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11 **UNITED STATES DISTRICT COURT**

12 **CENTRAL DISTRICT OF CALIFORNIA**

13 ANDREA OTANEZ VERDUGO) Case No: 2:22-cv-03141 FMO (Ex)

14 individually and on behalf of all others)

15 similarly situated,) **CLASS ACTION**

16)

17 Plaintiff,) **DECLARATION OF JAMES M.**

18) **TREGLIO, ESQ., IN SUPPORT OF**

19 v.) **MOTION FOR PRELIMINARY**

20) **APPROVAL OF CLASS ACTION**

21 CAPSTONE LOGISTICS, LLC, a) **SETTLEMENT**

22 Delaware limited liability company with)

23 its principal place of business in Georgia,) Date: March 9, 2023

24 and DOES 1 to 100, inclusive,) Time: 10:00 a.m.

25) Courtroom: 6D

26 Defendants.)

27)

28 I, James M. Treglio, declare as follows:

1. I am an attorney at law duly authorized to practice law in the State of California. I am the lead attorney of the class action division for the law firm of Potter Handy, LLP, counsel for Plaintiff Andrea Otanez Verdugo ("Plaintiff"). I have personal

1 knowledge of the following facts and if called upon as a witness I could and would
2 competently testify to the matters stated herein.

3 2. This declaration is made in support of the unopposed Motion for
4 Preliminary Approval of the proposed Class Action Settlement between Plaintiff and
5 Defendant Capstone Logistics, LLC (“Defendant”) on behalf of a proposed Class
6 defined as “the Non-Exempt Settlement Class shall consist of all current and former
7 employees who worked for Capstone within the State of California in a now-exempt
8 position at any time during the Class Period; and the Waiting Time Settlement Class
9 shall consist of all non-exempt former employees who worked for Capstone within the
10 State of California during the Class Period but were no longer employed at the
11 Effective Date.” (the “Class”), pursuant to the Stipulated Settlement Agreement and
12 Release of Claims (“Settlement Agreement”) marked as **Exhibit 1**, a true and correct
13 fully signed copy of which is attached to the Declaration of James M. Treglio, filed
14 herewith.

15 **Summary of the Proposed Settlement and Recommendation of Plaintiffs’ Counsel**

16 3. Plaintiff, for herself and acting on behalf of the Settlement Class, have
17 reached an agreement with Defendant to settle all claims in this litigation. The proposed
18 settlement is the result of arm's-length bargaining between experienced counsel who
19 understood the strengths and weaknesses of their positions in this case. The
20 negotiations, informed in part by an exchange of informal discovery, took place during
21 a full day under the supervision of a neutral and experienced mediator, Lisa Klerman,
22 and the parties spent significant time thereafter in negotiating the final terms of the
23 settlement. The Parties have settled the Action for a maximum amount of
24 \$1,400,000.00 (the “Gross Settlement Fund”). The Gross Settlement Fund includes all
25 potential monies to be paid by Defendant in connection with the Settlement, including,
26 without limitation, all Service Awards, attorneys’ fees and costs, all interest, liquidated
27 and/or multiple damages, penalties, all costs including costs of administration of the
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1 Settlement by a third-party claims administrator, and all employer-side payroll taxes.
2 The Gross Settlement Fund includes deductions for (1) the fees and expenses of the
3 Settlement Administrator, not to exceed \$35,000.00; (2) Plaintiff's Service Award of
4 \$20,000.00; (3) attorneys' fees of up to \$350,000.00 (i.e., not to exceed ¼ of the Gross
5 Settlement Fund); (4) litigation expenses and costs of up to \$25,000.00; and (5) PAGA
6 penalties in the amount of \$40,000.00.

7 4. In summary, the Settlement is estimated to confer a total settlement value
8 of approximately \$1,400,000.00 to the Class as a whole, an estimate that Defendant
9 does not dispute. Class is ascertainable because all settlement Class Members were and
10 are employees of Defendant. As provided for in the Settlement Agreement, Class
11 members will receive a Notice of Class Action Settlement and Request for Exclusion
12 Form (**Exhibit A**) to Class Members via First Class U.S. Mail to their last known
13 address based on the information provided by Defendant.

14 5. I submit that the settlement is comfortably in the range of reasonableness,
15 that the Class should be certified for settlement purposes, and that the notice and
16 approval procedures are fair and designed to inform the Class Members of their rights
17 and to inform the Court of the views of the Class. To date, Class Counsel has not
18 received any payment for their services in conducting this litigation on behalf of
19 Plaintiff and members of the Class, nor have Plaintiff's counsel been reimbursed for
20 their out-of-pocket expenses, including costs of the mediation. Plaintiff's counsel seeks
21 a service award of \$20,000.00 for the Class Representative to compensate her for (1)
22 her willingness to serve, without which there would be no case, and (2) the time and
23 effort she invested in this litigation. This settlement comes after significant efforts to
24 mediate Plaintiff's claims, which has ultimately resulted in a settlement that is better for
25 all parties than continued litigation. The settlement is plainly within the range of
26 reasonableness.

1 6. The settlement fairly takes into account the significant risks associated
2 with pursuing this litigation further. Those risks include, by way of example only,
3 denial or limitation of class certification, key factual and legal disputes as to the
4 viability of Plaintiff's claims, and the risk of loss on the merits at trial. Furthermore, the
5 resolution of the claims of the approximately 12,542 putative Class members in one
6 action is undoubtedly superior to litigating their claims piecemeal as several thousand
7 small claims or superior court actions. This class action settlement serves the interest of
8 judicial economy and avoids potential inconsistent and contradictory results between
9 the Class Members. As there are 12,542 Class Members, the average amount in
10 settlement amounts to \$74 per Class Member. This is approximately the same amount
11 paid in the earlier settlement. Accordingly, Plaintiffs respectfully request that the Court
12 preliminarily approve the settlement as fair, reasonable, and adequate, allow notice to
13 issue, and schedule proceedings for final approval of the settlement.

14 **Litigation Risks and Uncertainties**

15 7. The significant challenges with Plaintiff's case, in particular the fact that
16 Plaintiff and the Class Members all signed arbitration agreements prohibiting class
17 actions and PAGA representative actions. Moreover, continued litigation would be
18 costly, time consuming, and uncertain in outcome. The Settlement ensures timely relief
19 and a substantial recovery for the Class.

20 8. In response to the Court's order, I contracted with Eric Lietzow of the
21 Desmond, Marcello & Amster (DM&A) to review the damage calculations we made
22 prior to the mediation. A copy of Mr. Lietzow's declaration is filed herewith. All in all,
23 Mr. Lietzow's damage calculations were lower than the amount calculated by my firm
24 prior to the mediation.

25 9. The biggest risk to class-wide recovery was the existence of an arbitration
26 agreement between the Defendant and the Class Members. As outlined in Defendant's
27 motion to compel arbitration, (ECF No. 31), all employees sign a form arbitration
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1 agreement as a condition of employment. (ECF No. 31-2, Ex. 3, pp. 12-14). This
2 arbitration agreement explicitly includes a waiver of all collective or class claims. (ECF
3 No. 31-2, at p. 13). As discussed at length in Defendant's Motion to Compel
4 Arbitration (ECF No. 31-1), the threat of individual arbitration was particularly strong.
5 While it is true that cases such as *Southwest Airlines Co. v. Saxon*, No. 21-309, 2022
6 WL 1914099 (June 6, 2022), *Waithaka v. Amazon.com, Inc.*, 966 F.3d 10 (1st Cir.
7 2020), cert. denied, No. 20-1077, 2021 WL 2519107 (U.S. June 21, 2021), and
8 *Rittmann v. Amazon.com, Inc.*, 971 F.3d 904 (9th Cir. 2020), cert. denied, 141 S. Ct.
9 1374 (2021), all indicate that Plaintiff, and the Class Members, who were employed as
10 warehouse workers, could be deemed exempt from the Federal Arbitration Act, there
11 was a substantial risk that the Court would disagree, or the issue would be subject to
12 protracted litigation. And, as noted above, at least one Court has determined that the
13 claims of Plaintiff and the Class Members are subject to individual arbitration. As a
14 result, Plaintiff discounted all of her claims.

15 10. Indeed, shortly after the United States Supreme Court issued the *Southwest*
16 *Airlines v. Saxon* decision, the Court issued its long-awaited ruling in *Viking River*
17 *Cruises, Inc. v. Moriana*, (2022) 596 U.S. ___, which held that representative claims
18 under the California Labor Code's Private Attorney Generals Act of 2004, Labor Code
19 §2698, *et seq.*, can be compelled into individual arbitration. Further adding to the
20 concern was the state of other pending actions against Defendant, where Defendant had
21 filed motions to compel arbitration in each. And as the Declaration of Mr. Mataam
22 notes, at least one other Court has ruled in Defendant's favor. I estimated that the
23 chances of winning such a motion, and then the subsequent appeals, to be
24 approximately 60%, with a very real chance the Class Members would end up receiving
25 no recovery whatsoever.

26 11. Going on to the claims at issue, each presented its own problems. The
27 strongest claim going forward was the off the clock claim. While not part of the
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1 original complaint, Plaintiff Andrea Verdugo provided information to me in preparation
2 for the mediation that she, and other Class Members, were uniformly subject to security
3 checks made prior to clocking into or out of their work locations. Ultimately, this
4 particular information was important in assisting the Class in resolving this case.

5 12. As the Court is aware, numerous Courts have certified such actions. (See
6 *Heredia v. Eddie Bauer LLC* (N.D. Cal., Jan. 10, 2018, No. 16-CV-06236-BLF) 2018
7 WL 369032, at *11; *Ulta Salon, Cosmetics & Fragrance, Inc.* (C.D. Cal. 2015) 311
8 F.R.D. 590, 605; *Ceja-Corona v. CVS Pharmacy, Inc.* (E.D. Cal., Jan. 14, 2015, No.
9 1:12-CV-01868-AWI-SA) 2015 WL 222500, report and recommendation adopted
10 (E.D. Cal., Mar. 3, 2015, No. 1:12-CV-01868-AWI) 2015 WL 925598; *Otsuka v. Polo*
11 *Ralph Lauren Corp.* (N.D. Cal. 2008) 251 F.R.D. 439, 445; *Cervantez v. Celestica*
12 *Corp.* (C.D. Cal. 2008) 253 F.R.D. 562, 572; *Frlekin v. Apple Inc.* (N.D. Cal. 2015) 309
13 F.R.D. 518; *Hamilton v. Wal-Mart Stores, Inc.* (C.D. Cal., Aug. 21, 2018, No.
14 EDCV1701415ABKKX) 2018 WL 4813082, at *5 (“whether the time spent walking
15 from the clock to the security line or passing through the security line is considered
16 ‘hours worked’ is a common question that can and should be resolved as to all class
17 members”).) Thus, as part of the negotiations, Plaintiff negotiated with an eye toward
18 this claim as well.

19 13. However, as the Court is also well-aware, security checks have also been
20 subject to numerous denials of class certification where, as here, the Class Members
21 worked different shifts, at different locations, and there was evidence that security
22 checks were not uniformly completed. *Christensen v. Carter's Retail, Inc.*, 2021 WL
23 4932244 (C.D. Cal. October 21, 2021); *Heredia v. Eddie Bauer LLC*, 2020 WL 127489
24 (N.D. Cal. January 10, 2020); *Figueroa v. Delta Galil USA, Inc.*, 2021 WL 1232695
25 (N.D. Cal. March 30, 2021). As a result, Plaintiff had to discount her off-the clock
26 claims understanding the potential pitfalls. (*Id.*) As stated in Mr. Lietzow’s declaration,
27 this claim had an undiscounted value of \$4,669,130.80. (Decl. Lietzow ¶ 11.) Because
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1 of the risks inherent in the action, including arbitration, class certification, summary
2 judgment, trial, and appeals, the value of this claim is discounted to just 8% of its total
3 value, or \$375,930.46.

4 14. As far as the pleaded claims go, the first pleaded claim was for meal
5 periods. IWC Wage Order 9–2001 provides that “no employer shall employ any person
6 for a work period of more than five (5) hours without a meal period of not less than 30
7 minutes.” See also Cal. Labor Code §§ 226.7 and 512. Further, employees must be
8 provided with rest periods of not less than 10 minutes, paid, once per four hours of
9 work. Where an employer fails to maintain meal period records, there is a rebuttable
10 presumption that the meal period was not provided. *Brinker Rest. Corp. v. Superior*
11 *Court*, 53 Cal. 4th 1004, 1053 (2012) (Werdeger, J., concurring); *Medlock v. Host Int’l,*
12 *Inc.*, No. 1:12-CV-02024-JLT, 2013 WL 2278095, at *3 (E.D. Cal. May 22, 2013).
13 IWC Wage Order No. 9, § 12 further provides that employers “shall authorize and
14 permit all employees to take rest periods.” If an employer does not authorize and permit
15 the amount of rest break time called for by the applicable wage order, then it has
16 violated the wage order and is liable. *Brinker Rest. Corp.*, 53 Cal. 4th at 1033.

