

LIDMAN LAW, APC
Scott M. Lidman (SBN 199433)
slidman@lidmanlaw.com
Elizabeth Nguyen (SBN 238571)
enguyen@lidmanlaw.com
Milan Moore (SBN 308095)
mmoore@lidmanlaw.com
2155 Campus Drive, Suite 150
El Segundo, California 90245
Tel: (424) 322-4772
Fax: (424) 322-4775

Attorneys for Plaintiff
JULIO MACHADO

HAINES LAW GROUP, APC
Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiff
JULIO MACHADO

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

JULIO MACHADO, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

PACIFIC DRAYAGE SERVICES, LLC., a
Delaware limited liability company; and DOES
1 through 100, inclusive,

Defendants.

Case No. CIVSB2124879

*[Assigned for all purposes to the Hon. David Cohn,
Dept. S-26]*

**DECLARATION OF SCOTT M.
LIDMAN IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

Date: January 31, 2023
Time: 10:00 a.m.
Division: S-26

Action Filed: August 27, 2021
Trial: None set

1 I, SCOTT M. LIDMAN, declare as follows:

2 1. I am a shareholder and principal of the law firm Lidman Law, APC, and counsel for the
3 named Plaintiff Julio Machado (“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 practice
5 in this Court. I have personal knowledge of the facts stated in this declaration and could testify
6 competently to them if called upon to do so.

7 2. I am a 1998 graduate of Santa Clara University School of Law, where I graduated *summa*
8 *cum laude*. During law school, I worked as a summer associate for the international employment law firm
9 of Littler Mendelson, P.C., located in Los Angeles, California.

10 3. Since graduating from law school, my practice has focused exclusively on employment
11 litigation. In September 1998, I began working as an associate attorney at the international law firm of
12 Littler Mendelson P.C., at its Los Angeles office, which according to its website is the largest law firm in
13 the world exclusively devoted to representing management in employment, employee benefits and labor
14 law matters.

15 4. In 2000, I left Littler Mendelson to work at the Los Angeles office of Jones Day, which
16 was at the time one of the largest international firms in the world. During my employment at Jones Day,
17 I worked exclusively in the labor and employment department. In or around 2003, I went to work at the
18 law firm of Loeb & Loeb, again working exclusively in the Labor & Employment department. In 2008, I
19 returned to Littler Mendelson, was promoted to Shareholder in 2009, and from 2008 until the end of 2017,
20 I practiced exclusively labor and employment law, with a strong emphasis and most of my time working
21 on wage and hour class actions venued in both state and federal courts. During that time and my legal
22 career in general, I also worked on a number of single and multi-plaintiff wage and hour matters as well.

23 5. During my employment at Littler Mendelson, I played a significant role in the class actions
24 that I was staffed on, and ran many on my own both as an Of Counsel and as a Shareholder. In particular,
25 I received a wide-array of wage and hour class action experience performing the following types of tasks:
26 drafting demurrers, motions to strike and/or dismiss; removing actions from state court to federal court;
27 drafting and responding to written discovery; drafting and opposing discovery related motions; arguing
28 discovery related motions; drafting motions to consolidate related matters; interviewing putative class

1 members and obtaining declarations in connection with class certification; drafting oppositions to motions
2 for class certification; drafting motions for decertification following class certification; conducting
3 exposure analyses to assess the strengths and weaknesses of asserted claims, the likelihood of prevailing
4 at class certification and potential damages resulting from such claims; drafting mediation briefs; serving
5 as the primary contact to in-house counsel; deposing named plaintiffs and putative class members;
6 deposing retained expert witnesses; and defending the depositions of corporate witnesses. I also was
7 involved in the negotiations and settlements of many large wage and hour class actions. In short, I played
8 an integral role in all aspects of litigation from the inception of a matter through and beyond class
9 certification. I also supervised the work of several junior attorneys who were staffed on the same wage
10 and hour class actions.

11 6. Although not exhaustive, below is a list of many of the wage and hour class and PAGA
12 actions that I performed substantial work on while I was a shareholder at Littler Mendelson:

- 13 ► *Ortega v. J.B. Hunt Transport, Inc.*, Case No. 07-cv-8336-RGK-AFMx, United
14 States District Court, Central District of California, Honorable Gary Klausner,
15 presiding¹.
- 16 ► *Aceves v. J.B. Hunt Transport, Inc.*, Case No. CIVDS1306133, California Superior
17 Court, County of San Bernardino, Honorable Michael Sachs, presiding.
- 18 ► *Moreno v. J.B. Hunt Transport, Inc.*, Case No. BC388612, California Superior
19 Court, County of Los Angeles, Honorable Mel Red Recana, presiding.
- 20 ► *Newcomb v. J.B. Hunt Transport, Inc.*, Case No. RG16815734, California Superior
21 Court, County of Alameda, Honorable Winifred Smith, presiding.
- 22 ► *Vaquero v. Stoneledge Furniture, LLC, et al.*, Case No. 12-cv-08590-PA-MAN,
23 United States District Court, Central District of California, Honorable Percy
24 Anderson, presiding.

25
26
27
28 ¹ My work on this matter including proceedings not only in District Court, but also work before the United States Court of Appeals for the Ninth Circuit as well as the United States Supreme Court.

- 1 ▶ *Vaquero v. Stoneledge Furniture, LLC, et al.*, Case No. BC388612, California
2 Superior Court, County of Los Angeles, Honorable Elihu Berle, presiding.²
- 3 ▶ *Dugan v. Stoneledge Furniture, LLC*, Case No. 16-cv-01125-PA-FFMx, United
4 States District Court, Central District of California, Honorable Percy Anderson,
5 presiding.
- 6 ▶ *Klune v. Stoneledge Furniture, LLC*, Case No. 14-cv-03986-PA-FFMx, United
7 States District Court, Central District of California, Honorable Percy Anderson,
8 presiding.
- 9 ▶ *Diaz v. ABM Industries, Inc.; Ampco Parking*, Case No. BC362932, California
10 Superior Court, County of Los Angeles, Honorable Jane Johnson, presiding.³
- 11 ▶ *Adams v. Luxottica Retail North America, Inc.*, Case No. 07CC01346, California
12 Superior Court, County of Orange, Honorable Thierry Patrick Colaw, presiding.
- 13 ▶ *Sakkab v. Luxottica Retail North America, Inc.*, Case No. 12-cv-00436-GPC-KSC,
14 United States District Court, Southern District of California.⁴
- 15 ▶ *Page v. Oakley, Inc.*, Case No. FCS041512, California Superior Court, County of
16 Solano, Honorable Paul Berman, presiding.
- 17 ▶ *Ramirez v. Oakley, Inc.*, Case No. 30-2014-00731617-CU-OE-CJC California
18 Superior Court, County of Orange, Honorable William Claster, presiding.
- 19 ▶ *Ramirez v. Oakley, Inc.*, Case No. 30-2014-00723846-CU-DE-CXC, California
20 Superior Court, County of Orange, Honorable William Claster, presiding.
- 21 ▶ *Sierra v. Oakley, Inc.*, Case No. 13-cv-00319-AG-JPR, United States District
22 Court, Central District of California, Honorable Andrew Guilford, presiding.⁵
- 23 ▶ *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
24 States District Court, Central District of California, Honorable Margaret Morrow,
25 presiding.

26
27 ² My work on this matter included proceedings not only in the trial court, but also before the California Courts of Appeal and the California Supreme Court.

28 ³ This matter was consolidated and litigated collectively with Case Nos. BC380923, BC 381523 and BC 406663.

⁴ The work I performed on this case included work in the United States Court of Appeals for the Ninth Circuit.

⁵ The work I performed on this case included work in the United States Court of Appeals for the Ninth Circuit.

