
El Segundo, California 90245
Telephone: (424) 292-2350

TLS'S COUNSEL

PAUL HASTINGS LLP
Zachary P. Hutton
Anna M. Skaggs
Paul Hastings LLP
101 California Street, 48th Floor
San Francisco, California 94111

DO NOT TELEPHONE THE COURT OR TLS'S COUNSEL.

FINAL SETTLEMENT APPROVAL HEARING

The Court will hold a final approval hearing on [REDACTED], 2021, at [REDACTED] a.m., in Department SSC-11 of the Superior Court of California, County of Los Angeles, 312 North Spring St, Los Angeles, California 90012, to determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve the requests for the Class Representative Payment and the Class Counsel Fees and Expenses Payment.

The hearing may be postponed without further notice to the Class. **It is not necessary for you to appear at this hearing, but any Class Member is welcome to do so.** If you intend to appear at the Final Approval Hearing or otherwise visit the Court, please consult the Court's "Here for You, Safe for You" webpage, <http://www.lacourt.org/newsmedia/ui/HfySfy.aspx>, for information regarding court operations during COVID-19 as well as face covering and social distancing requirements.

GETTING MORE INFORMATION

The above is a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you are referred to the detailed Settlement Agreement, which will be on file with the Clerk of the Court. The pleadings and other records in this litigation including the Settlement Agreement, may be examined at the Office of the Clerk, County of Los Angeles, 312 North Spring St, Los Angeles, California 90012, during the Clerk's normal business hours. You may also contact Class Counsel or the Settlement Administrator. Reference the *Ibarra v. TLS Wage and Hour Settlement*.

PLEASE DO NOT TELEPHONE THE COURT OR TLS'S COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS. YOU MAY, HOWEVER, CALL ANY OF THE CLASS COUNSEL LISTED ABOVE OR THE SETTLEMENT ADMINISTRATOR AT [REDACTED].

EXHIBIT B

[NOTICE OF ESTIMATED SETTLEMENT AWARD]

NOTICE OF ESTIMATED SETTLEMENT AWARD

**MICHAEL IBARRA V. TOYOTA LOGISTICS SERVICES, INC.,
LOS ANGELES COUNTY SUPERIOR COURT CASE NO. 20STCV29023**

Please complete, sign, date and return this Form to **<<ADMINISTRATOR CONTACT INFO>>** **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

(I) Please type or print your name:

(First, Middle, Last)

(II) Please type or print the following identifying information if your contact information has changed:

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Estimated Settlement Share:

According to TLS's records:

- (a) you worked [REDACTED] workweeks for TLS in a non-exempt production position at the Long Beach facility at any time between April 6, 2016 and **<<PRELIM APPROVAL DATE>>**. Non-exempt production positions mean the following non-exempt positions: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG);
- (b) you worked [REDACTED] pay periods for TLS in a non-exempt production position at the Long Beach facility at any time between April 6, 2019 and **<<PRELIM APPROVAL DATE>>**.

Based on the above, your total Settlement Share is estimated at \$ [REDACTED]. This includes your share of penalties under the Labor Code Private Attorneys General Act ("PAGA"), which is estimated at \$ [REDACTED].

(IV) If you disagree with items (a)-(b) in Section (III) above, please explain why in the space provided below and include copies of any supporting evidence or documentation with this Form:

If you dispute the above information from TLS's records, TLS's records will control unless you are able to provide documentation that establishes otherwise and that TLS's records are mistaken. If there is a dispute about whether TLS's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator.

Date: _____

Signature: _____

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN **<<60 DAYS AFTER MAILING OF CLASS NOTICE>>**.**

EXHIBIT C

[PROPOSED ORDER GRANTING PRELIMINARY APPROVAL OF SETTLEMENT]

Exhibit C

(Counsel listed on the next page)

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

MICHAEL IBARRA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

TOYOTA LOGISTICS SERVICES, INC., a
California corporation; and DOES 1 through
100,

Defendants.

