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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO

REYNALDA A. RAMOS, as an individual and
on behalf of all others similarly situated,

Plaintiff,

vs.

THE COMPLETE LOGISTICS COMPANY, a
California corporation; and DOES 1 through
100,

Defendants.

Case No.: CIVSB2105530

*[Assigned for all purposes to Hon. Joseph T.
Ortiz; Dept. S-17]*

**DECLARATION OF SEAN M.
BLAKELY IN SUPPORT OF
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: October 10, 2023
Time: 1:30 p.m.
Dept.: S17

Complaint Filed: February 4, 2021
Trial Date: None Set

1 I, SEAN M. BLAKELY, declare as follows:

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

7 2. I am a 2008 graduate of Southwestern Law School. I was admitted to the California
8 State Bar in September 2009. From December 2010 to September 2011, I worked as a Law Clerk
9 for Rose, Klein & Marias, a civil litigation firm in Long Beach, California. At Rose, Klein &
10 Marias I assisted trial attorneys in employment and personal injury cases. From September 2011
11 to May 2016, I worked as an associate at the employment law firm of Mahoney Law Group, APC
12 in Long Beach, California. The vast majority of my work at Mahoney Law Group, APC focused
13 on representing employees in wage and hour class actions. My work at Mahoney Law Group,
14 APC also included representing employees in individual claims for wrongful termination,
15 harassment, discrimination, and retaliation. Although non-exhaustive, the types of work I
16 performed at Mahoney Law Group, APC included: conducting client intakes, performing pre-
17 filing research and analysis, drafting complaints, attending court hearings, corresponding with
18 opposing counsel, drafting and responding to written discovery, preparing for and taking and
19 defending depositions, analyzing payroll and timekeeping records and employee handbooks,
20 opposing motions for summary judgment, as well as a variety of other motions such as motions
21 for remand, demurrers and motions to dismiss, motions to strike, motions to compel, motions to
22 quash, and motions for class certification, drafting mediation briefs, attending mediations,
23 drafting long-form settlement agreements, drafting motions for preliminary and final settlement
24 approval, and overseeing the notice process.

25 3. Since November 8, 2016, I have worked at my current firm, Haines Law Group,
26 APC, where, in 2020, I became a Partner. I am currently responsible for managing over forty (40)
27 active wage and hour class and representative actions in both state and federal court.

28 4. The following is a non-exhaustive list of wage and hour class actions in which I

1 have been appointed as class counsel and/or played a significant role in prosecuting the litigation,
2 and which have received final approval: *Santimateo v. Sun Healthcare Group, Inc., et al*, Case
3 No. BC471884, California Superior Court, Los Angeles County, Judge Jane L. Johnson presiding
4 (granted final approval of settlement on behalf of employees at rehabilitation facility involving
5 claims for unpaid wages and meal and rest period violations, and other claims, in which I was
6 approved at an hourly rate of \$325 for work performed in 2012-2013); *Teyuca v. Pacific Alliance*
7 *Medical Center, Inc.*, California Superior Court, Los Angeles County, Judge William F.
8 Highberger presiding (granting final approval of settlement on behalf of healthcare workers for
9 unpaid wages, meal and rest period violations, and other claims, in which I was approved at an
10 hourly rate of \$325 for work performed in 2012-2013); *Arteaga v. Command Center Security,*
11 *Inc.*, Case No. BC480496, California Superior Court, Los Angeles County, Judge John Shepard
12 Wiley, Jr. presiding (granting final approval of settlement on behalf of security guards involving
13 claims for unpaid overtime, meal and rest period violations, and other claims, in which I was
14 approved at an hourly rate of \$425 for work performed in 2012-2015); *Casadine v. Maxim*
15 *Healthcare Services, Inc.*, Case No. CV 12-10078-DMG (CWx), United States District Court,
16 Central District of California, Judge Dolly M. Gee presiding (granting final approval of settlement
17 on behalf of home health care employees involving claims for unpaid wages and other claims, in
18 which I was approved at an hourly rate of \$425 for work performed in 2012-2015); *Guzman v.*
19 *Andrew Lauren Interiors, Inc., et al.*, Case No. BC567757, California Superior Court, Los
20 Angeles County, Judge Elihu M. Berle presiding (granting final approval of settlement on behalf
21 of construction workers involving claims for unpaid wages, meal and rest period violation, and
22 other claims, in which I was approved at an hourly rate of \$425 for work performed in 2014-
23 2016); *Booker v. The Goodyear Tire and Rubber Company*, Case No. BC498399, California
24 Superior Court, Los Angeles County, Judge Amy Hogue presiding (granting final approval of
25 settlement on behalf of tire mechanics involving claims for unpaid wages, meal and rest period
26 violations, and other claims, in which I was approved at an hourly rate of \$425 for work performed
27 in 2013-2015); *Nunez v. CompuCom Systems, Inc.*, Case No. BC618385, California Superior
28 Court, Los Angeles County, Judge John Shepard Wiley, Jr. presiding (granting final approval of

1 settlement on behalf of IT support workers for overtime, meal and period, reimbursement, and
2 related violations, approved at hourly rate of \$475 for work performed in 2016 and 2017); *Galvan*
3 *v. AMVAC Chemical Corporation*, Case No. 30-2014-00716103-CU-OE-CXC, California
4 Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of
5 settlement on behalf of non-exempt employees of a chemical manufacturing company involving
6 claims for unpaid overtime and waiting time penalties); *Razon v. TTM Technologies, Inc., et al.*,
7 Case No. 37-2016-00038326-CU-OE-CTL, California Superior Court, San Diego County, Judge
8 Gregory W. Pollack presiding (granting final approval of settlement involving claims for unpaid
9 overtime wages, wage statement violations, and meal period violations); *Blank v. Coty, Inc., et*
10 *al.*, Case No. BC624850, California Superior Court, Los Angeles County, Judge Williams F.
11 Highberger presiding (granting final approval of settlement involving claims for wage statement
12 violations, meal period violations, and other claims); *Morales v. Caremeridian, LLC, et al.*, Case
13 No. BC593191, California Superior Court, Los Angeles County, Judge William F. Highberger
14 presiding (granting final approval of settlement on behalf of direct support professionals involving
15 claims for unpaid wages, meal and rest period violations, wage statement violations, and other
16 claims); *Aguilar v. Act Fulfillment, Inc.*, Case No. RIC1616643, California Superior Court,
17 Riverside County, Judge Sharon J. Waters presiding (granting final approval of settlement on
18 behalf of non-exempt factory workers involving claims for meal period violations); *Sandoval v.*
19 *AMCOR Flexibles Inc.*, Case No. BC617499, California Superior Court, Los Angeles County,
20 Judge Kenneth R. Freeman presiding (granting final approval of settlement on behalf of
21 manufacturing employees involving claims for unpaid wages, meal period violations, rest period
22 violations, and waiting time penalties); *Le v. GBW Railcar Services, L.L.C.*, Case No.
23 RIC1612209, California Superior Court, Riverside County, Judge Sharon J. Waters presiding
24 (granting final approval of settlement on behalf of non-exempt employees of a freight railcar
25 manufacturer involving claims for unpaid overtime and minimum wages, meal period violations,
26 and rest period violations); *Silva v. ADJ Products, LLC*, Case No. BC618581, California Superior
27 Court, Los Angeles County, Judge William F. Highberger presiding (granting final approval of
28 settlement involving claims for unpaid overtime and minimum wages, rest period violations, wage

statement violations, and waiting time penalties); *Lira v. Discus Dental, LLC, et al.*, Case No. CIVDS1620402, California Superior Court, San Bernardino County, Judge David Cohn presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and other claims); *Gonzales v. PathPoint*, Case No. BC657147, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt direct support professionals involving claims for meal and rest period violations and other claims); *Duran v. PRADA USA CORP.*, Case No. BC644319, California Superior Court, Los Angeles County, Judge Maren E. Nelson presiding (granting final approval of settlement on behalf of non-exempt commissioned salespersons involving claims for unpaid overtime wages, meal and rest period violations, failure to reimburse for necessary expenditures, and other claims); *Banegas v. UPM, Inc.*, Case No. BC644438, California Superior Court, Los Angeles County, Judge Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid wages, meal and rest period violations, and other claims); *Palafox v. Pacific Line Clean-Up, Inc.*, Case No. 30-2017-00921632-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt employees involving claims for unpaid overtime wages, meal and rest period violations, and other claims); *Janet Arroyo v. AST Sportswear, Inc., dba Bayside Apparel Manufacturing, Inc.*, Case No. 30-2017-00909663-CU-OE-CXC, California Superior Court, Orange County, Judge Glenda Sanders presiding (granting final approval of settlement on behalf of non-exempt garment employees involving claims for unpaid minimum wages, meal and rest period violations, and other claims); *Carlos Garcia v. Fabrica International, Inc.*, Case No. 30-2017-00949461-CU-OE-CXC, California Superior Court, Orange County, Judge William D. Claster presiding (granting final approval of settlement on behalf of non-exempt manufacturing employees involving claims for unpaid minimum and overtime wages, meal and rest period violations, and statutory penalties); *Jonathan Leon v. Piercey West, Inc.*, Case No. BC656874, California Superior Court, Los Angeles County, Judge Amy D. Hogue presiding (granting final approval of settlement on behalf of non-exempt

1 commissioned salespersons and other employees involving claims for unpaid wages, meal and
2 rest period violations, unreimbursed business expenses, and other claims); and *Matthew Tovar, et*
3 *al. v. Rentokil North America, Inc.*, Case No. BC676386, California Superior Court, Los Angeles
4 County, Judge Daniel J. Buckley presiding (granting final approval of settlement on behalf of
5 non-exempt employees involving claims for unpaid overtime, meal and rest break violations, and
6 other claims); *Seungmin Samantha Lee v. Infor (US) Inc.*, Case No. CGC-18-566393, California
7 Superior Court, San Francisco County, Judge Ethan P. Schulman presiding (granting final
8 approval of settlement on behalf of sales development representatives involving claims for unpaid
9 overtime, meal and rest period violations, and penalty claims); *Tracy Aguilar, et al. v. Aero Port*
10 *Services, Inc.*, Case No. BC659234, California Superior Court, Los Angeles County, Judge
11 Carolyn B. Kuhl presiding (granting final approval of settlement on behalf of non-exempt
12 employees involving claims for meal and rest period violations, and other claims); *Carlos Perez,*
13 *et al. v. Moss Bros. Auto Group, Inc., et al.*, Case No. RIC1709905, California Superior Court,
14 Riverside County, Judge Sunshine S. Sykes presiding (granting final approval of settlement on
15 behalf of non-exempt commissioned salespersons involving claims for unpaid wages, meal and
16 rest period violations, other claims); and *Julio Alfaro v. Orange Automotive d/b/a Kia of Orange,*
17 Case No. 30-2017-00945105-CU-OE-CXC, California Superior Court, Orange County, Judge
18 Randall J. Sherman presiding (granting final approval settlement on behalf of non-exempt
19 commissioned employees involving claims for unpaid wages, meal and rest period violations,
20 unreimbursed business expenses, and penalty claims).

