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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; and DOES 1
through 20, inclusive;

Defendants.

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

**DECLARATION OF BRIAN J. MANKIN,
ESQ., IN SUPPORT OF MOTION TO
APPROVE SETTLEMENT PURSUANT TO
THE PRIVATE ATTORNEYS GENERAL
ACT OF 2004**

Hearing

Date: May 28, 2024

Time: 8:30 a.m.

Dept.: 1

Complaint filed: February 14, 2022

I, Brian J. Mankin, state and declare:

1. I am an attorney licensed to practice before all of the courts of the State of California. I am a partner with the law firm of Lauby Mankin Lauby LLP, which has offices in Orange County and Riverside County, and I manage the firm's employment law department. I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein. I submit this declaration in support of Plaintiff's Motion to Approve Settlement Pursuant to the Private Attorney General Act of 2004 (the "PAGA"). If called as a witness, I could and would competently testify thereto.

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1 **I. COUNSEL’S EXPERIENCE**

2 2. I have been a member, in good standing, of the State Bar of California since 2001. I am
3 admitted to practice in the United States District Courts for the Central and Southern District of
4 California and the Ninth Circuit Court of Appeal and have tried cases in various courts in California.

5 3. I have handled well over 500 employee vs. employer litigation matters during my 23
6 years in practice. Over the last 17 years, my practice has almost entirely consisted of representing
7 employees, the majority of which has included class action and representative action wage and hour
8 matters. In total, I have handled well over 250 class action and representative action wage/hour cases,
9 and have been appointed by the court as class counsel and have received final court approval and
10 judgment in over half of those actions to date, and anticipate receiving final approval in many more of
11 those in the future.

12 4. As part of these settlements and judgments, I have recovered well in excess of \$250
13 million in damages for my clients and the class members (who often work as nurses, ambulance
14 drivers, technicians, warehouse workers, truck drivers, sales, professional occupations and countless
15 other trades). My team and I once held the record for the largest PAGA-only case in California’s
16 history - a \$12.5 million-dollar court approved settlement, which followed extensive litigation,
17 summary adjudication and writs to the CA Supreme Court against a Fortune 50 company (*Garcia v.*
18 *Macy’s*, San Bernardino Superior Court).

19 5. I have tried two major class and PAGA cases against Fortune 100 companies over the
20 last few years. I was lead counsel in a PAGA case that my firm tried in the Orange County Superior
21 Court and received a \$425,000 judgment. I was co-counsel in a class action case against Walmart that
22 was tried to the jury in District Court, wherein the jury awarded Plaintiffs over \$6 million. Both cases
23 were appealed, and ultimately the jury trial verdict was affirmed and the PAGA case was reversed and
24 remanded.

25 6. I was named by the LA Times as one “Southern California Leading Lawyers” in the
26 May 2023 issue of Consumer Attorney’s of Southern California (a recognition given to 17
27 employment/labor law attorneys in 2023). Additionally, over the last 5+ consecutive years, I have
28 been selected by my peers as a “Super Lawyer” in Employment Litigation, a distinction that only 5%

1 of lawyers receive.

2 **II. PROCEDURAL BACKGROUND**

3 7. My firm began investigating this matter in February 2022. After being retained by
4 Plaintiff, my office submitted a claim on February 9, 2022, to the California Labor Workforce and
5 Development (“LWDA”) for civil penalties under the Labor Code Private Attorneys General Act of
6 2004 (Lab. Code §§ 2698, et seq.), which is attached hereto as **Exhibit A**. At the same time, we sent a
7 letter to Defendant requesting the production of Plaintiff’s personnel and timekeeping records in order
8 to further evaluate his wage and hour claims while also serving a litigation hold on Defendant to
9 preserve potentially relevant electronically stored information.

10 8. Then, on February 14, 2022, my office filed a putative class action complaint alleging
11 causes of action mirroring those alleged in the LWDA notice. On April 20, 2022, and because the
12 LWDA did not assert jurisdiction over the PAGA claims within the 65-day exhaustion period, we filed
13 a First Amended Complaint adding PAGA causes of action as well. The FAC alleged the following
14 class causes of action: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure
15 to provide meal periods, (4) failure to provide rest breaks, (5) failure to pay all final wages, (6) failure
16 to provide accurate itemized wage statements, (7) failure to provide accurate itemized wage
17 statements, and (8)-(14) related PAGA claims.

18 9. It was not until June 2022 when Defendant retained counsel, and counsel for Defendant
19 sent correspondence and documents to Plaintiff’s counsel, including evidence that Plaintiff allegedly
20 signed a binding arbitration agreement with a class action waiver. The Parties agreed to attend private
21 mediation. In preparation for the mediation, the Parties informally exchanged documents and
22 information that allowed both sides to calculate the potential damages and evaluate potential risk,
23 including policies and procedures pertaining to each claim alleged, and statistics relating to the number
24 of current and former employees, number of shifts, pay periods worked and other things. Defendant
25 also provided their written policies and practices and a robust sampling of payroll and timekeeping
26 records for Class Members. This information enabled both parties to take a deep dive into the claims.
27 Additionally, during this process, Plaintiff and his counsel analyzed, researched, and investigated the
28 potential issues, including matters related to the calculation of damages, trial, and appellate issues and

1 risks.

2 10. The Parties attempted early mediation with Philip Cha, Esq. in April 2023, which was
3 unsuccessful. Thereafter, Defendants filed a motion to compel arbitration of Plaintiff's individual
4 claims and dismiss all class claims, pursuant to an arbitration agreement that was signed by Plaintiff
5 that contained a class action waiver. Months of discussions continued after mediation that resulted in
6 a settlement, which calls for the dismissal of the class claims without prejudice due to the arbitration
7 agreement and a filing of a Second Amended Complaint ("SAC"). The Parties now seek approval of
8 this PAGA-only settlement.

9 11. On April 15, 2024, Plaintiff filed the operative SAC alleging the following causes of
10 action under PAGA: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure
11 to provide meal periods, (4) failure to provide rest breaks, (5) failure to timely pay wages, (6) failure to
12 timely pay final wages, and (7) failure to provide accurate itemized wage statements.

13 12. **CMO ¶ D(1)-(2).** The Parties mediated with Phillip Cha, Esq. in April 2023 – however,
14 mediation was cut short due to Defendant's financial concerns. As a result, Defendants agreed to
15 exchange financial documents for Plaintiff's financial expert to analyze. After months of continued
16 discussions, the Parties reached the settlement detailed in the Settlement Agreement. Attached hereto
17 as **Exhibit B** is a true and correct copy of the fully executed Settlement Agreement.

18 13. The Parties also settled and resolved Plaintiff's individual (non-PAGA) claims at
19 mediation. Pursuant to the CMO, the nature and valuation of Plaintiff's individual claims are
20 discussed below – and the terms of the individual settlement are shown in the separate Individual
21 Settlement Agreement that was previously attached to the Declaration of Kristina Bui Carlson and
22 filed concurrently with Plaintiff's Request for Dismissal of Class Claims.

23 **III. ANALYSIS OF THE CLAIMS AND VALUATION**

24 **CMO ¶ D(2)(a): Nature of the Alleged Violations**

25 14. Plaintiff alleged seven causes of action on behalf of the Aggrieved Employees.
26 However, as discussed herein, some of the claims are overlapping due to the nature of the violation
27 (so, in essence, there are not 7 distinct penalties recoverable). The following analysis was prepared by
28 the handling attorney, Kristina Carlson, and me.

1 15. Plaintiff claimed that Defendant Kaydan failed to provide compliant meal periods and
2 rest breaks to the Aggrieved Employees due to the requirement that Plaintiff and Aggrieved
3 Employees were continually driving and making Amazon deliveries – thus, they could not take rest
4 breaks or meal periods. However, Defendants vehemently opposed this claim based on the argument
5 that Defendant Kaydan had compliant written policies. Additionally, Defendants argued that it
6 provided and made available meal and rest breaks to all employees, and any employee who did not
7 take a meal or rest break did so entirely of his or her own volition. As such, Defendants argued that
8 these claims were without merit because, for each violation, a fact-finder would have to determine
9 why a break was noncompliant/nonexistent, because if it was by the employee’s choice, no liability
10 attaches to Defendants.

11 16. Plaintiff alleged unpaid minimum and overtime wage claims due to Plaintiff and the
12 Aggrieved Employees having short meal periods (less than 30 minutes). However, Plaintiff and the
13 Aggrieved Employees were paid as if they took a full 30-minute meal break. Therefore, this resulted in
14 unpaid minimum and overtime wages (as majority of shifts were over 8 hours in a day).

15 17. Plaintiff alleged overtime wage claims due to Defendant Kaydan’s failure to pay
16 overtime at 1.5 times the regular rate. For example, Plaintiff alleged that Defendant Kaydan paid
17 Plaintiff and the Aggrieved Employees a base hourly rate non-discretionary bonuses. However, during
18 weeks when an Aggrieved Employee worked overtime and earned a bonus, Defendant Kaydan
19 illegally paid overtime at only 1.5 times the base hourly rate of pay and failed to incorporate the bonus
20 into the regular rate calculation.

21 18. Plaintiff alleged what are often referred to as “derivative” violations. For instance,
22 Plaintiff argued that, due to the unpaid wages, Defendants are liable to each *former* Aggrieved
23 Employee for failure to timely pay all wages due and owing upon separation of employment (Labor
24 Code § 203) and, moreover, that Defendant Kaydan’s wage statements failed to comply with Labor
25 Code § 226 since the wage statements did not accurately state total hours worked, gross and net wages
26 earned, all deductions, among other violations. However, as Defendants argued that the overarching
27 claims had no merit, Defendants also argued that these derivative claims would fail as well.

1 19. Finally, Defendants provided financial documents to Plaintiff's counsel as finances
2 were a concern. Plaintiff's counsel had an expert review and analyze Defendants' financial documents.
3 After review, Plaintiff's counsel further believed an additional discount was warranted due to
4 Defendants' finances.