- 1 ▶ *Cordova v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
2 States District Court, Central District of California, Honorable Margaret Morrow,
3 presiding.
- 4 ▶ *Khelghatian v. Comerica Bank, et al.*, Case No. 11-cv-7689-DSF-FFMx, United
5 States District Court, Southern District of California, Honorable John A. Houston,
6 presiding.
- 7 ▶ *Babasa v. Comerica Bank, et al.*, Case No. 11-cv-0595-JAH-BGS, United States
8 District Court, Central District of California, Honorable Margaret Morrow,
9 presiding.
- 10 ▶ *Bernal v. Comerica Bank, et al.*, Case No. 11-cv-01298-JAH-BGS, United States
11 District Court, Central District of California, Honorable Margaret Morrow,
12 presiding.
- 13 ▶ *Khalili v. Comerica Bank, et al.*, Case No. 09-cv-08905-MMM-PLAx, United
14 States District Court, Northern District of California.
- 15 ▶ *Granata v. Comerica Bank, et al.*, Case No. 37-2011-00086316-CU-OE-CTL,
16 California Superior Court, County of San Diego, Honorable Jeffrey B. Barton,
17 presiding.
- 18 ▶ *Mathews v. Comerica Bank, et al.*, Case No. 111CV194781, California Superior
19 Court, County of Santa Clara.
- 20 ▶ *Gallegos v. Comerica Bank, et al.*, Case No. BC455515, California Superior Court,
21 County of Los Angeles, Honorable Terry Green, presiding.
- 22 ▶ *Rumohr v. Comerica Bank, et al.*, Case No. CGC-11-508433, California Superior
23 Court, County of San Francisco.
- 24 ▶ *Smith v. Werner Enterprises*, Case No. 15-cv-02978-RS, United States District
25 Court, Northern District of California, Honorable Richard Seeborg, presiding.

26 7. In January 2018, I voluntarily resigned from Littler Mendelson in order to open my own
27 law firm, Lidman Law, APC, to represent employees with work-related claims, including primarily wage
28 and hour claims and almost exclusively on a class-action basis. I am the President and Shareholder of

Lidman Law. Currently, over ninety percent (90%) of my practice is dedicated exclusively to the prosecution of wage and hour class actions, and I am currently responsible for prosecuting over sixty-five (65) wage and hour class actions filed in State courts throughout California, with several of them having been removed to Federal courts. I believe that my professional experience renders me more than qualified to serve as class counsel in this lawsuit involving claims of underpaid overtime and minimum wages, meal and rest period violations, and derivative penalty claims. Not only have I litigated dozens of wage and hour cases throughout my career involving similar claims, including the wage and hour class actions identified above, I have litigated similar claims from both plaintiff and defense perspectives. As a result, I am able to realistically assess and evaluate the facts and legal arguments that can be made in pursuit and defense of similar wage and hour claims, as well as those facts and arguments in support and in opposition to class certification. Consequently, I am able to appreciate the significant risks, uncertainties, and delay involved in wage and hour class action litigation.

8. I have been appointed Class Counsel in: *Guardado v. Wesley Allen, Inc.*, Case No. BC683027, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl presiding; *Rodriguez v. Satco, Inc.*, Case No. BC682137, California Superior Court, County of Los Angeles, Honorable Judge Ann I. Jones presiding; *Ong v. Howard's Appliances, Inc.*, Case No. 30-2017-00964213-CU-OE-CXC, California Superior Court, County of Orange, Honorable Judge William Claster presiding; *Hanke v. C&W Facility Services, Inc.*, Case No. CIVDS1814412, California Superior Court, County of San Bernardino, Honorable Judge David Cohn presiding; *Molina v. Mader News, Inc.*, Case No. BC685960, California Superior Court, County of Los Angeles, Honorable Judge Yvette M. Palazuelos presiding; *Alvarez v. Salamander Fire Protection, Inc.*, Case No. BC688326, California Superior Court, County of Los Angeles, Honorable Judge William F. Highberger presiding; *Rodriguez v. H.F. Cox, Inc.*, Case No. BC653164, California Superior Court, County of Los Angeles, Honorable Judge Carolyn B. Kuhl presiding; *Fregoso v. Amerigas Propane, Inc.*, Case No. BC697973, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko presiding; *Teran v. Western Plastics, Inc.*, Case No. RIC1722619, California Superior Court, County of Riverside, Honorable Judge Sunshine Sykes presiding; *Villegas de Torres v. El Monte Superstore Inc.*, Case No. BC688477, California Superior Court, County of Los Angeles, Honorable Judge Daniel J. Buckley

presiding; *Huynh v. Polypeptide Laboratories, Inc.*, Case No. BC680872, California Superior Court, County of Los Angeles, Honorable Judge Rafael A. Ongkeko presiding; *Guzman v. Century Blinds*, Case No. RIC1723654, California Superior Court, County of Riverside, Honorable Judge Sunshine S. Sykes presiding; *George v. Convergence Marketing*, Case No. CIVDS1901039, California Superior Court, County of San Bernardino, Honorable Judge David S. Cohn presiding; *Coffee, et al. v. Flyers Transportation Energy, LLC*, Case No. 34-2017-00222084, California Superior Court, County of Sacramento, Honorable Judge Alan G. Perkins presiding; *Romero v. Fillmore Hospitality, LLC*, Case No. BC705667, California Superior Court, County of Los Angeles, Honorable Judge Maren E. Nelson presiding; *Wennerstrom, et al. v. Giant Inland Empire R.V. Center*, Case No. CIVDS1617291, California Superior Court, County of San Bernardino, Honorable Judge David S. Cohn presiding; *Contreras, et al. v. Letter Ride, LLC*, Case No. 37-2018-00020841-CU-OE-CTL, California Superior Court, County of San Diego, Honorable Judge Eddie C. Sturgeon presiding; *Davis v. WeDriveU*, Case No. 18CV322578, California Superior Court, County of Santa Clara, Honorable Judge Brian C. Walsh presiding; *Acuna v. Canton Food Co., Inc.*, Case No. BC685001, California Superior Court, County of Los Angeles, Honorable Judge David S. Cunningham presiding; and *Contreras v. Worldwide Flight Services, Inc.*, Case No. 2:18-cv-06036-PSG-SS, United States District Court for the Central District of California, the Honorable Judge Philip S. Gutierrez presiding.

9. As co-lead counsel for Plaintiff and the proposed Settlement Class, I have been intimately involved in every aspect of this case from its inception through the present, and I believe that the proposed Settlement is a favorable result for the Settlement Class Members under the circumstances presented.

10. Defendant Pacific Drayage Services, LLC (hereinafter “Pacific Drayage” or “Defendant”) provides container drayage services in California. On August 27, 2021, Plaintiff filed a class action Complaint against Pacific Drayage in San Bernardino County Superior Court. After having exhausted his administrative remedies with the California Labor & Workforce Development Agency (“LWDA”) by way of a letter submitted to the LWDA on August 27, 2021 (a true and correct copy of which is attached to the Settlement as **Exhibit A**), on December 17, 2021, Plaintiff filed a First Amended Complaint (“FAC”) against Pacific Drayage, which added a PAGA claim. Plaintiff’s primary claims/allegations which are being settled subject to Court approval are that Pacific Drayage: (1) failed

to provide accurate, itemized wage statements and (2) is liable for civil penalties under the Labor Code Private Attorneys General Act of 2004 (“PAGA”).

11. After agreeing to participate in early mediation, Pacific Drayage informally produced documents and information relevant to the claims alleged in advance of mediation, including without limitation data to calculate the number of pay periods at issue, wage statements, and information about when Pacific Drayage changed its wage statements on or about January 28, 2022. After a review and analysis of the documents and information produced by Pacific Drayage, Class Counsel drew on their extensive experience in similar cases to assess the strengths and weaknesses of Plaintiff’s case. This discovery allowed the parties to assess the merits and value of Plaintiff’s claims and Pacific Drayage’s defenses thereto, if a settlement could not be reached.

