

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiff, on a representative basis and on behalf of all others similarly situated

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

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

Plaintiff,

vs.

HAWK TRANSPORTATION INC., a
California Corporation; BEANT
BHANGU, an Individual; JEET SINGH,
an Individual; MANPRIT SANDHU, an
Individual; and DOES 1 through 20,
inclusive;

Defendants.

Case No.: CIVSB2303256

*[Assigned to Hon. Christina Towns, Dept S26,
for all purposes]*

**DECLARATION OF BRIAN J. MANKIN,
ESQ., IN SUPPORT OF MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Hearing

Date: September 17, 2024

Time: 8:30 a.m.

Dept.: S26

I, Brian J. Mankin, state and declare:

1. I am an attorney licensed to practice before all of the courts of the State of California. I manage the employment department within my firm where I am also a Partner. I represent Plaintiff in this action and I am thoroughly familiar with and have personal knowledge of all of the facts set forth herein. I submit this declaration in support of Plaintiff's Motion for Preliminary Approval of this Class Action Settlement. If called as a witness, I could and would competently testify thereto.

1 **COUNSEL’S EXPERIENCE**

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

6 3. I have handled well over 500 employee vs. employer litigation matters during my
7 23 years in practice. Over the last 17 years, my practice has almost entirely consisted of
8 representing employees, the majority of which has included class action and representative
9 action wage and hour matters. In total, I have handled well over 300 class action and
10 representative action wage/hour cases, and have been appointed by the court as class counsel and
11 have received final court approval and judgment in over half of those actions to date, and
12 anticipate receiving final approval in many more of those in the future.

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

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

26 6. I was named by the LA Times as one “Southern California Leading Lawyers” in
27 the May 2023 issue of Consumer Attorney’s of Southern California (a recognition given to 17
28 employment/labor law attorneys in 2023). Additionally, over the last 5+ consecutive years, I

1 have been selected by my peers as a “Super Lawyer” in Employment Litigation, a distinction that
2 only 5% of lawyers receive.

3 **BRIEF SUMMARY OF THE SETTLEMENT**

4 7. Following a contested litigation process, Plaintiff and Defendants (collectively,
5 the “Parties”) finalized a Class Action and PAGA Settlement Agreement and Release of Claims
6 (the “Settlement Agreement” or “S.A.”), which is attached hereto as **Exhibit 1**.

7 8. The Settlement Agreement seeks to release and discharge Defendants from the
8 claims brought against them in exchange for Defendants’ agreement to pay \$210,000 on a non-
9 reversionary, non-claims made basis (each Class Member will receive his/her share of the Net
10 Settlement Amount without having to submit a claim form or take any action). As set forth in
11 the motion and Settlement Agreement, Plaintiff seeks to represent “All current and former
12 California resident truck drivers employed by Defendant Hawk Transportation, Inc. during the
13 Class Period (April 7, 2019, through May 8, 2024).”

14 9. Under the terms of the Settlement Agreement, Defendants will not oppose my
15 firm’s application for a reasonable award of attorneys’ fees not to exceed \$70,000 (1/3 of the
16 Settlement Amount), litigation expenses not to exceed \$25,000, Administration Costs of
17 \$4,500, PAGA penalties of \$10,000 (75% to the LWDA and 25% to the Aggrieved Employees
18 on a pro rata basis), and a Service Payment not to exceed \$10,000 to Plaintiff Joshua Lorenz
19 (“Class Representative”). After subtracting the agreed-upon deductions from the Settlement
20 Amount, approximately \$90,500 will be available to pay the individual settlement amounts to
21 approximately the Class Members who do not opt-out of the settlement, as follows:

<i>Gross Settlement Amount</i>	\$ 210,000.00
Attorneys’ Fees (1/3)	\$ 70,000.00
Litigation Costs (not to exceed)	\$ 25,000.00
Administrator Costs	\$ 4,500.00
PAGA Penalties	\$ 10,000.00
Class Representative Service Payment	\$ 10,000.00
<i>Net Settlement Amount</i>	\$ 90,500.00

10. Assuming 31 Class Members, the average payment will be approximately \$2,919.35 (\$90,500 / 31). However, the actual payments will be calculated on a pro-rata basis according to the number of Weeks Worked by each Class Member during the Class Period. In addition, approximately the PAGA “Aggrieved Employees” will receive a share of the \$2,500 PAGA Penalties (25% of the \$10,000 allocation), shared pro-rata based on Weeks Worked during the PAGA Period.