5 **CMO ¶ D(2): Number of Alleged Individual Violations**

6 20. An analysis of discovery responses and pre-mediation data and information showed that
7 there were approximately 3,048 PAGA pay periods through the date of mediation. The time period
8 covered February 14, 2021, through August 2022 (the date Defendants closed its operations in
9 California). During this period, it is estimated that there are 278 individuals that fall within the defined
10 group of Aggrieved Employees.

11 21. Thus, based on 3,048 total pay periods at issue, Plaintiff calculated that there was a
12 potential total of 5,216 separate Labor Code violations, broken down as follows:

- 13 a. Minimum wage (25% violation rate) = 762
- 14 b. Overtime (50% violation rate) = 1,524
- 15 c. Meal Period (27% violation since majority of shifts less than 5 hours) = 823
- 16 d. Rest Breaks (50% violation rate because many shifts were only 3 hours) = 1,524
- 17 e. Failure to timely pay wages each period (25% violation, derivative) = 762
- 18 f. Failure to timely pay final wages (278 former employees) = 278
- 19 g. Wage statement violations (25% violation, derivative) = 762

20 **CMO ¶ D((2)(c): Total Amount of Penalties for which Defendant is Potentially Liable**

21 22. Assuming no risk and purely calculating the total amount of penalties for which
22 Defendant was *potentially* liable if all allegations are proven, the following summary totals \$643,500
23 as follows:

- 24 a. Minimum Wage: 762 x \$100 = \$76,200
- 25 b. Overtime: 1,524 x \$100 = \$152,400
- 26 c. Meal Period: 823 x \$100 = \$82,300
- 27 d. Rest Break: 1,524 x \$100 = \$152,400
- 28 e. Labor Code § 204: 762 x \$100 = \$76,200

f. Final Pay: 278 x \$100 = \$27,800

g. Wage Statements: 762 x \$100 = \$76,200

CMO ¶ D(2)(d): Total Amount of Penalties for Which Defendant Would Likely be Liable

23. Based on a detailed analysis of each claim, including the weight of the evidence, clarity of applicable law, and strength of the factual and legal defenses asserted by Defendant, Ms. Carlson and I calculated that the total amount of penalties for which Defendant would likely be found liable at trial is \$643,500.

24. With that said, we placed the following risk-adjusted values on each claim based on the merits, risks and defenses, for each:

a. Minimum Wage: This claim was based on Plaintiff and the Aggrieved Employees alleged short meal periods (less than 30 minutes). Plaintiff and the Aggrieved Employees were paid as if they took a full 30-minute meal break. Therefore, this resulted in unpaid minimum wages (and overtime wages for shifts were over 8 hours in a day). However, Defendant raised an argument that its written meal policies were compliant with California law. Even with that in mind, Plaintiff believed there was a 60% chance of success (so a 40% risk) but that the Court would apply a 25% discretionary reduction due to the existence of Defendant's written policies. Therefore, the risk-adjusted value of this claim is \$34,290.

b. Overtime: Here, Plaintiff alleged two theories of liability for overtime: (1) the short meal periods as discussed above, and (2) a failure to pay all wages due to miscalculation of the "regular rate of pay." The other overtime claim – for miscalculation of the regular rate – is apparent from the face of the paystub and directly violates decades of controlling authority. Thus, while Defendant may argue that bonuses were rare or were discretionary, the names of the bonuses speak for themselves and clearly show they were non-discretionary and should have been calculated into the regular rate (e.g., "Amazon Non Discretionary Bonus," "Look Back Non Disc Incentive," "Peak Incentive," etc.). Plaintiff placed a high value on this claim and only assigned a small 20% risk on the merits and believed that the Court would not apply a discretionary reduction. Thus, the risk-adjusted value of the overtime claim is \$24,400.

1 c. Meal Period: Plaintiff's meal period claims had a maximum value of \$82,300
2 due to the number of shifts over 5 hours and offsetting meal premiums paid. Additionally, on the
3 merits, Defendant raised a defense to meal period claims, namely that it had a fully compliant written
4 policy for meal periods and made all required meal periods available to the Aggrieved Employees.
5 Based on these facts, we assigned a 40% risk on the merits for the meal period claim and believed the
6 Court would apply a 25% discretionary reduction. Therefore, we assigned a risk-adjusted value of
7 \$37,035 for the meal period claims.

8 d. Rest Break: Plaintiff's rest break claims had a maximum value of \$152,400
9 because over 96% of shifts were over 3.50 hours; and, like the meal period claims, Defendant raised
10 strong arguments that it had a fully compliant written policy for rest breaks and made all required
11 breaks available to the Aggrieved Employees. Additionally, because rest breaks need not be recorded,
12 Defendant argued that Plaintiff faced a manageability and evidentiary issue proving when or if rest
13 break violations occurred since we could not rely on timekeeping records alone. In light of these risks,
14 we assigned a 50% merit-based risk to the rest break claims and believed the Court would apply
15 another 25% discretionary reduction. Thus, the risk-adjusted value of this claim is \$57,150.

16 e. Failure to Pay Wages Each Period: We placed very little value on the Labor
17 Code § 204 claims because these were simply derivative of the unpaid wage claims (*i.e.*, there was no
18 direct violation of the statute, such as a practice of routinely paying late). Therefore, although we
19 believe there was minimal risk (40% - aligned with the unpaid wage claims), we believe the Court
20 would apply a heavy discretionary reduction of 90% discount, leading to risk-adjusted value of \$4,572.

21 f. Failure to Timely Pay Wages: The failure to timely pay final wage claim was
22 derivative of the unpaid wage claims, so we applied the same 40% risk on the merits and expected
23 another 25% discretionary reduction, leading to a risk-adjusted value of \$12,510.

24 g. Wage Statements: Plaintiff's wage statement claims were based on the
25 argument that – because of the unpaid wage claims and overtime claims – the paystubs failed to
26 accurately state all required information. This was purely a derivative claim and, although we believed
27 it would succeed (20% risk on the merits), we also believed that the Court would apply a 50%
28 discretionary reduction because Defendant was already penalized for the allegedly illegal conduct with

1 imposition of PAGA penalties for the unpaid wage violations. Thus, the wage statement violations had
2 a risk-adjusted value of \$30,480.

3 **CMO ¶ D(2)(e): Likelihood of Violations being Proven Knowing and Intentional**

4 25. Due to the disputed facts, the uncertainty regarding applicable law as to certain claims,
5 and the fact that Defendant had compliant written policies, we did not believe there was a high
6 likelihood that most of the violations would be deemed knowing and intentional. However, we did
7 believe that the overtime miscalculations, if proven, would be found knowing and intentional since
8 these practices run afoul of decades of state and federal authority regarding the regular rate of pay.

9 **CMO ¶ D(2)(f): Other Facts to Suggest Imposition of Maximum would be Unjust**

10 26. The PAGA gives the court wide latitude to reduce the amount of civil penalties “based
11 on the facts and circumstances of a particular case” and if “to do otherwise would result in an award
12 that is unjust, arbitrary and oppressive, or confiscatory.” Labor Code § 2699(h). Some factors courts
13 have considered in reducing the amount of civil penalties include whether (1) the violation arises from
14 an unsettled legal obligation (*Cotter v. Lyft, Inc.*, (N.D. Cal. 2016) 193 F.Supp.3d 1030, 1037); and (2)
15 the employer’s willingness to fix the violation. (*Fleming v. Covidien*, (C.D. Cal. 2011) 2011 U.S. Dist.
16 LEXIS 154590, *8-9). For instance, in the *Lyft* case, the Court found that a \$1M PAGA settlement
17 was fair and reasonable in light of the unsettled nature of the law, which awarded \$2.52 per pay period
18 (397,110 pay periods / \$1M PAGA settlement), which was a 97.5% reduction from the maximum
19 penalty. In *Fleming v. Covidien*, the Court reduced the potential penalties by over 82 percent,
20 awarding \$500,000 for 28,742 pay periods at issue. Similarly, in *Sanchez v. McDonald’s Restaurants*
21 *of California*, BC499888, Los Angeles Superior Court entered summary adjudication against
22 McDonald’s for violating the overtime laws, but the Court’s tentative ruling at trial was to award only
23 \$750,000 in PAGA penalties against McDonald’s, despite a substantial number of violations at 119
24 stores at issue.

25 27. Additionally, Plaintiff believes that the amount obtained in settlement, and the
26 reasonable estimates provided above, are justified given that Defendant vehemently argued against any
27 contention that its violations were “knowing and intentional” since it had compliant policies and
28 practices in place at all times.

28. Finally, the parties only reached settlement and the agreed-upon PAGA penalties after mediation with an extensive exchange of information and arms-length negotiation between the Parties.

CMO ¶ D(2)(g): How the Amount of Penalties was Calculated

29. The total amount of PAGA penalties was not “calculated or otherwise arrived at.” Instead, the PAGA penalties make up the entire settlement amount, and the settlement only occurred after arms-length negotiations and expert financial analysis.

CMO ¶ D(2)(h): Other Factors Material to Determination that Penalties are Fair

30. I believe that this declaration covers all factors material to a determination that the penalties are fair.

IV. THE AGREED UPON PENALTIES ARE FAIR

31. The settlement requires Defendant to pay \$90,000 inclusive of payments to the LWDA and approximately 278 Aggrieved Employees, Plaintiff’s attorneys’ fees (\$30,000.00) and actual litigation costs (\$9,349), and third party administrator (“Administrator”) costs (\$4,000). After payment of the attorneys’ fees and costs, and Administrator costs, approximately \$39,150.15 will remain as the estimated PAGA Award.