17 15. In preparation for the mediation, Defendant provided Plaintiff with meal
18 and rest period policies. The policies, in general, provided legally compliant meal
19 periods and rest periods to the Class Members. Further, it was likely that these meal
20 periods, despite the legally compliant meal period policy, were affected by the security
21 check policy. Nonetheless, the challenges to class certification, the threat of being
22 compelled into individual arbitration, and the risks inherent in such claims, such as
23 summary judgement, trial, and appeal, called for a discount greater to the off the clock
24 claim.

25 16. According to Mr. Lietzow, the value of this meal period claim was
26 \$8,964,731.16. At a discount of 95%, the total value of this claim for settlement
27 purposes was \$448,236.56.

1 17. Plaintiff's additional claim for rest periods was even more challenging.
2 While there were time records to indicate whether employees took meal periods and
3 when, no such records exist for rest periods. Further, the fact that Defendant kept and
4 maintained a legally compliant rest period policy made the chances of certification even
5 smaller. As a result, I discounted rest periods to 4% of their total value. According to
6 Mr. Lietzow those claims were worth \$8,964,731.16. With a 96% discount, those
7 claims were worth \$358,589.25.

8 18. Finally, with regard to wage statement claims under California Labor Code
9 § 226(a) and IWC Wage Order No. 9 require that Defendant semimonthly, or at the
10 time of each payment of wages, to furnish Plaintiff and putative class members with
11 accurate, itemized written statements containing all the information described in § 226
12 and Wage Order No. 9, § 7. Because this claim is subsidiary to the claims as described
13 above, the value of this claim had to be discounted by an equal measure. According to
14 Mr. Lietzow, the total value of this claim was \$11,765,450.00. At a 95% discount, the
15 settlement value was \$588,272.50.

16 19. Lastly, with regard to the Labor Code §203 waiting time claim, an
17 employer who willfully fails to pay an employee all wages owed upon termination is
18 subject to a penalty of up to 30 days of pay. Mr. Lietzow calculated the potential 203
19 penalties at \$46,754,400.00. However, 203 penalties are only incurred when the
20 employer willfully fails to pay all wages owed. Any legal argument that such wages are
21 not owed is a total defense to said penalties. As described above, Plaintiff's claims were
22 subject to numerous defenses, and as such, the odds of such penalties being awarded is
23 virtually nill.

24 20. Thus, the total settlement value of the case at the mediation was
25 \$2,044,573.76. However, a further discount had to be accounted for – the earlier
26 settlement agreement.

1 21. In preparation for the mediation, Class Counsel was informed of, and
2 reviewed an earlier settlement. (See Decl. Treglio at Exh. 2, Motion for Preliminary
3 Approval filed in *Mara Gomez, et al, v. Pinnacle Logistics, LLC, et al.*, San Bernardino
4 Superior Court Case No CIVDS1804163). That earlier settlement encompassed more
5 claims, for a longer time period, than was at issue here. Further, that earlier settlement
6 cut the Class Period significantly.

7 22. In that case, the Defendant resolved a matter of over 11,000 Class
8 Members for \$2.275 million. While the class was smaller in *Gomez*, the number of
9 workweeks was, in fact, much greater, and ultimately, amount paid per workweek in
10 *Gomez* was the benchmark in Class Counsel accepting the amount of \$1.4 million.
11 Given that there was no threat of arbitration wiping out the possibility of all class-wide
12 or representative recovery in *Gomez*, this is an excellent result for the Parties.

13 23. Lastly, with regard to the PAGA cause of action, the settlement here
14 mirrors the PAGA settlement reached in the *Gomez* action. Given the fact that *Viking*
15 *River* had not yet been decided when *Gomez* was decided, the PAGA recovery here is
16 even stronger.

17 24. My office submitted the information regarding this Settlement to the
18 LWDA. Further, while the amount offered is small, that is the result of the same
19 considerations for the Class recovery, as well as the knowledge that civil penalties
20 under PAGA are discretionary. Here, since the Class is already receiving a substantial
21 recovery, the Class Counsel believes the Court would likely reduce the PAGA recovery
22 anyway.

23 **Summary of Relevant Prior Proceedings and Plaintiffs' Allegations**

24 25. On March 15, 2022, Plaintiff filed her Complaint before the Superior
25 Court for the County of Los Angeles. Plaintiff and the Class Members filed this class
26 action based on Defendant's 1) failure to provide Plaintiff and her fellow employees
27 meal periods and pay missed meal period premiums; (2) failure to provide accurate
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1 wage statements to Plaintiff and her fellow employees within the four years prior to the
2 filing of this Complaint; (3) failure to pay all wages owed in a timely manner; (4)
3 failure to pay all wages due to former employees based on the foregoing; and (5) unfair
4 business practices based on the foregoing, all in violation of California law.

5 26. On May 9, 2022, Defendant removed this action to the United States
6 District Court for the Central District of California.

7 27. On or about June 14, 2022, Plaintiff sent an informal discovery request to
8 Defendant by e-mail. Defendant subsequently produced, for purposes of mediation,
9 several documents including: (1) Defendant's 2018 Associate Handbook, (2)
10 Defendant's CA Handbook Addendum, and (3) Gomez Settlement Agreement.

11 28. On June 28, 2022, after an all-day mediation in front of the respected
12 mediator, Lisa Klerman, Esq., the Parties have reached a tentative resolution and
13 settlement of their action.

14 29. In an Order dated January 12, 2023, the Court both denied without
15 prejudice the Motion for Leave to Amend Complaint and Motion for Preliminary
16 Approval of Class Action Settlement. The parties agreed to amend the Settlement
17 Agreement. Plaintiff shall file a renewed Motion for Class Certification and
18 Preliminary Approval of Settlement Agreement, including a declaration explaining "the
19 potential class recovery if plaintiffs had fully prevailed on each of the claims that are
20 the subject of the settlement", no later than February 2, 2023.

21 **My Qualifications for Appointment as Class Counsel**

22 30. I was admitted to the California Bar in 2003. I received my Bachelor of
23 Arts degree in Government from College of William & Mary in 1998 and my Juris
24 Doctor degree from the University of San Diego in 2003. From 2003 through 2006, I
25 was the staff attorney for the Fair Housing Council of San Diego, where I specialized in
26 housing discrimination enforcement. In 2007, I joined the law firm of Clark &
27 Markham, LLP, where I specialized in consumer and wage and hour class actions,
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1 which has comprised my practice of law ever since. In 2012, the law firm of Clark &
2 Markham, LLP into the Clark Law Firm and the Markham Law Firm. I stayed with the
3 Clark Law Firm, and in 2015, the firm became Clark & Treglio after I was made
4 partner. By 2013, my work with the Clark Law Firm, Clark & Markham, LLP, and
5 Clark & Treglio resulted in nearly 5% of all recoveries made by the LWDA up to that
6 point.

7 31. In 2017, I joined Keegan & Baker, LLP, which was also a class action
8 firm. Whereas my work at Clark & Markham, LLP and the Clark Law Firm was
9 primarily focused on wage and hour class actions, my work at Keegan & Baker, LLP
10 involved more consumer actions, including data breach class actions, and actions
11 brought under the Fair Credit Reporting Act.

12 32. In 2018, I left Keegan & Baker, LLP and joined the Melmed Law Group,
13 P.C. The Melmed Law Group, P.C., is an employment law firm with a focus on class
14 and PAGA representative actions.

15 33. In 2019, I joined my current firm, Potter Handy, LLP, to become head of
16 its new class action division. In that capacity, I litigate both consumer and employment
17 class actions throughout the State of California.

18 34. Since 2007, I have specialized in complex wage and hour and consumer
19 class action litigation. I have been involved in every stage of class action litigation as
20 both a lead counsel, the lead and primary associate, and as co-counsel. A summary of
21 my experience, including representative class action litigation is attached hereto at
22 **Exhibit 2.**

23 35. In connection with these prior class actions, I have conducted discovery,
24 argued motions, drafted pleadings, drafted class notices, drafted appellate briefs,
25 examined witnesses, represented class members at settlement conferences and
26 mediations, deposed defendants and third-party witnesses, defended class
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1 representative depositions and participated in final disposition hearings. I have also
2 tried PAGA representative actions.

3 36. I do not have a pre-existing business, personal, social, familial or financial
4 relationship with Plaintiff and has never represented Plaintiff before this case. I have no
5 conflicts of interest with the Class or with Plaintiff. I am not related to the Plaintiff. I
6 have not previously represented any of Defendants in any matter. I know of no other
7 known pending actions similar to this action. There are no opposing factions within the
8 Class and I do not represent opposing factions within the Class in that all claims are
9 predicated upon the same theories of liability and benefit all class members equally. I
10 have personally worked with Plaintiff, formulated legal theories and strategies, drafted
11 pleadings, prepared and answered discovery, and interviewed witnesses.

12 I declare under penalty of perjury under the laws of the United States that the
13 foregoing is true and correct and this declaration is executed on February 2, 2023 in
14 San Diego, California.

15
16 /s/James M. Treglio

17 James M. Treglio
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Exhibit 1

STIPULATED SETTLEMENT AGREEMENT AND RELEASE OF CLAIMS

The Parties to this Stipulated Settlement Agreement and Release of Claims (the “Agreement” or “Settlement Agreement”) are Plaintiff Andrea Otanez Verdugo (“Plaintiff”), for herself and acting on behalf of the Settlement Class (as defined below), the State of California, and the Private Attorneys General Act (“PAGA”) Representative Group (as defined below), on the one hand, and defendant Capstone Logistics, LLC (“Defendant” or “Capstone”) on the other, with respect to the civil action pending between Plaintiff and Defendant (collectively at times the “Parties”) entitled *Andrea Otanez Verdugo v. Capstone Logistics, LLC*, Case No. 2:22-cv-03141-FMO-Ex (C.D. Cal.).¹

RECITALS

A. WHEREAS, Plaintiff has filed the pending action entitled *Andrea Otanez Verdugo v. Capstone Logistics, LLC*, Central District of California, Case No. 2:22-cv-03141 (removed from Los Angeles County Superior Court, Case No. 22STCV09270) (the “Action”);

B. WHEREAS, Plaintiff alleges and will assert through a First Amended Complaint that Defendant: (1) failed to provide required meal periods; (2) failed to provide required rest breaks; (3) failed to pay overtime wages; (4) failed to provide minimum wages; (5) failed to timely pay wages during employment; (6) failed to timely pay wages upon separation of employment; (7) failed to provide accurate itemized wage statements; (8) failed to reimburse or indemnify employees for necessary business expenditures; (9) failed to maintain records; (10) owes penalties under the California Private Attorneys General Act (citing Cal. Labor Code § 2698, *et seq.*); and (11) violated of the California Business and Professions Code §§ 17200, *et seq.*

C. WHEREAS, Plaintiff seeks to represent classes of similarly-situated current and former non-exempt employees employed by Defendant in California, and defined below as the Settlement Class and Representative Group;

D. WHEREAS, Defendant denies that it has violated the law and Defendant contends that the facts do not justify class, collective, or representative action treatment under the governing legal standards;

E. WHEREAS, the Parties attended a mediation with mediator Lisa Klerman on June 28, 2022, and thereafter reached a Settlement through arms-length negotiations; and

F. WHEREAS, the Parties desire to settle, fully and finally, all claims that Plaintiff, the Settlement Class, and the Representative Group might have against Defendant, from August 1, 2019, up through and including the later of the date of preliminary approval of this Agreement or September 29, 2022, which were asserted in the complaints filed in the Lawsuits, or which could have been asserted based on the allegations in the Action, including without limitation, any

¹ Plaintiff previously filed a lawsuit entitled *Andrea Otanze Verdugo v. Capstone Logistics, LLC*, Los Angeles County Superior Court, Case No. 22STCV09270 (removed to the Central District of California, Case No. 2:22-cv-03141), which was dismissed without prejudice.

and all claims for missed meal periods, missed rest breaks, unpaid wages, miscalculation of wages, unpaid minimum wage, miscalculation of overtime, unpaid overtime, inaccurate or incomplete wage statements, untimely payment of wages, failure to reimburse for expenses, damages, and penalties under the California Labor Code, Business & Professions Code (including Section 17200 *et seq.*), and related PAGA claims, including claims for restitution and other equitable relief, liquidated damages, punitive damages, or penalties, and any other benefit claimed on account of the allegations asserted or that could have been asserted in the complaints filed in the Action.

