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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

MAY 28 2024

E. Escobedo

LMH
MAY 29 2024
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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF RIVERSIDE

JOSHUA SHEETS, individually, on a
representative basis, and on behalf of all
others similarly situated;

Plaintiff,

vs.

KAYDAN LOGISTICS LLC, a California
limited liability company; KIRK
MORRISON; CARLENE MORRISON; and
DOES 3 through 20, inclusive;

Defendants.

Case No.: CVRI2200610
*[Assigned to Hon. Harold Hopp, Dept 1, for
all purposes]*

**~~PROPOSED~~ ORDER APPROVING
SETTLEMENT PURSUANT TO THE
PRIVATE ATTORNEYS GENERAL ACT
AND JUDGMENT THEREON**

Hearing

Date: May 28, 2024

Time: 8:30 a.m.

Dept.: 1

Complaint filed: February 14, 2022

1 The Motion to Approve the PAGA Settlement (the “Settlement” or “Settlement
2 Agreement”)¹ between Plaintiff Joshua Sheets and Defendants Kaydan Logistics LLC
3 (“Kaydan”), Kirk Morrison, and Carlene Morrison (collectively “Defendants”) came before
4 this Court on for a hearing on May 28, 2024, in accordance with Labor Code § 2699(1)(2) of
5 the Private Attorneys General Act of 2004 (“PAGA”).

6 Plaintiff’s operative Second Amended Complaint (the “Complaint”) and LWDA notice
7 letters alleged causes of action against Defendants for: (1) failure to pay minimum wages, (2)
8 failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest
9 breaks, (5) failure to timely pay wages each period, (6) failure to timely pay final wages, and (7)
10 failure to provide accurate itemized wage statements. And these claims were brought on behalf
11 of the State of California and all current and former non-exempt employees employed by
12 Defendant Kaydan Logistics LLC in California at any time from February 9, 2021, through
13 August 29, 2022 (the “Aggrieved Employees”).

14 The PAGA Released Claims are defined in the Settlement Agreement at Paragraph I(R)
15 as follows: “any and all PAGA claims that Plaintiff alleged against the Released Parties, on
16 behalf of himself and the State of California, based on the facts stated in the Operative
17 Complaint in the Action and in the PAGA Notice letter(s), including all PAGA claims seeking
18 civil penalties that premised upon (a) failure to pay overtime wages (including failure to
19 properly calculate the regular rate of pay to those who worked overtime and earned incentive
20 pay); (b) meal period violations (including failure to pay meal period premiums at the regular
21 rate of pay); (c) failure to pay minimum wages; (d) rest period violations (including failure to
22 pay rest period premiums at the regular rate of pay); (e) failure to provide accurate itemized
23 wage statements; (f) failure to pay all final wages; (g) failure to pay wages timely during
24 employment; (h) waiting time penalties; (i) collection of due and unpaid wages; and (j) failure
25 to maintain accurate records, that occurred during the PAGA Period and ascertained during the
26 Action.”

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¹ See Exhibit “A” to the Declaration of Brian Mankin ISO Motion to Approve Settlement Pursuant to PAGA filed on May 2, 2024.

1 The Court, having considered the Settlement, including proposed PAGA penalties,
2 embodied in the Settlement Agreement between Plaintiff and Defendant, pursuant to Labor
3 Code § 2699(1)(2), having considered the papers filed in support of the application for court
4 approval and the arguments of counsel, and good cause appearing, HEREBY ORDERS THE
5 FOLLOWING:

6 1. In a settlement of a PAGA action brought by an aggrieved employee, the Court
7 “shall review and approve any settlement of any civil action filed pursuant to this part.” Cal.
8 Lab. Code § 2699(1)(2).

9 2. The Court finds that the instant Action presented a good faith dispute of the
10 PAGA Released Claims as defined in the Settlement Agreement, and the Court finds in favor
11 of settlement approval and this Order is hereby entered resolving all claims set forth in the
12 Complaint and LWDA notice letter pursuant the terms of the Settlement Agreement, and
13 entering the Judgment herein.

14 3. The Court approves the Settlement of the above-captioned action, as set forth in
15 the Settlement Agreement and each of the releases and other terms, as fair, just, reasonable, and
16 adequate. The Parties are directed to perform in accordance with the terms set forth in the
17 Settlement Agreement, including that Defendants are directed to make payments in accordance
18 with the Settlement Agreement, by and through the Settlement Administrator.