32. The PAGA Award will be allocated to the PAGA Penalties and, pursuant to Labor Code § 2699(i), 75 percent shall be paid to the LWDA (which shall be used to assist in the enforcement of labor laws and education of employers and employees about their rights and responsibilities under the Labor Code), and the remaining 25 percent being paid to the Aggrieved Employees based the number of pay periods each Aggrieved Employee worked during the PAGA Period. A following chart reflects the estimated payments:

Total Amount(s)	
<i>Settlement Amount</i>	\$90,000.00
Attorneys’ Fees (1/3)	\$ 30,000.00
Actual Litigation Costs	\$ 9,349.85
Administrator Costs	\$ 4,000.00
Plaintiff’s Service Award	\$ 7,500.00
<i>PAGA Award</i>	<i>\$39,150.15</i>
75% to the LWDA	\$29,362.61
25% to the Aggrieved Employees	\$9,787.54
<i>Balance</i>	<i>\$0</i>

1 33. As such, the LWDA will receive approximately \$29,362.61 (which shall be used to
2 assist in the enforcement of labor laws and education of employers and employees about their rights
3 and responsibilities under the Labor Code), and the Aggrieved Employees will receive \$9,787.54 on a
4 pro rata basis. Each Aggrieved Employee will receive approximately \$35.21 on average, although
5 the actual amount will be based on the number of eligible pay periods each person worked during the
6 Settlement Period. The portion of each Aggrieved Employee's Individual Share will be treated as
7 non-wage income and reported by the Settlement Administrator on IRS Form 1099 to the respective
8 Aggrieved Employee and applicable governmental authorities.

9 34. In exchange for these payments and benefits, and in accordance with the Court's Case
10 Management Order, the release in the Settlement Agreement binds the named Plaintiff only for civil
11 penalties claims she brought under Labor Code § 2699.

12 **V. CMO ¶ D(3): REQUESTED ATTORNEYS' FEES AND COSTS ARE REASONABLE**

13 35. In accordance with the Settlement, the Parties agreed that my office would receive
14 one-third of the settlement amount as attorney's fees. While this is substantially less than our
15 lodestar, it has been my experience that the benchmark for attorney fee awards in California state
16 cases is one-third of a common settlement fund in most situations. Here, pursuant to the Settlement
17 Agreement, and in recognition of the work performed by Plaintiff's Counsel, and the results we
18 achieved for the State and Aggrieved Employees, my firm is seeking a one-third fee, which is far less
19 than my firm's lodestar through the conclusion of the matter resulting in a negative multiplier.

20 36. In my experience, Court's award attorney's fees in the amount of one-third of the
21 common fund settlement amount in a PAGA only case.

22 37. At my office, this case was primarily handled by Kristina Bui Carlson while I
23 performed the role of supervising attorney. Ms. Carlson works exclusively with me on employment
24 law matters and has been in practice for over 10 years, and has handled over two dozen class and
25 representative PAGA actions as the handling attorney. She bills at the hourly rate of \$550/hour. I
26 have been in practice for 23 years, with most of those years handling complex litigation. And, for
27 well over the last ten years, my practice has almost entirely consisted of representing employees with
28 most of that time devoted to handling class action and wage and hour matters. My billing rate is

1 \$775/hour. I believe these rates are consistent with Plaintiff and Defense attorneys who handle
2 complex class action litigation, if not somewhat lower.

3 38. I have reviewed the work performed on the case by Ms. Carlson, who has billed a total
4 of 192.6 hours to date for a lodestar of \$105,930, as set forth in her declaration. I performed
5 additional work at mediation and thereafter in a supervising role, although my hours merely increase
6 the negative lodestar. The hourly rates above are comparable to those of other attorneys with equal
7 or similar experience, if not somewhat lower (*i.e.*, the Laffey Matrix at www.laffeymatrix.com
8 indicates that the benchmark rates are: \$676/hour for an 8–10-year attorney, \$764/hour for a 11-19
9 year attorney, and \$919/hour for a 20+ year attorney). Moreover, the Wolters Kluwer 2017 Real Rate
10 Report (“Real Rate Report”) provides directly applicable information in this regard. The Real Rate
11 Report is based on an enormous and statistically significant compilation of data: 25.8 million billing
12 entries and 23.9 million hours billed by over 112,100 individual timekeepers from 4,620 law firms,
13 totaling \$9.02 billion in fees billed. (*See* Wolters Kluwer’s ELM Solutions, Inc., 2017 Real Rate
14 Report). The Real Rate Report then compiles and analyzes this data to provide the hourly rates for
15 partners and associates in major metropolitan areas. For the southern California area, which is based
16 on billing entries for 1,125 partners and 1,566 associates, the Real Rate Report states that: (a) the
17 rates for partners in Los Angeles is between \$640 and \$869.75 per hour for the middle and upper
18 quartiles, and (b) the rates for associates in Los Angeles is between \$478.74 and \$638.97 for the
19 median and upper quartiles. And, perhaps most importantly, the information provided in the Real
20 Rate Report is not based on self-reported numbers, surveys, sampling, or reviews or other
21 publications – instead, the Real Rate Report is based on the actual hours and fees billed by law firms.

22 39. In the course of prosecuting this action, Plaintiff’s counsel has incurred expenses that
23 were incidental and necessary to the effective representation of the Class. These costs include
24 mediation fees, filing fees, and other costs that include Attorney Service charges, CourtCall charges,
25 and process service fees. My firm’s expenses total \$9,349.85 through the conclusion of this matter,
26 which includes costs of filing, serving and attend the approval hearing (see **Exhibit C** attached hereto).
27 This is less than the \$15,000 maximum allowed under the Settlement Agreement, so the savings will
28 be placed in the PAGA Award and paid to the LWDA and Aggrieved Employees.

1 **VI. CMO ¶ D(4): PLAINTIFF'S INDIVIDUAL SETTLEMENT**

2 **CMO ¶ D(4)(a): Nature of Unpled Individual Claims**

3 40. Plaintiff alleged individual claims for the same underlying facts and violations as
4 raised in the PAGA case, in addition to alleged wrongful termination claims. Thus, Plaintiff alleges
5 that he was subjected to the same unpaid wage claims, same meal/rest break issues, and the same
6 wage statement violations, along with the other claims detailed above.

7 **CMO ¶ D(4)(b)(i): Maximum Value of Plaintiff's Individual Claims**

8 41. Plaintiff alleges that the total amount of damages, lost wages, penalties, attorneys' fees
9 and costs, interest, and other relief that she would be awarded on his individual claims, if they were
10 entirely successful at trial, is at least \$10,237. Additionally, Plaintiff alleges that the damages due to
11 this wrongful termination claims if they were successful at trial would be approximately \$5,000. This
12 is based on the following estimates.

13 42. *First*, Plaintiff alleges that he was subjected to the same unpaid minimum and overtime
14 wage claims above and, since she was employed from approximately August 22, 2022, through
15 December 11, 2022, the maximum value of these claims is approximately \$1,690 (30 minutes of unpaid
16 wages for approximately 80 shifts).

17 43. *Second*, because of the unpaid wages, Plaintiff alleged that she was entitled to waiting
18 time penalties under Labor Code § 203, calculated at \$19.50 per hour x 30 days x 8.5 hours per day,
19 for a maximum value of \$4,973.

20 44. *Third*, as to meal period and rest break claims Plaintiff estimates that, based on the
21 number of shifts he worked, he was subjected to approximately 60 meal period violations and at least
22 75 rest break violations. At his hourly rate of \$19.50, this places the maximum value of the meal and
23 rest break claims at \$2,574.

24 45. *Fourth*, Plaintiff also alleged several other claims discussed above, including
25 Defendant's failure to provide accurate itemized wage statements, which would have a maximum value
26 of \$1,000 at \$100 for 20 pay periods. He also believed that he would be entitled to interest accrued on
27 the unpaid wages and unpaid wage premiums.

1 46. *Fifth*, Plaintiff alleged that as a result of his wrongful termination of employment with
2 Defendant, he lost approximately one month of income, including additional bonuses, would amounted
3 to roughly \$5,000.

4 47. Finally, I estimate that my firm would incur at least \$40,000 in recoverable attorneys'
5 fees and costs through trial if we were forced to litigate Plaintiff's individual claims.

6 **CMO ¶ D(4)(b)(ii): Risk-Adjusted Value of Plaintiff's Individual Claims**

7 48. The maximum amounts above do not take into account the necessary risk adjustments
8 and what Plaintiff could reasonably expect if his claims proceeded to trial, taking into account the
9 likelihood of prevailing and other risks. And while Defendant would have many of the same defenses
10 to the individual claims as it has to the PAGA claims, Plaintiff believes that he would likely have a
11 very high chance of recovering the full amount given that many of Defendant's defenses were as to the
12 manageability of a representative PAGA action, whereas proving individual claims for unpaid wages
13 and meal/rest violations is much easier given that Plaintiff's testimony is all that is necessary.
14 Furthermore, Defendant would not be entitled to the discretionary reduction it could seek under
15 PAGA.

16 49. When considering those factors, Plaintiff estimates the risk-adjusted value for damages,
17 lost wages, penalties, attorneys' fees and costs, interest, and other relief that he would be awarded on
18 his individual claims is \$38,856.70 – and the risk assessments track those in the PAGA action,
19 discussed above. Additionally, Plaintiffs estimates the risk-adjusted value of wrongful termination
20 claims (assuming a 50% risk) would amount to \$2,500.

21 50. For example, Plaintiff assigns a 40% risk on the merits for his unpaid wage claim,
22 which mirrors the merits risk on the PAGA claim. Thus, Plaintiff's unpaid wage claim has a risk-
23 adjusted value of \$1,014. And Plaintiff assigned the same risk to the waiting time penalty claim since
24 it was based on the same facts and theories of liability- thus making the risk-adjusted value of that
25 claim \$2,983.50.

26 51. Plaintiff's meal and rest break claims are also based on the same facts as the PAGA
27 case, and subject to the similar risk because Defendant had a compliant written policy. However,
28 much of the risk in the PAGA case related to the evidentiary burden of providing competent and

1 compelling evidence as to violations for all Aggrieved Employees. That does not exist on an
2 individual basis, since Plaintiff only needs to submit evidence and convince a trier of fact that she
3 personally was subjected to violations despite the written policies. For that reason, Plaintiff assigned
4 only a 20% risk to the meal and rest break claims, making the risk adjusted value of the meal period
5 claim \$936 [\$1,170 value x 20% risk] and the risk-adjusted value of the rest break claim is \$1,123.20
6 [\$1,404 value x 20% risk].