NOW, THEREFORE, in consideration of the terms, conditions, and promises set forth herein, it is agreed as follows:

TERMS OF SETTLEMENT

1. Requirement Of Court Approval

This Settlement Agreement is conditioned upon approval by the Court. The Parties agree that, in the event that Court approval is denied, this Agreement shall be null and void, but that the Parties agree to work together, in good faith, to do everything necessary to obtain approval of the Settlement and to cure any issues that may have caused the Court initially to deny approval of the Settlement Agreement.

2. Class Certification For Settlement Purposes Only

Upon preliminary approval of this Agreement, the Settlement Class shall be certified for Settlement purposes only and for no other purpose (with Defendant maintaining its defenses to certification for all other purposes). Defendant contends that the facts do not justify class, collective, or representative action treatment under the governing legal standards. For purposes of settling this action only, the Parties conditionally have agreed that the requirements for establishing class certification have been met with respect to the Settlement Class. If the Court does not grant either preliminary or final approval of the Settlement, the fact that the Parties were willing to stipulate to class certification for the purposes of this Agreement shall not have any bearing on, or be admissible in connection with, the issue of whether any class should be certified in a non-settlement context. It is not, and it should not be construed as, any admission of fact or law in this matter or any other matter that class, collective, or representative action certification is appropriate. If the Effective Date does not occur, this Agreement shall be deemed null and void, shall be of no force or effect whatsoever, and shall not be referred to or used for any purpose whatsoever, and Defendant shall retain the right to challenge the propriety of class certification for any purpose.

3. Effective Date

The Effective Date shall be either September 29, 2022, or the date of approval of this Settlement, whichever occurs later.

4. Class Period

The Class Period shall be August 1, 2019, through the Effective Date.

5. The Settlement Class

The Settlement Class shall consist of the following two classes:

(a) The Non-Exempt Settlement Class shall consist of all current and former employees who worked for Capstone within the State of California in a non-exempt position at any time during the Class Period.

(b) The Waiting Time Settlement Class shall consist of all non-exempt former employees who worked for Capstone within the State of California during the Class Period but were no longer employed at the Effective Date.

The Non-Exempt Settlement Class and the Waiting Time Settlement Class are together referred to as the "Settlement Class."

6. Class Counsel

For purposes of settling this action only, the Parties agree to the designation of Potter Handy, LLP as Class Counsel for the Settlement Class (collectively, "Class Counsel"). If the Court does not grant either preliminary or final approval of this Settlement, then the Parties will revert to their previous positions and Defendant will not stipulate to appointment of Class Counsel.

7. Class Counsel's Evaluation

Based on Class Counsel's investigation and evaluation, Class Counsel is of the opinion that the terms set forth in this Agreement are fair, reasonable, adequate, and in the best interest of the Class Members. Class Counsel diligently and effectively investigated Plaintiff's claims, drafted the Complaint, and interviewed witnesses. Class Counsel concluded that the Settlement reflected in this Agreement is in the best interests of the Class. After reviewing Defendant's policies, participating in private mediation, and evaluating the risks, Class Counsel concluded that further litigation might result in Plaintiff or the Class not recovering anything at all and such possibilities were a significant factor in their determination that this Agreement is fair, reasonable, and adequate.

8. Class Representatives

For purposes of settling this action only, the Parties agree to the appointment of Plaintiff as class representative of the Settlement Class (the "Class Representative"). Defendant agrees not to contest an enhancement payment of Twenty Thousand Dollars and Zero Cents (\$20,000.00) or less (the "Service Award") for the Class Representative. The Class Representative will be issued an IRS Form 1099 for the Service Award. The Class Representative's right to receive a Service Award is contingent on her acceptance of the release

and other terms and conditions below. The Class Representative agrees she shall not opt out or request exclusion from the Settlement.

9. PAGA Representative Group

The PAGA Representative Group shall consist of all current and former employees who worked for Capstone within the State of California in a non-exempt position at any time during the Class Period. Members of the Settlement Class and members of the PAGA Representative Group are referred to herein as “Class Members.”

10. Gross Settlement Fund

The Parties have settled the Action for a maximum amount of \$1,400,000 (the “Gross Settlement Fund”). The Gross Settlement Fund includes all potential monies to be paid by Defendant in connection with the Settlement, including, without limitation, all Service Awards, attorneys’ fees and costs, all interest, liquidated and/or multiple damages, penalties, all costs including costs of administration of the Settlement by a third-party claims administrator, and all employer-side payroll taxes.

11. PAGA Settlement Amount

Forty thousand dollars (\$40,000) (the “PAGA Settlement Amount”) of the Gross Settlement Fund shall be allocated to the Settlement of Class Members’ PAGA claims. Pursuant to the PAGA, 75% of the PAGA Settlement Amount, or \$30,000, shall be paid to the Labor & Workforce Development Agency (the “LWDA Payment”) and the remaining 25% (\$10,000) shall be the Net PAGA Settlement Amount paid to the PAGA Representative Group.

12. Attorneys’ Fees And Costs

Class Counsel will request that the Court approve an award of total attorneys’ fees not to exceed one-fourth of the Gross Settlement Fund and costs not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000). The attorneys’ fees and costs shall be paid from the Gross Settlement Fund. To the extent that the Court approves less than the amount of attorneys’ fees or costs requested by Class Counsel, any reduced amount shall be allocated to the Gross Settlement Fund. An IRS Form 1099 shall be issued for the attorneys’ fees/costs.

13. Class Administration

The Claims Administrator agreed upon by the Parties is ILYM Group, Inc. (the “Claims Administrator”). The cost of administration of the Settlement by the Claims Administrator including the Claims Administrator’s fee (the “Settlement Administration Costs”) will be paid out of the Gross Settlement Fund. The Claims Administrator, in concert with the Parties and their counsel, shall be responsible administering the Settlement Agreement. The Parties agree that Settlement administration costs shall not exceed \$35,000.00, based on a written bid received from the Settlement Administrator. All disputes relating to the Settlement Administrator’s performance of its duties, after good-faith efforts by the Parties to first resolve such disputes, will be referred to the Court, if necessary, which will have continuing jurisdiction over this

Agreement until all payments and obligations contemplated by this Agreement have been fully completed.

14. Notice, Claims, Opt-Outs, And Objections

- a. Data to the Claims Administrator. No later than twenty-one (21) days after the Court grants preliminary approval of this Settlement Agreement, Defendant shall provide the Claims Administrator with information regarding the Settlement Class as outlined in this paragraph in electronic format. Defendant shall provide to the Claims Administrator a database that contains the name, last-known residence phone number, last-known residence mailing address, and social security number of each person within the Settlement Class (the "Database"). Defendant shall also provide the Claims Administrator with the number of workweeks each person worked during the Class Period for Defendant as a non-exempt employee in California, from August 1, 2019, through the end of the Class Period. The Claims Administrator will keep this data confidential and will not use the information for any purpose other than administration of this Settlement Agreement. Defendant shall cooperate with and provide additional reasonably available information to the Claims Administrator necessary for the purpose of giving notice to the Settlement Class Members, allocating and distributing the Settlement amounts, and otherwise administering this Settlement Agreement.
- b. Mailing of Notice of Class Action Settlement and Request for Exclusion. The Parties' proposed Class Notice and Request for Exclusion Form is attached hereto as Exhibit A. The Settlement Administrator shall mail the Notice of Class Action Settlement and Request for Exclusion Form to Class Members within 21 calendar days of receiving the Class Member data from Defendant. The Settlement Administrator shall send the Notice of Class Action Settlement and Request for Exclusion Form to Class Members via First Class U.S. Mail, using the most current, known mailing address for each Class Member based on information provided by Defendant. Upon receipt of this information from Defendant, the Settlement Administrator shall perform a search based on the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes.
- c. Re-mailing of Returned Notices. Any mailing returned to the Settlement Administrator as undeliverable shall be sent within 3 business days via First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address by again using the National Change of Address Database maintained by the United States Postal Service to update and correct any known or identifiable address changes. Following this procedure, the Settlement Administrator shall perform a single re-mailing via First Class U.S. Mail within 3 business days.
- d. Proof of Mailing. At least 5 calendar days prior to the Final Settlement Approval Hearing, the Settlement Administrator shall provide a declaration of due diligence and proof of mailing with regard to mailing of the Notice of Class Action

Settlement to Class Counsel and Defendant's Counsel, which they shall in turn provide to the Court.

- e. Opt Out Rights. Class Members shall be given the opportunity to exclude themselves or opt out of the Settlement Class. They shall not be permitted to opt out of the PAGA Settlement Group.
- f. Settlement Class Members' Consideration Period. To exclude himself or herself from the Settlement of Class Claims, a Settlement Class Member must submit a Request for Exclusion Form to the Claims Administrator. The Request for Exclusion Form must include the Settlement Class Member's full name (and former names, if any), current address, and current telephone number, and the Request for Exclusion Form must be signed and dated by the Settlement Class Member. All Requests for Exclusion must be postmarked and received by the Claims Administrator within 45 calendar days from the first date of mailing of the Class Notice.
- g. Opt Out Procedures. Any Request for Exclusion that does not include all of the required information or that is not submitted in a timely manner will be deemed null, void, and ineffective. If there is a dispute regarding the timeliness or validity of a Request for Exclusion, the Settlement Administrator shall make the determination, after consultation with Class Counsel and Defendant's Counsel. Requests for Exclusion from Class Members must be postmarked for mail with the U.S. Postal Service. Requests for Exclusion sent by facsimile, email, or other forms of electronic transmission will not be considered.
- h. Effect of Opt Out. Any Settlement Class Member who opts out of the Settlement may not object to the Settlement, shall not receive any portion of the Net Class Settlement Fund as part of his or her Individual Settlement Payment, and shall not be bound by the Class Claims Released provisions in Paragraph 20 of this Agreement. If a Class Member submits both a Request for Exclusion and an Objection, the Class Member's Objection will be valid and be deemed to invalidate the Request for Exclusion. Each Class Member who does not opt out of the Settlement shall be bound by the applicable Released Claims provisions in this Agreement, including the Class Claims Released provisions in Paragraph 20.
- i. Objection Rights. Because the Settlement Class will be certified by the Court, only Class Members who do not opt out of the Settlement shall be entitled to object to the terms of the Settlement.
- j. Objection Procedures. Class Members' objections to the Settlement or this Agreement must be made using the procedures set forth in the Notice of Class Action Settlement. Any Objection must be sent to the Settlement Administrator and to the Court, and must be postmarked and received by the Claims Administrator and Court no later than 45 days after the first date of mailing of the Notice of Class Action Settlement. The Objection must be in writing and must contain: (1) the name and case number of this lawsuit *Andrea Otanez Verdugo v.*

Capstone Logistics, LLC, Case No. 2:22-cv-03141-FMO-Ex (C.D. Cal.); (2) the full name, Social Security Number, and current address of the Class Member making the Objection; (3) the specific reason(s) for the Objection; and (4) any and all evidence and supporting papers for the Objection (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider. Class Members who submit an Objection remain bound by this Agreement.

- k. **Obligations of Individuals Who Submit an Objection.** Settlement Class Members who timely submit an Objection may be subject to deposition if Plaintiff or Defendant chooses to take their deposition and receives permission from the Court to do so. Any Settlement Class Member who timely submits an Objection and refuses to be available for deposition shall be deemed to have withdrawn his or her Objection. Only Settlement Class Members who timely submit a valid Objection shall have the right to appear at the Final Fairness Hearing, and may do so either in person or through counsel, but must state their intent to do so at the time they submit their written Objection. Settlement Class Members may withdraw their Objection at any time.
- l. **Waiver of Objection Rights.** Settlement Class Members who fail to make an Objection in the manner specified in the Notice of Class Action Settlement shall be deemed to have waived their Objection and shall be foreclosed from opposing this Settlement or making any Objection, whether by appeal or otherwise, to this Agreement.
- m. **Binding Effect of Settlement.** Although some Settlement Class Members might not receive the Notice of Class Action Settlement, as provided under this Settlement and Agreement, due to inability to locate their current address following the procedures set forth in this Agreement or other reason, such individuals shall nonetheless be bound by all of the terms of this Settlement and Agreement and the Final Order and Dismissal with Prejudice.
- n. **Solicitation of Opt-Outs.** All Parties and their respective counsel are proponents of the Settlement Agreement and believe same is fair, adequate and reasonable. It is therefore agreed that neither of the Parties nor their respective counsel will encourage persons to opt-out of the Settlement, or exclude themselves from the Settlement Class, except to the extent that failure to do so would cause Class Counsel to violate their obligations as counsel to any Settlement Class Member.