19 4. By this Order and Judgment, Plaintiff releases, relinquishes, and discharges all
20 PAGA Released Claims on behalf of himself and the State of California, as defined in the
21 Settlement Agreement. The Parties are to bear their own costs, except as otherwise provided in
22 the Settlement Agreement.

23 5. In accordance with the Settlement Agreement, Defendants agreed to pay
24 \$90,000 (the “Settlement Amount”), inclusive of payments to the LWDA and Aggrieved
25 Employees, attorneys’ fees and litigation costs, and Settlement Administrator costs. As part of
26 the Settlement, Plaintiff’s Counsel sought an award of attorney’s fees of \$30,000.00, actual
27 litigation expenses of \$9,349.85, and \$4,000 to the Settlement Administrator, ILYM Group,
28 Inc. Defendants do not oppose these requests. The Court finds that the Settlement Amount is

1 fair, reasonable and adequate, and approves each of these payments set from the Settlement
2 Amount, and directs Defendants and Settlement Administrator to make the following payments
3 from the Settlement Amount within the time periods set forth below and in the Settlement
4 Agreement:

- 5 a. \$30,000.00 in attorneys' fees to Lauby, Mankin & Lauby LLP;
- 6 b. \$9,349.85 in litigation costs to Lauby Mankin Lauby LLP;
- 7 c. \$4,000 to ILYM Group, Inc. for administration costs.

8 6. After deducting the foregoing payments, the remainder of approximately
9 \$39,150.15 shall form the Net Settlement Amount, which will then be allocated pursuant to
10 Labor Code § 2699(i) with 75% (\$29,362.61) being paid to the LWDA, and the remaining 25%
11 (\$9,787.54) paid to the Aggrieved Employees on a pro rata basis, as set forth in the Settlement
12 Agreement. The Court approves these payments and directs the Settlement Administrator to
13 issue checks to the LWDA and Aggrieved Employees, as set forth Settlement Agreement and
14 in the chart below. The Court approves the proposed notice to Aggrieved Employees and orders
15 that the Settlement Administrator mail the Notice of PAGA Settlement and Payment to the
16 Aggrieved Employees with the settlement check (attached hereto as Exhibit B).

17 7. The Court approves the handling of unclaimed funds set forth in the Settlement
18 Agreement, specifically that any unclaimed funds in the Settlement Administrator's account as
19 a result of a failure to timely cash a settlement check shall be deemed void, and any
20 unclaimed funds in the QSF as a result of the failure to cash Individual Settlement Payment
21 checks shall be issued to the State Controller's Office for the State of California in the name of
22 the Aggrieved Employee.

23 8. The Settlement is not an admission by Defendants or any of the other Released
24 Parties, nor is this Judgment a finding of the validity of any claims in the Action or of any
25 wrongdoing by Defendants or any of the other Released Parties. Neither this Settlement
26 Approval Order, the Settlement, or the Judgment nor any document referred to herein, nor any
27 action taken to carry out the Settlement are, may be construed as, or may be used as an admission
28 by or against Defendants or any of the other Released Parties of any fault, wrongdoing or

liability whatsoever. The entering into or carrying out of the Settlement, and any negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of, an admission or concession with regard to the denials or defenses by Defendants or any of the other Released Parties and shall not be offered in evidence against Defendants or any of the Released Parties in any action or proceeding in any court, administrative agency or other tribunal for any purpose whatsoever other than to enforce the provisions of this Order, the Settlement, the Judgment, or any related agreement or release. Notwithstanding these restrictions, any of the Released Parties may file in the Action or in any other proceeding this Order, the Settlement, the Judgment, or any other papers and records on file in the Action as evidence of the Settlement and to support a defense of res judicata, collateral estoppel, release, waiver or other theory of claim preclusion, issue preclusion or similar defense as to any of the Released Claims.

9. The following dates shall govern for purposes of this implementing this Final Order:

May 28, 2024	Final Order is entered and the Effective Date occurs
June 27, 2024	Defendants shall fund \$90,000 to the Settlement Administrator which, pursuant to Paragraph IV(A) of the Settlement Agreement.
July 8, 2024	Settlement Administrator to issue payment to the LWDA, Aggrieved Employees, and Plaintiff's counsel
January 5, 2025	The estimated 180-day deadline for Aggrieved Employees to cash their check.
February 25, 2025	Deadline to file a Declaration by Settlement Administrator describing: (i) the dates the checks were mailed, (ii) the total number of checks mailed to Aggrieved Employees, (iii) the number of checks that were uncashed, (iv) the total value of the uncashed checks, (v) the date that value of uncashed checks was issued to the State Controller's office, (vi) the date payment was issued to the LWDA, and (vii) the amount of the payment to the LWDA.