11. Each Class Member will receive the Class Notice, explaining the nature of the case, and the process for participating, objecting and opting-out, and advising of his/her estimated settlement payment and the number of Weeks he/she is credited with working during the Class Period which is attached hereto as **Exhibit 2**.

PROCEDURAL BACKGROUND

12. My office has performed considerable work and diligently investigated and prosecuted this case to a successful conclusion. Our work has resulted in the creation of a significant settlement fund for the benefit of the Class. We efficiently communicated and exchanged information informally with Defense counsel which enabled the parties to successfully settle the case. Because of the risks involved in litigating the case and the contested legal and factual issues, we believe this settlement to be fair, reasonable, and adequate.

13. After being retained by Plaintiff, we sent a letter to Defendants requesting the production of Plaintiff's personnel and timekeeping records in order to further evaluate her wage and hour claims. On April 7, 2023, we submitted a letter to the California Labor Workforce Development Agency (the "LWDA") for civil penalties under the Private Attorney General Act of 2004 (the "PAGA"), which is attached hereto as **Exhibit 3**.

14. Then, on April 7, 2023, my office (on behalf of Plaintiff) filed this class action, alleging that Defendant violated various sections of the Labor Code. After the LWDA declined to assert jurisdiction over the PAGA claims, we filed the operative First Amended Complaint on June 21, 2023, alleging class and PAGA claims against all Defendants named herein.

15. Defendants retained counsel and immediately began to defend the case. The Parties then engaged in substantial written discovery as Plaintiff prepared for class certification.

1 and this included a lengthy meet and confer process and an IDC regarding Defendants’
2 responses. Ultimately, after discussions among counsel, the Parties agreed to attend private
3 mediation prior to further discovery and motion practice.

4 16. In preparation for mediation, the Parties informally exchanged documents and
5 information that allowed both sides to calculate the potential damages and evaluate potential risk,
6 including policies and procedures pertaining to the claims, statistics relating to the number of
7 current and former employees, number of shifts, pay periods worked, and other things. This
8 information enabled both parties to take a deep dive into the claims. Additionally, during this
9 process, we analyzed, researched, and investigated the potential issues, including matters related
10 to the calculation of damages, trial, and appellate issues and risks.

11 17. On May 8, 2024, Plaintiff and Defendants participated in mediation with Glenn
12 Lerman, Esq. a well-respected employment mediator. Although the matter did not resolve at
13 mediation, the Parties engaged in continued negotiations through the mediator and ultimately
14 reached this Settlement on June 10, 2024. The Parties now seek the Court’s preliminary approval
15 of the Settlement.

16 **SUMMARY OF THE CLAIMS AND DEFENSES**

17 18. Here, Plaintiff alleged numerous wage and hour violations on behalf of the Class
18 Members. However, Defendants vigorously contested and denied Plaintiff’s material allegations
19 on the merits and as to the propriety of a class action or PAGA representative action. Still,
20 Plaintiff believed there were several strong claims.

21 19. For instance, Plaintiff alleged Defendants failed to pay proper wages due to a
22 “piece-rate” pay policy that only paid Class Members “per-mile” driven. Plaintiff thus alleged
23 that this policy failed to pay for all hours worked, including time spent performing non-driving
24 tasks. As a result, Plaintiff argued that these violations resulted in unpaid wages, waiting time
25 penalties under Labor Code § 203, and other derivative penalties. However, Defendants opposed
26 this claim on the merits and as to the propriety of class certification.