15. Settlement Account

The Claims Administrator shall open and administer an interest-bearing account at a federally-insured bank that is mutually acceptable to the Parties and the Claims Administrator (the "Settlement Account"). The Claims Administrator shall: (i) open and administer the Settlement Account in such a manner as to qualify and maintain the qualification of the Settlement Account as a Qualified Settlement Fund; (ii) satisfy all tax reporting, return, and filing requirements with respect to the Settlement Account and any interest or other income earned by the Settlement Account; and (iii) satisfy out of the Settlement Account all taxes

(including any estimated taxes, employer-side payroll taxes, interest, or penalties) with respect to the payments made from or the interest or other income earned by the Settlement Account. Fees, expenses, and costs incurred in connection with the opening and administration of the Settlement Account shall be treated as Settlement Administration Costs. No funds other than those described in this Settlement Agreement shall be added to or comingled with the Settlement Account.

16. Funding Of Settlement

Within sixty (60) days of entry of an order by the Court granting final approval of the Settlement and dismissing the Action with prejudice, Defendant, through the Claims Administrator, will deposit into an account the money to fund the Settlement. This money will be used to pay all Settlement payments, required taxes, attorneys' fees and costs, the Service Award, the costs of administration, and any other amounts required by the Settlement.

17. Calculation of Class Settlement Payments

The Net Class Settlement Fund shall be defined as the Gross Settlement Fund less any Service Awards, Class Counsel's attorneys' fees and costs, the PAGA Settlement Amount, and Settlement Administration Costs. The Net Class Settlement Fund shall be allocated among the Settlement Class as follows:

(a) Non-Exempt Settlement Class: Seventy percent (70%) of the Net Class Settlement Fund multiplied by the ratio of (a) the number of total weeks worked as a non-exempt employee in California during the Class Period by each Settlement Class Member to (b) total number non-exempt weeks worked by all Settlement Class Members in California during the Class Period.

(b) Waiting Time Settlement Class: Thirty percent (30%) of the Net Class Settlement Fund multiplied by the ratio of (a) one to (b) the total number of Waiting Time Settlement Class Members.

18. Calculation of PAGA Settlement Payments

The Net PAGA Settlement Amount (\$10,000) shall be allocated among the PAGA Representative Group as follows: the Net PAGA Settlement Amount multiplied by the ratio of (a) the number of total weeks worked as a non-exempt employee in California during the Class Period by each member of the PAGA Representative Group to (b) total number non-exempt weeks worked by all members of the PAGA Representative Group in California during the Class Period.

19. Individual Settlement Payments

- a. Settlement Payments. The Settlement Payments to each Class Member shall be distributed as one payment ("Individual Settlement Payment") and shall be equal to the portion of the Net Class Settlement Fund allocated to that person as calculated in Paragraph 17, plus the portion of the Net PAGA Settlement Amount allocated to that person in Paragraph 18, less any employer-side payroll taxes

owed in connection with such Settlement Payment, and less applicable withholdings as described below. For avoidance of doubt, for Class Members who opt out of the Settlement of Class Claims, the Individual Settlement Payment shall be equal to the portion of the Net PAGA Settlement Amount allocated to that person in Paragraph 18, less any employer-side payroll taxes owed in connection with such Settlement Payment, and less applicable withholdings as described below.

- b. **Allocation of Individual Settlement Payments for Withholding.** Each Individual Settlement Payment will be characterized as 50% Form 1099 income and 50% Form W-2 income, to reflect that 50% of the payment will account for penalties and interest and 50% will account for unpaid wages. In accordance with applicable tax laws, required tax withholdings and payroll deductions will be taken from each Individual Settlement Payment for the portion allocated to Form W-2 income and remitted to the appropriate taxing authorities. The Settlement Administrator shall issue any necessary IRS Form 1099 and Form W-2 statements to Class Members recipients for their respective Individual Settlement Payments. Class Members shall be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payments. The Parties agree that, pursuant to applicable law, all payments for wages shall be subject to payroll tax withholdings and a Form W-2, while all payments for penalties shall not be subject to payroll tax withholdings and will be recorded on a Form 1099.
- c. **Undeliverable or Uncashed Checks.** Any Settlement checks distributing Individual Settlement Payments returned to the Settlement Administrator as undeliverable shall be sent within five (5) calendar days via First Class U.S. Mail to the forwarding address affixed thereto. If no forwarding address is provided, the Settlement Administrator shall attempt to determine the correct address using the National Change of Address Database maintained by the United States Postal Service, and it shall then perform a re-mailing within five (5) calendar days. The amount of any individual Settlement payments that remain undeliverable or uncashed 180 calendar days after the postmarked date of the initial mailing of the Individual Settlement Payments will be sent to the California State Controller's Office to be held as "Unclaimed Property" in the name of the Class Member. The Settlement Administrator shall notify Class Counsel and Defendant's Counsel of any undeliverable checks.
- d. **Tax Payment Considerations.** Class Counsel and Defendant's Counsel, Defendant, and the Settlement Administrator are not giving any tax advice in connection with the Settlement or any payments to be made pursuant to this Agreement.
- e. **No Impact On Contributions To Employee Benefit Plans.** None of the payments made pursuant to the Settlement and this Agreement shall be considered to alter the terms or to grant any rights to additional payments under any employee

benefit plans. None of the payments made pursuant to the Settlement and this Agreement shall be considered for purposes of determining eligibility for, vesting or participation in, or contributions to any benefit plan, including, without limitation, all plans subject to the Employee Retirement and Income Security Act of 1974 (“ERISA”). Any distribution of payments to the Class Representative or Class Members shall not be considered as a payment of wages or compensation under the terms of any applicable benefit plan and shall not affect participation in, eligibility for, vesting in, the amount of any past or future contribution to, or level of benefits under any applicable benefit plan. Any amounts paid will not impact or modify any previously credited hours of service or compensation taken into account under any bonus or incentive plan, benefit plan sponsored or contributed to by Defendant or any jointly-trusted benefit plan, or for purposes of calculating the regular rate of pay. For purposes of this Agreement, “benefit plan” means each and every “employee benefit plan,” as defined in 29 U.S.C. Section 1002(3), and, even if not thereby included, any 401(k) plan, bonus, pension, stock option, stock purchase, stock appreciation, welfare, profit sharing, retirement, disability, vacation, severance, hospitalization, insurance, incentive, deferred compensation, or any other similar benefit plan, practice, program, or policy.

20. Class Claims Released

Upon final approval of the Settlement, each member of the Settlement Class who did not submit a timely and valid Request for Exclusion shall be considered to have released forever Defendant, and each of its past, present, and future agents, employees, servants, officers, directors, business partners, clients, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations, and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, affiliates, alter-egos, and affiliated organizations, and all of their respective past, present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns, and each of them (collectively, with Defendant, the “Released Parties”), from any and all claims that were asserted in the operative complaint filed in the Action or any claims that could have been asserted based on or arising out of the allegations or facts alleged, irrespective of the theory of recovery (“The Released Claims”). This release shall apply to all Released Claims arising at any point prior to the end of the Class Period. Settlement Class Members who have not submitted a timely and valid Request for Exclusion may hereafter discover facts in addition to or different from those they now know or believe to be true; however, upon final approval, all Settlement Class Members who have not submitted a timely and valid Request for Exclusion Form shall be barred from pursuing against any of the Released Parties and shall be deemed to have, and by operation of the final judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, without regard to the subsequent discovery or existence of such different or additional facts.

21. PAGA Claims Released

Upon approval of the Settlement, each member of the PAGA Representative Group and the LWDA shall fully release and forever discharge the Released Parties, from any and all PAGA claims that are asserted in, arise from, or reasonably relate to the factual allegations and legal assertions made in the operative complaint and amended PAGA notice. The PAGA Released Claims include all PAGA claims that were asserted in the complaints filed in the Action or any PAGA claims that could have been asserted based on or arising out of the allegations or facts alleged, irrespective of the theory of recovery, including all PAGA claims for civil penalties relating to, based upon, or arising out of the Released Parties' alleged failure to pay all wages due, provide minimum wages or pay for all hours worked, failure to pay straight time, overtime, or double-time compensation, failure to properly calculate the regular rate of pay, failure to provide meal and/or rest breaks, failure to pay proper meal or rest period premiums, failure to keep accurate records, failure to provide and maintain accurate itemized wage statements, failure to keep accurate employee payroll records, failure to timely pay wages due during or at separation of employment, failure to reimburse all business-related expenses, and improper or unauthorized deductions (collectively, the "PAGA Released Claims"), against the Released Parties. Upon approval, Plaintiff, each member of the PAGA Representative Group, and the LWDA will be forever barred from pursuing against the Released Parties and shall be deemed to have, and by operation of the final judgment shall have, fully, finally, and forever settled and released any and all of the PAGA Released Claims alleged or that could have been alleged to have been violated in, or are reasonably related to, the Action, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, without regard to the subsequent discovery or existence of different or additional facts.

22. Additional Release by Class Representative

In addition to the above releases applicable to the Class Members, the Class Representative also generally releases any and all claims against Defendant and each of the Released Parties. This general release includes any and all claims arising from the employment relationship with Defendant or any of the Released Parties, including, without limitation, claims for wrongful termination, discrimination, harassment, or retaliation pursuant to Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000 et seq., the California Fair Employment and Housing Act, Cal. Gov't Code Section 12900 et seq., or the California Labor Code. This general release by the Class Representative also includes a waiver of California Civil Code Section 1542. The Class Representative expressly waives all rights provided by California Civil Code Section 1542, or other similar statutes, that the Class Representative may have against Defendant and each of the Released Parties. California Civil Code Section 1542 states:

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

23. Dispute Resolution

The Claims Administrator shall be bound by the terms of this Settlement Agreement. In the event that an issue arises that the Claims Administrator must resolve that is not specifically addressed in the Settlement Agreement or is ambiguously addressed, the Claims Administrator shall confer with counsel for both of the Parties to resolve the question or issue. If a Settlement Class member seeks to dispute the calculation of his or her dates of employment or work weeks, the Claims Administrator shall have the initial responsibility for resolving such dispute. In resolving such dispute, Defendant's employment records shall be presumed to be accurate and correct, and shall be final and binding, unless the information submitted by the Class Member (e.g., pay stubs, employment records, etc.) proves otherwise. In the event the Claims Administrator cannot resolve a dispute based on a review of the available information, the Claims Administrator shall request a conference call between the Claims Administrator, Class Counsel, and Defendant's counsel to discuss and resolve the dispute. After such call, the Claims Administrator shall resolve the dispute, and such resolution shall be final and binding on the Class Member. In advance of the conference call, the Claims Administrator shall email copies of all available information to all counsel.

24. No Tax Or Legal Advice

The Parties understand and agree that Defendant is not providing tax or legal advice, or making representations regarding tax obligations or consequences, if any, related to this Agreement, that Class Members will assume any such tax obligations or consequences that may arise from this Agreement, and that Class Members shall not seek any indemnification from Defendant in this regard. The Parties agree that, in the event that any taxing body determines that additional taxes are due from any Class Member, such Class Member assumes all responsibility for the payment of any such taxes and agrees to indemnify, defend, and hold Defendant harmless for the payment of such taxes, any failure to withhold, and any penalties associated therewith.

25. Tolerance Of Opt-Outs

If either (i) 10% or more of the Class Members, or, (ii) a number of Class Members whose share of the Class Settlement Proceeds is 10% or more elect not to participate in the Settlement or both (i) and (ii), Defendant may, at its election, rescind the Settlement and all actions taken in its furtherance of it will be thereby null and void. Defendant must exercise this right of rescission, in writing, to Class Counsel, within 30 calendar days after the Claims Administrator notifies the Parties of the total number of opt-outs. If the option to rescind is exercised, then Defendant shall be solely responsible for all costs of the claims administration accrued to that point. Defendants also have the right to withdraw from the Settlement if: (1) the Court does not execute the Preliminary Approval Order, does not certify the Settlement Class, and/or does not certify a class releasing the claims set forth herein, or otherwise makes an order inconsistent with any of the terms of this Agreement, and/or (2) Plaintiff and/or Class Counsel materially breaches the Agreement. In the event that Defendants exercise its right to withdraw, Defendants shall be solely responsible for all costs of the Claims Administrator accrued to that point. Further, this Agreement may not be used or introduced in further litigation.

26. Escalator Provision

In the event that the final class list submitted to the Claims Administrator contains 15% more class members than 12,542, the sum total of all Settlement class members in the Memorandum of Understanding (MOU), then the Gross Settlement Amount shall be increased proportionally for each such Class Member. For example, if the total of all settlement members is 19% higher, then the Gross Settlement Amount shall be increased by 4%. Alternatively, Defendant may opt to cap the number of Class Members covered by this Settlement.