12. On August 9, 2022, a mediation was held with Steven G. Mehta, 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, and the legal basis for the claims and defenses. Ultimately, the parties agreed in principle on a class-wide resolution. In the weeks that followed, the parties finalized the terms of settlement and executed the Stipulation of Class Action and PAGA Settlement (“Settlement”). A true and correct copy of the fully executed Settlement executed is attached hereto as **Exhibit 1**. The proposed Notice Packet documents are attached as Exhibit B to the Settlement.

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

Gross Settlement Amount (“GSA”):	\$350,000.00
Minus Court-approved attorneys’ fees (update to 1/3 of GSA):	\$116,666.67
Minus Court-approved, verified costs (up to \$20,000):	\$17,500.00
Minus Court-approved Class Representative Service Award:	\$5,000.00
Minus Settlement Administration Costs:	\$8,250.00
Minus PAGA payment:	\$20,000.00
Net Settlement Amount (“NSA”):	\$182,583.33

1 With the exception of the Settlement Administrator's fees, if required by the Settlement
2 Administrator, the Gross Settlement Amount shall be deposited by Defendant into a qualified settlement
3 fund set up by the Settlement Administrator for the benefit of participating Settlement Class members and
4 PAGA Employees. Defendant agrees to deposit the Gross Settlement Amount with the Settlement
5 Administrator within thirty (30) calendar days after the "Effective Date" which is defined as the latter of:
6 (a) the Court's final approval of the settlement if no objections by or on behalf of Settlement Class
7 members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal
8 has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed. *See Settlement,*
9 ¶ 4.B.

10 After deducting amounts for the Court-approved attorneys' fees and verified costs, Service Award
11 to Plaintiff, Settlement Administrator costs, and the PAGA payment, the Settlement requires Pacific
12 Drayage to pay a Net Settlement Amount ("NSA") of at least **\$182,583.33** to all Settlement Class members
13 who do not timely opt out.

14 14. According to Pacific Drayage, there are approximately 269 total Settlement Class members
15 (who worked a total of approximately 11,894 pay periods during the relevant time period) and 269 PAGA
16 Employees (who worked a total of approximately 11,894 pay periods during the relevant time period).
17 The class is defined as:

18 All current and former Drivers of Defendant Pacific Drayage Services, LLC who
19 worked at any time in California from August 27, 2020 and January 28, 2022.
20 Thus, the average Individual Settlement Payment is projected to be approximately **\$678.75 (which is**
21 **approximately \$15.35 per pay period)** and the average individual PAGA Employee settlement payment
22 is projected to be approximately **\$18.59 (which is approximately \$0.42 per pay period).**

23 15. Settlement Class members' claims arise from Pacific Drayage's common, uniform
24 policies and practices that applied to Settlement Class members during the class period. Lidman Decl.,
25 ¶ 15. Specifically, Plaintiff alleged that Pacific Drayage's common and uniform policies and practices
26 resulted in the following violations: (1) failure to provide accurate, itemized wage statements and (2)
27 liability for civil penalties under the PAGA.
28

1 16. As described in the accompanying Motion for Preliminary Approval, Plaintiff alleges that
2 Pacific Drayage issued inaccurate wage statements in violation of Labor Code § 226 because the wage
3 statements failed all applicable hourly rates of pay and failed to include total hours worked during the pay
4 period, in violation of California law. Plaintiff's data analysis reflected that there were approximately
5 11,894 wage statements issued up until January 28, 2022 when Pacific Drayage changed its wage
6 statements to include this information. Therefore, Plaintiff calculated Pacific Drayage's maximum
7 exposure for wage statement violations at approximately \$1,175,950 (\$50.00 x 269 current employees +
8 \$100 x 11,625 subsequent wage statements).

9 17. Pacific Drayage contends that its alleged wage statement violations could not be shown to
10 be "knowing and intentional," and that Plaintiff cannot show that he or any other employee "suffer[ed]
11 injury" as a result of the alleged wage statement violations, as required by Lab. Code § 226(e) for
12 imposition of penalties. Pacific Drayage also contends that as of January 28, 2022 it changes its wage
13 statement policies and procedures. As such, Plaintiff discounted the calculated exposure by 45% for a
14 risk of non-certification and an additional 45% for a risk of being unsuccessful on the merits, to arrive at
15 an estimated total of \$355,724.88.

16 18. Plaintiff also seeks civil penalties under the PAGA as a result of the foregoing alleged Labor
17 Code violations. Plaintiff calculated Pacific Drayage's maximum exposure at \$1,189,400 (11,894 pay
18 periods x \$100 initial violation rate).

19 19. Pacific Drayage argues that Plaintiff's PAGA claim will fail for the same reasons that his
20 underlying claim will fail. Pacific Drayage also maintains that, given its good faith defenses, this Court
21 would exercise its discretion to substantially reduce any PAGA penalties if it were to find Pacific Drayage
22 liable for Plaintiff's claim, especially given the fact that Pacific Drayage changed its wage statements and
23 also in consideration that there was no injury since only simple math was required to remedy the missing
24 information. Therefore, Plaintiff discounted the maximum exposure figure by 55% for a risk of being
25 unsuccessful on the merits, and an additional 40% to account for the possibility of this Court reducing
26 penalties, to arrive at an estimated exposure of \$321,138.00.

27 20. Using these estimated figures for each of the claims described above, Plaintiff predicted the
28 realistic total recovery for the Settlement Class would be approximately \$676,862.88. The proposed

1 settlement of \$350,000.00 therefore represents approximately 52% of the reasonably forecasted recovery
2 for the Settlement Class. Preliminary approval is appropriate as the settlement will provide tangible
3 monetary relief to Settlement Class members, and will still provide an average recovery to Settlement
4 Class members of approximately **\$678.75** and an average individual PAGA Employee settlement payment
5 to be approximately **\$18.59**.

6 21. Here, Class Counsel will also apply for an attorneys' fees award of one-third of the GSA,
7 which is estimated to be \$116,666.67, and up to \$17,500.00 in verified costs reimbursement. Plaintiff
8 submits the requested fee is fair compensation for undertaking complex, risky, expensive, and time-
9 consuming litigation on a purely contingent fee basis. Class Counsel has incurred substantial attorney
10 fees conducting pre-filing investigation, analyzing Plaintiff's claims, conducting legal research,
11 reviewing Pacific Drayage's documents and policies, preparing for and attending mediation, negotiating
12 and revising the long-form Settlement, preparing this Motion, and otherwise litigating the case. Class
13 Counsel expect to expend additional attorney time in attending the hearing on this Motion, overseeing
14 the Notice process and fielding questions from Settlement Class members, preparing the final approval
15 papers and attending the Final Approval hearing.

16 22. Plaintiff has provided written approval of the split of attorneys' fees in this action: 46.5%
17 to Haines Law Group, APC, 31% to Lidman Law, APC, and 22.5% to Michael Burgis & Associates, P.C.
18 Michael Burgis & Associates, P.C. is the referring attorney.

19 23. Plaintiff will seek a service award of \$5,000.00 at the time of seeking final approval, and
20 I believe this is reasonable given Plaintiff's efforts in this case and the risks he undertook on behalf of
21 the Settlement Class members, including the risk that he could be liable for Pacific Drayage's costs if
22 this case was unsuccessful. Plaintiff was integral in the prosecution of this action, by, among other things,
23 providing substantial factual information and documents to Class Counsel, participated in meetings with
24 Class Counsel to discuss the claims and theories at issue in the litigation, and otherwise actively
25 participating in the prosecution of their claims. In addition, Plaintiff agreed to a general release of all
26 claims against Defendant.

27 24. Although the parties engaged in informal discovery throughout this action, the parties still
28 had significant formal discovery to complete, including written discovery, party depositions, putative

1 class member depositions, and expert discovery had the matter not settled. Moreover, Plaintiff still had
2 to file for class certification, and faced the prospect of appeals in the wake of a disputed class certification
3 ruling for Plaintiff and/or an adverse summary judgment ruling. Even if the class sought to be certified
4 by Plaintiff were in fact certified, the parties would incur considerably more attorneys' fees and costs
5 through a possible decertification motion, trial, and possible appeal. This Settlement avoids those risks
6 and the accompanying expense.