21 5. I have also moved to certify and have received an order certifying a class action in
22 *Ontiveros v. Safelite Fulfillment, Inc., et al.*, Case No. CV 15-7118-DMG (RAOx), United States
23 District Court, Central District of California, Honorable Dolly M. Gee presiding (certifying six
24 classes of employees for rest period violations, wage statement violations, meal period violations,
25 and overtime and double-time violations); and *Vazquez v. Kraft Heinz Foods Company*, Case No.
26 16-CV-02749-WQH (BLM), United States District Court, Southern District of California,
27 Honorable William Q. Hayes, presiding (certifying unpaid wages classes, meal period classes,
28 wage statement class, and waiting time penalty class).

1 6. In 2018, 2019, 2020, 2021, and 2022, Thomson Reuters recognized me as a Top
2 Young Attorney in Southern California in the annual Rising Star Edition of Super Lawyers. This
3 is an honor awarded to no more than two-and-a-half percent (2.5%) of attorneys under the age of
4 forty in Southern California each year.

5 7. As counsel for Plaintiff and the proposed Settlement Class, I have been intimately
6 involved in every aspect of this case from its inception through the present, and I believe that the
7 proposed Settlement is a favorable result for the Settlement Class.

8 8. Defendant The Complete Logistics Company (“Complete Logistics”) provides
9 transportation, warehousing, and other logistics services and operates locations in Fontana, San
10 Diego, and Stockton, California.

11 9. On February 4, 2021, Plaintiff filed her Class Action Complaint in San Bernardino
12 County Superior Court, alleging that Complete Logistics: (i) failed to pay all minimum wages;
13 (ii) failed to pay all overtime wages; (iii) failed to provide all lawful meal periods; (iv) failed to
14 authorize and permit all rest periods; (v) failed to issue accurate, itemized wage statements; (vi)
15 failed to pay all final wages due upon separation of employment; (vii) failed to reimburse its
16 employees for all necessary business expenditures; and (viii) engaged in unfair competition in
17 violation of California Business & Professions Code § 17200 *et seq.* That same day, Plaintiff sent
18 her PAGA notice letter to the Labor and Workforce Development Agency (“LWDA”). A true and
19 correct copy of Plaintiff’s February 4, 2021 PAGA letter to the Labor & Workforce Development
20 Agency (“LWDA”) is attached hereto as **Exhibit B**. On April 12, 2021, Plaintiff filed a First
21 Amended Class and Representative Action Complaint (“FAC”) to add a ninth cause of action for
22 civil penalties under the PAGA. On December 9, 2021, Plaintiff filed the operative Second
23 Amended Class and Representative Action Complaint (“SAC”) to exclude non-exempt
24 employees employed as “drivers.”

25 10. In connection with mediation, Complete Logistics provided Plaintiff’s counsel
26 with a random sampling of timekeeping and payroll records for approximately 25% of putative
27 class members. In addition, Complete Logistics produced a spreadsheet containing all putative
28 class members’ hire and termination dates (if applicable), rates of pay, as well as Complete

Logistics’ written policies and other information. Plaintiff conducted a comprehensive analysis and extrapolation of the payroll and timekeeping data produced by Complete Logistics to create a detailed exposure analysis for all claims at issue. This discovery allowed the Parties to assess the merits and value of Plaintiff’s claims, the chances of certification of Plaintiff’s claims, and Complete Logistics’ potential defenses.

11. On July 7, 2022, the Parties participated in a full-day mediation with Marc J. Feder, Esq., a well-respected wage and hour class action mediator. During mediation, the Parties vigorously debated their opposing legal positions, the likelihood of certification of Plaintiff’s claims, the legal basis for the claims and defenses, as well as Complete Logistics’ financial condition. The Parties did not reach a settlement at mediation. The parties continued their discussions with Mr. Feder in the days following mediation and Mr. Feder issued a mediator’s proposal for a class-wide settlement, which was ultimately accepted by both sides. During the months that followed, the Parties finalized the terms of the Settlement and executed the long-form Settlement Agreement now before the court. A true and correct copy of the Settlement Agreement is attached hereto as **Exhibit A**. The proposed Class Notice and Notice of Estimated Settlement Award are attached as **Exhibits 1 and 2**, respectively, to the Settlement Agreement.

12. The monetary terms of the Settlement are summarized below:

• Gross Settlement Amount (“GSA”):	\$200,000.00
• Minus Court-approved attorneys’ fees:	\$66,666.67
• Minus Court-approved verified costs (up to):	\$15,000.00
• Minus Court-approved Service Award:	\$7,500.00
• Minus amount set aside as PAGA penalties:	\$10,000.00
• <u>Minus estimated settlement administration costs:</u>	<u>\$10,000.00</u>
Net Settlement Amount (“NSA”):	\$90,833.33
• PLUS 25% “PAGA Payment” to Settlement Class:	\$2,500.00
Total Amount Paid to Settlement Class members:	\$93,333.33

13. According to Complete Logistics, there are approximately 127 Settlement Class members. Therefore, the average Settlement Award from the NSA is projected to be approximately \$715.22. There are approximately 74 Aggrieved Employees during the PAGA Period. Therefore, each Aggrieved Employee will receive an average of approximately \$33.78 from the PAGA Amount.

1 14. As detailed in Plaintiff's Motion for Preliminary Approval, Plaintiff alleges
2 Complete Logistics failed to provide legally compliant first meal periods such that first meal
3 periods were regularly short (i.e., less than 30 minutes) and often commenced after the completion
4 of the fifth hour of work, and that this is reflected in employee timekeeping records that show
5 such non-compliant meal periods. Based on Plaintiff's review and extrapolation of the
6 timekeeping data produced by Complete Logistics, approximately 12,314 shifts during the Class
7 Period reflected a late, short, and/or missed first meal period. In addition, based on data provided
8 by Complete Logistics, Settlement Class members' average hourly rate of pay during the Class
9 Period was approximately \$18.47 per hour. Therefore, assuming each late, short, and/or missed
10 meal period reflected in the timekeeping records would result in a violation, Plaintiff calculated
11 Complete Logistics' maximum exposure on this claim at approximately \$227,439 (12,314 non-
12 compliant first meal periods * \$18.47 average meal period premium). Plaintiff further alleges that
13 Settlement Class members were not provided with second meal periods when they worked shifts
14 in excess of 10.0 hours in a workday. Plaintiff's analysis and extrapolation of the timekeeping
15 data revealed that approximately 8,048 total shifts were over 10.0 hours and did not reflect a
16 legally compliant second meal period. Plaintiff therefore calculates Complete Logistics'
17 maximum exposure for second meal period violations at approximately \$148,647 (8,048 non-
18 compliant second meal periods * \$18.47 average premium). However, Complete Logistics
19 counters it has maintained compliant written meal period policies throughout the Class Period
20 and has always provided compliant meal periods in line with those policies. Complete Logistics
21 further contends that it always *provides* employees the opportunity to take meal periods and is
22 not required to *ensure* they are taken. Thus, Complete Logistics argues that any missed, late or
23 short meal periods resulted from lawful employee choice rather than any policy and/or practice
24 of Complete Logistics. Complete Logistics also asserts that many employees choose to waive
25 their second meal periods on shifts over 10.0 hours and under 12.0 hours, as they may do under
26 Labor Code § 512(a), so that they do not need to stay at work for an extra unpaid 30 minutes.
27 Finally, Complete Logistics maintains Plaintiff's meal period claim is not suited for class
28 certification since individual inquiries would be needed to assess which employees took non-

compliant or missed meal periods, how many meal periods were non-compliant or missed, the reasons why a particular employee did not take a meal period on a particular shift, and (for second meal periods) whether they waived the meal period. In light of these defenses and arguments, Plaintiff discounted Complete Logistics' maximum exposure for the first meal period claim by 55% for the risk of non-certification, and an additional 50% to account for Complete Logistics' defenses on the merits, to arrive at an estimated exposure of approximately \$51,174. Additionally, in light of these risks, Plaintiff discounted the maximum amount that the class could potentially recover for the second meal period claim by 55% for the risk of non-certification and an additional 65% for the risk of losing on the merits, or having exposure reduced due to Complete Logistics' waiver arguments, to arrive at estimated exposure of approximately \$23,412.

15. Plaintiff alleges Complete Logistics failed to authorize and permit all required off-duty rest periods. Specifically, Plaintiff alleges that Complete Logistics often failed to authorize and permit a third rest period when Plaintiff and other non-exempt employees worked a shift in excess of 10.0 hours. Based on Plaintiff's analysis and extrapolation of Complete Logistics' timekeeping records, Plaintiff estimates there were approximately 8,048 shifts over 10.0 hours during the Class Period where a third rest period was not provided. Therefore, Plaintiff estimates Complete Logistics' maximum potential exposure for rest period violations at approximately \$148,647 (8,048 rest period violations * \$18.47 average premium). However, Complete Logistics counters that it has maintained compliant written rest period policies throughout the Class Period and has always authorized and permitted employees a 10-minute rest period for each four (4) hours worked, or major fraction thereof, as required under the Wage Order, and that any failure to take rest periods was a result of employee choice, rather than any Complete Logistics policy and/or practice. Complete Logistics also argues that Plaintiff's rest period claim is not amenable to class treatment, since individual inquiries would be required to determine which employees failed to take rest periods, how many rest periods they failed to take, and the reasons why each employee failed to take rest period(s) on a particular shift. These manageability concerns are especially present with respect to rest period claims, Complete Logistics argues, given that rest periods are not recorded. Given these defenses, Plaintiff discounted this maximum amount by

65% for risk of non-certification and an additional 50% for a risk of being unsuccessful on the merits or of failing to recover the full amount sought, to arrive at an estimated realistic exposure of approximately \$26,013.