27. Stay Upon Appeal

In the event of a timely appeal from the approval of the Class Settlement and judgment, the judgment shall be stayed, and Defendants shall not be obligated to fund the Gross Settlement Amount or take any other actions required by this Stipulation until all appeal rights have been exhausted by operation of law. Subject to the prior provisions of this Agreement, the parties agree to a 180-day stay of the case, including pending motions and discovery.

28. Non-Admission Of Liability

This Agreement is entered into in compromise of disputed claims. Plaintiff and her attorneys acknowledge and agree that the execution of this Agreement and the payment of consideration hereunder are not and shall not be construed in any way as an admission of wrongdoing or liability on the part of Defendant or any other person or business entity affiliated with Defendant, and that Defendant denies all allegations of wrongdoing alleged by Plaintiff. The Parties intend, by their actions pursuant to this Agreement, merely to avoid the expense, delay, uncertainty, and burden of litigation.

Neither this Agreement nor any of its terms nor the Settlement itself shall be: (a) construed as, offered, or admitted in evidence as, received as, or deemed to be evidence for any purpose adverse to Defendant or any other of the Released Parties, including but not limited to, evidence of a presumption, concession, indication, or admission by any of the Released Parties of any liability, fault, wrongdoing, omission, concession, or damage; or (b) disclosed, referred to, or offered in evidence against any of the Released Parties in any further proceeding in the Lawsuits, or any other civil, criminal, or administrative action or proceeding except for the purposes of effectuating the Settlement pursuant to this Agreement or for Defendant to establish that a Class Member has resolved any of his or her claims released through this Agreement.

29. Advice of Counsel

The Parties to this Settlement Agreement are represented by competent counsel, and they have had an opportunity to consult with competent counsel. The Class Representatives, Defendant, and their respective legal counsel believe it is in their best interests to enter into this Settlement Agreement at this time. The Class Representative and Class Counsel, acting in the best interests of the Class Members, wish to resolve this matter in a fair and cost-effective manner that benefits the Class Members without the expense, delay, diversion, and risk of protracted and complex litigation. The Parties to this Settlement Agreement agree that it reflects a good faith compromise of their claims, based upon their assessment of the mutual risks and costs of further litigation.

30. Predecessors And Successors

This Agreement shall be binding upon the Parties, and their heirs, representatives, executors, administrators, predecessors and successors, insurers, and assignees, and shall inure to the benefit of each and all of the Released Parties, and to their heirs, representatives, executors, administrators, successors, and assignees.

31. Confidentiality/No Publicity

The Parties and their counsel agree to maintain confidentiality as to the amount of the Settlement, and all terms of the Settlement, except as to spouses, tax, or financial advisors, attorneys, taxing agencies, or as otherwise required by law, and except as necessary to obtain Court approval of this Settlement, until after the Settlement is preliminarily approved by the Court. Plaintiffs and their counsel will not contact the media about the Settlement or respond to any inquiries by the media regarding the Settlement, other than to state that the matter was amicably settled and the Court did not find the Defendant liable. Plaintiff and her counsel also will not post any information about the Settlement on social media or their firms' websites.

32. No Publicity Or Disparagement

Plaintiff agrees not to make any disparaging or defamatory comments concerning Defendant, its employees or agents, services, methods of doing business, or employment or hiring practices, except as protected by the law. Plaintiff further agrees not to encourage or assist in any litigation against Defendant or any of the Released Parties, except insofar as Plaintiff's testimony is a factual disclosure or testimony protected by the law. Nothing in this agreement shall be interpreted as preventing the disclosure of factual information regarding an act of sexual assault, sexual harassment, or workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination.

33. Notices

Unless otherwise specifically provided herein, all notices, demands or other communications given hereunder shall be in writing and shall be deemed to have been duly given as of the fifth calendar day after mailing by First Class U.S. Mail, addressed as follows:

To Class Counsel for Plaintiff:

James M. Treglio
Potter Handy, LLP
100 Pine Street, Suite 1250
San Francisco, CA 94102

To Counsel for Defendant:

Gerald L. Maatman, Jr.
Jennifer A. Riley
Duane Morris LLP
190 S. LaSalle St., Ste. 3700
Chicago, IL 60603-3433

34. Motion For Preliminary Approval of Settlement

Plaintiffs shall prepare and file a Motion for Preliminary Approval of Proposed Class Settlement within twenty (20) days after execution of this Settlement Agreement and shall submit the proposed Preliminary Approval Order attached as **Exhibit B** containing the following material terms:

- a. Approving the Settlement Agreement, subject only to the objections of Settlement Class Members and final review by the Court;
- b. Certifying the Settlement Classes for settlement purposes only, appointing Class Counsel, appointing Class Representative(s), and appointing the Claims Administrator;
- c. Approving as to form and content the Class Notice;
- d. Directing the distribution of the notice packet by first class mail to Settlement Class Members;
- e. Preliminarily approving settlement administration services to be provided by the Settlement Administrator;
- f. Preliminarily approving the proposed Service Award to Plaintiff as Class Representative;
- g. Preliminarily approving the application for payment of reasonable attorneys' fees and costs to Class Counsel;
- h. Scheduling a final approval hearing on the question of whether the proposed Settlement should be finally approved as fair, reasonable, and adequate as to Settlement Class members; and
- i. Enjoining Class Members from filing or prosecuting up to the date of entry of a final approval order any claims, suits, or administrative proceedings regarding claims released by them under the Settlement Agreement.

In connection with filing a Motion for Preliminary Approval of Proposed Class Settlement, Plaintiff will also ask the Court to permit her to file a First Amended Complaint that: (i) amends the allegations to include all claims referenced in the preamble of this Agreement; and (ii) includes all allegations and claims pled in *Devine v. Capstone Logistics, LLC, et al.*, Case No. 20STCV39030 (L.A. Cnty. Super. Ct.); *Escobar v. Capstone Logistics, LLC, et al.*, Case No. STK-CV-UOE-2020-0009429 (San Joaquin Cnty. Super. Ct.); *Barba v. Capstone Logistics, LLC, et al.*, Case No. RG21100895 (Alameda Cnty. Super. Ct.); and *Torres, et al. v. Capstone Logistics, LLC*, Case No. 5:22-cv-00228 (C.D. Cal.); including claims that Defendant failed to pay appropriate minimum wage and overtime compensation to Plaintiff and Non-Exempt Settlement Class members for time worked. Plaintiff will provide Defendant with a copy of the proposed First Amended Complaint for Defendant's input and consent prior to filing. The filing of the First Amended Complaint will be by agreement of the Parties. If the Settlement

Agreement is not finally approved, the First Amended Complaint will be withdrawn and all parties will revert to their previous positions in the lawsuit.

Defendant and its counsel will cooperate with Plaintiff's counsel as reasonably necessary in the preparation of the Motion for Preliminary Approval of Proposed Class Settlement.

35. Final Approval Hearing

No later than 10 days in advance of the final approval hearing, Class Counsel shall file and serve a motion for final approval of the Settlement Agreement. Plaintiff will provide Defendant with a copy of the proposed motion for final approval and proposed order granting final approval for Defendant's input and consent prior to filing. The Parties shall present the proposed order granting final approval of the Settlement and entering final judgment (the "Final Judgment"), to the Court for its approval and entry, which shall among other things provide a settlement bar against future pursuit of the Released Claims and PAGA Released Claims. After entry of the Final Judgment, the Court shall have continuing jurisdiction over the litigation solely for purposes of: (i) enforcing this Settlement Agreement; (ii) addressing settlement administration matters; and (iii) addressing such post-Final Judgment matters as may be appropriate under court rules or applicable law.

If the Court declines to approve this Agreement in any material respect, except for approval of the award of Class Counsel's attorneys' fees and costs, the Service Awards, or claims administration costs, or fails to approve and enter the Final Judgment, Defendant shall have no obligation to make any payment under this Agreement, and in the event that Defendant has made any payment, such monies shall be returned promptly to Defendant. Any settlement administration costs already reasonably incurred by the Claims Administrator will be shared by the Parties, with Defendant paying a one-half share and Class Counsel paying the other one-half share.

36. Miscellaneous

a. The language of all parts in this Agreement shall be construed as a whole, according to its fair meaning, and not strictly for or against either party.

b. Should any provision in this Agreement be declared or determined to be illegal or invalid, the validity of the remaining parts, terms, or provisions shall not be affected thereby, and the illegal or invalid part, term, or provision shall be deemed not to be part of this Agreement, and all remaining provisions shall remain valid and enforceable.

c. This Agreement constitutes a single, integrated contract setting forth the entire agreement between the Parties and fully supersedes any and all prior agreements and understandings between the Parties pertaining to the subject matter of this Agreement.

d. The headings used herein are for reference only and shall not affect the construction of this Agreement.

e. This Agreement is made and entered into in the State of California and shall in all respects be interpreted and governed under the law of that State.

f. This Agreement may be executed in one or more counterparts, by facsimile or original signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Dated: 02/01/2023

**DEFENDANT CAPSTONE LOGISTICS,
LLC**

**PLAINTIFF ANDREA OTANEZ
VERDUGO**



MARK SEYMOUR
CHIEF FINANCIAL OFFICER

ANDREA OTANEZ VERDUGO

Approved as to form and content:

DUANE MORRIS LLP

POTTERY HANDY, LLP

Gerald L. Maatman, Jr.
Attorney for Defendant
CAPSTONE LOGISTICS, LLC



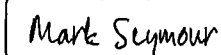
James M. Treglio
Attorney for Plaintiff
ANDREA OTANEZ VERDUGO

Dated: February 1, 2023

**DEFENDANT CAPSTONE LOGISTICS,
LLC**

**PLAINTIFF ANDREA OTANEZ
VERDUGO**

DocuSigned by:



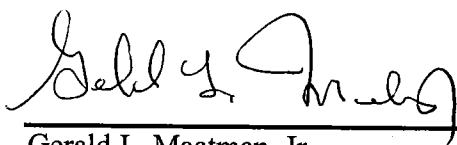
MARK SEYMOUR
CHIEF FINANCIAL OFFICER

ANDREA OTANEZ VERDUGO

Approved as to form and content:

DUANE MORRIS LLP

POTTERY HANDY, LLP



Gerald L. Maatman, Jr.
Attorney for Defendant
CAPSTONE LOGISTICS, LLC

James M. Treglio
Attorney for Plaintiff
ANDREA OTANEZ VERDUGO

Exhibit A

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA
Verdugo, et al. v. Capstone Logistics, LLC
Case No. 2:22-cv-03141-FMO-E

NOTICE OF CLASS ACTION SETTLEMENT

«BarcodeString»
SIMID «SIMID»
ATTN: «FirstName» «LastName»
«Address1» «Address2»
«City» «Abbrev» «Zip»

PLEASE READ THIS NOTICE CAREFULLY: IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

TO: ALL CURRENT AND FORMER NON-EXEMPT INDIVIDUALS EMPLOYED BY CAPSTONE LOGISTICS, LLC WITHIN THE STATE OF CALIFORNIA AT ANY TIME DURING THE PERIOD FROM AUGUST 1, 2019 TO [EFFECTIVE DATE] (“CLASS MEMBERS” OR “SETTLEMENT CLASS”).

1. Why Have I Received This Notice?

This Notice of Class Action Settlement (“Notice”) was sent to you to inform you that the United States District Court for the Central District of California has preliminarily approved the terms of a class action settlement in a lawsuit filed against Capstone Logistics, LLC (“Capstone” or “Defendant”) by a former employee named Andrea Otanez Verdugo (“Plaintiff”), alleging that Defendant: (1) failed to provide required meal periods; (2) failed to provide required rest breaks; (3) failed to pay overtime wages; (4) failed to provide minimum wages; (5) failed to timely pay wages during employment; (6) failed to timely pay wages upon separation of employment; (7) failed to provide accurate itemized wage statements; (8) failed to reimburse or indemnify employees for necessary business expenditures; (9) failed to maintain records; (10) owes penalties under the California Private Attorneys General Act (“PAGA”) (citing Cal. Labor Code § 2698, *et seq.*); and (11) violated of the California Business and Professions Code §§ 17200, *et seq.* Plaintiff’s lawsuit is brought on behalf of all current and former non-exempt individuals employed by Capstone within the State of California between August 1, 2019, and [Effective Date]. Capstone records indicate that you may be a Class Member. The settlement will resolve all Class Members’ Released Claims (described in Section 8, below) for the time period from August 1, 2019, through [Effective Date].