7 25. Plaintiff served the proposed Settlement Agreement on the California Labor & Workforce
8 Development Agency ("LWDA") on September 28, 2022. A true and correct copy of the email generated
9 by the LWDA website after Plaintiff submitted the Settlement Agreement to the LWDA is attached hereto
10 as **Exhibit 2**.

11 26. After this Motion is filed, I will cause a copy of it to be submitted to the LWDA and will
12 file a supplemental proof of service prior to the hearing.

13 I declare under penalty of perjury under the laws of the State of California that the foregoing is
14 true and correct.

15 Executed on September 28, 2022 at El Segundo, California.

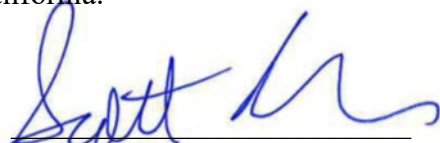
16
17 
18 Scott M. Lidman

EXHIBIT 1

EXHIBIT 1

STIPULATION OF CLASS ACTION AND PAGA SETTLEMENT

This Stipulation of Settlement (“Settlement Agreement”) is reached by and between Plaintiff Julio Machado (“Plaintiff”), individually and on behalf of all members of the Settlement Class and PAGA Employees (both terms defined below), on one hand, and Defendant Pacific Drayage services, LLC (“Defendant”), on the other hand. Plaintiff and Defendant are referred to herein collectively as the “Parties.” Plaintiff, the Settlement Class, and the PAGA Employees are represented by Paul K. Haines of Haines Law Group, APC, and Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC (collectively, “Class Counsel”). Defendant is represented by Jaime B. Laurent of Littler Mendelson, P.C.

On August 27, 2021, Plaintiff filed a class action Complaint against Defendant in San Bernardino County Superior Court, in the matter entitled *Julio Machado v. Pacific Drayage Services, LLC, a Delaware corporation; and Does 1 through 100, inclusive*, Case No. CIVSB2124879 (the “Action”) alleging the following class action claim against Defendant: (a) failure to provide accurate, itemized wage statements.

After having exhausted his administrative remedies with the California Labor & Workforce Development Agency (“LWDA”) by way of a letter submitted to the LWDA on August 27, 2021 (a true and correct copy of which is attached hereto as **Exhibit A**), on December 17, 2021, Plaintiff filed a First Amended Complaint (“FAC”) against Defendant which added a claim under the Labor Code Private Attorney General Act of 2004 (“PAGA”) seeking civil penalties premised on the facts, claims, causes of action and legal theories described in the original Complaint pertaining to the alleged failure by Defendant to provide accurate, itemized wage statements.

Given the uncertainty of litigation and Defendant’s denial of Plaintiff’s claims, Plaintiff and Defendant wish to settle both individually and on behalf of the Settlement Class, PAGA Employees, and the State of California. 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 Drivers of Defendant Pacific Drayage Services, LLC who worked at any time in California from August 27, 2020 and January 28, 2022.

For purposes of this Settlement Agreement, the “Class Period” shall mean the time period of August 27, 2020 through January 28, 2022.

The Parties agree that certification for purposes of this Settlement Agreement is not an admission that class certification is proper under Section 382 of the Code of Civil Procedure. If for any reason this Settlement Agreement is not approved or is terminated, in whole or in part, this conditional agreement to class certification 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 the Settlement Agreement.

2. **PAGA Employees.** For the purposes of this Settlement Agreement only, Plaintiff and Defendant stipulate to the following definition of PAGA Employees:

All current and former Drivers of Defendant Pacific Drayage Services, LLC who worked at any time in California from August 27, 2020 and January 28, 2022.

For purposes of this Settlement Agreement, the “PAGA Period” and release under the PAGA shall mean the time period between August 27, 2020 and January 28, 2022.

3. **Release by Settlement Class Members and Plaintiff.** Plaintiff and every member of the Settlement Class (except those who timely and properly submit a Request for Exclusion as set forth below) will fully and forever completely release and discharge Defendant, its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, insurers and attorneys, (collectively the “Released Parties”), as follows:

- A. Settlement Class Members’ Release: Settlement Class members and Plaintiff will release all claims, demands, rights, liabilities and causes of action that were pled or could have been pled in the Complaints in the Action, that arose during the Class Period defined above with respect to the following claims: (a) failure to issue accurate, itemized wage statements; and (b) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the “Released Claims”).
- B. The time period for the release of the Released Claims shall be the same time period as the Class Period.
- C. PAGA Release: PAGA Employees, including Plaintiff (and including those who opt-out from the Class portion of the Settlement), will release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 which were pled in the letter to the Labor & Workforce Development Agency (“LWDA”) dated August 27, 2021 and the Complaint in the Action, or which could have been pled in the Complaints in the Action that arose during the PAGA Period pertaining to the failure to provide accurate, itemized wage statements (collectively, “PAGA Released Claims”). The PAGA Period and the time period of the PAGA Released Claims is defined as the time period of August 27, 2020 through January 28, 2022 (“PAGA Period”).
- D. In light of the Class Representative Service Award, Plaintiff agrees to release, in addition to the Released Claims described above, all claims, whether known or unknown, under federal law or state law against the Released Parties. Notwithstanding the foregoing, Plaintiff understands that this release includes unknown claims, which includes waiving all rights and benefits afforded by Section 1542 of the California Civil Code, which provides:

A general release does not extend to claims which 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.

- E. Notwithstanding the above, nor anything else in this Settlement, the waiver and release in this Settlement does not apply to (i) those rights that as a matter of law cannot be waived, including, but not limited to, workers' compensation claims, pending or otherwise and/or benefits to be received by Plaintiff in workers' compensation pursuant to the jurisdiction of workers' compensation; and (ii) rights or claims arising out of this Settlement.
- F. The releases identified herein will only be effective upon the date that Defendant fully funds the Gross Settlement Amount.

4. **Gross Settlement Amount.** As consideration, Defendant agrees to pay a "Gross Settlement Amount" of Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00) (unless such Gross Settlement Amount is increased pursuant to Paragraph 4.D. below) in full and complete settlement of the Action, as follows:

- A. The Parties have agreed to engage Phoenix Settlement Administrators as the "Settlement Administrator" to administer this Settlement. All administrative costs due and owing to the Settlement Administrator shall be paid from the Gross Settlement Amount.
- B. With the exception of the Settlement Administrator's fees, if required by the Settlement Administrator, the Gross Settlement Amount shall be deposited by Defendant into a qualified settlement fund set up by the Settlement Administrator for the benefit of participating Settlement Class members and PAGA Employees. Defendant agrees to deposit the Gross Settlement Amount with the Settlement Administrator within thirty (30) calendar days after the "Effective Date" which is defined as the latter of: (a) the Court's final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.
- C. This is a non-reversionary settlement. The Gross Settlement Amount includes:
 - (1) All payments (including interest) to the Settlement Class members;
 - (2) All costs of the Settlement Administrator and settlement administration, which are anticipated to be no greater than Eight Thousand Two Hundred Fifty Dollars and Zero Cents (\$8,250.00);
 - (3) Up to Five Thousand Five Hundred Dollars and Zero Cents (\$5,000.00) for Plaintiff's Class Representative Service Award, in recognition of his contributions to the Action, and his service to the Settlement Class. Even

in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this Settlement Agreement, and this Settlement shall remain binding;

- (4) Up to one-third of the Gross Settlement Amount in Class Counsel's attorneys' fees [estimated to be One Hundred Sixteen Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$116,666.67), unless the Gross Settlement Amount is increased pursuant to Paragraph 4.D. below], 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 Seventeen Thousand Five Hundred Dollars and Zero Cents (\$17,500.00). In the event that the Court reduces or does not approve the requested Class Counsel attorneys' fees and/or costs, Class Counsel shall not have the right to revoke this Settlement Agreement, and it will remain binding; and
- (5) Twenty Thousand Dollars and Zero Cents (\$20,000.00) of the Gross Settlement Amount has been set aside by the Parties as PAGA civil penalties. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the Labor & Workforce Development Agency ("LWDA"), and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000.00), will be payable to certain Settlement Class members as the "PAGA Amount," as described below.