16. Plaintiff alleges that Complete Logistics required Plaintiff and other non-exempt employees to use their personal cellular phones to clock in and out for their work shifts and meal periods by using an “ADP” application. Plaintiff alleges she was instructed by Complete Logistics’ management to clock in/out using the ADP app on her personal cellular phone, because Complete Logistics’ time clock machines often were not operational or would not function properly. Based on Plaintiff’s analysis and extrapolation of Complete Logistics’ records, Plaintiff estimates that Settlement Class members have worked a total of approximately 2,199 months during the Class Period. Using a conservative estimate of \$25 per month in reasonable work-related personal cellular phone use, Plaintiff calculates Complete Logistics’ maximum exposure for this claim at approximately \$54,975 ($\$25.00/\text{month} \times 2,199 \text{ months}$). However, Complete Logistics maintains that Settlement Class members were not required to use their personal cellular phones as part of their job. Complete Logistics further argues that any expenses incurred by Settlement Class members were extremely minimal, given the wide availability of low-cost cellular phone plans. Complete Logistics further contends that this claim would require individual inquiries into whether Settlement Class members actually used their personal cellular phones for work purposes, how much expense they incurred, whether they submitted a request for reimbursement, and the reasonableness of that expense, thus precluding class certification. Based on these defenses, Plaintiff discounted the estimated maximum amount by 50% for risk of non-certification, and by an additional 50% to account for risk of losing on the merits or failure to recover the maximal amount sought, to arrive at an estimated exposure of approximately \$13,744.

17. Plaintiff further alleges that from the beginning of the Class Period until approximately November 2019, Complete Logistics utilized a timekeeping practice that systematically underpaid wages through a process of unlawful time rounding. Plaintiff’s analysis of Complete Logistics’ time and payroll records revealed that Complete Logistics’ rounding practices resulted in many employees being *overpaid* during the relevant time period. Plaintiff’s

analysis showed that approximately 47.37% of shifts were negatively impacted by Complete Logistics' rounding practices; and approximately 52.63% of all shifts were positively impacted (i.e., employees were *overpaid* as a result of the rounding). Only looking at the shifts where there was an underpayment, Plaintiff estimates that Complete Logistics underpaid Settlement Class members by approximately 879 hours. Therefore, Plaintiff calculated Complete Logistics' maximum exposure for this claim at approximately \$24,357 (879 unpaid hours * \$27.71 average overtime rate). However, Complete Logistics counters that its timekeeping policies/practices complied with California law and that it has always properly compensated Settlement Class members for all hours worked throughout the Class Period. Complete Logistics also asserts that Plaintiff would be unable to certify this claim since its timekeeping policies/practices are facially neutral and individualized inquiries would be necessary as to whether employees were in fact underpaid, or potentially overpaid, for each workday in question, resulting in an unmanageable series of mini-trials. To account for Complete Logistics' defenses, Plaintiff discounted the maximum exposure by 65% for the risk of non-certification and an additional 65% for the risk of losing on the merits and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of approximately \$2,984.

18. As a result of the unpaid wages and unpaid meal and rest period premium wages described above, Plaintiff alleges that Complete Logistics failed to comply with its final pay obligations set forth in Labor Code §§ 201-203. Complete Logistics' records reflected approximately 84 former Settlement Class members who are eligible for waiting time penalties. Based on an hourly rate of \$18.47, Plaintiff estimated the average waiting time penalty per former employee to be approximately \$4,432 (\$18.47 * 8 hours per day * 30 days). Therefore, Plaintiff calculated Complete Logistics' maximum exposure for potential waiting time penalties to be approximately \$372,288 (84 former employees * \$4,432 average penalty). Complete Logistics argues that it possesses strong, good faith defenses to Plaintiff's underlying claims, thus precluding recovery of waiting time penalties, which are only available for the "willful" failure to pay wages. Complete Logistics further asserts that Plaintiff's waiting time penalty exposure was grossly inflated as not every former employee experienced the alleged Labor Code violations.

Moreover, because the waiting time claim is derivative of Plaintiff's underlying wage claims, Plaintiff would need to overcome Complete Logistics' defenses, both as to class certification and on the merits, as to her underlying claims. To account for Complete Logistics' defenses, Plaintiff discounted the maximum exposure by 60% for the risk of non-certification and an additional 60% for the risk of losing on the merits and/or not receiving the maximum penalties sought, to arrive at an estimated exposure of approximately \$59,566.

19. As a further result of the unpaid wages and unpaid meal and rest period premium wages described above, Plaintiff alleges that Complete Logistics is liable for wage statement penalties. Those penalties are calculated as \$50 for each "initial" violation and \$100 for each "subsequent" violation, with a maximum of \$4,000 per employee. *See* Labor Code § 226(e). Plaintiff's analysis reflected that there were approximately 74 unique employees and approximately 2,810 pay periods worked during the liability period applicable to Plaintiff's wage statement claim. Therefore, Plaintiff calculated Complete Logistics' potential wage statement exposure at approximately \$277,300 ([74 "initial" violations * \$50] + [2,736 "subsequent" violations * \$100]). However, Complete Logistics argues any alleged wage statement violations were not "knowing and intentional," and Plaintiff cannot show she or other employees "suffer[ed] injury" due to the alleged wage statement violations, as required by Labor Code § 226(e) for the imposition of penalties. Further, Complete Logistics contends its wage statements always accurately reflected hours worked and amounts paid as well as all other required information, precluding liability for wage statement penalties. In light of Complete Logistics' arguments that no violations occurred, that employees suffered no "injury," that any alleged violations were not "knowing and intentional," that the wage statements always accurately reflected hours worked and amounts paid to employees, as well as risks associated with Plaintiff's underlying claims discussed above, Plaintiff discounted the maximum exposure by 60% for risk of non-certification, and by an additional 65% for risk of being unsuccessful on the merits, for an estimated realistic exposure of approximately \$38,822.

20. As a result of the foregoing Labor Code violations, Plaintiff alleges that Complete Logistics is liable for civil penalties under the PAGA. Plaintiff estimated a maximum total PAGA

1 exposure of approximately \$281,000 (2,810 pay periods * \$100 “initial” penalty). Since
2 Plaintiff’s PAGA claim is derivative of Plaintiff’s underlying wage claims, Complete Logistics
3 asserts the PAGA claim would fail with those claims. Complete Logistics further maintains that,
4 given its good faith defenses, this Court would exercise its discretion to substantially reduce any
5 PAGA penalties if it were to find Complete Logistics liable for any of Plaintiff’s claims.
6 Therefore, Plaintiff discounted the maximum figure by 75% for the risk of losing on the merits
7 and/or not recovering a PAGA penalty for each and every pay period, and an additional 75% to
8 account for the possibility of this Court reducing penalties, to arrive at an estimated exposure of
9 approximately \$17,563.

10 21. Using these estimated figures for each of the claims described above, Plaintiff
11 predicted that the potential recovery for the Settlement Class would be approximately \$233,278.
12 The proposed Settlement of \$200,000.00 represents approximately 85.7% of the reasonably
13 forecasted recovery for the Settlement Class.

14 22. Although the parties engaged in significant informal discovery prior to mediation,
15 the parties still had significant formal discovery to complete had the matter not been settled. This
16 would have required the expenditure of substantial time and resources by both parties that would
17 have very likely spanned several years. Even if Plaintiff was to certify the classes, the parties
18 would incur considerably more attorneys’ fees and costs through a possible decertification
19 motion, trial, and possible appeal. This Settlement avoids those risks and the accompanying
20 expense.

21 23. Class Counsel will also apply for an attorneys’ fees award of one-third of the Gross
22 Settlement Amount, which is currently estimated to be \$66,666.67, and up to \$15,000.00 in
23 verified costs reimbursement. Plaintiff submits the requested fee is fair compensation for
24 undertaking complex, risky, expensive, and time-consuming litigation on a purely contingent fee
25 basis. Class Counsel has incurred substantial attorneys’ fees conducting pre-filing investigation,
26 analyzing Plaintiff’s claims, conducting legal research, conducting extensive informal discovery,
27 analyzing Settlement Class members’ timekeeping and payroll records, creating a comprehensive
28 damages model, preparing for and attending mediation, negotiating and preparing the long-form

1 Settlement Agreement, preparing this Motion, and otherwise litigating the case. Class Counsel
2 expects to expend additional attorney time in attending the hearing on this Motion, overseeing the
3 Notice process and fielding questions from Settlement Class members, preparing the final
4 approval papers, and attending the Final Approval hearing.

5 24. Plaintiff will apply for Class Representative Service Award at the time of seeking
6 final approval of the proposed class action settlement in the amount of \$7,500.00 for her service
7 to the Settlement Class. I believe this is reasonable given Plaintiff's efforts in this case as well as
8 the significant risks Plaintiff undertook by agreeing to serve as the named Plaintiff in this case
9 and agreeing to a general release of all claims subject to a waiver of California Civil Code section
10 1542. Plaintiff was integral in the prosecution of this action, by, among other things, providing
11 substantial factual information and documents to Class Counsel, attending multiple meetings with
12 Class Counsel to discuss the claims and theories at issue in the litigation, and otherwise actively
13 participating in the prosecution of his claims.

14 I declare under penalty of perjury under the laws of the State of California that the
15 foregoing is true and correct. Executed on July 18, 2023, at El Segundo, California.

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17 Sean M. Blakely
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EXHIBIT A

STIPULATION OF SETTLEMENT

This Stipulation of Settlement ("Settlement Agreement" or "Settlement") is reached and entered into by and between Plaintiff Reynalda A. Ramos ("Plaintiff"), individually and on behalf of all members of the Settlement Class (defined below), on one hand, and Defendant The Complete Logistics Company ("CLC" or "Defendant"), on the other hand. Plaintiff and Defendant are referred to herein collectively as the "Parties." Plaintiff and the Settlement Class are represented by Paul K. Haines and Sean M. Blakely of Haines Law Group, APC ("Class Counsel"). Defendant is represented by David S. Binder of Binder and Kalioundji, LLP.

On February 4, 2021, Plaintiff Ramos filed a class action lawsuit against Defendant in the San Bernardino County Superior Court, in the matter titled *Reynalda A. Ramos v. The Complete Logistics Company*, San Bernardino Superior Court, Case No. CIVSB2105530, alleging the following causes of action: (1) minimum wage violations (Labor Code §§1182.12, 1194, 1194.2, 1197, 1198); (2) overtime violations (Labor Code §§204, 510, 558, 1194, 1198); (3) rest period violations (Labor Code §§226.7, 516, 558); (4) meal period violations (Labor Code §§226.7, 512, 558); (5) wage statement penalties (Labor Code §226 et seq.); (6) waiting time penalties (Labor Code §§201-203); (7) failure to reimburse for all necessary business expenditures (Labor Code §§2802, 2804); and (8) unfair competition as a result of the aforementioned violations (Bus. & Prof. Code § 17200 et seq.). On April 12, 2021, Plaintiff Ramos filed a First Amended Class and Representative Action Complaint ("FAC") to add a ninth cause of action for civil penalties under the Private Attorneys General Act of 2004 ("PAGA"), California Labor Code § 2698 et seq. On December 9, 2021, Plaintiff filed the operative Second Amended Complaint ("SAC") to exclude non-exempt employees employed as 'drivers' from the Classes Plaintiff sought to represent in this class and representative Action (hereinafter also referred to as the "Action").