Case No. 20STCV29023

[PROPOSED] ORDER:

**(1) PRELIMINARILY APPROVING
PROPOSED SETTLEMENT;**

**(2) CONDITIONALLY CERTIFYING
SETTLEMENT CLASS;**

**(3) APPROVING CLASS NOTICE AND
RELATED MATERIALS; AND**

**(4) SETTING HEARING FOR FINAL
APPROVAL OF SETTLEMENT**

Judge: Hon. Ann I. Jones
Dept.: 11

Complaint filed: July 30, 2020
FAC filed: October 6, 2020
Trial date: None set

Exhibit C

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23 Attorneys for Defendant
24 Toyota Logistics Services, Inc.

Exhibit C

The Joint Motion of Plaintiff Michael Ibarra (“Plaintiff”) and defendant Toyota Logistics Services, Inc. (“Defendant”) (together, the “Parties”) for Preliminary Approval of Class Action Settlement (the “Motion”) came on regularly for hearing before this court on [REDACTED], 2021 at [time]. The Court, having considered the proposed Settlement Agreement (the “Settlement”), attached as Exhibit 1 to the Declaration of Paul K. Haines filed concurrently with the Motion; having considered the Motion, Memorandum of Points and Authorities in support thereof, and supporting declarations filed therewith, and any argument presented at the hearing on the Motion; and good cause appearing, HEREBY ORDERS THE FOLLOWING:

1. The Court GRANTS preliminary approval of the class action settlement as set forth in the Settlement and finds its terms to be within the range of reasonableness of a settlement that ultimately could be granted approval by the Court at a Final Approval Hearing. For purposes of the Settlement only, the Court finds that the proposed Class is ascertainable and that there is a sufficiently well-defined community of interest among the members of the Class in questions of law and fact. Therefore, for settlement purposes only, the Court grants conditional certification of the Class, which is defined as follows:

All current and former employees who worked for TLS in a non-exempt production position at the Long Beach facility at any time from April 6, 2016 through the date on which the Court grants preliminary approval of the Settlement. Non-exempt production positions means the following non-exempt positions: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).

2. For purposes of the Settlement, the Court designates Plaintiff Michael Ibarra as Class Representative, and designates Paul K. Haines, Tuvia Korobkin, and Alexandra R. McIntosh of Haines Law Group, APC as Class Counsel.

3. The Court designates [Phoenix Settlement Administrators] as the third-party Settlement Administrator for mailing notices.

Exhibit C

4. The Court approves, as to form and content, the Notice of Proposed Settlement, Conditional Certification of Settlement Class, Preliminary Approval of Settlement, and Hearing Date for Final Court Approval (“Class Notice”), and the Notice of Estimated Settlement Award, attached as Exhibit A and Exhibit B, respectively, to the Settlement (collectively, the “Class Notice Packet”).

6. The Court finds that the form of notice to the Class Members regarding the pendency of the action and of the Settlement, and the methods of giving notice to Class Members, constitute the best notice practicable under the circumstances, and constitute valid, due, and sufficient notice to all Settlement Class members. The form and method of giving notice complies fully with the requirements of California Code of Civil Procedure section 382, California Civil Code section 1781, California Rules of Court 3.766 and 3.769, the California and United States Constitutions, and other applicable law.

7. The Court further approves the procedures for Class Members to opt out of or object to the Settlement, as set forth in the Notice.

8. The procedures and requirements for filing objections in connection with the Final Approval Hearing are intended to ensure the efficient administration of justice and the orderly presentation of any Class Member’s objection to the Settlement, in accordance with the due process rights of all Class Members.

9. The Court directs the Settlement Administrator to mail the Class Notice Packet to the Class Members in accordance with the terms of the Settlement.

10. The Notice shall provide at least 60 calendar days’ notice from the date of initial mailing for Class Members to opt out of, or object to, the Settlement.

11. The Final Approval Hearing on the question of whether the Settlement should be finally approved as fair, reasonable, and adequate is scheduled in Department SSC-11 of this Court, located at 312 North Spring St, Los Angeles, California 90012 on _____, 2021 at _____ a.m. / p.m.