- D. **Unexpected Workweeks/Escalator Clause.** Defendant represents that there are an estimated 11,894 pay periods worked during the Class Period. If the number of pay periods worked during the Class Period is more than 10% greater than this figure (i.e., if there are 13,084 or more pay periods worked by the settlement Class Members during the Class Period), Defendant agrees to increase the Gross Settlement Amount on a proportional basis (i.e., if there was 12% increase in the number pay periods worked during the Class Period, Defendant would agree to increase the Gross Settlement Amount by 12%).

5. **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, Plaintiff's Class Representative Service Award, the Settlement Administrator's fees and expenses for administration, and the amount designated as PAGA civil penalties payable to the LWDA. The remaining amount shall be known as the "Net Settlement Amount."
- B. From the Net Settlement Amount, the Settlement Administrator will calculate each Settlement Class member's Settlement Award based on the following formula:

- i. The Net Settlement Amount shall be allocated to Settlement Class members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of pay periods worked as a Driver during the Class Period, the numerator of which is the Settlement Class member's total pay periods worked as a Driver during the Class Period, and the denominator of which is the total pay periods worked as Drivers by all Settlement Class members (who do not opt out) who worked during the Class Period.
 - C. PAGA Amount: Five Thousand Dollars and Zero Cents (\$5,000.00) of the Gross Settlement Amount has been designated as the "PAGA Amount" as described above. Each PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of pay periods that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee's number of pay periods worked as a non-exempt employee during this time period, and the denominator of which is the total number of pay periods worked by all PAGA Employees.
 - D. Within ten (10) calendar days following Defendant's deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Settlement Award amounts and provide the same to counsel for the Parties for review and approval. Within seven (7) calendar days of approval by counsel for the Parties, the Settlement Administrator will prepare and mail Settlement Awards to participating Settlement Class members.
 - E. For purposes of calculating applicable taxes, each Settlement Award made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Class Member and PAGA Employee. Neither Plaintiff nor Defendant, nor counsel for either of the Parties, makes any representations or warranties with respect to tax consequences of any payment under this Settlement. Each Settlement Class member who receives a Settlement Award will be responsible for correctly characterizing the payment for tax purposes and for payment of any taxes owing on said amount. Notwithstanding the treatment of the payments to each Settlement Class member above, none of the payments called for by this Settlement Agreement are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.
 - F. Each member of the Settlement Class who receives a Settlement Award must cash the check(s) within 180 days from the date the Settlement Administrator mails it/them. Any funds payable to Settlement Class members whose checks were not cashed within 180 days after mailing will escheat to the California Secretary of State- Unclaimed Property Fund under the unclaimed property laws in the name of the Settlement Class member.
6. **Attorneys' Fees and Costs.** Defendant will not object to Class Counsel's request for a total award of attorneys' fees of one-third of the Gross Settlement Amount, which is currently

estimated to be One Hundred Sixteen Thousand Six Hundred Sixty Six Dollars and Sixty Seven Cents (\$116,666.67), unless the Gross Settlement Amount is increased pursuant to Paragraph 4.D. above, in which case the attorneys' fees shall increase accordingly). Additionally, Class Counsel will request an award of actual costs and expenses as supported by declaration, in an amount not to exceed Seventeen Thousand Five Hundred Dollars and Zero Cents (\$17,500.00) from the Gross Settlement Amount. 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 allowed by the Court.

7. **Class Representative Service Award.** Defendant will not object to a request for a Class Representative Service Award of up to Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff for his time and risk in prosecuting this case, his service to the Settlement Class, and his execution of a general release. This award will be in addition to Plaintiff's Settlement Award as a Settlement Class member and shall be reported on an IRS Form 1099 issued by the Settlement Administrator. Even in the event that the Court reduces or does not approve the requested Class Representative Service Award, Plaintiff shall not have the right to revoke this Settlement, and it will remain binding.

8. **Settlement Administrator.** Defendant will not object the appointment of Phoenix Settlement Administrators as Settlement Administrator. Defendant will not object to Plaintiff's seeking permission to pay up to Eight Thousand Two Hundred Fifty Dollars and Zero Cents (\$8,250.00) for its services from the Gross Settlement Amount. The Settlement Administrator shall be responsible for sending notices and for calculating Settlement Awards and preparing all checks and mailings, calculating Defendant's share of taxes payable on the wages, which shall be paid by Defendant separate and apart from the Gross Settlement Amount, and other duties as described in this Settlement Agreement. The Settlement Administrator shall be authorized to pay itself from the Gross Settlement Amount by Class Counsel only after Settlement Awards have been mailed to all participating Settlement Class members.

9. **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 purposes of this Settlement Agreement;
- B. Appointing Paul K. Haines of Haines Law Group, APC and Scott M. Lidman, Milan Moore and Elizabeth Nguyen of Lidman Law, APC as Class Counsel;
- C. Appointing Julio Machado as 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 Notice of Pendency of Class Action and Settlement and Notice of Settlement Award, drafts of which are attached collectively hereto as **Exhibit B**), and directing the mailing of same; and
- G. Scheduling a Final Approval hearing.

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

- A. Within fifteen (15) calendar days after entry of an order preliminarily approving this Agreement, Defendant will provide the Settlement Administrator with the names, last known addresses, phone numbers, social security numbers, positions held, the number of pay periods worked (or information allowing the Settlement Administrator to calculate same) as a non-exempt employee by each Settlement Class member while employed during the Class Period and PAGA Period (the “Class Data”). The Class Data shall be provided to the Settlement Administrator in an electronic format satisfactory to the Settlement Administrator.
- 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 Settlement Award for each Settlement Class member; and (iv) 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. Requests for Exclusion. Any Settlement Class member who wishes to opt-out of the Settlement must complete and mail a Request for Exclusion (defined below) to the Settlement Administrator within sixty (60) 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 Settlement must submit a Request for Exclusion by the Response Deadline. The Request for Exclusion must: (1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class member; (2) contain a statement that the Settlement Class member wishes to be excluded from the Settlement; (3) be signed by the Settlement Class member; and (4) 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 Class Member's telephone number and/or 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 and will not be bound by the terms of the Settlement or have any right to object, appeal or comment thereon.

- ii. The Parties agree there is no statutory or other right for any Settlement Class member to opt out or otherwise exclude himself or herself from the PAGA portion of the Settlement. A Settlement Class member who submits a valid and timely Request for Exclusion shall still receive his or her proportionate share of the PAGA Amount.

- D. Objections. Members of the Settlement Class who do not request exclusion may object to this Settlement Agreement as explained in the Class Notice by mailing a written objection with the Settlement Administrator (who shall serve all objections as received on Class Counsel and Defendant's counsel). Class Counsel shall file any 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. To be valid, any written objection must: (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) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence, if any; and (4) be postmarked no later than the Response Deadline. Members of the Settlement Class who do not request exclusion may also object to the Settlement by appearing at the Final Approval Hearing in person or virtually irrespective of whether they submitted any written objections.
- E. Notice of Settlement Award / Disputes. Each Notice Packet mailed to a Settlement Class member shall disclose the amount of the Settlement Class member's estimated Settlement Award as well the Settlement Class member's number of pay periods worked as a non-exempt employee during the Class Period and PAGA Period. Settlement Class members will have the opportunity, should they disagree with Defendant's records regarding the information stated in the Notice of 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. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Settlement Awards under the terms of this Settlement Agreement. If a resolution cannot be reached by and among the Parties and the Settlement Administrator, the Court will render all final decisions on disputes.