Given the uncertainty of litigation, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class (defined below). Accordingly, Plaintiff and Defendant agree as follows:

1. **Settlement Class.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the certification of the following Settlement Class:

All current and former non-exempt employees, excluding commercial drivers, of Defendant who are or have been employed by Defendant in California at any time from February 4, 2017, through July 15, 2022 ("Class Period").

Defendant represents that as of the date of the July 7, 2022, mediation, there were approximately 127 Settlement Class members.

The Parties agree that certification for purposes of settlement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure, in this action or any other action, and is made for the sole purpose of effecting the settlement reached herein. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification shall become null and void *ab initio* and will be inadmissible and will have no effect in this matter or in any claims brought on the same or similar allegations, and the Parties shall revert to the respective positions they held prior to entering into this Settlement Agreement.

2. **Release by Settlement Class Members and Plaintiff.** As of the date that: (i) the Effective Date (as defined below) occurs and (ii) the settlement is fully funded, Plaintiff and the participating Settlement Class members will forever completely release and discharge Defendant and any and all of Defendant's officers, directors, employees, agents, owners, principals, representatives, attorneys, attorneys in fact, accountants, partners, investors, shareholders, administrators, insurers and reinsurers, parent companies, corporate affiliates, subsidiaries, divisions, joint venturers, joint employers, predecessors, successors, and assigns (collectively, the "Released Parties"), as follows:

- A. **Release by Settlement Class.** Settlement Class members (except those who opt-out) shall release any and all claims, liabilities, suits, rights, demands, matters, obligations, liens, damages, losses, costs, expenses, debts, actions, penalties, causes of action, and legal theories which arise out of the facts alleged in the Action which were pled in the Operative Complaint or that could have been pled or otherwise raised based on the facts alleged therein, including (1) Minimum Wage Violations (Labor Code §§1182.12, 1194, 1194.2, 1197, 1198); (2) Failure to pay all overtime wages (Labor Code §§204, 510, 558, 1194, 1198); (3) Rest period violations (Labor Code §§226.7, 516, 558); (4) Meal period violations (Labor Code §§226.7, 512, 558); (5) Wage Statement violations (Labor Code §226 et seq.) ; (6) Waiting time penalties (Labor Code §§201-203); (7) Failure to reimburse for all necessary business expenditures (Labor Code §§2802, 2804); and (8) Unfair Competition ((Business & Professions Code sections 17200, *et seq.*)(“Class Released Claims”). The release of the Class Released Claims shall apply for the duration of the Class Period.
- B. **Release of PAGA Claims.** In addition, all Settlement Class members (regardless of whether or not they opt out) who worked for Defendant in California at any point from February 4, 2020, through July 15, 2022 (the “PAGA Period”) are “Aggrieved Employees” and shall forever completely release and discharge Defendant from all claims for civil penalties under PAGA arising during the PAGA Period as disclosed in Plaintiff's February 4, 2021 Notification Letter to the Labor and Workforce Development Agency (“LWDA”) which shall include all claims for civil penalties pursuant to PAGA based on the allegations that were pled in the operative Complaint or that could have been pled based on the facts alleged therein (collectively “the PAGA Released Claims”).
- C. **Release by Plaintiff.** In light of Plaintiff's Class Representative Service Award, Plaintiff individually and in addition to the Class Released Claims and PAGA Released Claims described above, shall completely and forever release and discharge, all charges, complaints, claims, liabilities, obligations, promises, agreements, controversies, damages, actions, causes of action, suits, rights, demands, costs, losses, debts and expenses (including back wages, statutory penalties, civil penalties, liquidated damages, exemplary damages, interest, attorney' fees and costs) of any nature whatsoever, from the beginning of time through to the end of the Class Period, whether known or unknown, suspected or unsuspected, fixed or contingent, known or unknown, suspected or unsuspected, asserted or unasserted, latent or patent, apparent or concealed, under federal law or state law, against the Released Parties, (“Plaintiff's Released Claims”). Plaintiff and Defendant understand and agree that, by way of this release, Plaintiff is not

releasing, compromising, settling, or resolving any claims for workers' compensation benefits, any claims for unemployment insurance benefits, or claims which cannot be released as a matter of law. Plaintiff understands that this release includes unknown claims and that Plaintiff is, as a result, waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

- D. **Effective Date:** The "Effective Date" of the Settlement shall be the latest of the following dates: (i) if no Settlement Class member objects, timely and properly intervenes, or files a motion to vacate the judgment approving the settlement, sixty-five (65) days after the Court enters a judgment on the settlement; (ii) if a Settlement Class member objects, intervenes, or files a motion to vacate the judgment approving the settlement, and it is not withdrawn, and the objection is overruled by the Court with no appeal being taken, then the Settlement will be "Final" on the expiration date of the time for filing or noticing any appeal of the judgment; (iii) if there is an appeal of the Court's judgment, the Settlement will be "Final" on the date the judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court and/or United States Supreme Court; or (iv) if a petition for writ of certiorari is filed, the Settlement will be "Final" on the date of denial of the petition for writ of certiorari, or the date the judgment is affirmed pursuant to such petition. It is the intent of the Parties that the settlement shall not become effective until the Court's Order approving the settlement is completely final and there is no further recourse by an appellant or objector who seeks to contest the settlement.

3. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a non-reversionary gross settlement amount ("Gross Settlement Amount") of Two Hundred Thousand Dollars and Zero Cents (\$200,000.00) in full and complete settlement of the Action. With the Exception of the Employer's portion of payroll taxes for any settlement amount allocated to wages, the Gross Settlement Amount is the maximum amount that will be paid by Defendant as consideration of the settlement of this matter. The Gross Settlement Amount ("GSA") will be paid as follows:

- A. The Gross Settlement Amount shall be deposited into an escrow account to be established by the Settlement Administrator in two (2) equal installments of One Hundred Thousand Dollars and Zero Cents (\$100,000.00). The first installment of \$100,000.00 shall be deposited by Defendant on or before September 1, 2023, and the second installment of \$100,000.00 shall be deposited on or before February 1, 2024.

If the Settlement does not receive final approval, any payments paid by Defendant shall be immediately returned to Defendant upon Defendant's request along with any interest that accrued.

B. This is a non-reversionary settlement. The Gross Settlement Amount includes the following amounts which shall be deducted therefrom:

- (1) All payments (including interest) to the Settlement Class;
- (2) All costs of the Settlement Administrator which are anticipated to be no greater than Ten Thousand Dollars and Zero Cents (\$10,000.00);
- (3) Up to Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) for Plaintiff's Class Representative Service Award, in recognition of her contributions to the Action and service to the Settlement Class;
- (4) Up to one-third of the Gross Settlement Amount (currently estimated to be \$66,666.67) in Class Counsel's attorneys' fees, plus actual costs and expenses incurred by Class Counsel related to the Action as supported by declaration, which are currently estimated to be no greater than Fifteen Thousand Dollars and Zero Cents (\$15,000.00); and
- (5) Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), 75% of such penalties, or Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00), will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining 25%, Two Thousand Five Hundred Dollars and Zero Cents (\$2,500.00), will be payable to certain Settlement Class members as the "PAGA Amount," as described below.

The amounts described in Section 3.B.(1)-(5) are subject to Court approval. Defendant will not oppose the reasonableness of these requests. Any reduction by the Court of these requests will revert to the Net Settlement Amount (described below).

E. **Employer Payroll Taxes.** The Gross Settlement Amount does not include employer-side payroll taxes that are part of any Individual Settlement Amount designated as wages, which shall be paid by Defendant separate from, and in addition to, the Gross Settlement Amount. At the time the Settlement Administrator sends out the Notice Packets the Settlement Administrator shall make a preliminary calculation of the Defendant's portion of payroll taxes for any amounts to be paid as wages and Defendant shall deposit that amount with the Settlement Administrator no later than the date it deposits the second and final installment payment as described in Paragraph 3.A. The Settlement Administrator shall be responsible for setting up all necessary tax accounts and forwarding all payroll taxes and other amounts to the appropriate government authorities.

F. **Escalator Clause.** The Gross Settlement amount is based on Defendant's representations that there are approximately 8,651 workweeks during the Class Period. If, at the time of preliminary approval, the number of workweeks has increased by more than 15% (i.e., if there are 9,949 or more workweeks), Defendant, at its option, can either chose to: (1) end the Class Period as of the date

on which the number of workweeks reaches 9,949, or (2) increase the Gross Settlement Amount on a proportional basis equal to the percentage increase in the number of workweeks worked by Settlement Class members above the 15% (i.e. if there was a 16% increase in the number of workweeks during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 1%).

4. **Payments to the Settlement Class.** Settlement Class members are not required to submit a claim form to receive a payment ("Settlement Award") from the Settlement. Settlement Awards will be determined and paid as follows:

- A. The Settlement Administrator shall first deduct from the Gross Settlement Amount the amounts approved by the Court for Class Counsel's attorneys' fees, Class Counsel's costs and expenses, the Class Representative Service Award, the Settlement Administrator's fees and expenses for administration, and the total amount set aside as PAGA civil penalties. The remaining amount shall be known as the "Net Settlement Amount" or "NSA." Settlement Awards will be the total of each Settlement Class member's: (i) payment from NSA and (ii) payment, if any, from the PAGA Amount, as described below.
 - i. Payments from the Net Settlement Amount: The Settlement Administrator will calculate payments from the NSA based on each participating Settlement Class member's proportionate Workweeks worked during the Class Period. Specifically, each participating Settlement Class member's payment from the NSA will be calculated by multiplying the NSA by a fraction, the numerator of which is the participating Settlement Class member's number of Workweeks worked during the Class Period, and the denominator of which is the total Workweeks worked by all participating Settlement Class members during the Class Period.
 - ii. Payments from the PAGA Amount: In addition to the NSA, 25% of the amount set aside from the GSA as PAGA civil penalties (i.e., \$2,500.00) will be allocated as the "PAGA Amount," as mentioned above to be paid to all Settlement Class members (regardless of whether they opt-out) who worked for Defendant at any time during the PAGA Period. The PAGA Amount will be paid based on the Settlement Class member's proportional number of workweeks worked for Defendant as a non-exempt employee in California during the PAGA Period. Specifically, each Settlement Class member's payment from the PAGA Amount will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the Settlement Class member's number of workweeks worked during the PAGA Period, and the denominator of which is the total workweeks worked by all Settlement Class members during the PAGA Period.
- B. **Calculation of Settlement Awards.** Within five (5) business days of: (i) the Effective Date occurring and (ii) Defendant's deposit of the Gross Settlement Amount (i.e., two (2) installment payments have been paid), the Settlement Administrator will calculate Individual Settlement amounts, as well as the amount of the employer's share of payroll taxes due on the wage portion of the Individual Settlements, and provide the same to counsel for review and approval. If, based on

the final calculation of the employer's share of payroll taxes, the calculation by the Settlement Administrator is greater than the preliminary calculation, any additional amount shall be paid by Defendant within 30 days. If the calculation by the Settlement Administrator is less than the preliminary calculation, then any overpayment of employer taxes shall be returned to the Defendant within 30 days. At no time will Settlement Class member names or contact information be provided to Class Counsel.