12. At the Final Approval Hearing, the Court will consider: (a) whether the Settlement

Exhibit C

should be finally approved as fair, reasonable, and adequate for the Class; (b) whether a judgment granting final approval of the Settlement should be entered; and (c) whether Plaintiff's application for reasonable attorneys' fees, reimbursement of litigation expenses, representative payment to Plaintiff, and settlement administration costs should be granted.

13. Counsel for the parties shall file memoranda, declarations, or other statements and materials in support of their request for final approval of the Settlement, attorneys' fees, litigation expenses, Plaintiff's representative payment, and settlement administration costs prior to the Final Approval Hearing according to the time limits set by the Code of Civil Procedure and the California Rules of Court.

14. An implementation schedule is below:

Event	Date
TLS to provide Class Data to Settlement Administrator no later than [30 days after preliminary approval]:	_____, 2021
Settlement Administrator to mail Class Notice Packets to Class Members no later than [15 days after receiving Class Data]:	_____, 2021
Deadline for Class Members to opt out, or object to, the Settlement, or submit disputes to the Settlement Administrator [60 days after mailing of Class Notice Packets]:	_____, 2021
Deadline for Parties to jointly file Motion for Final Approval of Class Action Settlement:	_____, 2021
Final Approval Hearing	_____, 2021

15. Pending the Final Approval Hearing, all proceedings in this action, other than proceedings necessary to carry out or enforce the terms and conditions of the Settlement and this Order, are stayed.

16. Counsel for the parties are hereby authorized to utilize all reasonable procedures in connection with the administration of the Settlement which are not materially inconsistent with either this Order or the terms of the Settlement.

IT IS SO ORDERED.

Exhibit C

Dated: _____, 2021

The Honorable Ann I. Jones
Judge of the Superior Court

EXHIBIT D

**[PROPOSED ORDER GRANTING FINAL APPROVAL OF CLASS ACTION
SETTLEMENT AND ENTERING FINAL JUDGMENT]**

Exhibit D

(Counsel listed on the next page)

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES**

MICHAEL IBARRA, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

TOYOTA LOGISTICS SERVICES, INC., a
California corporation; and DOES 1 through
100,

Defendants.

Case No. 20STCV29023

**[PROPOSED] ORDER GRANTING JOINT
MOTION FOR FINAL APPROVAL OF
CLASS ACTION SETTLEMENT AND
JUDGMENT**

Judge: Hon. Ann I. Jones
Dept.: 11

Complaint filed: July 30, 2020
FAC filed: October 6, 2020
Trial date: None set

Exhibit D

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23 Attorneys for Defendant
24 Toyota Logistics Services, Inc.

Exhibit D

On [REDACTED], 2021, a hearing was held on the joint motion of plaintiff Michael Ibarra (“Plaintiff”) and defendant Toyota Logistics Services, Inc. (“TLS”), for final approval of their class settlement (the “Settlement”) and payments to the Labor and Workforce Development Agency and the Settlement Administrator. Paul K. Haines of Haines Law Group, APC appeared for Plaintiff, and Zachary P. Hutton of Paul Hastings LLP appeared for TLS.

The parties have submitted their Settlement, which this Court preliminarily approved by its [REDACTED], 2021, order (“Preliminary Approval Order”). In accordance with the Preliminary Approval Order, Class Members have been given notice of the terms of the Settlement and the opportunity to comment on or object to it or to exclude themselves from its provisions.

Having received and considered the Settlement, the supporting papers filed by the parties, and the evidence and argument received by the Court at the hearing before it entered the Preliminary Approval Order and the final approval hearing on [REDACTED], 2021, the Court grants final approval of the Settlement, and HEREBY ORDERS and MAKES DETERMINATIONS as follows:

1. The following persons are hereby certified as class members for the purpose of entering a settlement in this matter:

All current and former employees who worked for TLS in a non-exempt production position at the Long Beach facility at any time from April 6, 2016 through [REDACTED], 2021. Non-exempt production positions mean the following non-exempt positions: PDS Worker, Expediter (BG), FQA (BG), Janitor (BG), Kaizen Associate (BG), Parts Associate (BG), Production Associate (BG), Quality Assurance Associate (BG), Rail Car Associate (BG), Shuttle Associate (BG), Surveyor (BG), Team Lead (BG).