1 April 01st, 2025
2 Time: 8:30 a.m.

Hearing re: status of funding and filing a Declaration from the
Settlement Administrator as set forth herein.

3
4 **JUDGMENT**

5 10. Pursuant to California Labor Code § 2698, *et seq.*, the Court hereby enters
6 judgment of the Action, with prejudice, for the reasons set forth above, and upon the terms set
7 forth in the Settlement Agreement. Without in any way affecting the finality of this Settlement
8 Approval Order granting final judgment, this Court hereby retains exclusive and continuing
9 jurisdiction over the Action as to all matters relating to: (a) the implementation, enforcement,
10 construction and interpretation of the terms of the Settlement and this Order and Judgment; (b)
11 Settlement administration matters; and (c) such post-judgment matters as may be appropriate
12 under Court rules or as set forth in the Settlement.

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14 Dated: 5/28/24

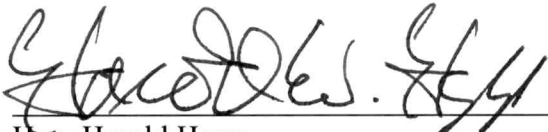

15 Hon. Harold Hopp

EXHIBIT "B"

<<DATE>>

<<FIRST_NAME>> <<LAST_NAME>>

<<ADDRESS 1>>

<<ADDRESS 2>>

Re: Payment from *Sheets v. Kaydan Logistics, et al.*

Dear <<FIRST_NAME>> <<LAST_NAME>>:

Enclosed is your payment from the settlement of a lawsuit entitled *Joshua Sheets, on behalf of all aggrieved employees and the State of California v. Kaydan Logistics LLC, a California limited liability company, et al.*, which was pending in the Superior Court of the State of California for the County of Riverside, Case No. RIC2200610 (the “*Sheets* case” or “Lawsuit”).

The *Sheets* case was initially filed on February 14, 2022, and in its current form the lawsuit brings claims against Kaydan Logistics LLC (“Kaydan”) and its owners pursuant to the California Private Attorneys General Act of 2004, Cal. Lab. Code § 2698 *et seq.* (“PAGA”). As such, the Lawsuit was brought on behalf of the State of California and all current and former non-exempt employees employed by Kaydan in California any time from February 9, 2021, through August 29, 2022 (the “Aggrieved Employees”).

Specifically, in the Lawsuit, Mr. Sheets alleged that Kaydan failed to pay all required minimum and overtime wages, failed to provide meal periods and rest breaks, failed to timely pay wages owing during employment, including, but not limited to, failed to timely pay wages at termination, and failed to provide accurate itemized wage statements. As such, the lawsuit sought PAGA civil penalties for these violations.

Kaydan denies the allegations and denies that it owes any penalties. In an effort to avoid the time, expense and uncertainty of litigation, Mr. Sheets and Kaydan agreed to settle the case. You have been identified as one of the alleged aggrieved employees on whose behalf Mr. Sheets filed his lawsuit, and for purposes of the Lawsuit, the Settlement, and the following paragraph, you are considered an “Aggrieved Employee.”

As such, the parties’ settlement resolves Mr. Sheets’ claims on behalf of all Aggrieved Employees, including any and all PAGA claims that Plaintiff alleged against Defendants, on behalf of Aggrieved Employees and State of California, based on the facts stated in the operative Complaint in the Action and in the LWDA notice letter sent on February 9, 2022, including all PAGA claims seeking civil penalties premised upon (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods, (4) failure to provide rest breaks, (5) failure to timely pay wages each period, (6) failure to timely pay final wages, (7) failure to provide accurate itemized wage statements, and (8) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 *et seq.* that were stated in the Complaint and based solely upon the facts alleged in the Complaint and the notice sent by Plaintiff to the LWDA. Plaintiff releases all claims for statutory penalties that could have been sought by the Labor Commissioner for the violations identified in Plaintiff’s pre-filing letter to the LWDA; Plaintiff does not release any aggrieved employee’s claim for wages or damages.

The Court approved the Settlement on , 2024. As a result, the enclosed settlement check has been issued and shall remain valid for one hundred eighty (180) days. Checks remaining uncashed for more than 180 days after issuance will be voided and funds represented thereby will be remitted by the State Controller’s Office for the State of California in the name of the each Aggrieved Employee that did not cash their check.