C. **Payment of Individual Settlement Awards.** Within five (5) business days of: (i) the Effective Date occurring, (ii) Defendant's deposit of the Gross Settlement Amount (i.e., the two installment payments have been completed), and (iii) after approval by counsel of the Individual Settlement Award calculations, the Settlement Administrator will prepare and mail via First-Class U.S. mail Individual Settlement Awards, less applicable taxes and withholdings, to Settlement Class members. The Settlement Administrator shall simultaneously pay withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant's counsel. The Settlement Administrator shall pay the amounts approved by the Court for Class Counsel's attorneys' fees and costs, Plaintiff's Class Representative Service Awards, PAGA payment to the LWDA, and the Settlement administration costs to itself, at the same time it mails the Individual Settlement Awards to Settlement Class members.

D. For tax purposes, each Individual Settlement Award shall be allocated as follows: any payment made from the PAGA Amount shall be treated as 100% penalties. Any payment made from the NSA shall be allocated as twenty percent (20%) wages subject to withholding of all applicable local, state, and federal taxes, forty percent (40%) interest, and forty percent (40%) penalties. The Settlement Administrator will issue to Settlement Class members an IRS Form W-2 (for amounts paid as wages) and an IRS Form 1099 (for amounts paid as penalties and interest). Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, including but not limited to, 401K benefits or matching benefits. Each Settlement Class member is responsible for the proper tax treatment of his/her Individual Settlement Award, and neither Plaintiff, Defendant, nor their respective counsel have or are providing tax advice with respect to the tax treatment of Individual Settlement Awards. Each Settlement Class member agrees to hold harmless Plaintiff, Defendant, and their respective counsel from any liability for taxes, fees, costs, or assessments resulting from his or her failure to timely pay his or her share of taxes, interest, fees, or penalties owed.

E. Each member of the Settlement Class who receives an Individual Settlement Award must cash that check within 180 days from the date the Settlement Administrator mails the payment. Any funds payable to Settlement Class members whose checks are not cashed within 180 days after mailing, shall escheat to the California State Controller's Office for deposit in the Unclaimed Property Fund, in the name of the Class member. If a settlement check is returned to the Settlement Administrator within 180 days of mailing, the Settlement Administrator will perform a skip trace

to locate a new address for the individual and will re-issue the check to the new address. Neither the Parties nor their counsel, shall have any liability for lost or stolen settlement checks, forged signatures on settlement checks, or unauthorized negotiation of settlement checks. Without prejudice to any other remedies, the Settlement Administrator shall agree to be responsible for any breach of its obligations (regardless of whether it was committed by the Settlement Administrator or its agents) and to indemnify and hold the Parties and their counsel harmless from and against all liabilities, claims, causes of action, costs and expenses (including legal fees and expenses) arising out of any breach committed by the Settlement Administrator or its agents.

- F. Neither Plaintiff nor any of the Released Parties (nor their respective counsel) shall bear any liability for lost or stolen checks, forged signatures on checks, or unauthorized negotiation of checks. Unless responsible by its own acts of omission or commission, the same is true for the Settlement Administrator.

5. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of up to one-third of the Gross Settlement Amount, which is currently estimated to be \$66,666.67, which amounts shall be deducted from the GSA. Class Counsel agree that except for these amounts, Defendant shall have no further obligation to pay any attorney's fees, costs, or expenses to Class Counsel. Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed \$15,000.00, from the Gross Settlement Agreement. These amounts will cover any and all work performed and any and all costs incurred in connection with this litigation, including without limitation: all work performed and all costs incurred to date; and all work to be performed and costs to be incurred in connection with obtaining the Court's approval of this Settlement Agreement, including any objections raised and any appeals necessitated by those objections. Class Counsel will be issued an IRS Form 1099 by the Settlement Administrator when the Settlement Administrator pays the fee award approved by the Court. Plaintiff and Class Counsel agree that any Court Order awarding less than the amount sought by Class Counsel shall not be a ground to rescind or void this Settlement Agreement.

6. **Class Representative Service Awards.** Defendant will not object to a request for a Class Representative Service Award to Plaintiff of up to \$7,500.00, for her time and risk in prosecuting this case, her individual release of all claims, her Code of Civil Procedure section 1542 waiver, and services to the Settlement Class, which amount shall be deducted from the GSA. Plaintiff's Class Representative Service Awards will be in addition to Plaintiff's Individual Settlement Awards as Settlement Class members, and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. The Parties agree that any amount awarded as the Service Award less than the requested amount shall not be a basis for Plaintiff or Class Counsel to rescind or void this Settlement Agreement.

7. **Settlement Administrator.** The parties have agreed to the appointment of Phoenix Settlement Administrators as a Settlement Administrator. Defendant will not object to Plaintiff seeking approval to pay up to \$10,000.00 for Phoenix Settlement Administrators' services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending Notice Packets to the Settlement Class members, handling inquiries from Settlement Class members concerning the Class Notice, independently reviewing and verifying documentation

associated with any claims or opt-out requests, calculating Individual Settlement Awards, resolving any disputes regarding the calculation of Individual Settlement Awards, preparing all checks and mailings, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the GSA only after all Individual Settlement Awards have been mailed to Settlement Class members and the PAGA payment is made to the LWDA. The Settlement Administrator shall also give notice of the final judgment by posting the final judgment to its website.

Any and all disputes relating to administration of the Settlement by the Settlement Administrator shall be referred to the Court, if necessary. Prior to presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the dispute.

8. Preliminary Approval. Within a reasonable time after execution of this Settlement Agreement by the Parties, Plaintiff shall apply to the Court for the entry of an Order:

- A. Conditionally certifying the Settlement Class for settlement purposes only;
- B. Appointing Paul K. Haines and Sean M. Blakely of Haines Law Group, APC as Class Counsel;
- C. Appointing Plaintiff as the Class Representative for the Settlement Class;
- D. Approving Phoenix Settlement Administrators as Settlement Administrator;
- E. Preliminarily approving this Settlement Agreement and its terms as fair, reasonable, and adequate;
- F. Approving the form and content of the Notice Packet (which is comprised of the Class Notice and Notice of Estimated Settlement Award, attached hereto as Exhibits A and B, respectively), and directing the mailing of the same; and
- G. Scheduling a Final Approval hearing.

9. Notice to Settlement Class. Following preliminary approval, the Settlement Class shall be notified as follows:

- A. Within ten (10) business days after entry of an order preliminarily approving this Settlement, Defendant will provide the Settlement Administrator with the names, last known addresses, social security numbers, dates of employment and/or Workweek data ("Class Data") for each Settlement Class member. The Class Data provided to the Settlement Administrator will remain confidential, shall be used solely to administer the Settlement, and will not be used or disclosed to anyone, except as required by applicable tax authorities, pursuant to Defendant's express written consent, or by Order of the Court. Class Counsel shall not receive a copy of Class Data. Defendant will provide Class Counsel with a numeric summary of the information that it provides to the Settlement Administrator. At no time will Settlement Class member names or contact information be provided to Class Counsel.

- B. Within ten (10) business days from receipt of this information, the Settlement Administrator shall: (i) run the names of all Settlement Class members through the National Change of Address (“NCOA”) database to determine any updated addresses for Settlement Class members; (ii) update the address of any Settlement Class member for whom an updated address was found through the NCOA search; (iii) calculate the estimated Individual Settlement Award for each Settlement Class member and receive approval from counsel of those calculations; and (iv) mail via First Class U.S. mail a Notice Packet to each Settlement Class member at his or her last known address or at the updated address found through the NCOA search, and retain proof of mailing.
- C. The Notice Packet, as approved by the Court, shall be sent by the Settlement Administrator to the Settlement Class members in English and Spanish. The Parties shall use the form of the Notice Packet as attached hereto as Exhibits A and B hereto.
- D. Requests for Exclusion. Any Settlement Class member other than Plaintiff who wishes to be excluded from the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within forty-five (45) calendar days of the date of the initial mailing of the Notice Packets (the “Response Deadline”).
- i. The Notice Packet shall state that Settlement Class members who wish to exclude themselves from the class Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the full name, address, and the last four digits of the Social Security number of the Settlement Class member; (2) be signed by the Settlement Class member; and (3) be postmarked by the Response Deadline and mailed to the Settlement Administrator at the address specified in the Class Notice. If the Request for Exclusion does not contain the information listed in (1)-(3), it will not be deemed valid for exclusion from the Settlement, except a Request for Exclusion not containing a Settlement Class member’s last four digits of the Social Security number will be deemed valid. The date of the postmark on the Request for Exclusion shall be the exclusive means used to determine whether a Request for Exclusion has been timely submitted. Any Settlement Class member who requests to be excluded from the Settlement Class will not be entitled to any recovery under this Settlement Agreement (except for any amount due to him or her from the PAGA Amount, if applicable) and will not be bound by the terms of the Settlement (except for the release of the PAGA Released Claims, if applicable) or have any right to object, appeal, or comment on the Settlement Agreement.
 - ii. At no time will the Parties or their counsel seek to solicit or otherwise encourage any Settlement Class member to object to the Settlement or opt out of the Settlement Class or encourage any Settlement Class member to appeal from the final judgment.