7 52. Plaintiff assigned a 50% risk on his wrongful termination claims due to the availability
8 of supporting evidence and the difficulty in predicting how a jury may weigh the evidence presented to
9 them – thus making the risk-adjusted value of this claim \$2,500.

10 **CMO ¶ D(4)(c) and (d): Consideration Paid to Plaintiff for Individual Claims**

11 53. As set forth in Plaintiff's Individual Settlement Agreement (previously attached to the
12 Declaration of Kristina Bui Carlson with the filing of Plaintiff's Request for Dismissal of Class
13 Claims), the Parties settled Plaintiff's separate individual claims for a total of \$20,000 - with \$5,000
14 paid on an IRS Form W-2 and \$15,000 paid on an IRS Form 1099.

15 54. The facts herein show that Plaintiff received only a fraction of the asserted value of his
16 claims, meaning that she certainly did not receive a windfall as a result of the PAGA settlement and
17 further confirming that Plaintiff and his counsel fairly and properly separated the individual
18 settlements from the PAGA settlement.

19 **VII. CMO ¶ D(7): RELEASE OF CLAIMS FOR PAGA PENALTIES**

20 55. The release in this Settlement fully complies and is in strict compliance with the
21 Court's CMO.

22 Notably, as required by CMO ¶ G(3)(e)(iv), the Settlement Agreement states "[u]pon entry of
23 the Final Approval Order and Defendant's funding of the Settlement Amount, Plaintiff – in his
24 individual capacity and on behalf of the State of California and LWDA – shall completely release and
25 discharge the Released Parties from the Released PAGA Claims for the PAGA Period" (S.A. ¶ VI(A)).

26 56. Moreover, the "Released Parties," as defined in Paragraph I(S) of the Settlement
27 Agreement, are defined as "Defendants and its past and present directors, officers, owners, employees,
28 managing agents, attorneys, Amazon Logistics, Inc., and Amazon.com Services LLC (formerly

1 Amazon.com Services, Inc. d/b/a Amazon) (including its parent corporation and any affiliated
2 corporations), solely as it relates to the Aggrieves Employees' employment claims at KayDan
3 Logistics, LLC.”

4 57. Finally, the full definition of Released Claims, at Paragraph I(R) of the Settlement
5 Agreement, is expressly limited to claims “based on the facts stated in the Operative Complaint in the
6 Action and in the PAGA Notice letter(s), including all PAGA claims seeking civil penalties that
7 premised upon (a) failure to pay overtime wages (including failure to properly calculate the regular
8 rate of pay to those who worked overtime and earned incentive pay); (b) meal period violations
9 (including failure to pay meal period premiums at the regular rate of pay); (c) failure to pay minimum
10 wages; (d) rest period violations (including failure to pay rest period premiums at the regular rate of
11 pay); (e) failure to provide accurate itemized wage statements; (f) failure to pay all final wages; (g)
12 failure to pay wages timely during employment; (h) waiting time penalties; (i) collection of due and
13 unpaid wages; and (j) failure to maintain accurate records, that occurred during the PAGA Period and
14 ascertained during the Action.”

15 **VIII. CMO ¶ D(8): APPOINTMENT OF ILYM AS SETTLEMENT ADMINISTRATOR**

16 58. After obtaining bids from multiple settlement administrators, the Parties selected ILYM
17 Group, Inc. as the Administrator to perform all duties relating to the issuance of checks, mailing the
18 notices, locating employees, and preparation and submission of tax forms for a fee of \$4,000, which is
19 a capped amount based on hourly rates, anticipated time spent on each task, and per-unit costs for
20 postage and other expenses. ILYM's proposal is attached as **Exhibit C** to the Declaration of Lisa
21 Mullins from ILYM explaining their fee and experience.

22 59. The full bidding returned the following results: ILYM (\$4,000), Rust (\$5,300), CPT
23 Group (\$7,000). ILYM was the lowest bid.

24 **IX. CMO ¶ D(1)(c): SUBMISSION TO THE LWDA**

25 60. The Motion and declarations, including the PAGA Settlement Agreement, have
26 concurrently been submitted to the LWDA through its online portal. (See **Exhibit D**).

27 ///

28 ///

1 **X. EXHIBITS AND CONCLUSION**

2 61. A true and correct copy of the LWDA letter is attached hereto as Exhibit A.

3 62. A true and correct copy of the PAGA Settlement Agreement is attached hereto as
4 Exhibit B.

5 63. An itemized statement of my firm's costs is attached hereto as Exhibit C.

6 64. The LWDA's confirmation of receipt of this Motion and Declarations is attached hereto
7 as Exhibit D.

8 65. The Proposed Letter to the Aggrieved Employees is attached here as Exhibit E.

9 66. For the foregoing reasons, it is respectfully requested that the Court approve the
10 settlement.

11 I declare under penalty of perjury under the laws of the State of California that the foregoing is
12 true and correct. Executed on May 2, 2024, at Riverside, California.

13
14 By: 
15 Brian J. Mankin
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EXHIBIT “A”



February 9, 2022

Submitted Via Online Filing to the LWDA

California LWDA
Attn: PAGA Administrator
455 Golden Gate Ave., 9th Fl.
San Francisco, CA 94102

Sent Via U.S. Mail and Certified Mail

Kaydan Logistics LLC
31805 Temecula Parkway, #303
Temecula, CA 92592

Kaydan Logistics LLC
45562 Ponderosa Ct.
Temecula, CA 92592

Kirk Morrison
45562 Ponderosa Ct.
Temecula, CA 92592

Carlene Morrison
45562 Ponderosa Ct.
Temecula, CA 92592

Re: PAGA Civil Penalty Claim
Joshua Sheets v. Kaydan Logistics LLC, et al.

To the Labor and Workforce Development Agency, Kaydan Logistics LLC, Kirk Morrison, and Carlene Morrison:

Pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2699, *et seq.*, this letter shall serve as notification of the PAGA civil penalty claim of aggrieved employee Joshua Sheets (“Claimant”), on behalf of the State of California and all Aggrieved Employees, against his former employer(s), Kaydan Logistics LLC and/or any affiliated entities (“Kaydan Logistics”), as well as its owners / managers Kirk Morrison, Carlene Morrison, and others (the “Owners”) (collectively, the “Company”), for violations of Labor Code §§ 200, 201, 202, 203, 204, 208, 210, 218.6, 226, 226.3, 226.7, 510, 512, 558, 1194, 1194.2, 1197, 1197.1, 1198, and 1199, among possibly other sections inadvertently omitted, and/or sections of the applicable IWC Wage Order(s).

FACTUAL BACKGROUND

Claimant was employed by the Company from approximately September through December 2021. Claimant alleges that, at all relevant times, he and all other non-exempt employees employed by the Company in California (the “Aggrieved Employees”) were subjected to the same policies, working conditions, and corresponding wage and hour violations that Claimant was subjected during his employment.

For instance, at all relevant times, Claimant and the Aggrieved Employees were not provided proper minimum and overtime wages due to the Company's failure to accurately record and compensate for all hours worked. As one such example, the Company frequently required Claimant to clock out for meal periods but continue performing work for the Company. This resulted in a failure to pay minimum/regular wages (since Claimant was not paid at all for those 30 minutes), as well as a failure to pay overtime wages (since those 30 minutes were in excess of 8 hours and had to be paid at the proper overtime rate). Thus, the Company failed to pay proper minimum, regular, and overtime wages every time it applied its practice of requiring Claimant and Aggrieved Employees to clock out for 30 minutes during each shift, regardless of whether an off-duty meal period was taken.

Also, at all relevant times, Claimant was compensated on an hourly basis plus was entitled to and did receive additional nondiscretionary compensation. However, on the occasions when Claimant worked in excess of 8 and/or 12 hours per day and/or 40 hours per week and received additional earned compensation during the pay period, the Company failed to properly include these amounts in the calculations for Claimant's regular rate of pay. Therefore, the Company failed to pay proper overtime wages for the hours worked in excess of 8 and/or 12 per day and/or 40 per week.

Claimant was also not provided 30-minute off-duty meal periods, as mandated by California law, during employment with the Company. As a result of the Company's policies and practices, as well as the hectic and demanding workload, Claimant was subjected to meal period violations when he was: (1) unable to take a meal period due to workload, (2) forced to take an on-duty meal period while under the control of the Company (such as while driving), (3) forced to take a shortened meal period, (4) forced to take a meal period after the 5th hour of work, and (5) not provided a mandated second meal period for shifts in excess of 10 hours.

The Company also failed to provide Claimant with 10 minutes of net rest break time for every 4 hours worked, or major fraction thereof, as mandated by California law. The Company did not schedule Claimant's rest breaks, Claimant was unable to leave the premises for breaks, and Claimant was often not authorized and/or permitted to take mandated rest breaks due to the lack of adequate staffing and coverage and being overwhelmed by the hectic workload. Furthermore, on occasions when Claimant worked in excess of 10 hours in a shift, the Company failed to authorize and/or permit a third mandated rest break.

The Company also failed to comply with the mandates of Labor Code §§ 204 and 210 regarding the timing of the payment of wages to its employees each period, including minimum and overtime wages, as well as meal and rest period premiums. Also, the Company failed to comply with the mandates of Labor Code §§ 201–203 regarding timing of payment of final wages and failed to pay all wages due and owing upon separation of employment including minimum wages, overtime, and vacation wages. Finally, during his employment with the Company, Claimant received inaccurate and incomplete wage statements that failed to accurately state all necessary items required under Labor Code § 226(a).

Claimant alleges that he worked under the joint direction and control of Kaydan Logistics and the Owners and is informed and believes that each of them acted in all respects pertinent to this action as the agent of the others, carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of each are legally attributable to the others. On information and belief, a unity of interest and ownership between each exists such that Kaydan Logistics and the Owners acted as a single employer of Claimant and the Aggrieved Employees. Furthermore, on information and belief, Kaydan Logistics and the Owners are an



integrated enterprise and should be treated as a single employer because Kaydan Logistics and the Owners share an interrelation of operations, with common human resources and personnel policies and shared common offices and facilities. Upon information and belief Kaydan Logistics and the Owners share common management, a centralized control of labor operations, and common ownership or financial control.