27 20. Plaintiff also alleged that Defendants’ wage statements failed to comply with
28 Labor Code § 226 because the documents did not provide any information as to “total hours

1 worked” as required by Labor Code § 226(a)(2). But Defendants again disputed the merits of
2 this claim, and argued that that subsection of § 226 does not apply to piece-rate drivers and,
3 moreover, any violations (if any were found) would not be deemed “knowing and intentional”
4 under § 226(e) so no liability or penalties could attach.

5 21. Finally, Plaintiff alleged that he and the Class Members were required to use their
6 personal cell phones to carry out their tasks for Defendants, without reimbursement, in violation
7 of Labor Code § 2802. However, Defendants vehemently opposed this claim and argued that the
8 Class Members were not required to use their phones, nor was such use “necessary” under the
9 law because these truck drivers had access to onboard computer systems through which they
10 could communicate with dispatch to complete their tasks.

11 22. Despite the disputed nature of the claims, the Parties concluded that further
12 litigation of the Action would be protracted and expensive, and that it is desirable that the Action
13 be fully and finally settled to limit further risk, expense, and protracted litigation.

14 **EVALUATION OF THE SETTLEMENT**

15 23. In preparation for mediation, Peter Carlson, a senior associate with 10 years of
16 litigation experience within my office, and I formulated a damages model and risk analysis based
17 upon detailed data obtained through informal discovery and information exchanges. The
18 summary of the claims below is based on calculations by our expert and us, and the risks that we
19 potentially faced, giving significant credit to the defenses that Defendants raised or would likely
20 raise in further proceedings.

21 24. Following the informal exchange and other information provided by Defendant,
22 we estimated the following data points through the date of mediation: (1) 31 Class Members, (2)
23 11 *former* Class Members for purposes of Labor Code § 203, (3) 6,600 workweeks, and (4)
24 approximately 2,700 wage statements during the PAGA Period.

25 25. Here, Plaintiff alleged a variety of claims against Defendant, which boil down to
26 these categories: (1) unpaid wages, (2) waiting time penalties under Labor Code §§ 201 – 203,
27 (3) wage statement penalties under § 226(e), (4) claims for unreimbursed expenses under Labor
28 Code § 2802, and (5) PAGA civil penalties for the same claims.

1 26. Plaintiff's unpaid wage claims was based on the allegation that Defendants failed
2 to pay for non-driving tasks, such as pre- and post-trip inspections, fueling, repairs, and so on.
3 However, as discussed above, Defendants opposed this claim on the merits and as to the
4 propriety of class certification. As a result of the defenses and risks, for mediation and settlement
5 purposes, Plaintiff and Class Counsel applied appropriate risk reductions from the maximum
6 potential unpaid wages to account for risks of defeat at class certification and on the merits.

7 27. Plaintiff also alleged claims for failure to reimburse business expenses based on
8 the argument that Class Members were required to use personal cell phones for business
9 purposes, without reimbursement. But Defendants argued this claim had no merit and raised
10 several factual and legal defenses to argue that any expenses incurred were not "necessary" and
11 do not trigger liability under California law.

12 28. Finally, Plaintiff also alleged claims for waiting time penalties and wage
13 statement violations. But Defendants raised a variety of defenses to these claims that impacted
14 the valuation. Namely, as to the wage statement violations, Defendants argued that the wage
15 statements did not violate Labor Code § 226 and even if there was a "technical" violation, that
16 Plaintiff would be unable to prove the required "knowing and intentional" and "injury" elements.
17 Then, as to the waiting time penalty claim, Plaintiff's valuation had to account for the fact that
18 this claim was derivative of the unpaid wage claims and, if those claims failed at certification or
19 on the merits, there would be no waiting time penalties owed, so the same risks for those claims
20 applied to this claim. Furthermore, even if the unpaid wage claims succeeded at certification and
21 on the merits, Plaintiff would have to prove that the violations (if any existed) were "willful"
22 under the meaning of Labor Code § 203. And, here, Defendants argued that there could not be a
23 finding of a "willful" violation since they had compliant written policies, and any deviations
24 therefrom were inadvertent and unintentional.