- iii. Prior to the tenth (10) day before the final approval hearing, any person who has elected to be excluded from the Settlement may withdraw that election by notifying the Claims Administrator in writing that he/she wishes to be a member of the Settlement Class. Settlement Class members who properly withdraw their request for exclusion pursuant to this section and upon approval by both class counsel and defense counsel shall be treated as a Settlement Class member.
- E. Objections. Members of the Settlement Class other than Plaintiff who do not opt out may object to this Settlement Agreement as explained in the Class Notice by filing a written objection with the Settlement Administrator postmarked by the Response Deadline at the address set forth in the Notice. Timely objections shall be served by the Settlement Administrator on Class Counsel and Defendant's counsel, as well as file all such objections with the Court. Defendant's counsel and Class Counsel shall file any responses to objections no later than the deadline to file the Motion for Final Approval, unless the objections are filed within ten (10) days of the Motion for Final Approval filing deadline, in which case Defendant's counsel and Class Counsel shall have ten (10) days to file a response to the objections. To be valid, any objection should: (1) contain the objecting Settlement Class member's full name and current address, as well as contact information for any attorney representing the objecting Settlement Class member for purposes of the objection; (2) the case name and number; (3) include all objections and the factual and legal bases for same; (4) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (5) be postmarked no later than the Response Deadline. A Settlement Class member may also appear at the final approval hearing to orally object, even if they have not submitted a written objection. Plaintiff and Defendant shall not be responsible for any fees, costs, or expenses incurred by any Settlement Class member or his/her counsel related to any objections to the Settlement.
- E. Notice of Estimated Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Individual Settlement Award (excluding any tax calculations) as well as the information that was used to calculate the estimated Individual Settlement Award. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of Estimated Settlement Award, to provide documentation and/or an explanation to show contrary information. Any such dispute, including any supporting documentation, must be mailed to the Settlement Administrator and postmarked by the Response Deadline. If there is a dispute, the Settlement Administrator will consult with the Parties to determine whether an adjustment is warranted. If the Parties cannot agree, the Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Agreement. The Settlement Administrator's determination of the eligibility for and amount of any Settlement Award shall be binding upon the Settlement Class member and the Parties. Any change by the Settlement Administrator to a Settlement Award will require the recalculation of the Individual Settlement Award

to all Settlement Class members and under no circumstances will Defendant be required to increase the GSA.

- F. Any Notice Packets returned to the Settlement Administrator as non-delivered on or before the Response Deadline shall be re-mailed to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall make reasonable efforts, including utilizing a "skip trace," to obtain an updated mailing address within five (5) business days of receiving the returned Notice Packet. If an updated mailing address is identified, the Settlement Administrator shall re-send the Notice Packet to the Settlement Class member within three (3) business days of obtaining the updated address. Settlement Class members to whom Notice Packets are re-sent after having been returned as undeliverable to the Settlement Administrator shall have fourteen (14) calendar days from the date of re-mailing, or until the Response Deadline has expired, whichever is later, to mail a Request for Exclusion, Objection, or dispute. Notice Packets that are re-sent shall inform the recipient of this adjusted deadline, if applicable. If a Settlement Class member's Notice Packet is returned to the Settlement Administrator more than once as non-deliverable, then an additional Notice Packet need not be mailed. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant's Counsel to provide notice of the proposed settlement.
 - G. The Settlement Administrator shall provide to counsel for the parties, at least 25 days before the Final Approval Hearing, with a declaration of due diligence and proof of mailing regarding the Notice Packets.
 - H. The Settlement Administrator shall disclose jointly to Class Counsel and Defense Counsel the number of objections or valid requests for exclusion that were timely submitted on a weekly basis.
11. **Final Approval.** Following preliminary approval and the close of the period for submitting requests for exclusion, objections, or disputes under this Settlement Agreement, Plaintiff shall apply to the Court for entry of an Order:
- A. Granting final approval to the Settlement Agreement and adjudging its terms to be fair, reasonable, and adequate;
 - B. Approving Plaintiff's and Class Counsel's application for attorneys' fees and costs, Class Representative Service Awards, settlement administration costs, and payment to the LWDA for its share of civil penalties under PAGA; and
 - C. Entering judgment pursuant to California Rule of Court 3.769. Said judgment shall be posted on the website of the Settlement Administrator.
12. **Non-Admission of Liability.** Nothing in this Settlement Agreement, the acts to be performed pursuant to this Settlement Agreement or any Judgment that is entered pursuant to the Settlement Agreement shall operate or be construed as an admission of any liability, wrongdoing, or violation of any statute or law, or that class certification is appropriate in any context other than

this Settlement. Each of the Parties has entered into this Settlement Agreement to avoid the burden and expense of further litigation. Pursuant to California Evidence Code Section 1152, this Settlement Agreement is inadmissible in any proceeding, except a proceeding to approve, interpret, or enforce this Settlement Agreement. If Final Approval does not occur, the Parties agree that this Settlement Agreement is void, but remains protected by California Evidence Code Section 1152.

13. **Waiver and Amendment.** The Parties may not amend or modify any provision of this Settlement Agreement except by a written agreement signed by counsel for all the Parties, and subject to any necessary Court approval. The waiver by one Party of any breach of this Settlement Agreement will not constitute a waiver of any other subsequent breach of this Agreement.

14. **Notices.** All notices, demands, and other communications to be provided concerning this Settlement Agreement shall be in writing and delivered by receipted delivery and by e-mail at the addresses set forth below, or such other addresses as either Party may designate in writing from time to time:

if to Plaintiff: Paul K. Haines
Haines Law Group, APC
2155 Campus Drive, Suite 1550, El Segundo, CA 90245
phaines@haineslawgroup.com

if to Defendant: David S. Binder
Binder and Kalioundji LLP
21021 Devonshire Street, Suite 101, Chatsworth, CA 91311
david@binderkal.com

15. **Entire Agreement.** This Settlement Agreement contains the entire agreement between the Parties with respect to the transactions contemplated hereby, and supersedes all negotiations, presentations, warranties, commitments, offers, contracts, and writings prior to the date hereof relating to the subject matters hereof.

16. **Counterparts.** This Settlement Agreement may be executed by one or more of the Parties on any number of separate counterparts and delivered electronically, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Electronic signatures shall have the same force and effect as an original.

17. **Nondisclosure and Nonpublication.** Class counsel shall not publicize the settlement on their website or in advertising/marketing materials, other than filing documents with the Court. Plaintiff and Class Counsel agree that they will not issue any press releases or initiate any contact with the media about the fact, amount, or terms of the settlement. If Plaintiff or Class Counsel receive an inquiry about the Settlement from the media, they may respond only after the motion for preliminary approval has been filed and only by confirming the accurate terms of the Settlement. Nothing in this provision shall prevent Defendant from making any required disclosure. Nothing shall prevent Class Counsel from including a general description of the Settlement on their website, without the mention of the names of the parties or the case number. Nor shall anything in this Settlement prevent Class Counsel from referring to this case in a declaration establishing qualification as class counsel in future cases.

18. **Enforcement and Continuing Jurisdiction of the Court.** To the extent consistent with class action procedure, this Settlement Agreement shall be enforceable by the Court pursuant to California Code of Civil Procedure section 664.6. The Court shall retain continuing jurisdiction over this Action and over all Parties and Settlement Class members, to the fullest extent to enforce and effectuate the terms and intent of this Settlement Agreement, and to adjudicate any claimed breaches of this Settlement Agreement. In an action or motion to enforce this Settlement Agreement upon breach of a material term, the prevailing party as determined by the Court shall be awarded reasonable attorneys' fees and costs. Prior to instituting legal action to enforce the provisions of this Agreement or to declare rights and/or obligations under this Agreement, a Party shall provide written notice to the other Party and allow an opportunity to cure the alleged deficiencies.

19. **Interim Stay of Proceedings.** Pending completion of all of the prerequisites necessary to effectuate this Settlement, the parties agree, subject to Court approval, to a stay of all proceedings in this Action except such as a necessary to effectuate the Settlement.

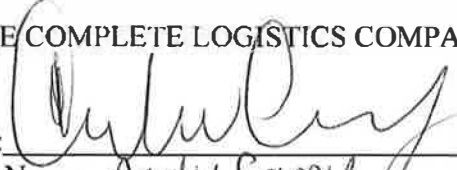
20. **Voiding the Agreement.** If the Court fails or refuses to issue the Final Approval Order or fails to approve any material condition of this Settlement Agreement which effects a fundamental change of the Settlement, the entire Settlement Agreement shall be rendered voidable and unenforceable as to all Parties herein at the option of either party. If either Party elects to void the Settlement for a reason that is set forth in this Settlement Agreement, then the Settlement and conditional class certification shall be considered void, and neither the Settlement Agreement, conditional class certification, nor any of the related negotiations or proceedings, shall be of any force or effect, and the Parties shall stand in the same position, without prejudice, as if this Stipulation had been neither entered into nor filed with the Court.

21. **Exclusion Threshold.** If 7.5% or more of the Settlement Class members timely submit a request for exclusion, Defendant shall have the option of terminating this Settlement Agreement and Defendant being relieved of any obligation to pay the Settlement Amount or any other obligations from the Settlement by giving notice to Plaintiff's Counsel and the Settlement Administrator within (14) calendar days of the Response Deadline. If Defendant elects to terminate the Settlement pursuant to this provision, Defendant shall be solely responsible for any settlement administration costs incurred up to that point. If the Settlement is voided or fails for any reason, Plaintiff and Defendant will have no further obligations under the Settlement, including any obligation by Defendant to pay the Settlement Amount, or any amounts that otherwise would have been owed under this Settlement and any sums paid by Defendant shall be returned to Defendant immediately upon request.

22. **No Prior Assignments.** The Parties hereto represent and agree that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action or rights released and discharged by this Settlement Agreement. This Settlement Agreement shall be binding upon and insure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

DATED: ^{May 23}~~April~~ __, 2023

THE COMPLETE LOGISTICS COMPANY

By: 

Name: Andy Carey

Title: CEO

DATED: April __, 2023
May 26, 2023

PLAINTIFF REYNALDA A. RAMOS

By: Reynalda Ramos
Reynalda Ramos (May 26, 2023 08:41 PDT)

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM AND CONTENT:

May 24

DATED: ~~April~~ __, 2023

BINDER AND KALIOUNDJI LLP

By: David Binder

David S. Binder

Attorneys for Defendant

DATED: ~~April~~ __, 2023
May 26, 2023

HAINES LAW GROUP, APC

By: P. H

Paul K. Haines

Attorneys for Plaintiff and Settlement Class

EXHIBIT 1

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

NOTICE OF PENDING CLASS ACTION SETTLEMENT

A Court Authorized this Notice. This is not a solicitation from a lawyer.

To: All current and former non-exempt employees, excluding commercial drivers, of The Complete Logistics Company ("CLC") who are or have been employed by CLC in California at any time from February 4, 2017, through July 15, 2022 Collectively, these employees will be referred to as "Settlement Class members."

**PLEASE READ THIS NOTICE CAREFULLY
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT
THIS NOTICE IS BEING SENT IN ENGLISH AND SPANISH**

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the "Settlement") in *Reynalda A. Ramos v. The Complete Logistics Company*, San Bernardino County Superior Court, Case No. CIVSB2105530 (the "Lawsuit"). Your rights may be affected by the Settlement, and it is important that you read this notice carefully.