Furthermore, Claimant alleges that the Owners are now and at all relevant times were the owners of Kaydan Logistics and were Claimant's and the Aggrieved Employees' actual employer or, in the alternative, were individuals employed by the Company as managerial and/or supervisory employees and/or agents. In addition, Claimant alleges that at all relevant times the Owners had the authority, in the interest of Kaydan Logistics to exercise independent judgment to hire, transfer, promote, discharge, assign, discipline, or take other similar actions against Claimant and the Aggrieved Employees, and were in Claimant's chain of command at the time of and direct participants in the wrongful conduct which constitutes the basis of Claimant's complaint herein. Claimant also alleges that Kaydan Logistics and the Owners are the agents, servants, employees, partners, affiliates, and/or representatives of each other, and were, at all times herein mentioned, acting within the course, scope, and purpose of such relationship(s) and with the knowledge, consent and/or ratification of each other. Furthermore, in conducting themselves in the manner described herein, Kaydan Logistics and the Owners were acting in active concert with on another such that the acts of each were fully attributable to the other in all material respects.

Claimant also alleges Kaydan Logistics and the Owners were merely the alter-ego of the others in that there existed a unity of interest and ownership such that any separateness between them ceased to exist and each exercised undue dominance, control, influence, and management over the others. Claimant further alleges that, at all relevant times, Kaydan Logistics has been inadequately capitalized to conduct business, has failed to follow appropriate corporate formalities, and has simply been a shell and instrumentality through which the Owners have conducted their personal affairs. Adherence to the fiction of the separate existence of Kaydan Logistics would permit abuse of the corporate privilege, thereby sanctioning fraud and promoting injustice. Accordingly, the corporate veil should be pierced, and any liability attached to Kaydan Logistics should be imposed jointly and severally against the Owners.

Finally, in an additional separate, but not necessarily mutually exclusive, alternative theory of liability, the Owners are liable for PAGA civil penalties under Labor Code § 558 as "other person(s)" who caused the violations regarding minimum wage among other claims. See *Atempa v. Pedrazzani* (2018) 27 Cal.App.5th 809, 820 ("if there is evidence and a finding that a party other than the employer 'violates, or causes to be violated' the overtime laws (§ 558(a)) or 'pays or causes to be paid to any employee' less than minimum wage (§ 1197.1(a)), then that party is liable for certain civil penalties regardless of the identity or business structure of the employer"); *Moua v. IBM* (N.D. Cal. 2019) 2019 U.S.Dist.LEXIS 40851 (same)

As a result of these violations, and others described below, Claimant alleges that he and other Aggrieved Employees were denied specific rights to which they are/were entitled under California law and the rules promulgated by the IWC Wage Orders, including the following:

**PAGA ASSESSMENT FOR FAILURE TO
PAY ALL MINIMUM, REGULAR, AND OVERTIME WAGES**

(Labor Code §§ 204, 210, 221-223, 510, 558, 1194, 1194.2, 1197, 1197.1, 1198; IWC Wage Order §§ 3, 4(B))

As discussed above, the Company failed to pay all required minimum, regular, and overtime wages to Claimant and the Aggrieved Employees due to the Company's failure to accurately record and compensate



for all hours worked, the failure to compensate for time spent in mandated temperature checks, and the failure to pay overtime and/or properly calculate the regular rate of pay for Claimant and other Aggrieved Employees. This resulted in earned, but unpaid, wages due and owing to Claimant and the Aggrieved Employees. Therefore, Claimants and the Aggrieved Employees performed work for the Company without receiving proper payment of the requisite minimum, overtime, and/or doubletime wages.

Accordingly, Labor Code §§ 210, 558, 1194.2, 1197.1, and 2699, among possibly others, impose various penalties upon the Company for each employee and each pay period in which it failed to pay all wages including, but not limited to, minimum, regular, and overtime wages in violation of the Labor Code and/or the IWC Wage Orders.

**PAGA ASSESSMENT FOR DENIAL OF MEAL PERIODS,
REST BREAKS, AND WAGE PREMIUMS**

(Labor Code §§ 226.7(b) & (c), 512, 558; Cal. Admin. Code, Title 8, § 11090)

Labor Code § 226.7(b) states that “[a]n employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission ...” Labor Code § 512(a) states in pertinent part: “[A]n employer may not employ an employee for a work period of more than 5 hours per day without providing the employee with an uninterrupted meal period of not less than 30 minutes [...] [a]n employer may not employ an employee for a work period of more than 10 hours per day without providing the employee with a second meal period of not less than 30 minutes.”

Section 12 of applicable IWC Wage Order states in pertinent part: “Every employer shall authorize and permit all employees to take rest periods, which insofar as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof.”

Here, Claimant and other Aggrieved Employees were regularly not provided compliant mandatory meal periods and paid rest breaks due to the Company’s policies described above. Although the Company was required to pay Claimant and all Aggrieved Employees premium wages equal to an additional hour of pay at the employee’s regular rate of pay for each violation under Labor Code § 226.7(c), the Company did not pay the mandatory one-hour wage premiums and did not do so at the proper rate. Labor Code § 558 imposes a penalty for each violation, plus an amount sufficient to recover the underpaid wages. Additionally, the civil assessment set forth in Labor Code § 2699 applies to these violations.

FAILURE TO PAY VESTED VACATION UPON SEPARATION OF EMPLOYMENT

(Labor Code § 227.3)

Pursuant to Labor Code § 227.3, an employer that has implemented a paid vacation, paid time off, or compensated time off policy must, upon an employee’s separation from employment, pay to the employee all vested but unused vacation and/or paid time off at her final rate of pay. However, as alleged herein, the Company failed to pay all accrued and unused vacation upon termination. And the Company also only paid vested vacation upon separation at the base rate of pay rather than at the required final rate, leading to a violation on each such occasion. As a result of these violations, penalties may be assessed pursuant to Labor Code § 2699.



**PAGA ASSESSMENT FOR FAILURE TO PAY ALL WAGES DUE AND OWING
EACH PAYROLL PERIOD WITHIN THE TIME REQUIRED BY LAW**

(Labor Code §§ 204, 204.1, 208, 210, 256 and 2699)

Labor Code § 204(a) states that all wages earned by a person are due and payable twice during each calendar month, and further states that wages earned during the first through fifteenth days of the month must be paid no later than the twenty-sixth day of the month, and that wages earned between the sixteenth and last day of the month must be paid by the tenth day of the following month. Labor Code § 204(d) states “[t]he requirements of this section shall be deemed satisfied by the payment of wages for weekly, biweekly, or semimonthly payroll if the wages are paid not more than seven calendar days following the close of the payroll period.”

As a result of the Company’s practice of paying Claimant and the Aggrieved Employees more than seven calendar days following the close of a payroll period, the Company had a pattern and practice of failing to pay all wages due and owing to Claimant and the Aggrieved Employees within the time mandated by Labor Code § 204. As a result of these violations, penalties may be assessed pursuant to Labor Code §§ 203, 210, 256, and/or 2699.

PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES

(Labor Code §§ 201, 202, 203, 256 and 2699)

Labor Code § 201(a) provides in pertinent part: “If an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately.” Labor Code § 202(a) states in pertinent part “If an employee not having a written contract for a definite period quits his or her employment, his or her wages shall become due and payable not later than 72 hours thereafter, unless the employee has given 72 hours’ previous notice of his or her intention to quit, in which case the employee is entitled to his or her wages at the time of quitting.” Labor Code § 203(a) states “If an employer willfully fails to pay, without abatement or reduction, in accordance with Sections 201, 201.3, 201.5, 201.9, 202, and 205.5, any wages of an employee who is discharged or who quits, the wages of the employee shall continue as a penalty from the due date thereof at the same rate until paid or until an action therefor is commenced; but the wages shall not continue for more than 30 days.”

The Company did not pay the Aggrieved Employees all wages that were due and owing within the required time following the end of their employment in accordance with Labor Code §§ 201-202. As a result, all such Aggrieved Employees are entitled to 30 days of wages as a “waiting time penalty.” (Labor Code § 203.) Labor Code § 2699 also imposes a penalty.

**PAGA ASSESSMENT FOR FAILURE TO PROVIDE ACCURATE,
ITEMIZED WAGE STATEMENTS**

(Labor Code §§ 226, 226.3, and 1174)

Labor Code § 226(a) requires an employer to provide its employees with itemized wage statements accurately stating gross wages earned, total hours worked, all deductions, net wages earned, the inclusive dates of the pay period, the employee’s name and the last four digits of his or her Social Security number (or employee identification number), the name and address of the legal entity that is the employer, and all



applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

At all times pertinent hereto, the Company failed to provide accurate itemized wage statements to Claimants and all Aggrieved Employees due to violations including: failure to accurately state total hours worked (the wage statements failed to accurately reflect total compensable hours due to the illegal auto-deduct practice); failure to accurately state gross wages earned; failure to accurately state all deductions; failure to accurately state net wages earned; failure to state the applicable hourly rates; and failure to accurately state the corresponding number of hours worked at each hourly rate. Accordingly, Claimants are entitled to damages under Labor Code § 226(e), including reasonable attorneys' fees. Labor Code §§ 226.3 and 2699 also impose a civil penalty and/or assessment for these violations.

PAGA ASSESSMENT FOR VIOLATIONS OF LABOR CODE § 1199

(Labor Code § 1199)

An employer violates Labor Code § 1199 if said employer: (a) requires or causes an employee to work for longer hours than those fixed, or under conditions of labor prohibited by an order of the commission; (b) pays or causes to be paid to any employee a wage less than the minimum fixed by an order of the commission; or, (c) violates or refuses or neglects to comply with any provision of this chapter or any order or ruling of the commission. Labor Code § 2699.5 specifically enumerates Labor Code § 1199 as a section to which the civil penalties under the PAGA apply. Therefore, as a result of the Company's violations described herein, the Company is subject to the civil penalties in accordance with Labor Code § 2699.