25 29. In sum, Plaintiff calculated the *maximum* potential Class damages as
26 approximately \$1,500,000. However, that figure fails to consider the various risks at class
27 certification, on the merits, and the many evidentiary issues. When considering all relevant
28 factors, we estimated the risk-adjusted value of the Class claims at approximately \$500,000.

1 30. And while the PAGA penalties had a potential maximum value in the six figures,
2 this also fails to incorporate the risks above and, further, fails to acknowledge that courts have
3 wide latitude to reduce the civil penalties “based on the facts and circumstances of a particular
4 case” and if “to do otherwise would result in an award that is unjust, arbitrary and oppressive, or
5 confiscatory.” Labor Code § 2699(e)(2). Moreover, Defendants argued against the merits of the
6 underlying claims and particularly that the “willfulness” standard and/or “good faith” defenses
7 mitigated the civil penalty claims and rendered any such penalties as uncertain. Defendants also
8 argued it is improper to stack civil penalty claims on top of underlying statutory claims. For
9 these reasons, the Parties submit that this settlement is fair and reasonable.

10 **THE SETTLEMENT IS FAIR, JUST, AND REASONABLE**

11 31. The settlement was the product of extensive arm’s length negotiations, facilitated
12 by an experienced mediator. Though cordial and professional, the settlement negotiations were
13 adversarial and non-collusive in nature. The settlement reached is the product of substantial
14 effort by the parties and their counsel. Although we believed that there was a possibility of
15 certifying the claims, we recognized the potential risk, expense, and complexity posed by
16 litigation, such as unfavorable decisions on class certification, summary judgment, at trial and/or
17 on the damages awarded, and/or on an appeal that can take several more years to litigate.

18 32. The settlement will result in a fair payment to each Class Member based on the
19 percentage of weeks worked during the Class Period and other factors as set forth in the
20 Settlement Agreement. As set forth hereinabove, Plaintiff and her counsel have diligently
21 investigated the claims and defenses on behalf of the Class Members and worked to achieve a
22 resolution of the claims to maximize the recovery by avoiding further expenditure of attorneys’
23 fees and costs. After evaluating the significant risks attendant with further litigation described
24 above and weighing them against the benefits of a known compromise and settlement as set forth
25 in the Settlement Agreement, settlement on the terms agreed to is believed to be in the best
26 interest of Plaintiff and the Class, and is a fair and reasonable resolution of the claims alleged.

27 33. My office brought to bear a great deal of experience in negotiating the settlement
28 of this case. As detailed herein, my office engaged in the necessary discovery and investigation,

1 making it possible to exercise informed judgment throughout the settlement process, including
2 significant document review (e.g. documents pertaining to Defendants' policies and procedures,
3 personnel documents, among others), and conducted an extensive analysis of the detailed class-
4 wide data provided by Defendants.

5 34. Based on my experience in other cases, including wage and hour matters, I
6 believe I am qualified to evaluate the class claims and viability of defenses in this class action.
7 In this case, the recovery for each class member is reasonable, fair, and adequate, and a
8 settlement at this time is in the best interests of the class. The settlement provides each class
9 member with compensation for the alleged violations when viewed in relation to the costs and
10 risks inherent in obtaining class certification and proceeding to trial.

11 35. Plaintiff's counsel, as well as Defendants' counsel, fully endorse the terms and
12 conditions of the settlement as set forth in the abovementioned Settlement Agreement.

13 36. Of course, the settlement amount represents a compromise figure, taking into
14 account the various risks surrounding class certification and the merits of Defendants' asserted
15 defense. Nevertheless, the settlement provides for fair and adequate payments to the class
16 members, with no reversion to Defendants.