2. The Court appoints plaintiff Michael Ibarra, as representative of the Class, and appoints Paul K. Haines, Tuvia Korobkin and Alexandra R. McIntosh of Haines Law Group, APC as Class Counsel.

3. Pursuant to the Preliminary Approval Order, a Notice of Proposed Settlement and Final Approval Hearing, and Notice of Estimated Settlement Award were sent to each Class

Exhibit D

Member by first-class mail. These papers informed Class Members of the terms of the Settlement, their right to receive a Settlement Share, their right to comment on or object to the Settlement or to opt out of the Settlement and pursue their own remedies, and their right to appear in person or by counsel at the final approval hearing and be heard regarding approval of the Settlement. Adequate periods of time were provided by each of these procedures. No Class Members objected to the Settlement as part of this notice process or stated an intent to appear at the final approval hearing.

4. The Court finds and determines that this notice procedure afforded adequate protections to Class Members and provides the basis for the Court to make an informed decision regarding approval of the Settlement based on the responses of Class Members. The Court finds and determines that the notice provided in this case was the best notice practicable, which satisfied the requirements of law and due process.

5. For the reasons stated in the Preliminary Approval Order, the Court finds and determines that the proposed class, as defined in the definitions section of the Settlement, meets all of the legal requirements for class certification, and it is hereby ordered that the Class is finally approved and certified as a class for purposes of the Settlement.

6. [The Court overrules the objections raised by objecting Class Members.]

7. The Court further finds and determines that the terms of the Settlement are fair, reasonable, and adequate to the Class and to each Class Member. The Class Members who have not opted out will be bound by the Settlement, except that those who worked for TLS during the applicable PAGA period (April 6, 2019 through [date of preliminary approval]) will release the PAGA claims released in the Settlement, and will receive a portion of the amount set aside as PAGA penalties, regardless of whether they opt-out from the Class. The Settlement is ordered finally approved, and that all terms and provisions of the Settlement should be and hereby are ordered to be consummated.

8. The Court finds and determines that the Settlement Shares to be paid to the Participating Class Members (Class Members who did not timely submit a valid Request for

Exhibit D

Exclusion), as provided for by the Settlement, are fair and reasonable. The Court hereby gives final approval to and orders the payment of those amounts to be made to the Participating Class Members out of the Net Settlement Amount in accordance with the Settlement.

9. Pursuant to the Labor Code Private Attorneys General Act ("PAGA"), Cal. Lab. Code §§ 2699(1)(2), (1)(4), the Labor Workforce and Development Agency ("LWDA") has been given notice of the Settlement. Pursuant to PAGA, on the date the parties filed the motion seeking approval of the Settlement with the Court, Plaintiff submitted to the LWDA a notice of the Settlement enclosing a copy of the Settlement. The Court finds and determines that the notice of the Settlement complied with the statutory requirements of PAGA.

10. The Court finds and determines that payment to the LWDA of \$37,500 as its share of the settlement of civil penalties in this case is fair, reasonable, and appropriate. The Court hereby gives final approval to and orders that the payment of that amount be paid out of the Total Settlement Amount in accordance with the Settlement.

11. The Court finds and determines that the fees and expenses of [Phoenix Settlement Administrators] in administering the settlement, in the amount of \$ [REDACTED], are fair and reasonable. The Court hereby gives final approval to and orders that the payment of that amount be paid out of the Total Settlement Amount in accordance with the Settlement.

12. In addition to any recovery that Plaintiff may receive from the Net Settlement Amount, and in recognition of the Plaintiff's efforts on behalf of the Settlement Class, the Court hereby approves the payment of an incentive award to Plaintiff in the amount of \$7,500. This shall be paid from the Total Settlement Amount.

13. Pursuant to the authorities and argument presented to the Court, the Court approves the payment of attorneys' fees to Class Counsel in the sum of \$216,666.67, plus costs and expenses in the amount of \$40,000. This shall be paid from the Total Settlement Amount.