ATTORNEYS' FEES, INTEREST, AND PENALTIES

(Labor Code §§ 2699(f)(2), 2699(g)(1), 2699.5)

Labor Code § 2699(g)(1), give employees the right to recover in a civil action the unpaid balance of the full amount of wages, including interest thereon, penalties and other damages, as applicable, reasonable attorneys' fees, and costs of suit. Additionally, Claimants seek the assessment of penalties, including civil penalties, under Labor Code §§ 203, 210, 225.5, 226.3, 1174.5, 1197.1, 2699, and/or § 20 of the IWC Wage Orders, among possibly other provisions inadvertently omitted herein. Furthermore, Claimants is entitled to bring a wage/hour claim on behalf of all current and former similarly situated employees of the Company. Thus, the Company is exposed to these same penalties for violations involving all Aggrieved Employees. Additionally, Claimant seeks attorney's fees pursuant to C.C.P. § 1021.5. Please construe this correspondence as Claimants' notification of alleged wrongdoing and attempted resolution in accordance with C.C.P. § 1021.5 and *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553.

CONCLUSION

Based on the foregoing, the Company may be liable for civil penalties related to the foregoing claims and remedies. If Claimant becomes aware of any additional claims for Labor Code violations related to his employment and/or other employees of the Company, he reserves the right to add new claims by supplementing this notice letter.



Re: Sheets v. Kaydan Logistics, et al.

February 9, 2022

Page 7

Should you have any questions, please feel free to give me a call. In the meantime, I look forward to your response.

Very Truly Yours,

A handwritten signature in black ink that reads "Kristina Bui Carlson". The signature is written in a cursive, flowing style.

By: Kristina Bui Carlson, Esq.

E-mail: kristina@lmlfirm.com



4590 Allstate Drive, Riverside, CA 92501
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EXHIBIT “B”

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Attorneys for Plaintiff JOSHUA SHEETS

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 for all purposes to The Honorable
Harold Hopp Dept. 1]

**PAGA SETTLEMENT AND RELEASE
AGREEMENT**

Action Filed: February 14, 2022
FAC Filed: April 20, 2022
Trial Date: None Set

Plaintiff JOSHUA SHEETS (“Plaintiff”), individually and in his capacity as a representative of the State of California on behalf of other aggrieved employees, and Defendants KAYDAN LOGISTICS, LLC, CARLENE MORRISON, and KIRK MORRISON (“Defendants”), enter into this PAGA Settlement and Release Agreement (“Settlement”) as follows:

I. DEFINITIONS

As used in this Settlement, these terms shall have these meanings:

- A. “Action” means this action, entitled *Joshua Sheets v. Kaydan Logistics LLC, Kirk Morrison, Carlene Morrison*, Riverside County Superior Court, Case No. CVRI2200610.
- B. “Aggrieved Employees” mean all current and former hourly-paid or non-exempt employees of Kaydan Logistics LLC within the State of California at any time during the PAGA Period. Defendants represent that the total number of Aggrieved Employees is approximately 278 individuals.
- C. “Aggrieved Employee Data” means Aggrieved Employees’ identifying information in Defendants’ possession, including each Aggrieved Employee’s: (a) full name; (b) last-known mailing address; (c) Social Security Number; and (d) number of PAGA Pay Periods.
- D. “Defendants” mean the named defendants Kaydan Logistics, LLC, Kirk Morrison, and Carlene Morrison.
- E. “Defense Counsel” means Tim L. Johnson, Nikolas T. Djordjevski, and Yousaf M. Jafri of Ogletree, Deakins, Nash, Smoak & Stewart, P.C.
- F. “Effective Date” means the date upon which both the following have occurred: (i) approval of the Settlement is granted by the Riverside County Superior Court or other court assuming jurisdiction of this matter, and (ii) the Court’s order approving the Settlement becomes Final.
- G. “Final” shall mean the latest of: (i) if there are no objections to the Settlement, the date of the Final Order and Judgment ; (ii) if there are objections to the Settlement and if there is an appeal of the Court’s approval order, the date the Final Order and

Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for review to the California Supreme Court; (iii) if there are objections to the Settlement and if a petition for review is filed, the date of denial of the petition for review, or the date the Final Order and Judgment is affirmed pursuant to such petition; or (iv) if there are objections to the Settlement and if no appeal is filed, the day following the expiration date for filing or noticing any appeal of the Final Order and Judgment .

H. “Final Order and Judgment” means the order entered by the Court granting approval of the PAGA Settlement, and entering judgment thereon.

I. “LWDA” means the California Labor and Workforce Development Agency.

J. “Net Settlement Amount” means the Gross Settlement Amount less the following payments in the amounts approved by the Court: (a) Plaintiff’s Award Payment; (b) Plaintiff’s Attorneys’ Fees Payment; (c) Plaintiff’s Attorney’s Litigation Expenses Payment; and (d) Settlement Administration Fees and Costs Payment.

K. “PAGA” means the California Labor Code Private Attorneys General Act of 2004, codified at California Labor Code §§ 2698 et seq.

L. “PAGA Notice” means the letter(s) Plaintiff filed with the LWDA on behalf of himself and all other aggrieved employees alleging Defendants committed certain violations of the California Labor Code.

M. “PAGA Period” means February 9, 2021 to August 29, 2022.

N. “PAGA Pay Period” means any pay period during which an Aggrieved Employee worked for Defendants for at least one day during the PAGA Period.

O. “Plaintiff” means Joshua Sheets, individually and in his capacity as representative of the State of California on behalf of other aggrieved employees.

P. “Plaintiff’s Counsel” means Brian J. Mankin and Kristina Bui Carlson of Lauby, Mankin & Lauby LLP.

Q. “Parties” means Plaintiff and Defendants.

1 R. “Released PAGA Claims” means any and all PAGA claims that Plaintiff alleged
2 against the Released Parties, on behalf of himself and the State of California, based
3 on the facts stated in the Operative Complaint in the Action and in the PAGA Notice
4 letter(s), including all PAGA claims seeking civil penalties that premised upon (a)
5 failure to pay overtime wages (including failure to properly calculate the regular rate
6 of pay to those who worked overtime and earned incentive pay); (b) meal period
7 violations (including failure to pay meal period premiums at the regular rate of pay);
8 (c) failure to pay minimum wages; (d) rest period violations (including failure to pay
9 rest period premiums at the regular rate of pay); (e) failure to provide accurate
10 itemized wage statements; (f) failure to pay all final wages; (g) failure to pay wages
11 timely during employment; (h) waiting time penalties; (i) collection of due and unpaid
12 wages; and (j) failure to maintain accurate records, that occurred during the PAGA
13 Period and ascertained during the Action.

14 S. “Released Parties” means Defendants and its past and present directors, officers,
15 owners, employees, managing agents, attorneys, Amazon Logistics, Inc., and
16 Amazon.com Services LLC (formerly Amazon.com Services, Inc. d/b/a Amazon)
17 (including its parent corporation and any affiliated corporations), solely as it relates
18 to the Aggrieved Employees’ employment claims at KayDan Logistics, LLC.

19 T. “Settlement Administrator” means ILYM Group, Inc.

20 **II. RECITALS**

21 A. On or around February 9, 2022, Plaintiff’s counsel sent a letter to the LWDA on
22 behalf of Plaintiff pursuant to California Labor Code § 2699.3. Plaintiff sought to represent himself
23 and all Aggrieved Employees. At no time did the LWDA indicate its intention to investigate the
24 alleged violations referenced in the letter.

25 B. Thereafter, Plaintiff filed a civil lawsuit alleging the violations set forth in the PAGA
26 Notice as grounds for recovering civil penalties. On February 14, 2022, Plaintiff filed a wage-and-
27 hour class action lawsuit in the Superior Court of California, County of Riverside, alleging violations
28 of: (a) Labor Code sections 200, 1194, 1194.2, 1197 and IWC Wage Order § 4 (failure to minimum

1 wages); (b) Labor Code sections 204 and 510 and IWC Wage Order § 3(A) (failure to pay overtime
2 wages); (c) Labor Code sections 226.7 and 512 and IWC Wage Order §§ 11, 12 (failure to provide
3 meal periods); (d) Labor Code sections 226.7 and 512 and IWC Wage Order § 12 (failure to provide
4 rest breaks); (e) Labor Code sections 201, 202, and 203 (failure to timely pay final wages); (f) Labor
5 Code section 226 (failure to provide accurate itemized wage statements); (g) Business and
6 Professions Code § 17200, *et seq.* (unfair and unlawful competition). On April 20, 2022, Plaintiff
7 amended the Complaint for penalties based on the same wage and hour violations under the Private
8 Attorneys General Act of 2004, Labor Code section 2698, *et seq.* (PAGA) Defendants timely filed
9 Answers to the first amended complaint. Pursuant to the Settlement, the Parties will file a stipulation
10 to dismiss class claims, without prejudice, and file a second amended complaint, alleging only PAGA
11 causes of action and Released PAGA Claims (the “Operative Complaint”).

12 C. The Parties subsequently agreed to engage in mediation, which took place on April
13 27, 2023, with mediator Phillip Cha, Esq. The Parties engaged in extensive informal discovery prior
14 to mediation. The Parties also engaged in extensive negotiations at mediation, which involved
15 substantial offers and counteroffers between the Parties. The mediation was not successful, and
16 thereafter Defendants filed a motion to compel arbitration of Plaintiff’s individual claims and dismiss
17 all class claims, pursuant to an arbitration agreement that was signed by Plaintiff that contained a
18 class action waiver. Discussions continued after mediation and the Action resolved culminating in
19 this Settlement, which calls for the dismissal of the class claims without prejudice, pursuant to the
20 arbitration agreement.

21 D. Counsel for all Parties have thoroughly investigated the facts relating to the claims
22 alleged in the Operative Complaint and made a thorough study of the legal principles applicable to
23 the claims asserted against Defendants. Defendants produced hundreds of documents relating to their
24 financial condition, policies, practices, and procedures regarding reimbursement of business
25 expenses, paying non-exempt employees for all hours worked, meal and rest break policies, and
26 payroll, timekeeping, and operational policies. As part of Defendants’ production, Plaintiff also
27 reviewed time records, pay records, and information relating to the size and scope of the Aggrieved
28 Employees, as well as data permitting Plaintiff to understand the number of PAGA Pay Periods.