17 **PLAINTIFF'S REQUESTED ENHANCEMENT PAYMENT**

18 37. Plaintiff seeks an enhancement payment of \$10,000 for his service to the class,
19 which I believe is fair and warranted. Plaintiff came forward in an effort to effectuate a policy
20 and practice change that benefitted all other Class Members, and to recover unpaid wages. He
21 assumed significant risk in bringing this litigation—namely, had he lost, he would have been
22 ordered to pay Defendants' costs.

23 38. Plaintiff provided invaluable assistance to my office and the Class in this case,
24 including providing factual background for the Class Complaint; reviewing the litigation
25 documents; providing information and documents about Defendants' policies and practices;
26 participating in phone calls to discuss litigation and settlement strategy; drafting responses to
27 formal discovery; and reviewing the settlement documents. Plaintiff agreed to participate in this
28 case with no guarantee of personal benefit. At final approval, Plaintiff will submit a

1 comprehensive declaration setting forth all of the reasons why she believes that the service award
2 should be approved.

3 **ADEQUACY OF COUNSEL AND THE PROVISIONAL REASONABLENESS OF THE**
4 **REQUESTED FEES AND COSTS**

5 39. As set forth above, I have handled over 500 class and representative actions, have
6 been appointed as class counsel and have successfully resolved over half of those cases, and
7 many others remain pending and will successfully resolve in the future.

8 40. When this case was taken on a contingency fee basis, with my firm agreeing to
9 assume responsibility for all litigation costs, the ultimate result was far from certain. In the
10 course of this litigation, my firm paid all costs including filing fees, court costs, research fees,
11 and mediation costs. There was never a guarantee that we would recoup those expenditures.

12 41. It is my experience that attorney fee awards of one-third of a common fund
13 settlement is the standard in California. In this case, my firm agreed to seek one-third of the
14 Settlement Amount for attorneys' fees. Defendants do not oppose this fee request. The fee is
15 further warranted because it is within the range of reasonableness typically awarded in class
16 actions. The costs are reasonably capped at \$25,000 and will be based on the actual amount of
17 costs incurred at the time of final approval.

18 **SETTLEMENT ADMINISTRATOR**

19 42. The parties request that the Court appoint Phoenix Settlement Administrators to
20 serve as the Administrator. Phoenix is experienced in administering class action settlements and
21 has provided a proposal to administer this settlement for a total of \$4,500, which is attached
22 hereto as **Exhibit 4**.

23 **SUBMISSION TO THE LWDA**

24 43. Plaintiff has concurrently submitted the settlement and motion documents to the
25 LWDA in accordance with Labor Code § 2699(1)(2). The proof of submission is attached hereto
26 as **Exhibit 5**.

27 ///

28 ///

EXHIBITS AND CONCLUSION

44. A true and correct copy of the Settlement Agreement is attached as **Exhibit 1.**

45. A true and correct copy of the proposed Class Notice is attached hereto as **Exhibit**

2.

46. A true and correct copy of Plaintiff's letter to the LWDA is attached hereto as
Exhibit 3.

47. A true and correct copy of Phoenix's proposal to administer the Settlement is
attached as **Exhibit 4.**

48. A true and correct copy of the LWDA's confirmation of receipt of this Motion,
Declarations and exhibits is attached hereto as **Exhibit 5.**

49. For the foregoing reasons, it is respectfully requested that the Court grant
preliminary approval of the settlement as being fair, reasonable, and in the best interests of the
class, as well as preliminarily approve the requested attorneys' fees, costs, and enhancement
payment to the Class Representative.

I declare under penalty of perjury under the laws of the State of California that the
foregoing is true and correct. Executed on August 20, 2024, at Riverside, California.

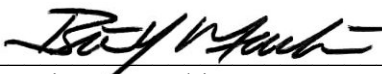
By: 
Brian J. Mankin, Esq.