On _____ the United States District Court for the Central District of California preliminarily approved the class action settlement reached by the Plaintiff and Capstone (the “Parties”) and directed that you and the other Class Members receive this Notice. The Court also preliminarily appointed Plaintiff as the representative of the Class (“Class Representative”). The Court will hold a Final Approval Hearing concerning the proposed settlement on _____ at _____ a.m., in Courtroom _____ on the _____th Floor of the United States District Court for the Central District of California, the Hon. Fernando M. Olguin presiding, located at 350 W 1st Street, Los Angeles, California 90012.

2. What Is This Case About?

On March 15, 2022, Plaintiff filed a state-court lawsuit against Defendant, on behalf of herself and all other individuals who have been employed by Capstone as non-exempt employees in California (the “Action”). On May 9, 2022, Capstone removed the Action to the United States District Court for the Central District of California. On _____, Plaintiff filed a First Amended Complaint in the Action. Plaintiff alleges in the Action that Capstone failed to provide required meal periods and rest breaks; failed to pay overtime wages; failed to provide minimum wages; failed to timely pay wages during employment; failed to timely pay wages upon separation of employment; failed to provide accurate itemized wage statements; failed to reimburse or indemnify employees for necessary business expenditures; and owes penalties under PAGA and the California Business and Professions Code §§ 17200, *et seq.*

Capstone denies all of the allegations made by Plaintiff in the Action and denies that it is liable or owes damages or other compensation or remedies to anyone with respect to the alleged facts or causes of action asserted in the Action.

3. *Am I a Class Member?*

You are a Class Member if you worked as a non-exempt employee for Capstone any time from August 1, 2019, through [Effective Date]. As a Class Member, you are part of the Non-Exempt Settlement Class if you are a current employee who worked for Capstone within the State of California in a non-exempt position at any time from August 1, 2019, to the [Effective Date]. You are part of the Waiting Time Settlement Class if you are a former employee who worked for Capstone within the State of California in a non-exempt position from August 1, 2019, but were no longer employed on [Effective Date]. You are part of the PAGA Representative Group if you are a current or former employee who worked for Capstone within the State of California in a non-exempt position any time from August 1, 2019, to [Effective Date].

4. *How Does This Class Action Settlement Work?*

In this lawsuit, Plaintiff sues on behalf of other current and former nonexempt employees who allegedly have similar claims. For purposes of this settlement, Plaintiff and these other employees are deemed to comprise a “Class” and are “Class Members.” The settlement of this lawsuit resolves the wage and hour claims of all Class Members, except for those who exclude themselves from the Class. Class Members who do not exclude themselves will be deemed “Settlement Class Members” and will be eligible to receive a payment under the settlement based on their number of Workweeks (as defined in Section 7 below) from August 1, 2019, through the date of preliminary approval (“Settlement Share”).

Persons who choose to exclude themselves from the Class will not receive a Settlement Share in this lawsuit, but they will preserve any claims they might have against Capstone that were asserted or that could have been asserted based on the allegations in the original and amended complaints in the Action.

The Court has not decided the Action in favor of Plaintiff or Capstone, or made any determination on the merits of the Action. Instead, both sides agreed to resolve the Action with no decision or admission of who is right or wrong. By agreeing to resolve the Action, all parties avoid the risks and cost of a trial, and the people affected will receive compensation quickly. Plaintiff and her attorneys think the settlement is in the best interests of the Class. Capstone denies the allegations of wrongdoing and violations of law alleged and further denies any liability whatsoever to Plaintiff or the Class. Capstone is settling the Action as a compromise to avoid the expense and burden of future litigation.

The Court file has the Settlement Agreement and Release of Claims (“Settlement Agreement”) and other papers in this case, which are available for your review during the Court’s normal hours of operation. You may go there in person to review the documents at the Office of the Clerk, United States District Court for the Central District of California, 350 W 1st Street, Los Angeles, California 90012. Please confirm the office is open before coming to the court. You may also view the documents online at the website listed in Section 14 of this notice. The Court must review the terms of the settlement and make a final determination as to whether it is fair, adequate, and reasonable. A hearing will be held (“Final Approval Hearing”), at which time the Court will decide these issues. See Section 14 below for more information.

5. *What Are My Options?*

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are explained below.

STAY IN THE CLASS: If you do not request to be excluded from the Settlement Class, you will remain a member of the Settlement Class, and, if the Court grants final approval of the settlement, you will receive a Settlement Share based on the number of weeks you worked for Capstone as a non-exempt employee within the State of California during the time period from either August 1, 2019, through the [Effective Date] if you are still employed by Capstone at that time, or August 1, 2019, through your

last day of employment with Capstone (“Workweeks”). In exchange, you give up the right to sue Capstone for the Released Claims, which are defined in Section 9, below. To ensure you receive your Settlement Share, all you need to do is keep the Settlement Administrator informed of your current mailing address. If the Court grants final approval of the Settlement, the Administrator will mail your check to the address on file for you. You will have 180 days from the date on the check to cash the check. If you do not cash the check, the money will revert to the state but you may still be able to claim the funds under the California unclaimed property law.

ASK TO BE EXCLUDED: If you ask to be excluded or “opt out” of the Settlement Class within 60 days of the date of this Notice, and if the Court grants final approval of the settlement, you will not receive payment under the settlement, but you will retain any rights you might have to sue Capstone for the claims resolved through this settlement. **YOU CANNOT ASK TO BE EXCLUDED AND STILL RECEIVE A SETTLEMENT SHARE.**

OBJECT: You may object to the proposed settlement. Only Class Members who do not request to be excluded from the settlement (*i.e.*, Settlement Class Members) may object to the settlement. You will have 45 days from the date of this Notice to object. If your objection is overruled by the Court, you will still receive a Settlement Share, and you will be bound by the terms of this settlement.

6. What Does the Settlement Provide?

Under the proposed settlement, Capstone will pay \$1,400,000.00 to fully and finally resolve all claims in the Action (the “Gross Settlement Fund”). The amount to be distributed to Class Members who do not exclude themselves from the settlement (the “Net Class Settlement Fund”) will be the Gross Settlement Fund, minus the following amounts: (a) Settlement Administration Costs, which shall not exceed \$_____; (b) enhancement payment to Plaintiff Andrea Otanez Verdugo not to exceed \$20,000.00 for her work and efforts in prosecuting this case; (c) Class Counsel’s attorney’s fees not to exceed one-fourth the Gross Settlement Fund; (d) reimbursement of Class Counsel’s actual litigation costs and expenses in an amount not to exceed \$25,000; (e) payment of \$40,000 shall be allocated to the settlement of Class Members’ PAGA claims (the “PAGA Settlement Amount”) and 75% of the PAGA Settlement Amount (*i.e.*, \$30,000.00) shall be paid to the Labor and Workforce Development Agency for its share of the penalties under the PAGA (“LWDA Payment”), and the remaining 25% (*i.e.*, \$10,000) shall be the Net PAGA Settlement Amount paid to the PAGA Representative Group; and (g) the employer-side payroll tax due with respect to the Settlement Shares as a result of the settlement. **The attorneys’ fees, litigation costs and expenses, enhancement payment, Settlement Administration Costs, and LWDA Payment are all subject to Court approval.**

The shares of the Net Class Settlement Fund for Class Members who exclude themselves from the Settlement Class will be distributed *pro rata* to the Class Members who did not exclude themselves from the Settlement Class (*i.e.*, Settlement Class Members), based upon their initial allocations.

7. How Much Will My Settlement Share Be?

Each Class Member’s estimated Settlement Share is calculated as follows:

Net Class Settlement Fund

Non-Exempt Settlement Class: Seventy percent (70%) of the Net Class Settlement Fund multiplied by the ratio of (a) the number of total weeks worked as a non-exempt employee in California during the Class Period by each Settlement Class Member to (b) total number non-exempt weeks worked by all Settlement Class Members in California during the Class Period, according to Capstone records.

Waiting Time Settlement Class: Thirty percent (30%) of the Net Class Settlement Fund multiplied by the ratio of (a) one to (b) the total number of Waiting Time Settlement Class Members, according to Capstone records.

PAGA Settlement Amount

The Net PAGA Settlement Amount (\$10,000) shall be allocated among the PAGA Representative Group as follows: the Net PAGA Settlement Amount multiplied by the ratio of (a) the number of total weeks worked as a non-exempt employee in California during the Class Period by each member of the PAGA Representative Group to (b) total number non-exempt weeks worked by all members of the PAGA Representative Group in California during the Class Period, according to Capstone records.

Settlement Payments. The Settlement Payments to each Class Member shall be distributed as one payment (“Individual Settlement Payment”) and shall be equal to the portion of the Net Class Settlement Fund allocated to that person, plus the portion of the Net PAGA Settlement Amount allocated to that person less any employer-side payroll taxes owed in connection with such Settlement Payment, and less applicable withholdings as described below.

Allocation of Individual Settlement Payments for Withholding. Each Individual Settlement Payment will be characterized as 50% Form 1099 income and 50% Form W-2 income, to reflect that 50% of the payment will account for penalties and interest and 50% will account for unpaid wages. In accordance with applicable tax laws, required tax withholdings and payroll deductions will be taken from each Individual Settlement Payment for the portion allocated to Form W-2 income and remitted to the appropriate taxing authorities. The Settlement Administrator shall issue any necessary IRS Form 1099 and Form W-2 statements to Class Members recipients for their respective Individual Settlement Payments. Class Members shall be solely and legally responsible for paying all other applicable taxes on their respective Individual Settlement Payments and shall indemnify and hold Defendant harmless from any claim or liability for taxes, penalties, or interest arising as a result of the payments. If you believe that the number of Workweeks credited to you, as stated above, is not correct, please see Section 8 below.

8. How Does This Settlement Affect My Rights?

If you do not exclude yourself from (“opt out of”) the settlement, and the settlement is approved by the Court, you will release the claims resolved by the settlement. This means you will not be able to sue, continue to sue, or be part of any other lawsuit against Capstone that involves the same or similar legal claims as those resolved through this settlement. Specifically, you will be giving up or “releasing” the “Released Claims” described below:

Released Class Claims: Upon final approval of the Settlement, each member of the Settlement Class who did not submit a timely and valid Request for Exclusion shall be considered to have released forever Defendant, and each of its past, present, and future agents, employees, servants, officers, directors, business partners, clients, trustees, representatives, shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related companies/corporations, and/or partnerships, divisions, assigns, predecessors, successors, insurers, consultants, joint venturers, joint employers, affiliates, alter-egos, and affiliated organizations, and all of their respective past, present and future employees, directors, officers, agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns, and each of them (collectively, with Defendant, the “Released Parties”), from any and all claims that were asserted in the operative complaint filed in the Action or any claims that could have been asserted based on or arising out of the allegations or facts alleged, irrespective of the theory of recovery (the “Released Claims”). This release shall apply to all Released Claims arising at any point prior to the end of the Class Period. Settlement Class Members who have not submitted a timely and valid Request for Exclusion Form may hereafter discover facts in addition to or different from those they now know or believe to be true; however, upon final approval, all Settlement Class Members who have not submitted a timely and valid Request for Exclusion Form shall be barred from pursuing against any of the Released Parties and shall be deemed to have, and by operation of the final judgment shall have, fully, finally, and forever settled and released any and all of the Released Claims, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, without regard to the subsequent discovery or existence of such different or additional facts.

Released PAGA Claims: Upon approval of the Settlement, each member of the PAGA Representative Group and the LWDA shall fully release and forever discharge the Released Parties, from any and all PAGA claims that are asserted in, arise from, or reasonably relate to the factual allegations and legal assertions made in the Action, including the operative complaint and amended PAGA notice. The PAGA Released Claims include all PAGA claims that were asserted in the complaints filed in the Action or any PAGA claims that could have been asserted based on or arising out of the allegations or facts alleged, irrespective of the theory of recovery, including all PAGA claims for civil penalties relating to, based upon, or arising out of the Released Parties' alleged failure to pay all wages due, provide minimum wages or pay for all hours worked, failure to pay straight time, overtime, or double-time compensation, failure to properly calculate the regular rate of pay, failure to provide meal and/or rest breaks, failure to pay proper meal or rest period premiums, failure to keep accurate records, failure to provide and maintain accurate itemized wage statements, failure to keep accurate employee payroll records, failure to timely pay wages due during or at separation of employment, failure to reimburse all business-related expenses, and improper or unauthorized deductions (collectively, the "PAGA Released Claims"), against the Released Parties. Upon approval, Plaintiff, each member of the PAGA Representative Group, and the LWDA will be forever barred from pursuing against the Released Parties and shall be deemed to have, and by operation of the final judgment shall have, fully, finally, and forever settled and released any and all of the PAGA Released Claims, including any and all claims for civil penalties under PAGA based upon alleged violations of the California Labor Code, Wage Orders, regulations, and/or other provisions of law alleged or that could have been alleged to have been violated in, or are reasonably related to, the Action, whether known or unknown, suspected or unsuspected, contingent or non-contingent, which now exist, or heretofore have existed, without regard to the subsequent discovery or existence of different or additional facts.