- 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 three (3) business days of receiving the returned Notice Packet. If an updated mailing address is identified before the Response Deadline, the Settlement Administrator shall resend the Notice Packet to the Settlement Class member immediately, and in any event within three (3) business days of obtaining the updated address. The address identified by the Settlement Administrator as the current mailing address shall be presumed to be the best mailing address for each Settlement Class member. Settlement Class members to whom Notice Packets are re-mailed 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 submit a Request for Exclusion, Objection, or dispute. Notice Packets that are re-mailed shall inform the recipient of this adjusted deadline. If a Settlement Class member’s Notice Packet is returned to the Settlement Administrator more than once before the Response Deadline, the Settlement Administrator shall continue to make reasonable efforts to obtain an updated mailing address. Nothing else shall be required of, or done by, the Parties, Class Counsel, or Defendant’s Counsel to provide notice of the proposed settlement.

11. **Final Approval.** Following preliminary approval and the close of the period for filing 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 Award, and settlement administration costs; and
- C. Entering judgment pursuant to California Rule of Court 3.769 and posting notice of the judgment on a static website created and maintained by the Settlement Administrator.

12. **Non-Admission of Liability.** Nothing in this Settlement Agreement shall operate or be construed as an admission of any liability or that class certification is appropriate in any context other than this Settlement. In particular, but without limiting the generality of the foregoing, nothing about this Settlement Agreement shall be offered or construed as an admission of liability, wrongdoing, impropriety, responsibility, or fault whatsoever on the part of Defendant and/or the Released Parties, and it shall not be construed as or deemed to be evidence of, or an admission or concession that the any Settling Class member has suffered any damage. 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. **Non-disclosure and Non-publication.** Prior to the filing of the Motion for Preliminary Approval, Plaintiff and Class Counsel agree not to disclose or publicize the Settlement Agreement contemplated herein, the fact of the Settlement Agreement, its terms or contents, or the negotiations underlying the Settlement Agreement, in any manner or form, directly or indirectly, to any person or entity, except to Settlement Class members and as shall be contractually required to effectuate the terms of the Settlement Agreement as set forth herein. However, for the limited purpose of allowing Class Counsel to prove adequacy as class counsel in other actions, Class Counsel may disclose the names of the Parties in this Action, the venue/case number of this Action, and a general description of the Action, to a court in a declaration by Class Counsel. Class Counsel may also include a general description of the Settlement on their respective websites but may not include the name(s) of any of the Parties, or the case name or case number of the Action.

14. **Legal Developments.** The Parties agree that Plaintiff will submit to the Court a motion for preliminary approval of this Settlement containing all of the terms and conditions contained herein notwithstanding any new legal developments regarding the Released Claims.

15. **Waiver and Amendment.** The Parties may not waive, amend, or modify any provision of this Settlement Agreement except by a written agreement signed by all of the Parties, and subject to any necessary Court approval. A waiver or amendment of any provision of this Settlement Agreement will not constitute a waiver of any other provision.

16. **Attorneys' Fees:** In the event of any dispute arising out of the interpretation, performance, or breach of any provision of this Settlement Agreement, the prevailing party in such dispute(s) shall be entitled to recover her and/or its reasonable attorneys' fees and costs incurred arising from such dispute.

17. **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 Defendant: Jaime B. Laurent, Littler Mendelson, P.C., 2049 Century Park East, 5th Floor, Los Angeles, California 90067-3107; jlaurent@littler.com and spiers@littler.com

if to Plaintiff: Scott M. Lidman, Elizabeth Nguyen, and Milan Moore of Lidman Law, APC, 2155 Campus Drive, Suite 150, El Segundo, California 90245; slidman@lidmanlaw.com and enguyen@lidmanlaw.com

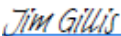
Paul K. Haines, Haines Law Group, APC, 2155 Campus Drive, Suite 180, El Segundo, California 90245; phaines@haineslawgroup.com

18. **Cooperation.** The Parties agree to work cooperatively, diligently and in good faith to ensure that all documents necessary to effectuate this Settlement are properly and timely filed.

19. **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.

20. **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.

DATED: DEFENDANT PACIFIC DRAYAGE SERVICES, LLC

By: 
Jim Gillis (Sep 20, 2022 11:01 PDT)

Its: President

DATED: Sep 14, 2022

PLAINTIFF JULIO MACHADO

By: 
Julio Machado (Sep 14, 2022 16:07 PDT)

Plaintiff and Settlement Class Representative

APPROVED AS TO FORM:

DATED: LITTLER MENDELSON, P.C.

By: 
Jaime B. Laurent
Attorneys for Defendant Pacific Drayage Services, LLC

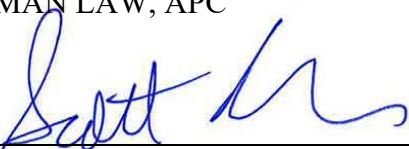
DATED: September 14, 2022

HAINES LAW GROUP, APC

By: 
Paul K. Haines
Attorneys for Plaintiff Julio Machado

DATED: September 14, 2022

LIDMAN LAW, APC

By: 

Scott M. Lidman
Attorneys for Plaintiff Julio Machado

EXHIBIT A

EXHIBIT A

LIDMAN LAW

2155 CAMPUS DRIVE, SUITE 150, EL SEGUNDO, CA 90245
OFFICE: (424) 322-4772
FAX: (424) 322-4775

August 27, 2021

VIA LWDA WEBSITE

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

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Pacific Drayage Services, LLC
c/o Registered Agent Solutions, Inc., Registered Agent for Service of Process
1220 S. Street, Suite 150
Sacramento, CA 95811

VIA U.S. CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Pacific Drayage Services, LLC
3150 Lenox Park Blvd., Suite 309
Memphis, TN 38115

Re: *Julio Machado v. Pacific Drayage Services, LLC*

To Whom It May Concern:

Please be advised that this law firm represents Julio Machado in claims arising from his employment with Pacific Drayage Services, LLC (“Defendant”). Mr. Machado is an “aggrieved employee” as defined by Labor Code sections 2699, *et seq.* due to Defendant’s 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 and Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, an “aggrieved employee” should be considered to include all current and former drivers employed by and whom received a wage statement from Defendant during the one year preceding the date of this letter through the date of an eventual judgment or settlement.

Defendant did (and continues to do) business by providing, among others services, container drayage services. Mr. Machado was employed by Defendant as a truck driver within the one year preceding the submission of this letter, including up to August 5, 2021 when his employment was separated.

Throughout Mr. Machado’s employment, Defendant failed to provide Mr. Machado and other drivers with accurate, itemized wage statements, in violation of Labor Code section 226. Specifically, the wage statements Defendant provided to their employees failed to include the total hours worked during the applicable pay period, and also failed to list the hourly rate(s) in effect, in violation of Labor Code section 226.

As described above, Defendant committed the following violations of the Labor Code:

Wage Statement Violations

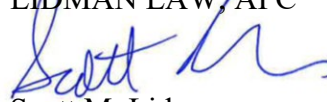
Defendant knowingly and intentionally, as a matter of uniform practice and policy, failed to furnish Mr. Machado and other aggrieved employees with accurate and complete, itemized wage statements that included the total hours worked and the hourly rates in effect, all in violation of Labor Code § 226 *et seq.* Defendant's failure to furnish Mr. Machado and other aggrieved employees with complete and accurate, itemized wage statements resulted in actual injury, as said failures deprived them of the information necessary to identify potential discrepancies in Defendant's reported data.

As an "aggrieved employee," Mr. Machado will initiate a civil action on behalf of himself and other aggrieved employees to recover damages, statutory penalties, and civil penalties resulting from the wage statement violations alleged herein. Based on Mr. Machado's own investigation, and on information and belief, Defendant committed the following Labor Code violations:

- a) Defendant violated Labor Code § 226 by failing to furnish Mr. Machado and other aggrieved employees with accurate and compliant itemized wage statements.