1 Plaintiff's Counsel concluded the Settlement is fair, reasonable, and adequate in light of all known
2 facts and circumstances, including the defenses asserted by Defendants, potential adverse findings
3 regarding liability, numerous potential appellate issues, and Defendants' financial condition.

4 E. Defendants deny: (a) all allegations in the operative Complaint in this Action; (b) that
5 it violated any laws; (c) that it is liable for damages, penalties, interest, restitution, attorneys' fees or
6 costs, or for any other compensation or remedy with respect to anyone on account of the claims
7 asserted in the Action; and (d) that class certification, collective action certification, or representative
8 treatment is appropriate as to any claim in the Action for purposes other than settlement. Defendants
9 contend their policies, procedures, and practices comply with all applicable laws asserted in the
10 Action. Nonetheless, without admitting any liability or wrongdoing whatsoever and without
11 admitting that class certification, collective action certification, or representative treatment is
12 appropriate for any purpose other than for settlement purposes alone, Defendants have agreed to
13 settle the Action on the terms set forth in this Settlement Agreement, to avoid the burden, expense,
14 and uncertainty of litigation. Any statements by Defendants in this Settlement Agreement are made
15 for settlement purposes only and shall under no circumstances be construed as an admission of fault
16 or liability by Defendants.

17 NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions set
18 forth, the Parties agree as follows.

19 **III. NON-ADMISSION OF LIABILITY**

20 Based on the factual and legal issues involved, the expense and time necessary to prosecute
21 the Action through trial, the risks, uncertainty, and costs of further prosecution, the financial status
22 of Defendants, the difficulty of proof necessary to establish a class or manageable group for purposes
23 of liability, and the relative benefits to the Aggrieved Employees of an expeditious resolution to the
24 Action, the Parties have concluded that the terms set forth in this Settlement are fair, reasonable,
25 adequate, and in the best interests of the Aggrieved Employees.

26 By entering into this Settlement, Defendants deny any liability for any of the claims in the
27 Action, as well as any other potential or unknown claims based on wage and hour violations under
28 California or federal law. Neither this Settlement, nor any document referred to or contemplated

herein, nor any action taken to carry out this Settlement, may be construed as, or may be used as, an admission, concession, or indication by or against Defendants of any unlawful conduct, fault, wrongdoing or liability whatsoever. Defendants specifically deny that they have engaged in any unlawful or wrongful conduct against Plaintiff or the Aggrieved Employees.

IV. TERMS OF THE PAGA SETTLEMENT

A. Gross Settlement Amount

Defendants shall pay a non-reversionary monetary settlement payment in the total amount of \$90,000.00 ("Gross Settlement Amount"). The Gross Settlement Amount is the maximum amount Defendants can be required to pay under this Settlement. Defendants shall submit the Gross Settlement Amount to the Settlement Administrator within 30 days of the Effective Date ("Final Payment Date").

B. Plaintiff's Award Payment

Plaintiff's Award Payment of no more than \$7,500 to Plaintiff (in addition to any Individual PAGA Payment that Plaintiff is entitled to receive as an Aggrieved Employee). Defendants will not oppose Plaintiff's request for the Award Payment that does not exceed this amount. If the Court approves the Award Payment less than the amount requested, the Settlement Administrator will allocate the remainder to the Net Settlement Amount. The Administrator will pay the Award Payment using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Award Payment.

C. Settlement Administrator's Fees and Costs

The Settlement Administrator shall calculate and distribute payments to individual Aggrieved Employees and to the LWDA. The Settlement Administrator will skip-trace and re-mail all returned, undeliverable mail within seven (7) calendar days of receiving notice that the mailing was undeliverable. The Settlement Administrator will also handle payment of Plaintiff's Counsel's attorney fees and costs as approved by the Court. Settlement Administrator's Fees and Costs are estimated to be Four Thousand Dollars (\$4,000) and are to be paid from the Gross Settlement Amount based on 278 Aggrieved Employees.

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1 **D. Attorneys' Fees and Costs**

2 A total of \$30,000.00 or (33.33%) of the Gross Settlement Amount shall be allocated as
3 Attorneys' Fees Payment and up to \$15,000 shall be allocated as Attorneys' Litigation Expenses
4 Payment, payable to Plaintiff's Counsel and issued via an IRS Form 1099. The Settlement
5 Administrator will issue the payments to Plaintiff's Counsel.

6 **E. PAGA Fund**

7 The Net Settlement Amount shall be allocated toward payment to the LWDA and Aggrieved
8 Employees ("PAGA Fund"). 75% of the PAGA Fund will be sent to the LWDA and 25% of the
9 PAGA Fund will be allocated among the Aggrieved Employees based on proportionate number of
10 pay periods during the PAGA Period as set forth in Section V.C., *infra*.

11 **V. COMPUTATION AND DISTRIBUTION OF THE PAGA FUND**

12 **A. Payment of the PAGA Fund**

13 Within 10 days after the Final Payment Date, the Settlement Administrator shall distribute
14 Plaintiff's Counsel's attorney fees and costs, the Award Payment to Plaintiff, and respective amounts
15 of the PAGA Fund to the LWDA and to the Aggrieved Employees. Payments to Aggrieved
16 Employees shall be made via U.S. Mail to their last known addresses.

17 **B. Formula for Calculating Share of PAGA Fund**

18 The portion of the PAGA Fund to be paid to each PAGA Settlement Member shall be
19 determined based on this formula:

20 The payments to Aggrieved Employees will be based on the number of pay periods for each
21 PAGA Settlement Member during the PAGA Period based on Defendants' records. The value of a
22 pay period will be calculated by dividing the portion of the PAGA Fund paid to Aggrieved
23 Employees by the total number of PAGA Pay Periods for all Aggrieved Employees during the PAGA
24 Period. The resulting value will then be multiplied by the number of Pay Periods for each PAGA
25 Settlement Member to calculate the individual PAGA payment ("Individual PAGA Payment").
26 Defendants' records shall be determinative for purposes of calculating the number of Aggrieved
27 Employees' individual PAGA Pay Periods and any payments to Aggrieved Employees.

1 **C. Distribution of PAGA Fund**

2 The Settlement Administrator shall pay an amount equivalent to 75% of the PAGA Fund to
3 the LWDA, or as otherwise directed by the Court. A copy of the check that the Settlement
4 Administrator mails to the LWDA shall be provided to Plaintiff's Counsel within five days of
5 mailing.

6 The Settlement Administrator shall also distribute each Individual PAGA Payment to each
7 PAGA Settlement Member, or as otherwise directed by the Court, by postmarked First Class U.S.
8 Mail. The Settlement Administrator shall maintain a list of the postmarked dates for the original
9 mailing of each Individual PAGA Payment to the Aggrieved Employees and a list of Aggrieved
10 Employees who did not receive the Individual PAGA Payment, if any, due to the inability to locate
11 a valid address.

12 All settlement checks will remain valid and negotiable for 180 days from the date of their
13 execution. After 180 days, any uncashed checks will be void and escheat to the State of California
14 Controller's Office – Unclaimed Property Fund in the names of the Aggrieved Employees who did
15 not cash such checks. The Settlement Administrator will prepare and issue IRS Form 1099s to
16 Aggrieved Employees who received an Individual PAGA Payment.

17 **VI. RELEASE OF CLAIMS**

18 **A. Claims Released by the LWDA and Plaintiff**

19 Upon entry of the Final Approval Order and Defendant's funding of the Settlement Amount,
20 Plaintiff – in their individual capacity and on behalf of the State of California and LWDA – shall
21 completely release and discharge the Released Parties from the Released PAGA Claims for the
22 PAGA Period.

23 Neither Plaintiff nor any Aggrieved Employee shall have the right to opt-out or otherwise
24 exclude themselves from releasing the Released PAGA Claims.

25 It is the intent of the Parties that the Final Approval Order shall have full equitable and
26 collateral estoppel and res judicata effect to the fullest extent permitted by law.

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1 **B. Tax Treatment and Indemnification**

2 Aggrieved Employees, including Plaintiff, will assume any tax obligations or consequences
3 that may arise from payments made to them under this Settlement.

4 **VII. MISCELLANEOUS PROVISIONS**

5 **A. Mutual Full Cooperation**

6 Plaintiff, Defendants, Plaintiff's Counsel, and Defendants' Counsel agree to cooperate fully
7 with each other to accomplish the terms of this Settlement, including, but not limited to, execution
8 of such documents, the filing of the stipulation and/or motion to amend the complaint, and to take
9 such other action as may reasonably be necessary to implement the terms herein. The Parties agree
10 to use their best efforts and any other efforts that may become necessary by Order of the Court, or
11 otherwise, to effectuate this Settlement.

12 **B. Parties' Authority**

13 The signatories hereto represent they are authorized to enter into this Settlement.

14 **C. Binding Nature of the Settlement**

15 This Settlement shall be binding upon, and inure to the benefit of, the successors or assigns
16 of the Released Parties. Plaintiff represents, covenants, and warrants he has not directly or indirectly,
17 assigned, transferred, or encumbered any claim, demand, action, cause of action, or rights released
18 in the Released Claims in this Settlement. This Settlement shall be binding upon Plaintiff and the
19 LWDA. This Settlement may be amended or modified only by a written instrument signed by
20 Plaintiff and Defendants' duly authorized representative. No rights under this Settlement may be
21 waived except in writing.

22 **D. Joint Drafting of Settlement Documents**

23 The Parties have arrived at this Settlement as a result of a series of arm's-length negotiations,
24 taking into account all relevant factors, present and potential. This Settlement has been drafted jointly
25 by Plaintiff's Counsel and Defense Counsel and, therefore, in any construction or interpretation of
26 this Settlement, the same shall not be construed against any of the Parties.

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All executed copies of this Settlement and photocopies thereof shall have the same force and effect and shall be as legally binding and enforceable as the original.

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DEFENDANTS AND DEFENDANTS' COUNSEL

KADAN LOGISTICS, LLC

DocuSigned by:

Carlene Morrison

4899351D14FD46F...