9. *How Do I Opt Out or Exclude Myself From This Settlement?*

To exclude yourself from the settlement, you must send a completed, signed and dated Request for Exclusion From Class ("Opt-Out") Form to the Settlement Administrator, postmarked no later than 45 days from the date of this notice at the following address: [Administrator's Address]. If you send an Opt Out to the Settlement Administrator which complies with the above requirements, you will not be a member of the Settlement Class, you will not participate in this settlement, and you will receive no benefit from this settlement. By opting out of the Settlement Class, you will retain whatever rights or claims you may have against Capstone, and you will be free to pursue them, at your own cost, if you choose to do so.

Class Members who belong to the PAGA Representative Group are not permitted to opt out of the settlement of PAGA claims in this Action.

10. *How Do I Object to The Settlement?*

If you are a member of the Class who does not opt out of the Settlement Class, you may object to the settlement or any aspect of the settlement. You can ask the Court to deny approval of the settlement by filing an objection. You cannot ask the Court to order a different settlement; the Court can only approve or reject the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object. Any Objection must be sent to the Court and the Settlement Administrator and must be postmarked and received by the Claims Administrator no later than 45 days after the first date of mailing of the Notice of Class Action Settlement. All written objections and supporting papers must contain: (a) the name and case number of this lawsuit *Andrea Otanez Verdugo v. Capstone Logistics, LLC*, Case No. 2:22-cv-03141-FMO-Ex (C.D. Cal.); (b) the full name, Social Security Number, and current address of the Class Member making the Objection; (c) the specific reason(s) for the Objection; and (d) any and all evidence and supporting papers for the Objection (including, without limitation, all briefs, written evidence, and declarations) for the Court to consider. If you file a timely written objection, within 45 days of this Notice, you may, but are not required to, appear at the Final Approval Hearing, either in person or through your own attorney. If you appear through your own attorney, you are responsible for hiring and paying that attorney. Additionally, if you wish to be heard at the time of the Final Approval Hearing, your objection must also clearly state your intention to appear at the Final Approval Hearing. Objecting to the settlement will not remove you from the Settlement

Class. A Settlement Class Member who submits an objection remains bound by the settlement. Settlement Class Members who timely submit an Objection may be subject to deposition if Plaintiff or Defendant chooses to take their deposition and receives permission from the Court to do so. To remove yourself from the Settlement Class, you must opt out of the settlement by following the instructions in Section 9, above. If you opt out of the settlement, you may not object to the settlement.

11. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Settlement Class

POTTER HANDY LLP
Mark D. Potter
James M. Treglio
100 Pine Street, Suite 1250
San Francisco, California 94102

Attorneys for Capstone Logistics LLC

DUANE MORRIS LLP
Gerald L. Maatman, Jr.
Jennifer A. Riley
190 South LaSalle St., Suite 3700
Chicago, Illinois 60603

The Court has appointed the law firm of Potter Handy LLP to represent the Settlement Class. This law firm is referred to as “Class Counsel.”

You do not need to hire your own attorney because Class Counsel is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

12. How Will Class Counsel and the Class Representative Be Paid?

Class Counsel will be paid from the Gross Settlement Fund. Class Counsel will ask for an award of attorneys’ fees not to exceed one-fourth the Gross Settlement Fund and for reimbursement of actual litigation costs and expenses in an amount not to exceed \$25,000. The actual amounts awarded shall be determined by the Court.

Class Counsel will also request that the Court approve an enhancement payment to the Class Representative of up to \$20,000.00 to be paid from the Gross Settlement Fund, for her service on behalf of the Class. Class Counsel will petition the Court for an award of attorneys’ fees by motion to be filed with the Court within 14 days after the mailing of this Notice and will be available at that time at the website listed in Section 14, below.

13. Notice of Hearing on Final Approval and Objections to Class Action Settlement

You are hereby notified that a Final Approval Hearing will be held on _____ at _____ a.m., in Courtroom _____ on the _____th Floor of the United States District Court for the Central District of California, the Hon. Fernando M. Olguin presiding, located at 350 W 1st Street, Los Angeles, California 90012, to determine whether the proposed Settlement is fair, reasonable, and adequate, and should be finally approved by the Court. The Court may change the date and time of the Final Approval Hearing without further notice to the Class Members. Class Members are advised to check the settlement website or the Court’s Public Access to Court Electronic Records (PACER) site to confirm that the date has not been changed.

If final approval is granted by the Court, the Court will enter judgment pursuant to the Settlement, and all Class Members who have not requested exclusion from the Settlement Class will be deemed to have waived and released the Released Claims against the Releasees, as defined in Section 9, above.

14. How Do I Get More Information?

This notice summarizes the proposed settlement. For the precise terms and conditions of the settlement, please contact Class Counsel at (858) 375-7385, or access the Court docket in this case for a fee through the Court’s PACER system at <https://ecf.cand.uscourts.gov>, or visit the office of the Clerk of the Court for the United States District Court for the Central District of California, 350 W 1st Street, Los Angeles, California 90012 between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays. Please confirm the court is open before visiting.

If you have any additional questions about the settlement, you may also contact the Settlement Administrator:

Verdugo et al. v. Capstone Logistics, LLC Class Action Settlement
c/o [Administrator Name and Address]
Toll-Free Telephone Number: 1 (800) _____

PLEASE DO NOT TELEPHONE THE COURT OR CLERK'S OFFICE FOR INFORMATION ABOUT THIS SETTLEMENT. PLEASE DO NOT CONTACT CAPSTONE LOGISTICS, LLC OR ITS REPRESENTATIVES FOR INFORMATION ABOUT THIS SETTLEMENT.

REQUEST FOR EXCLUSION FROM CLASS (“OPT-OUT”) FORM

UNITED STATES DISTRICT COURT FOR THE CENTRAL DISTRICT OF CALIFORNIA
Verdugo, et al. v. Capstone Logistics, LLC
Case No. 2:22-cv-03141-FMO-E

YOU MUST COMPLETE THIS FORM IF
YOU DO NOT WISH TO BE PART OF THE CLASS ACTION SETTLEMENT.

By signing and returning this form, I confirm that I do not want to be included in the Settlement of the class action lawsuit referenced above.

I understand that, by returning this form and opting out, I am giving up my right to receive any payments under the settlement and will NOT receive a settlement check.

By returning this form and opting out, I understand that I will retain the right to file my own individual lawsuit against Capstone Logistics, LLC.

By providing the following information, I affirm that I was or am an employee of Capstone Logistics, LLC, and I want to opt-out of this class:

First Name	Middle Initial	Last Name
------------	----------------	-----------

Former Name (if any)	Middle Initial	Last Name
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Current Mailing Address	City	State	Zip
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Home/Cell Number

Last 4 digits of your SSN

(Sign Here)

Date

Exhibit B

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UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

ANDREA OTANEZ VERDUGO)
individually and on behalf of all others)
similarly situated,)

Plaintiff,)

v.)

CAPSTONE LOGISTICS, LLC, a)
Delaware limited liability company with)
its principal place of business in Georgia,)
and DOES 1 to 100, inclusive,)

Defendants.)

Case No.: 2:22-cv-03141 FMO (Ex)

**[PROPOSED] ORDER GRANTING
PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT**

1 Plaintiff Andrea Otanez Verdugo, on behalf of herself and acting on behalf of
2 the Class, moved the Court for an Order granting preliminary approval of a class
3 action settlement of claims against Defendant Capstone Logistics, LLC. Having
4 carefully considered the motion, its supporting papers, and the arguments of counsel,
5 the Court will **GRANT** the motion. Accordingly, the Court **ORDERS** as follows:

6 1. The Court preliminarily finds that the terms of the Stipulated Settlement
7 Agreement and Release of Claims (“Settlement Agreement”) are fair, reasonable, and
8 adequate, and comply with Rule 23(e) of the Federal Rules of Civil Procedure.

9 2. The proposed manner of the notice of settlement set forth in the
10 Settlement constitutes the best notice practicable under the circumstances and
11 complies with the requirement of due process.

12 3. The Court approves the form, substance, and requirements of the notice
13 of settlement attached as Exhibit A to the Settlement Agreement.

14 4. The parties shall carry out the notice process according to the terms of
15 the Settlement Agreement.

16 5. The Court appoints ILYM Group, Inc. as the settlement administrator,
17 preliminarily approves settlement administration costs of up to \$35,000.00, and, in
18 accordance with the Settlement Agreement, directs the settlement administrator to
19 complete dissemination of the notice of settlement within 30 days of entry of this
20 Order.

21 6. A final approval (fairness) hearing is hereby set for
22 _____ at _____ a.m./p.m. to consider the fairness,
23 reasonableness, and adequacy of the Settlement as well as the award of attorneys’
24 fees and costs to class counsel and a service award to the class representative.

25 7. Class counsel shall file the motion for an award of attorneys’ fees and
26 costs and incentive awards twenty-one (21) days after the settlement administrator
27 disseminates the notice of settlement.
28

1 8. Class counsel shall file the motion for final approval of the Settlement,
2 along with any objections to the Settlement and any responses thereto, no later than
3 twenty-eight (28) days before the final approval (fairness) hearing.

4 9. Class Members are enjoined from filing or prosecuting up to the date of
5 entry of a final approval order any claims, suits, or administrative proceedings
6 regarding claims released by them under the Settlement Agreement.

7
8 **IT IS SO ORDERED.**

9
10 DATED: _____

HON. FERNANDO M. OLGUIN
United States District Judge

Exhibit 2



POTTER HANDY, LLP

A Law Firm

8033 Linda Vista Road, Suite 200
San Diego, CA 92111

Jim Treglio, Esq.
JimT@potterhandy.com
Phone: (858) 375-7385
Fax: (888) 422-5191

James M. Treglio, Head of Class Action Division

Practice Areas: Consumer Class Actions, False Advertising, Unfair Competition, Wage and Hour Litigation, Background Check Cases, Data Breaches, Unlawful Recordings, Confidentiality of Medical Information Act, PAGA Representative Actions, Housing Discrimination

Admitted: 2003, California

Biography: Staff Attorney, Fair Housing Council of San Diego, 2003 – 2006, Associate, Clark & Markham LLP, 2006 to 2012, Associate Clark Law Firm 2012-2015, Partner, Clark & Treglio, 2015-2016, Associate, Keegan & Baker, LLP 2016-2018, Associate, Melmed Law Firm, P.C., 2018-2019, Head Attorney, Class Action Division, Potter Handy, LLP, ; Lecturer – Fair Housing Laws and Litigation Conference 2006.

Education: College of William and Mary (B.A., 1998), University of San Diego (J.D. 2003)

Reported Cases: *Steroid Hormone Product Cases*, 181 Cal.App.4th 145 (2010); *Mendoza v. Nordstrom, Inc.*, 2 Cal.5th 1074 (2017); *James Cunha v. Intellicheck, LLC, et al.*, 254 F.Supp.3d 1124 (N.D. Cal. 2017); *Brinkley v. Monterey Financial Services, Inc.* 873 F.3d 1118 (9th Cir. 2017).