You may be entitled to money from this Settlement. CLC's records show that you were employed by CLC as a non-exempt employee in California between February 4, 2017, and July 15, 2022 (the "Class Period"), and are therefore part of the proposed "Settlement Class." The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights.

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

What is this case about?

Plaintiff Reynalda A. Ramos ("Plaintiff") has filed a lawsuit alleging that CLC violated California law by: (1) failing to pay minimum wages for all hours worked; (2) failing to pay all overtime wages; (3) failing to authorize and permit all legally required rest periods; (4) failing to provide all legally required meal periods; (5) failing to furnish accurate and itemized wage statements; (6) failing to timely pay all wages owing upon separation of employment; (7) failing to reimburse business expenses; and, as a result of the above, (8) engaging in unlawful business practices. In addition, Plaintiff seeks recovery of derivative civil penalties under the California Labor Code Private Attorneys General Act, Labor Code § 2698, *et seq.* ("PAGA"), interest, and attorneys' fees and costs. Plaintiff is known as the "Class Representative." Plaintiff's attorneys, who also represent the interests of all Settlement Class members, are known as "Class Counsel."

CLC denies that it has done anything wrong and asserts that it properly paid its employees in accordance with the Law. CLC denies that it owes Settlement Class members any wages, restitution, penalties, or other damages or amounts. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of CLC, who expressly denies all liability.

The Court has not ruled on the merits of Plaintiff's claims. However, to avoid additional expense, inconvenience, and interference with business operations, the parties have decided to settle the lawsuit according to the terms summarized in this Notice. CLC provided relevant information to Class Counsel and the Settlement was reached after mediation conducted by an experienced mediator and arm's-length negotiations between the parties.

The Class Representative and Class Counsel support the Settlement. Among the reasons for support are the defenses to liability potentially available to CLC, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with ongoing litigation.

If you are still employed by CLC, your decision about whether to participate in the Settlement will not affect your employment. California law and CLC's policy strictly prohibit unlawful retaliation. CLC will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class member because of his/her decision to either participate or not participate in the Settlement.

Who are the Attorneys?

Attorneys for Plaintiff / Settlement Class members:	Attorneys for The Complete Logistics Company:
HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com Sean M. Blakely sblakely@haineslawgroup.com 2155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 haineslawgroup.com	BINDER AND KALIOUNDJI, LLP David S. Binder david@binderkal.com Zena M. Kalioundji zena@binderkal.com 21021 Devonshire Street, Suite 101 Chatsworth, California 91311 Tel: (818) 479-7679 Fax: (818) 479-7690

What are the terms of the Settlement?

On <<PRELIM APPROVAL DATE>>, the Court granted preliminary approval of the Settlement. If the Court grants final approval of the Settlement, Settlement Class members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against CLC, as specifically described below.

CLC has agreed to pay \$200,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Lawsuit, including payments to Settlement Class members, attorneys' fees and costs, settlement administration costs, the Class Representative Service Award, and the amount designated as PAGA civil penalties.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Attorneys' Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of Settlement Class members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys' fees, which will be paid from the Gross Settlement Amount. Settlement Class members are not personally responsible for any of Class Counsel's attorneys' fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount (which is currently estimated to be \$66,666.67) as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$15,000.00 for verified costs which were incurred by Class Counsel in connection with the Lawsuit.

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the "Settlement Administrator," who is sending this Notice to you and who will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$10,000.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Class Representative Service Award. Class Counsel will ask the Court to award \$7,500.00 for the Class Representative Service Award. This payment is meant to compensate Plaintiff for her service and extra work provided on behalf of the Settlement Class members.

PAGA Payment to the State of California. The parties have agreed to allocate \$10,000.00 of the Gross Settlement Amount as PAGA civil penalties. Per Labor Code Section 2699(i), 75% of such penalties (\$7,500.00) will be payable to the LWDA for its share of PAGA penalties, and the remaining 25% (\$2,500.00) will be payable to Aggrieved Employees as the “PAGA Amount.”

Calculation of Settlement Class Members’ Individual Settlement Payments. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class members who do not submit a valid and timely Request for Exclusion (described below). The Net Settlement Amount will be divided as follows:

- (i) The NSA will be allocated proportionally to all participating Settlement Class members (i.e., those who do not opt out) based on each Settlement Class member’s total weeks worked for CLC in California as a non-exempt employee during the Class Period.
- (ii) In addition to the NSA, \$2,500 of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above, and will be allocated to all Aggrieved Employees (regardless whether they opt out) who worked for CLC at any time from February 4, 2020 through July 15, 2022 (the “PAGA Period”), in proportion to the number of workweeks that each Aggrieved Employee worked for CLC in California as a non-exempt employee during that time period.

Deposit of Gross Settlement Amount. The Settlement will be funded by CLC in two (2) equal installments of \$100,000.00, with the first installment due on September 1, 2023, and the second installment due on February 1, 2024.

Individual Settlement Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Payments will be mailed to Settlement Class members who did not opt out of the settlement by submitting a valid and timely Request for Exclusion.

Allocation and Taxes. For tax purposes, each Individual Settlement Payment will be allocated as 20% wages and 80% penalties and interest. The Settlement Administrator will be responsible for issuing to Settlement Class members an IRS Form W-2 (for amounts paid as wages) and an IRS Form 1099 (for amounts paid as penalties and interest). Settlement Class members are responsible for the proper income tax treatment of the Settlement Payments. The Settlement Administrator, CLC and its counsel, and Class Counsel cannot provide tax advice. Accordingly, Settlement Class members should consult with their tax advisors concerning the tax consequences and treatment of payments they receive under the Settlement.

Release by Settlement Class members. If the Court approves the Settlement, each Settlement Class member who has not submitted a timely and valid Request for Exclusion, will fully release and discharge The Complete Logistics Company and any and all of CLC’s officers, directors, employees, agents, owners, principals, representatives, attorneys, attorneys in fact, accountants, partners, investors, shareholders, administrators, insurers and reinsurers, parent companies, corporate affiliates, subsidiaries, divisions, joint ventures, joint employers, predecessors, successors and assigns (collectively the “Released Parties”) from any and all claims, liabilities, suits, rights, demands, matters, obligations, liens, damages, losses, costs, expenses, debts, actions, penalties, causes of action, and legal theories which arise out of the facts alleged in the Action which were pled in the Operative Complaint or that could have been pled or otherwise raised based on the facts alleged therein, including (1) Minimum Wage Violations (Labor Code §§1182.12, 1194, 1194.2, 1197, 1198); (2) Failure to pay all overtime wages (Labor Code §§204, 510, 558, 1194, 1198); (3) Rest period violations (Labor Code §§226.7, 516, 558); (4) Meal period violations (Labor Code §§226.7, 512, 558); (5) Wage Statement violations (Labor Code §226 et seq.); (6) Waiting time penalties (Labor Code §§201-203); (7) Failure to reimburse for all necessary business expenditures (Labor Code §§2802, 2804); and (8) Unfair Competition ((Business & Professions Code sections 17200, *et seq.*)(“Class Released Claims”). The release of the Class Released Claims shall apply for the duration of the Class Period. In addition, all Settlement Class members (whether or not they opt out) who worked for The Complete Logistics Company in California at any point from February 4, 2020 through July 15, 2022 (the “PAGA Period”) shall release and discharge The Complete Logistics Company from all claims for civil penalties under the PAGA, arising during the PAGA Period as disclosed in Plaintiff’s February 4, 2021 Notification Letter to the Labor and Workforce Development Agency (“LWDA”) which shall include all claims for civil penalties pursuant to PAGA based on the allegations that were pled in the operative Complaint or that could have been pled based on the facts alleged therein (the “PAGA Released Claims”).

Conditions of Settlement. By granting preliminary approval of the Settlement, the Court has determined that the Settlement falls within the range of possible approval as fair, reasonable, and adequate. This Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your Individual Settlement Award which has been calculated for you based on the formula set forth above, and as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

Check Cashing Deadline and Uncashed Checks. If you are issued a Settlement Award, you will have one hundred and eighty (180) calendar days after your check is mailed by the Settlement Administrator to cash it. If you do not cash your check within 180 days after mailing, the check will become void, and the funds associated with such voided check will be distributed to the Controller of the State of California to be held in your name pursuant to the Unclaimed Property Law, California Civil Code section 1500 *et seq.*, for your benefit until such time that you claim the funds being held in your name.

What other options do I have?

Dispute Information in Notice of Settlement Award. Your estimated Settlement Award has been calculated and is included in the enclosed Notice of Estimated Settlement Award. As stated above, your estimated Settlement Award is based on the number of workweeks and pay periods you worked for CLC as a non-exempt employee in California during the Class Period and PAGA Period, respectively. The information contained in CLC's records regarding each of these factors is listed on the accompanying Notice of Estimated Settlement Award. If you disagree with the information in your Notice of Estimated Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Estimated Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than **<<RESPONSE DEADLINE>>**. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.** The parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class members. The Settlement Administrator's decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion no later than **<<RESPONSE DEADLINE>>**, with your name, address, telephone number, last four digits of your social security number, and your signature.

Send the Request for Exclusion directly to the Settlement Administrator at **<<ADMINISTRATOR CONTACT INFO>>**. Any person who submits a timely Request for Exclusion shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member with respect to the class claims alleged, shall be barred from participating in the Class Settlement, and shall receive no benefits from the Class Settlement. Any person who submits a valid and timely Request for Exclusion will also lack standing to submit any objection to the Settlement. However, Aggrieved Employees who were employed by CLC in California at any time during the PAGA Period, including those who opt-out, will be bound by the PAGA portion of the Settlement and will receive a portion from the PAGA Amount. **Do not submit both a Dispute and a Request for Exclusion Form.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you may mail a written objection to the Settlement Administrator at **<<INSERT ADMINISTRATOR CONTACT INFO>>**. All objections and correspondence must be sent directly to the Settlement Administrator, please do not send objections or correspondence to the Court. Your written objection must include your name, address, as well as contact information for any attorney representing you regarding your objection, the case name and number, each specific reason in support of your objection, and any legal or factual support for each objection together with any evidence in support of your objection. Objections should be in writing and must be postmarked on or before **<<RESPONSE DEADLINE>>**. Notwithstanding the foregoing, you do not need to object in writing to be heard at the Final Approval Hearing.

You may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department S17 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. You have the right to appear either in person or through your own attorney at this hearing. All objections or other correspondence must state the name and number of the case, which is *Reynalda A. Ramos v. The Complete Logistics Company*, Los Angeles County Superior Court, Case No. CIVSB2105530. You need not file a written objection in order to appear at the Final Approval Hearing.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class members who do not object.