14. Without affecting the finality of this order in any way, the Court retains jurisdiction of all matters relating to the interpretation, administration, implementation, effectuation, and enforcement of this order and the Settlement.

Exhibit D

1 15. Upon completion of administration of the settlement, the Settlement Administrator
2 will provide written certification of such completion to the Court and counsel for the parties.

3 16. The Court finds that in consideration of Plaintiff's awarded Class Representative
4 Payment, Plaintiff's Settlement Share, and the other terms and conditions of the Settlement, as of
5 the date the Settlement becomes Final and is fully funded, except as provided below, Plaintiff
6 releases any and all known and unknown claims, arising up until the date the Agreement was
7 signed, against TLS and any present and former parents, subsidiaries and affiliated companies or
8 entities, including but not limited to Toyota Motor North America, Inc., and their respective
9 officers, directors, employees, partners, shareholders and agents, and any other successors,
10 assigns and legal representatives and its related persons and entities ("Released Parties"), and
11 waives the protection of California Civil Code section 1542, which provides: "A general release
12 does not extend to claims that the creditor or releasing party does not know or suspect to exist in
13 his or her favor at the time of executing the release and that, if known by him or her, would have
14 materially affected his or her settlement with the debtor or released party." ("Plaintiff's Released
15 Claims"). Expressly excluded from Plaintiff's Released Claims are any claims for workers
16 compensation benefits, unemployment insurance benefits, and any other claims that cannot be
17 waived by law.

18 17. The Court finds that in consideration for their awarded Settlement Shares, as of
19 the date the Settlement becomes Final and is fully funded, all Class Members (other than those
20 Class Members who timely and validly requested to be excluded from the Settlement) release any
21 and all claims against TLS and the Released Parties that arise out of or relate to the claims alleged
22 in the Complaint or that could have been alleged based on the factual allegations in the Complaint,
23 including but not limited to allegations that, from April 6, 2016 through the date upon which the
24 Settlement Administrator mailed notice of the Settlement, TLS failed to pay for all compensable
25 work time, including minimum wages and overtime wages; provide meal and rest periods; record
26 meal periods; and furnish accurate itemized wage statements. The released claims include but are
27 not limited to claims brought under California Labor Code sections 201-204, 210, 226, 226.3,
28

Exhibit D

226.7, 510, 512, 516, 558, 1174, 1182.12, 1194, 1194.2, 1197, 1197.1, and 1198, and all claims under California Business and Professions Code sections 17200-17208, and the Industrial Welfare Commission Wage Order based on the above Labor Code sections. Such claims include claims for wages, statutory penalties, civil penalties, or other relief under the California Labor Code, PAGA, relief from unfair competition under California Business and Professions Code section 17200 *et seq.*, and the Industrial Welfare Commission Wage Order; attorneys' fees and costs; and interest (the "Class Members' Released Claims"). However, all Class Members who worked for TLS during the applicable PAGA period (April 6, 2019 to the date of preliminary approval) will release the PAGA claims described above, and will receive a portion of the amount set aside as PAGA penalties regardless of whether they opt-out from the Class.

18. The parties are hereby ordered to comply with the terms of the Settlement.

19. The parties shall each bear his, her, its or their own respective attorneys' fees and costs, except as otherwise provided in the Settlement.

20. The Court enters final judgment in the Action in accordance with the Settlement and this Order, subject to the Court's retention of continuing jurisdiction over the Action and the Settlement, including jurisdiction pursuant to California Rule of Court 3.769(h), solely for purposes of (a) enforcing the Agreement, (b) addressing settlement administration matters, and (c) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

21. Plaintiff shall file a disbursement declaration from the Settlement Administrator on or before _____, 2022. A Non-Appearance Case Review regarding the disbursement of Settlement funds is hereby set for _____, 2022 at _____ a.m./p.m.

IT IS SO ORDERED.

Dated: _____, 2021

The Honorable Ann I. Jones
Judge of the Superior Court