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

Very truly yours,
LIDMAN LAW, APC



Scott M. Lidman

EXHIBIT B

EXHIBIT B

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SAN BERNARDINO

JULIO MACHADO, as an individual and on behalf of
all others similarly situated,

Plaintiff,

vs.

PACIFIC DRAYAGE SERVICES, LLC, a Delaware
corporation; and DOES 1 through 100, inclusive,

Defendants.

Case No. CIVSB2124879

**NOTICE OF PENDENCY OF CLASS
ACTION AND PROPOSED SETTLEMENT**

To: All current and former Drivers of Defendant Pacific Drayage Services, LLC who worked at any time in California from August 27, 2020 and January 28, 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**

Why should you read this notice?

The Court has granted preliminary approval of a proposed class action settlement (the “Settlement”) entitled *Julio Machado v. Pacific Drayage Services, LLC*, San Bernardino Superior Court Case No. CIVSB2124879 (the “Lawsuit”). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

You may be entitled to money from this Settlement. Defendant Pacific Drayage Services, LLC’s (“Defendant”) records show that you were employed by Defendant as a Driver in California at some time between August 27, 2020 and January 28, 2022 (the “Class Period”). 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 Julio Machado (“Plaintiff”) brought this Lawsuit against Defendant, seeking to assert claims on behalf of a class of current and former Drivers who worked for Defendant in California at any time on or after August 27, 2020. Plaintiff Julio Machado is known as the “Class Representative,” and his attorneys, who also represent the interests of all Settlement Class members, are known as “Class Counsel.”

The Lawsuit alleges that Defendant failed to provide Settlement Class members with itemized wage statements in compliance with California law. As a result of the foregoing alleged violations, Plaintiff also alleges that Defendant is liable for civil penalties under the Labor Code Private Attorney General Act.

Defendant denies that it has done anything wrong. Defendant further denies that it owes Settlement Class members any wages, restitution, penalties, or other damages. No Court has made any determination as to the factual allegations in the Lawsuit. Rather, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of Defendant, and it expressly denies all liability.

The Court has not ruled that Defendant violated any laws or whether Plaintiff or any other person is entitled to damages or other relief. However, to avoid additional expense, inconvenience, and interference with their business operations, Defendant has concluded that it is in their best interests and the interests of Settlement Class members to settle the Lawsuit on the terms summarized in this Notice. After Defendant provided relevant information to Class Counsel, the Settlement was reached after mediation 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 Defendant, the risk of denial of class certification, the inherent risks of trial on the merits, and the delays and uncertainties associated with litigation.

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

Who are the Attorneys?

Attorneys for the Plaintiff / Settlement Class Members: LIDMAN LAW, APC Scott M. Lidman slidman@lidmanlaw.com Elizabeth Nguyen enguyen@lidmanlaw.com Milan Moore mmoore@lidmanlaw.com 2155 Campus Drive, Suite 150 El Segundo, California 90245 Tel: (424) 322-4772 Fax: (424) 322-4775 www.lidmanlaw.com HAINES LAW GROUP, APC Paul K. Haines phaines@haineslawgroup.com 155 Campus Drive, Suite 180 El Segundo, California 90245 Tel: (424) 292-2350 Fax: (424) 292-2355 www.haineslawgroup.com	Attorneys for Defendant Pacific Drayage Services, LLC LITTLER MENDELSON, P.C. Jaime B. Laurent jlaurent@littler.com 2049 Century Park East, 5th Floor Los Angeles, California 90067-3107 Tel: (310) 553-0308 Fax: (310) 553-5583
--	--

What are the terms of the Settlement?

On **[INSERT DATE OF PRELIMINARY APPROVAL]**, the Court preliminarily certified a class, for settlement purposes only, of all current and former Drivers who worked for Defendant (in California at any time between August 27, 2020 and January 28, 2022. 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 Defendants as described below.

Defendant has agreed to pay \$350,000.00 (the "Gross Settlement Amount") to fully resolve all claims in the Lawsuit, which includes payments to Settlement Class members, attorneys' fees and expenses, payment to the Labor Workforce Development Agency ("LWDA"), settlement administration costs, and the Class Representative's Service Award.

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

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside an amount not to exceed \$8,250.00 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the 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 estimated to be \$116,666.67, 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 in an amount not to exceed \$17,500.00 for verified costs Class Counsel incurred in connection with the Lawsuit.

Service Award to Class Representative. Class Counsel will ask the Court to award the Class Representative a service award in the amount not to exceed \$5,000.00, to compensate him for his service and extra work provided on behalf of the Settlement Class members.

LWDA Payment. Class Counsel will ask the Court to approve a payment in the total amount of \$20,000.00 as and for alleged civil penalties, payable pursuant to the California Labor Code Private Attorney General Act (“PAGA”). Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Fifteen Thousand Dollars and Zero Cents (\$15,000.00) will be payable to the LWDA, and the remaining twenty-five percent (25%), or Five Thousand Dollars and Zero Cents (\$5,000.00), will be payable to certain Settlement Class members as the “PAGA Amount,” as described below.

Calculation of Individual Settlement Class Members’ Settlement Award. 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 NSA is estimated at approximately \$<< >>, to be shared among an up to << >> estimated Settlement Class members. The NSA will be divided as follows:

- (i) The Net Settlement Amount shall be allocated to Settlement Class members who worked during the Class Period, as follows: each participating Settlement Class member shall receive a proportionate settlement share based upon the number of pay periods worked as a Driver during the Class Period, the numerator of which is the Settlement Class member’s total pay periods worked as a Driver during the Class Period, and the denominator of which is the total pay periods worked as Drivers by all Settlement Class members (who do not opt out) who worked during the Class Period.

In addition, Five Thousand Dollars and Zero Cents (\$5,000.00) of the Gross Settlement Amount has been designated as the “PAGA Amount” as described above. All PAGA Employees shall receive a portion of the PAGA. “PAGA Employees” include all current and former Drivers of Defendant who worked in California (including those who submit a Request for Exclusion) at any time between August 27, 2020 and January 28, 2022 (“PAGA Period”). A PAGA Employee shall receive a portion of the PAGA Amount proportionate to the number of pay periods that he or she worked during this PAGA Period which will be calculated by multiplying the PAGA Amount by a fraction, the numerator of which is the PAGA Employee’s number of pay periods worked as a Driver during this time period, and the denominator of which is the total number of pay periods worked by all PAGA Employees.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Settlement Awards will be mailed to all Settlement Class members who did not submit a valid and timely Request for Exclusion.

If you submit a Request for Exclusion, you will still receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you are a PAGA Employee.

Each member of the Settlement Class who receives a Settlement Award must cash the check within 180 days from the date the Settlement Administrator mails it. Any funds payable to Settlement Class Members whose checks were not cashed within 180 days after mailing will be transferred to the California Secretary of State- Unclaimed Property Fund under the unclaimed property laws in the name of the Settlement Class Member.

Payment by Defendant of Gross Settlement Amount. The Gross Settlement Amount shall be paid by Defendant with the Settlement Administrator within thirty (30) calendar days after the “Effective Date” which is defined as the latter of: (a) the Court's final approval of the settlement if no objections by or on behalf of Settlement Class members have been filed; (b) the time for appeal has expired if an objection has been filed and no appeal has been filed or withdrawn; or (c) the final resolution of any appeal that has been filed.

Within ten (10) calendar days following Defendant’s deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Award amounts and provide the same to the Parties’ counsel for review and approval. Within seven (7) calendar days of approval by the Parties’ counsel, the Settlement Administrator will prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class members.