EXHIBIT “1”

Brian J. Mankin, Esq. [CSB No. 216228]
brian@lmlfirm.com
Peter J. Carlson, Esq. [CSB No. 295611]
peter@lmlfirm.com
LAUBY, MANKIN & LAUBY LLP
5198 Arlington Avenue, PMB 513
Riverside, CA 92504
Tel: (951) 320-1444 | Fax: (951) 320-1445

Attorneys for Plaintiff, on a representative basis and on behalf of all others similarly situated

Mandeep S. Rupal (SBN 279664)
mrupal@rupallaw.com
Alexander W. Richter (SBN 333767)
alex@rupallaw.com
Natalie A. Antemate (SBN 346837)
natalie@rupallaw.com
LAW OFFICE OF MANDEEP S. RUPAL
4740 Green River Rd., Ste. 209
Corona, CA 92878
T: (951) 460-0830 | F: (951) 963-9920

Attorneys for Defendants
Hawk Transportation, Inc., Beant Bhangu, Jeet Singh, and Manprit Sandhu

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

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

Plaintiff,

vs.

HAWK TRANSPORTATION INC., a
California Corporation; BEANT BHANGU,
an Individual; JEET SINGH, an Individual;
MANPRIT SANDHU, an Individual; and
DOES 1 through 20, inclusive;

Defendants.

Case No.: CIVSB2303256
*[Assigned to Hon. Jessica Morgan, Dept S26,
for all purposes]*

**CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

1 This Class Action and PAGA Settlement Agreement and Release of Claims (the
2 “Agreement”) is entered into by and between Plaintiff Joshua Lorenz, individually and on behalf
3 of all others similarly situated, and on behalf of the State of California, and Defendants Hawk
4 Transportation, Inc., Beant Bhangu, Jeet Singh, and Manprit Sandhu, and is approved by their
5 respective counsel of record, subject to the terms and conditions hereof and the Court’s approval.

6 **A. Definitions**

7 1. “Action” or “Lawsuit” means and refers to the case entitled *Joshua Lorenz v.*
8 *Hawk Transportation, Inc.*, San Bernardino County Superior Court, Case No. CIVSB2303256,

9 2. “Administrator” means and refers to Phoenix Settlement Administrator, the
10 neutral third-party class action settlement administrator agreed to by the Parties, that will provide
11 the Notice to the Class Members and distribute the settlement amounts as described in this
12 Agreement.

13 3. “Administration Costs” means the costs payable from the Gross Settlement
14 Amount to the Administrator for its reasonable fees and expenses in administering this
15 Settlement, including, but not limited to, printing, distributing, and tracking documents for this
16 Settlement, tax reporting, and deposit of the employee and employer share of payroll taxes,
17 unclaimed property due diligence, reporting and remittance obligations, distributing the
18 Settlement Amount, and providing necessary reports and declarations, as requested by the
19 Parties. The Administration Costs shall be paid from the Gross Settlement Amount, including, if
20 necessary, any such costs in excess of the amount represented by the Administrator as being the
21 maximum costs necessary to administer the Settlement.

22 4. “Aggrieved Employee(s)” means all current and former California resident truck
23 drivers employed by Defendant Hawk Transportation, Inc., during the PAGA Period.

24 5. “Agreement” or “Settlement Agreement” or “Settlement” shall mean this Class
25 Action and PAGA Settlement Agreement and Release of Claims.

26 6. “Class” is defined all current and former California resident truck drivers
27 employed by Defendant Hawk Transportation, Inc., during the Class Period.

28 7. “Class Member(s)” refers to individual members of the Class.

1 8. “Class Counsel” refers to Brian Mankin and Peter Carlson of Lauby, Mankin &
2 Lauby LLP.