Class Action Experience

Aguilera v. Eagle Systems International, d/b/a Synergy Companies (Lead) - Settled
Alameda County Superior Court, Case No. RG14742927

Nature of the Case: Unfair Competition- Failure to Pay Wages, Failure to Pay Overtime Compensation, Failure to Reimburse for Business Expenses, Failure to Provide Waiting Time Penalties, Failure to Provide Meal and Rest Breaks, Unfair Competition

Alvarado v. Lewis Operating Co. (Co-Counsel) - In Litigation
Sacramento Superior Court, Case No. 34-2014-00159707

Nature of the Case: Unfair Competition- Failure to Pay Wages Owed, Unfair Competition, PAGA

Anderson v. Oracle Corporation (Co-counsel) – Settled
San Mateo Superior Court, Case No. CIV469916

Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Andreas v. Lowe's HIW, Inc. (Lead associate) – Settled
United States District Court for the District of Nevada, Case No. 3:07-CV-253
Nature of the Case: Unpaid Overtime

In Re Androstendiol Cases (lead associate) – Settled
Los Angeles Superior Court, JCCP 4363,
Nature of the Case: Unfair Competition-: Deceptive Advertising, CLRA, Unfair Competition Law

Arellano v. Kellermeyer (lead) - Settled
United States District Court for the Southern District of California, Case No. No. 13-cv-00533-BAS (BGS)
Nature of the Case: Unfair Competition- Unpaid Overtime, Meal and Rest Breaks, Failure to Itemize Wage Statements, Waiting Time Penalties

Bello v. Proctor & Gamble (lead) - Settled
United States District Court for the Central District of California, Case No. 8:12-cv-01583
Nature of Case: Unfair Competition, Unpaid Meal and Rest Breaks, Failure to Reimburse Business Expenses

Bennie v. Lowe's HIW, Inc. (Lead) – Settled
United States District Court for the Central District of California, SACV08-00576 DOC
Nature of the Case: Unfair Competition – Failure to Provide a Day of Rest

Bloomquist v. Covance, Inc. (Associate) – In Litigation
San Diego Superior Court, Case No. 37-2016-00026455-CU-OE-CTL
Nature of Case: Misclassification of clinical research associates, unpaid overtime, missed meal and rest periods, unitemized wage statements

Brinkley v. Monterey Financial Services, Inc. – In Litigation
United States District Court, Southern District of California, Case No. 16-cv-1103-WQH-WVG
Nature of Case: Unlawful recording of phone calls

Bulisco v. Mosaic Solutions (Associate) - Settled
Orange County Superior Court, Case No. 30-2011-00047600-CU-OE-CXC
Nature of the Case: Unfair Competition- Failure to Pay Wages Owed, Provide Meal and Rest Breaks, Failure to Itemize Wage Statements, Failure to Reimburse for Business Expenses, Split Shifts, Timely Pay Upon Termination.

Cunha, et al., v. Intellicheck, et al. (Lead Associate) - Settled
United States District Court, Northern District of California, Case No.17-cv-00597-JST
Nature of Case: FCRA Violations connected with background checks.

Cohen v. Lowes HIW, Inc. (Lead Associate) - Settled

United States District Court, Central District of California, SACV 10-00425-CJC
(MLGx)

Nature of Case: Unfair Competition- Failure to Itemize Wage Statements, Unlawful Deductions

Cones v. Parexel International Corporation (Lead Associate) -- Settled

United States District Court, Southern District of California, Case No. 16cv3084 L (BGS)

Nature of Case: Unfair Competition: misclassification as salaried employees, overtime, meal periods, rest periods, wage statements.

Connell v. Sun Microsystems, Inc. (Co-Counsel) – Settled

Alameda Superior Court, RG06252310

Nature of Case: Unfair Competition – Unpaid overtime related to misclassification as salaried employees, unpaid overtime, meal periods, rest periods, etc.

Contreras v. Bank of America, N.A., (Lead Associate) - Settled

San Francisco Superior Court, Case No. CGC-07-467749

Nature of Case: Unfair Competition- Failure to Pay Overtime, Unreimbursed Business Expenses

Corona v. Airtouch Wireless d/b/a Verizon Wireless (Lead) - Settled

Los Angeles Superior Court, Case No. BC467679

Nature of the Case: Unfair Competition, Unpaid Wages and Vacation Time

Cota v. Countrywide Securities, et al. (Lead Associate) – Settled

Los Angeles County Superior Court, BC388005

Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Decarr v. Harvest Management (Associate) - Settled

Santa Clara Superior Court, Case No. 109CV153466

Nature of Case: Unfair Competition- Unpaid Overtime and Meal And Rest Breaks

Del Valle v. LA Fitness (Lead Associate) - Settled

Los Angeles Superior Court, Case No. BC438654

Nature of Case: Unfair Competition- Failure to Pay Overtime, Meal and Rest Breaks, Reimburse Expenses, Split Shifts

Estrella v. Freedom Debt Relief (Associate) – Settled

United States District Court for the Central District of California, Case No. CV 09–03156
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Nature of Case: Unfair Competition – Unlawful Business Practices

Evans v. Walmart (Co-Counsel)- Settled

United States District Court, District of Nevada, Case No. 2:10-CV-1224-JCM-JCL

Nature of Case: Unfair Competition- Failure to Pay Overtime

Fjeld v. Penske (Lead) - Settled

United States District Court for the Central District of California, Case No. CV 12–3500–GHK (JCGx).

Nature of the Case: Unfair Competition- Unpaid Wages, Overtime, Meal and Rest Breaks, and to Itemize Pay

Fontes v. Heritage Propane (Lead) - Settled

United States District Court, Southern District of California, Case No.: 14cv1413-MMA (NLS): 14cv1413-MMA (NLS)

Nature of the Case: False Advertising, Unfair Competition

Friedlander v. Hot Topic (Lead) -Settled

Los Angeles Superior Court, Case No. BC520319

Nature of the Case: Failure to Reimburse Business Expenses, Failure to Provide Meal and Rest Periods, Failure to Pay Overtime, Unfair Competition

Fuzell v. Hallmark Marketing Corporation (Co-Counsel) – Settled

United States District Court, Central District of California, Case No. CV08-04342 VBF (Ex)

Nature of Case: Unfair Competition – Unpaid time, Unreimbursed Expenses

Gandara v. Nestle Purina (Co-Counsel) - Settled

United States District Court, Northern District of Illinois, Case No. 1:12-cv-02871

Nature of the Case: Unfair Competition, Consumers Legal Remedies Act

Gutierrez v. Johnson & Johnson (Lead) – In Litigation

United States District Court, Southern District of California, Case No. 3:19-cv-01345-DMS-AGS

Nature of Case: Unfair competition, false advertising, CLRA.

Gruender v. First American Title Company (Lead Associate) – Settled

Orange County Superior Court, Case No. 06CC00197

Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Guy v. Toys R Us, Inc., et al., (Lead Associate) – In Bankruptcy

United States District Court, Southern District of California, Case No.: 16-CV-2224-AJB-JMA

Nature of Case: Unreimbursed business expenses, unpaid vacation time upon termination, unfair competition, PAGA.

Harrington v. Professional Security Consultants (Lead) -Settled

Los Angeles Superior Court, BC538101

Nature of the Case: Failure to Pay Wages Owed, Unfair Competition, PAGA

Hill v. Chicos, Inc., (Lead) - Settled

San Mateo Superior Court, Case No. CIV 522758

Nature of Case: Unfair Competition- Failure to Reimburse Business Expenses

Johnson v. Metlife (Co-Counsel)- Settled

United States District Court, for the Central District of California, Case No. SACV 13-128-JLS (RNBx)

Nature of the Case: Unfair Competition, Unpaid Wages, Overtime, Meal and Rest Breaks

Jones v. Wal-Mart (Co-Counsel)- Settled

United States District Court, Central District of California, Case No. SACV 13-128-JLS (RNBx).

Nature of the Case: Unfair Competition, Failure to Pay Wages Owed, Overtime, and to Itemize Pay Statements

Lizarraga v. CBC Restaurant Corp. (Lead Associate) - Settled

Orange County Superior Court, Case No. 30-2008-00233464

Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Mendoza v. Nordstrom (Lead) - Settled

United States District Court, Central District of California, Case No.: SACV 10-00109-CJC(MLGx)

Nature of Case: Unfair Competition- Working 7 or More Consecutive Days, Split Shifts

Miller v. RP On-Site, LLC, et al. (Lead) – In Litigation

United States District Court, Northern District of California, Case No.5:19-cv-02114-LHK

Nature of Case: Unfair Competition – Background Checks

Miller v. Wellpoint Companies, Inc. (Associate) – Settled

United State District Court, Central District of California, Case No. 09-5666 GW (RCX)

Nature of Case: Payment by way of out-of-state checks.

Minor v. Barnes & Noble, Inc. (Lead Associate) - Settled

Alameda County Superior Court, Case No. RG09450216

Nature of Case: Unfair Competition- PAGA Claim for Paying With Out of State Check

Mitre v. Smart & Final (Lead) - Settled

Santa Clara Superior Court, Case No. 113CV241954

Nature of the Case: Unfair Competition, Failure to Reimburse Business Expenses

Murry v. Kellogg Sales Company (Lead) - Settled

Los Angeles Superior Court, Case No. BC411211

Nature of Case: Unfair Competition- Misclassification, Certified for Unitemized Wage Statements

Owen v. Robinson's May (Lead Associate) – Settled
Los Angeles County Superior Court, Case No. BC355629
Nature of the Case: Unfair Competition – Failure to Pay Vacation Accrued

Padilla v. Kraft Foods Global, Inc., (Lead Associate) – Settled
Orange County Superior Court, 07CC00009
Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Pearce v. SBC Advanced Solutions, Inc., (Lead Associate) – Settled
United States District Court, Central District of California Case No. 8:07-cv-00450
Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Ramirez v. Wells Fargo N.A., (Co-Counsel)-Settled
Alameda County Superior Court, Case No. RG1046146
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks, Off the Clock

Richie v. Blue Shield (Lead) - Settled
United States District Court, Northern District of California, Case No. C-13-2693
Nature of the Case: Failure to Reimburse Business Expenses, Failure to Pay Overtime Compensation, Unfair Competition

Rondone v. Orchard Supply Hardware Stores Corporation (Associate) - Settled
Santa Clara Superior Court, Case No. 110CV164041
Nature of Case: Unfair Competition- Failure to Pay Overtime and Meal and Rest Breaks

Rose v. Lincare, Inc., (Co-Counsel) - Settled
San Francisco Superior Court, Case No. CGC07-465052
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Rosenloev v. 24 Hour Fitness (Lead) - Settled
Orange County Superior Court, Case No. 30–2009–00180140
Nature of Case: Unfair Competition- Split Shifts, Commission Theft, Failure to pay Missed Meal, Periods, Off the Clock

Santana, et al., v. Rady Children's Hospital-San Diego, (Lead Associate) – Settled
San Diego Superior Court, Case No. 37-2014-00022411-CU-MT-CTL
Nature of Case: Unfair Competition – Disclosure of medical information

Schwegmann, et al., v. Hill's Pet Nutrition, et al. (Co-Counsel) – In Litigation
United States District Court, District of Kansas, Case No. 2:19-cv-02149-JAR-TJJ, MDL 2887
Nature of Case: Unfair Competition/CLRA – Sale of pet food containing too much or too little vitamin D.

Scott v. Pro's Choice Beauty (Lead Associate) – Settled
United States District Court, Northern District of California, Case No. 3:2008-cv-04697
Nature of Case: Unfair Competition – Unpaid time, Unreimbursed Expenses

Sparks v. ADP (Lead Associate) – Settled
United States District Court, Central District of California, Case No. 2:2007-cv-03203
Nature of Case: Unfair Competition – Overtime, Meal and Rest Breaks

Stoba v. Saveology, LLC, (Lead Associate) – Settled
United States District Court, Case No. 13cv2925 BAS (NLS)
Nature of Case: Unlawful recording

Stowe v. The Pep Boys Manny Moe & Jack of California (Lead) - Settled
Los Angeles County Superior Court, Case No. BC520550
Nature of Case: Unfair Competition, Failure to Reimburse Business Expenses

Tan v. Sutter Health, (Co-Counsel) - Settled
Alameda County Superior Court, Case No. RG12622057
Nature of the Case: Unfair Business Practices, Failure to Pay Overtime, Provide Meal and Rest Breaks, Itemize Wage Statements, PAGA

Tarango v Ajilon Communications (Lead Associate) - Settled
Los Angeles Superior Court, Case No. BC423185
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Thomas v. Avis Budget- Settled
United States District Court, Central District of California, Case No. CV 08-7397 AHM (AJWx)
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Trujillo v. Party City (Associate) - Settled
Santa Clara Superior Court, Case No. 109CV149665
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Valenzuela v. Affiliated Computer Systems (Lead) - Settled
Los Angeles Superior Court, Case No. BC431884
Nature of Case: Unfair Competition- Failure to Pay Wages When Due Through Debit Card

Valles v. International Business Machines Corporation (Lead Associate) - Settled
United States District Court, Central District of California, Case No. SACV 09–202 AG (MLGx).
Nature of Case: Unfair Competition- Misclassification

Victorio v. Modis, Inc., et al. (Lead) – Settled
United States District Court, Northern District of California Case No. 5:19-cv-01713-VKD

Nature of Case: Unfair Competition – FCRA violations.

Viloria v. Stewart Title Company (Co-Counsel) – Settled
Fresno Superior Court, Case No. 07 CE CG 01735 AMC
Nature of Case: Unfair Competition- Overtime, Meal and Rest Breaks

Wright v. Home Depot (Co-Counsel) – Settled
Orange County Superior Court, 20-2008-000548814
Nature of Case: Unfair Competition – Meal and Rest Breaks

Yanez v. Care 1st Health Plan (Lead Associate) – Settled
Los Angeles Superior Court, Case No. BC470122
Nature of Case: Unfair Competition – Unlawful disclosure of medical information