Allocation and Taxes. For purposes of calculating applicable taxes, each Settlement Award made under this Settlement will be attributed 100% as penalties and interest and paid via IRS Form 1099 issued to each Class Member and PAGA Employee. The Settlement Administrator will be responsible for issuing to participating Settlement Class members IRS Forms 1099 for the amounts paid. Settlement Class members are responsible for the proper income tax treatment of the Individual Settlement Awards. The Settlement Administrator, Defendant 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. If the Court approves the Settlement, the Settlement Class, and each Settlement Class member who has not submitted a timely and valid Request for Exclusion, will fully and forever completely release and discharge Defendant, its past and present officers, directors, shareholders, managers, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, and its respective successors and predecessors in interest, subsidiaries, affiliates, parents, insurers and attorneys (collectively the “Released Parties”), from all claims, demands, rights, liabilities and causes of action that were pled or could have been pled in the Complaints in the Action, that arose during the Class Period defined above with respect to the following claims: (a) failure to issue accurate, itemized wage statements; and (b) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, “Released Claims”).

The time period of the Released Claims shall be the same time period as the Class Period.

PAGA Release and PAGA Employees. If the Court approves the Settlement, all PAGA Employees will release and forever discharge the Released Parties from all claims, demands, rights, liabilities and causes of action for civil penalties under California Labor Code Private Attorneys General Act of 2004 which were pled in the letter to the Labor & Workforce Development Agency (“LWDA”) August 27, 2021 and the Complaint in the Action, or which could have been pled in the Complaints in the Action that arose during the PAGA Period pertaining to the failure to provide accurate, itemized wage statements (collectively, “PAGA Released Claims”).

The time period of the PAGA Released Claim is August 27, 2020 and January 28, 2022 (“PAGA Period”).

The Parties acknowledge that under the release, the right of the LWDA to investigate the PAGA Released claim is not released, but the PAGA Released Claim does include any claims for penalties by a PAGA Employee as a result of any such LWDA investigation, and PAGA Employees are barred from their right to act as a private attorney general as to the PAGA Released Claims.

You cannot submit a Request for Exclusion from the PAGA Release.

The releases are null and void if Defendant fail to fully fund the Settlement. The releases identified herein shall become effective on the date on which Defendant fully funds the Settlement (“Effective Date of the Release”). Upon

the Effective Date of the Release, all Class Members shall be deemed to have, and by operation of Judgment shall have, released, waived and relinquished the Released Claims.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

How can I claim money from the Settlement?

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period (as explained above), and as stated in the accompanying Notice of Individual Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

What other options do I have?

Dispute Information in Notice of Individual Settlement Award. Your award is based on the proportionate number of pay periods you worked during the Class Period, and whether you have worked between August 27, 2020 and January 28, 2022. The information contained in Defendant's records regarding all of these factors, along with your estimated Settlement Award, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Individual Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Individual 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 from the Class Action Settlement" letter or card postmarked no later than <<RESPONSE DEADLINE>>, with your name, address, telephone number, last four digits of your social security number, your signature, and a statement indicating that you would like to be excluded from the Class Action Settlement. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN THE MACHADO V. PACIFIC DRAYAGE SERVICES LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE ANY MONEY FROM THE SETTLEMENT OF THIS LAWSUIT."

Send the Request for Exclusion directly to the Settlement Administrator at <<INSERT ADMINISTRATOR CONTACT INFO>>. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement.

If you submit a Request for Exclusion, you will only be excluded from the Released Claims. You cannot submit a Request for Exclusion from the PAGA Release. You will receive a proportionate share of the PAGA Payment regardless of whether you exclude yourself from the Settlement if you were employed between August 27, 2020 and January 28, 2022.

Do not submit both a Dispute and a Request for Exclusion. 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. 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. Written objections must be postmarked on or before <<RESPONSE DEADLINE>>.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for <<FINAL APPROVAL HEARING DATE/TIME>> in Department S-26 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. You have the right to appear either remotely, in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before <<RESPONSE DEADLINE>>. All objections or other correspondence must state the name and number of the case (*Julio Machado v. Pacific Drayage Services, LLC* San Bernardino County Superior Court, Case No. CIVSB2124879).

Any Settlement Class Member who elects to appear personally at the Court for any reason related to this Lawsuit must comply with the Court's social distancing and mandatory face covering requirements, as well and other orders related to COVID-19. All such rules and orders can be located at the Court's website: <https://www.sb-court.org/general-information/information-regarding-court-reopening-plans>.

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 S-26 of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to the Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class members. **You are not required to attend the Final Approval Hearing, although any Settlement Class member is welcome to attend the hearing.**

Any changes to date, time, or location of the Final Approval Hearing will be posted on the Settlement Administrator's website (<http://.com>). The Court's final judgment will also be posted on the Settlement Administrator's website.

How can I get additional information?

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Office of the Clerk of the San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, California 92415. Due to COVID-19, please visit the Court's website at <https://www.sb-court.org/general-information/information-regarding-court-reopening-plans> for information on accessing the Court and modified service hours due to COVID. You may also contact Class Counsel using the contact information listed above for more information.

PLEASE DO NOT CALL OR WRITE THE COURT, DEFENDANT OR ITS ATTORNEYS 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.

BY ORDER OF THE COURT ENTERED ON <<PRELIM APPROVAL DATE>>.

NOTICE OF SETTLEMENT AWARD

Julio Machado v. Pacific Drayage Services, LLC, et al

SAN BERNARDINO COUNTY SUPERIOR COURT CASE NO. CIVSB2124879

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

(I) Please type or print your name:

(First, Middle, Last)

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

Former Names (if any)

New Street Address

City

State

Zip Code

(III) Information Used to Calculate Your Individual Settlement Award:

According to the records of Pacific Drayage Services, LLC ("Defendant"):

- (a) You were employed by Defendant and worked a total of [] pay periods between August 27, 2020 and January 28, 2022.

Based on the above, your Individual Settlement Award is estimated to be \$ [].

(IV) If you disagree with item (a) 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 Defendant's records, Defendant's records will control unless you are able to provide documentation that establishes that Defendant's records are mistaken. If there is a dispute about whether Defendant'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. Any unresolved disputes will be submitted to the Court for a final determination.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED
NO LATER THAN <<RESPONSE DEADLINE>>**

EXHIBIT 2

EXHIBIT 2

From: [DIR PAGA Unit](#)
To: [Dana Joudi](#)
Subject: Thank you for your Proposed Settlement Submission
Date: Wednesday, September 28, 2022 11:26:33 AM

09/28/2022 11:26:09 AM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm



State of California

Labor and Workforce Development Agency /
Department of Industrial Relations

Private Attorneys General Act (PAGA) – Filing

Proposed Settlement of PAGA case

PAGA Number (LWDA-CM-) : *

Please enter only the eight digit number after "LWDA-CM-" in the following format, "XXXXXX-XX".

[Search for PAGA Case number](#)

The timing of the deposit of settlement checks is governed by the provisions of the State Administrative Manual. This ministerial, administrative act of depositing a settlement check mandated by state procedures should not be construed as nor does it constitute an unconditional, voluntary and/or absolute acceptance of settlement proceeds or approval of the terms of any settlement agreement or judgment related to that check.

Your Information (Person Who is Filing)

Your First Name *

Your Last Name *

Your Email Address *

Your Street Name, Number and Suite/Apt *

Your Mobile Phone Number

Your City *

Your Work Phone Number

Your State *

Your Zip/Postal Code *

Court and Hearing Information

Court *

Court Case Number *

Hearing Date (if any)

Hearing Time

Hearing Location

Number of aggrieved employees *

Gross settlement amount *

Gross penalty amount *

Penalties to LWDA *

Date of proposed settlement *

Proposed Settlement and Other Documents

Proposed Settlement *

Other Attachment (if any)

[Add Another Attachment](#)

Should you have questions regarding this online form, please contact PAGAInfo@dir.ca.gov

IMPORTANT NOTICE OF REDACTION RESPONSIBILITY: All filers must redact: Social Security or taxpayer identification numbers; personal addresses, personal telephone numbers, personal email addresses, dates of birth; names of minor children; & financial account numbers. This requirement applies to all documents, including attachments.

☒ **I understand that, if I file, I must comply with the redaction rules consistent with this notice.**

Previous Page

Submit