What is the next step?

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on <<FINAL APPROVAL HEARING DATE/TIME>>, in Department S17 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. At the Final Approval Hearing, the Court will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses, the service award to the Class Representative, the Settlement Administrator's costs, and the amount related to the PAGA civil penalties. The location, date, and time of the Final Approval Hearing may be moved without further notice to you. You may contact the Settlement Administrator at [REDACTED] to confirm the address and time of the hearing. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing at their own expense.**

If you plan on attending the hearing in person or otherwise visiting the Court, please consult the Court's website, <https://www.sb-court.org>, for information regarding court operations during COVID-19 as well as any face covering and social distancing requirements.

How can I get additional information?

This Notice is only a summary of the Action and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Clerk's Office at the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415, during regular Court hours. You may also contact the Settlement Administrator at [REDACTED] or Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS

REMINDER AS TO TIME LIMITS

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is <<RESPONSE DEADLINE>>. These deadlines will be strictly enforced.

EXHIBIT 2

NOTICE OF ESTIMATED SETTLEMENT AWARD

REYNALDA A. RAMOS v. THE COMPLETE LOGISTICS COMPANY
SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVSB2105530

Please complete 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 Settlement Award:

According to Defendant The Complete Logistics Company's ("CLC") records:

- (a) you worked [REDACTED] workweeks for CLC as a non-exempt employee in California between February 4, 2017, and July 15, 2022; and
- (b) you worked [REDACTED] workweeks for CLC as a non-exempt employee in California between February 4, 2020, and July 15, 2022.

Based on the above, your Settlement Award is estimated at \$ [REDACTED].

(IV) If you disagree with items (a) and (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 CLC's records, CLC's records will control unless you are able to provide documentation that establishes otherwise, and that CLC's records are mistaken. If there is a dispute about whether CLC'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 as described in the "Notice of Pendency of Class Action and Proposed Settlement" that accompanies this Form.

Date: _____

Signature: _____

ANY DISPUTES (INCLUDING SUPPORTING DOCUMENTS) MUST BE POSTMARKED NO LATER THAN <<RESPONSE DEADLINE>>.

EXHIBIT B

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

February 4, 2021

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Reynalda A. Ramos v. The Complete Logistics Company*

To Whom It May Concern:

Please be advised that this law firm represents Reynalda A. Ramos (“Ms. Ramos”) in claims arising from her employment with The Complete Logistics Company; and Does 1 through 100 (collectively “Complete Logistics”). Ms. Ramos is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to Complete Logistics’ numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of Complete Logistics’ non-exempt employees who worked for Complete Logistics in California during the one year immediately preceding the date of this letter through the present.

Complete Logistics provides transportation, warehousing, and other logistics services and operates locations in Ontario, Fontana, San Diego, and Tracy, California. Ms. Ramos worked for Complete Logistics as a non-exempt employee in the position of warehouse clerk from approximately 2007 until approximately October 16, 2020. Ms. Ramos’ primary job duties consisted of data entry, preparing orders and pallets, and checking inventory.

During at least a portion of Ms. Ramos’ employment with Complete Logistics, Complete Logistics utilized a timekeeping system which resulted in Ms. Ramos and other aggrieved employees not being compensated for all hours actually worked, whether by rounding, time-shaving, or otherwise. Specifically, upon information and belief, Complete Logistics rounded Ms. Ramos’ and other aggrieved employees’ timekeeping entries in an uneven manner to a quarter of an hour increment, so that, over a period of time, Ms. Ramos and other aggrieved employees were deprived of all earned minimum and overtime wages. Upon information and belief, Complete Logistics’ timekeeping system regularly, systematically, and impermissibly rounded the hours worked by Ms. Ramos and other aggrieved employees in Complete Logistics’ favor, resulting, over a period of time, in the failure to compensate Ms. Ramos and other aggrieved employees

for all hours worked. As a result, Ms. Ramos and other aggrieved employees were not compensated for all required minimum and overtime wages.

Complete Logistics failed to provide Ms. Ramos and other aggrieved employees with all legally compliant meal periods due to Complete Logistics' meal period policies/practices, which have frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), and missed meal periods. In addition, Complete Logistics failed to provide Ms. Ramos and other aggrieved employees with second meal periods on shifts over 10.0 hours. On those occasions when Ms. Ramos and other aggrieved employees were not provided with all legally-required meal periods to which they were entitled, Complete Logistics did not always compensate Ms. Ramos and other aggrieved employees with the required meal period premium for each workday in which they experienced a meal period violation as mandated by Labor Code § 226.7.

Complete Logistics has also failed to authorize and permit all required rest periods for Ms. Ramos and other aggrieved employees. Specifically, Complete Logistics has often failed to authorize and permit a third rest period when Ms. Ramos and other aggrieved employees worked a shift in excess of 10.0 hours. Despite failing to authorize and permit Ms. Ramos and other aggrieved employees to take all rest periods to which they are entitled, upon information and belief, during at least a portion of the relevant time period, Complete Logistics maintained no mechanism for the payment of rest period premium payments as required by Labor Code section 226.7 and did not pay Ms. Ramos or other aggrieved employees all rest period premiums they were owed.

Complete Logistics failed to reimburse Ms. Ramos and other aggrieved employees for use of their personal cellular phones for work activities. Specifically, Complete Logistics required Ms. Ramos and other aggrieved employees to download an ADP timekeeping application onto their personal cellular phones to clock in/out of their work shifts; however, Complete Logistics failed to reimburse Ms. Ramos and other aggrieved employees for the use of their personal cellular phones for business purposes.

As a result of Complete Logistics' failure to pay Ms. Ramos and other aggrieved employees for all minimum wages, overtime wages, and meal and rest period premium wages earned, Complete Logistics maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements. As a further result of Complete Logistics' failure to pay Ms. Ramos and other aggrieved employees for all minimum wages, overtime wages, and meal and rest period premium wages earned, Complete Logistics failed to pay all wages to Ms. Ramos and other formerly employed aggrieved employees at the separation of their employment.

As described above, Complete Logistics committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 7 ("Wage Order 7"):

Minimum Wage Violations

Complete Logistics was required to pay Ms. Ramos and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 7, § 4. As alleged above, Complete Logistics failed to conform its pay practices to the requirements of the law by failing to pay Ms. Ramos and other aggrieved employees for all hours worked, including, but not limited to, all hours they were subject to the control of Complete Logistics and/or suffered or permitted to work under the California Labor Code and Wage Order 7. As a result of these policies/practices, which fail to compensate for all hours worked, Ms. Ramos and other aggrieved employees were deprived of all required minimum wages.

Overtime Wage Violations

Complete Logistics was required to pay Ms. Ramos and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 7, § 3. According to Labor Code § 510(a), “Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee.” This Section further provides, “Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee.” As alleged above, Complete Logistics caused Ms. Ramos and other aggrieved employees to work overtime hours, but did not compensate Ms. Ramos and other aggrieved employees at one and one-half times their regular rate of pay for such hours. As a result of these policies/practices, Ms. Ramos and other aggrieved employees were not compensated for all overtime and double-time wages.

Rest Period Violations

As alleged above, Complete Logistics failed to authorize and permit Ms. Ramos and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 7, § 12. As a result, Ms. Ramos and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Meal Period Violations

As alleged above, Complete Logistics failed to provide Ms. Ramos and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 7, § 11. As a result, Ms. Ramos and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Wage Statement Violations

Complete Logistics was required to furnish Ms. Ramos and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 7, § 7. As a result of Complete Logistics’ failure to pay all overtime and minimum wages, and failure to pay all required meal and rest period premium wages, Complete Logistics maintained inaccurate payroll records and issued inaccurate wage statements to Ms. Ramos and other aggrieved employees in violation of Labor Code § 226. Complete Logistics’ failure to comply with its wage statement obligations was knowing and intentional, and Ms. Ramos and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. Complete Logistics failed to timely pay Ms. Ramos and other aggrieved employees all of their final wages at the time of separation, which included all overtime and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, Complete Logistics’ failure to pay all final wages due to Ms. Ramos and other aggrieved employees was willful and, consequently, entitles Ms. Ramos and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day Complete Logistics failed to pay their final wages after their separation, up to a maximum of thirty days.

Failure to Reimburse Employees for Necessary Business Expenditures

Complete Logistics failed to reimburse Ms. Ramos and other aggrieved employees for necessary work expenses, including the use of their personal cellular for business purposes. Complete Logistics’ policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 7, § 9, and Labor Code §§ 2802 and 2804 (“An employer shall indemnify his or her employees for all necessary expenditures or

losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or obedience to the directions of the employer.”) Ms. Ramos and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

As an “aggrieved employee,” Ms. Ramos will initiate a civil action on behalf of herself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Ramos’s own investigation, and on information and belief, Complete Logistics committed and continues to commit the following Labor Code violations:

- a. Complete Logistics violated Labor Code §§ 1182.12, 1194, 1194.2, 1197, and 1198 by failing to pay Ms. Ramos and other aggrieved employees the statutory minimum wage for all hours worked;
- b. Complete Logistics violated Labor Code §§ 204, 510, 558, 1194, and 1198 by failing to pay Ms. Ramos and other aggrieved employees all overtime compensation earned;
- c. Complete Logistics violated Labor Code §§ 226.7, 516, 558, and 1198 by failing to authorize and permit Ms. Ramos and other aggrieved employees all required rest periods and failing to pay rest period premiums to Ms. Ramos and other aggrieved employees at these employees’ respective regular rates of compensation for rest period violations;
- d. Complete Logistics violated Labor Code §§ 226.7, 512, 558, and 1198 by failing to provide meal periods as required by law and failing to pay meal period premiums to Ms. Ramos and other aggrieved employees at these employees’ respective regular rates of compensation for meal period violations;
- e. Complete Logistics violated Labor Code § 226 by failing to furnish Ms. Ramos and other aggrieved employees with accurate and compliant itemized wage statements;
- f. Complete Logistics violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Ms. Ramos and other aggrieved employees;
- g. Complete Logistics violated Labor Code §§ 2802 and 2804 by failing to reimburse Ms. Ramos and other aggrieved employees for all necessary expenditures incurred;
- h. Complete Logistics violated Labor Code § 204 by failing to pay Ms. Ramos and other aggrieved employees all wages earned at least twice during each calendar month; and

- i. Complete Logistics violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Ms. Ramos and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and Complete Logistics if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC

A handwritten signature in blue ink, appearing to be 'P. H.', with a long horizontal flourish extending to the right.

Paul K. Haines

cc: The Complete Logistics Company (via certified mail)

Mailer: Haines Law Group

Date Produced: 02/08/2021

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