DATED: 2/28/2024, 2024

By:

Its:

DocuSigned by:

Carlene Morrison

4899361D14FD46F...

DATED: 2/28/2024, 2024

Carlene Morrison

DocuSigned by:

Kirk Morrison

7DC45A01E75D46F...

DATED: 2/28/2024, 2024

Kirk Morrison

Approved as to form:

DATED: February 28, 2024

OGLETREE, DEAKINS, NASH, SMOAK &
STEWART, P.C.

By:



Tim L. Johnson

Nikolas T. Djordjevski

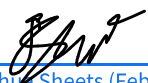
Yousaf M. Jafri

Attorneys for Defendants KAYDAN
LOGISTICS LLC, CARLENE MORRISON, and
KIRK MORRISON

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PLAINTIFF AND PLAINTIFF'S COUNSEL

DATED: Feb. 23, 2024


Joshua Sheets (Feb 23, 2024 19:24 PST)
Plaintiff Joshua Sheets

Approved as to form:

DATED: Feb. 27, 2024

LAUBY, MANKIN & LAUBY LLP

By: 
Brian J. Mankin
Kristina Bui Carlson

Attorneys for Plaintiff Joshua Sheets

EXHIBIT “C”

All Expenses
Lauby, Mankin & Lauby LLP

Staff Member = All (Active Only)
Group By Staff Member Group
Client - Project = 14000-00491 Sheets v Kaydan
Logistics (Active Only)
Activity Code = All
Expense Code = All
View = Original
Approval Status = All
Selected Expenses = All
From Earliest To Latest

Entered	Status	Approval	BillableType	Expense	Staff Member	Price	Mark Up %	Qty	Amount
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Joshua Sheets
14000-00491 Sheets v Kaydan Logistics

02-09-2022	Approved		Non-Billable	E101 Copying L.	Grossi, Tracie	0.20	0.00	84.00	16.80
84 copies @ \$0.20 for LWDA and letters to employer									
02-11-2022	Approved		Non-Billable	E112 Court fees	Aguilera, Monica A	75.00	0.00	1.00	75.00
LWDA Case Number: LWDA-CM-867363-22 to submit PAGAs letter Order Number: ORD-000151483									
02-17-2022	Approved		Non-Billable	E112 Court fees	Aguilera, Monica A	1,509.04	0.00	1.00	1,509.04
One Legal Order #17680801 to file complaint									
02-23-2022	Approved		Non-Billable	Attorney Service L.	Grossi, Tracie	128.11	0.00	1.00	128.11
Bosco Inv 6706097 Serve: Kaydan Logistics LLC, a California limited liability company Summons: Complaint; Civil Case Cover Sheet; Certificate of Counsel; Notice of Department Assignment; ADR Court: Riverside County Superior Court - Central District									
03-04-2022	Approved		Non-Billable	E112 Court fees L.	Grossi, Tracie	16.27	0.00	1.00	16.27
OneLegal Order #17739307 to file POS									
03-11-2022	Approved		Non-Billable	E112 Court fees L.	Grossi, Tracie	6.00	0.00	1.00	6.00
Inv# PR-S59UIWL4BF4K3HBXS from RVSC for copy of Ntc of CMC									
03-11-2022	Approved		Non-Billable	E108 Postage	Aguilera, Monica A	33.44	0.00	1.00	33.44
February 2022 Postage									
04-07-2022	Approved		Non-Billable	Attorney Service L.	Grossi, Tracie	16.78	0.00	1.00	16.78
OneLegal Order #17999235 - file Case management conference Statement									
04-22-2022	Approved		Non-Billable	E112 Court fees L.	Grossi, Tracie	13.00	0.00	1.00	13.00
RVSC fees for copy of CMO									
04-22-2022	Approved		Non-Billable	Attorney Service L.	Grossi, Tracie	16.78	0.00	1.00	16.78
OneLegal Order# 18073117 - file FAC									
04-28-2022	Approved		Non-Billable	Attorney Service L.	Grossi, Tracie	143.31	0.00	1.00	143.31

Bosco Inv#6992571 Serve: Kaydan Logistics LLC, a California limited liability company Amended Summons: First Amended Complaint; Amended Civil Case Cover Sheet; ADR Court: Riverside County Superior Court - Central District Completed on: 04/25/2022

All Expenses
Lauby, Mankin & Lauby LLP

Staff Member = All (Active Only)
Group By Staff Member Group
Client - Project = 14000-00491 Sheets v Kaydan
Logistics (Active Only)
Activity Code = All
Expense Code = All
View = Original
Approval Status = All
Selected Expenses = All
From Earliest To Latest

Entered	Status	Approval	BillableType	Expense	Staff Member	Price	Mark Up %	Qty	Amount
<u>Joshua Sheets</u> <u>14000-00491 Sheets v Kaydan Logistics</u>									
05-10-2022	Approved		Non-Billable	Attorney Service	Grossi, Tracie L.	16.78	0.00	1.00	16.78
OneLegal Order# 18114038 - file POS									
06-09-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
OneLegal Order# 18353584 - file joint statement									
06-17-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	144.61	0.00	1.00	144.61
BOSCO INV# 7196979 Serve: Kaydan Logistics LLC, a California limited liability company Amended Summons; First Amended Complaint; Amended Civil Case Cover Sheet; Letter Dated June 8, 2022; ADR Court: Riverside County Superior Court - Central District Completed on: 06/10/2022									
06-20-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
OneLegal Order# 18406261 - File Request for Default and Doe Amendments									
06-20-2022	Approved		Non-Billable	E112 Court fees	Chiarito, Tracie	1.00	0.00	1.00	1.00
Fee for copy of 6/20/22 Minute Order									
07-14-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
OneLegal Order# 18546926 - file joint statement									
07-18-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	71.00	0.00	1.00	71.00
Bosco Inv #725382 Serve: Carlene Morrison Amended Summons; Amendment to Complaint (Fictitious Name) (Re: Doe 2); First Amended Complaint; Amended Civil Case Cover Sheet; Class Action Case Management Order #1; Amendment to Complaint (Fictitious Name) (Re: Doe 1); Minute Order (Re: 06/20/2022 Hearing); ADR Court: Riverside County Superior Court - Central District Closed on: 07/01/2022									
07-18-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	115.95	0.00	1.00	115.95

All Expenses
Lauby, Mankin & Lauby LLP

Staff Member = All (Active Only)
Group By Staff Member Group
Client - Project = 14000-00491 Sheets v Kaydan
Logistics (Active Only)
Activity Code = All
Expense Code = All
View = Original
Approval Status = All
Selected Expenses = All
From Earliest To Latest

Entered	Status	Approval	BillableType	Expense	Staff Member	Price	Mark Up %	Qty	Amount
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Joshua Sheets

14000-00491 Sheets v Kaydan Logistics

Bosco Inv #7253879
Serve: Kirk Morrison
Amended Summons; Amendment to Complaint (Fictitious Name) (Re: Doe 1); First
Amended Complaint; Amended Civil Case Cover Sheet; Class Action Case Management
Order #1; Amendment to Complaint (Fictitious Name) (Re: Doe 2); Minute Order (Re:
06/20/2022 Hearing); ADR
Court: Riverside County Superior Court - Central District
Closed on: 07/01/2022

07-25-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
Onelgal Order # 18591098 - File Notice and Acknowledgment of Receipt									
08-03-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
Onelgal Order #18672507 - File Ntc of Change of Address									
09-12-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
Onelgal Order #18903235 - file Joint Statement									
12-22-2022	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	16.78	0.00	1.00	16.78
Onelgal Order #19516603 - file Joint Statement									
01-03-2023	Approved		Non-Billable	E112 Court fees	Chiarito, Tracie	12.50	0.00	1.00	12.50
PACER fees for 4th quarter 2022									
01-26-2023	Approved		Non-Billable	E125 Mediation fees	Chiarito, Tracie	4,500.00	0.00	1.00	4,500.00
Cha Mediation Services - Inv #704 for 4/27/23 mediation with Phillip Cha, Esq.									
02-22-2023	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	17.24	0.00	1.00	17.24
Onelgal Order #19882001 - file Joint Statement									
05-04-2023	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	17.24	0.00	1.00	17.24
Onelgal Order #20353262 - file Joint Statement									
05-10-2023	Approved		Non-Billable	E119 Experts	Chiarito, Tracie	1,650.00	0.00	1.00	1,650.00
Berger Consulting Group Inv #8537									
06-09-2023	Approved		Non-Billable	E119 Experts	Chiarito, Tracie	435.00	0.00	1.00	435.00
Creal & Creal Inv #180876									

All Expenses
Lauby, Mankin & Lauby LLP

Staff Member = All (Active Only)
Group By Staff Member Group
Client - Project = 14000-00491 Sheets v Kaydan
Logistics (Active Only)
Activity Code = All
Expense Code = All
View = Original
Approval Status = All
Selected Expenses = All
From Earliest To Latest

Entered	Status	Approval	BillableType	Expense	Staff Member	Price	Mark Up %	Qty	Amount
<u>Joshua Sheets</u> <u>14000-00491 Sheets v Kaydan Logistics</u>									
08-18-2023	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	17.24	0.00	1.00	17.24
OneLegal Order #21035179 - file Opposition to Motion to Compel Arbitration									
02-20-2024	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	19.30	0.00	1.00	19.30
OneLegal Order #22267093 - file Joint Statement									
04-10-2024	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	50.00	0.00	1.00	50.00
Estimated cost to file Stip to File SAC via OneLegal									
04-10-2024	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	40.00	0.00	1.00	40.00
Estimated cost to file Request for Dismissal of Class Claims via OneLegal									
05-03-2024	Approved		Non-Billable	Attorney Service	Chiarito, Tracie	150.00	0.00	1.00	150.00
Estimated cost to file Motion for Approval and supporting documents via OneLegal									

Project Total 9,349.85
Client Total 9,349.85
Grand Total 9,349.85

EXHIBIT “D”

EXHIBIT “E”

<<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 [REDACTED], 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.