3 9. “Class Data” means a complete list that Defendants will diligently and in good
4 faith compile from their records and provide to the Administrator on one spreadsheet which shall
5 include, for each Class Member, the individual’s full name, last known address, Social Security
6 Number, dates of employment, and total Weeks Worked during the PAGA Period and the Class
7 Period.

8 10. “Class Period” is deemed to be any time during the period of April 7, 2019,
9 through May 8, 2024.

10 11. “Class Representative” or “Plaintiff” means and refers to Plaintiff Joshua Lorenz.

11 12. “Complaint” refers to the operative first amended class and PAGA representative
12 action complaint filed in the Action.

13 13. “Court” (or “Judge”) means the California Superior Court, County of San
14 Bernardino.

15 14. “Defendants” means and refers to Hawk Transportation, Inc., Beant Bhangu, Jeet
16 Singh, and Manprit Sandhu.

17 15. “Defense Counsel” means and refers to The Law Office of Mandeep S. Rupal.

18 16. “Effective Date” means the latest of the following dates: (i) if no Class Member
19 timely and properly intervenes, or files a motion to vacate the judgment approving the Settlement
20 Agreement under Code of Civil Procedure § 663, then 60 days following the date of the Court’s
21 Notice of Entry of Order regarding Final Approval of the Settlement and the judgment is final;
22 (ii) if a Class Member intervenes, or files a motion to vacate the judgment approving the
23 Settlement Agreement, then sixty-one (61) calendar days following the date the Court enters an
24 order granting Final Approval, assuming no appeal is filed; or (iii) if a timely appeal is filed, then
25 the date of final resolution of that appeal or other collateral attack (including any requests for
26 rehearing and/or petitions for *certiorari*), resulting in final judicial approval of the Settlement.

27 17. “Escalator Clause:” Defendants represent that there are 31 Class Members who
28 worked during the Class Period. If the total number of Class Members during the Class Period

exceeds 35, then the Settlement Amount shall increase by \$6,774.19 (the Settlement Amount divided by 31) for each Class Member above 35.

18. “Final Approval” refers to the order of the Court granting final approval of this Settlement Agreement and entering a judgment approving this Agreement on substantially the terms provided herein or as may be modified by subsequent agreement of the Parties.

19. “Individual Class Payment” refers to each Participating Class Members share of the Net Settlement Amount, as further discussed in Paragraph 47(c) below.

20. “Individual PAGA Payment” refers to each Aggrieved Employees share of the PAGA Penalties, as further discussed in Paragraph 47(c) below.

21. “Net Settlement Amount” shall have the meaning ascribed to it in Paragraph 47(b) below.

22. “Notice” means the notice of proposed class settlement that will be mailed to the Class Members, and which will advise each Class Member of the settlement and his or her estimated Individual Class Payment and Individual PAGA Payment and will further advise of the setting of a Final Approval Hearing.

23. “Objecting Class Member” means a Class Member, other than Plaintiff, who submits a valid and timely objection to the terms of this Agreement, pursuant to Paragraph 68(c) below.

24. “PAGA Penalties” means the amount that the Parties have agreed to pay to the Labor and Workforce Development Agency (“LWDA”) in connection with the California Labor Code Private Attorneys General Act of 2004 (Cal. Lab. Code §§ 2698, *et seq.*, “PAGA”), as well as the individual PAGA payment allocated to each Aggrieved Employee.

25. “PAGA Period” is deemed to be any time during the period of April 7, 2022, through May 8, 2024.

26. “Participating Class Member” means any and all Class Members who are deemed to participate and receive an Individual Class Payment and do not opt-out by submitting timely valid Requests for Exclusion.

27. “Parties” means Plaintiff and Defendants, collectively.

1 28. “Preliminary Approval Date” means the date the Court approves the Settlement
2 Agreement and enters the Preliminary Approval Order.

3 29. “Preliminary Approval Order” means the proposed judicial Order Granting
4 Preliminary Approval of the Settlement to be entered by the Court, upon the application or
5 motion of Plaintiff, preliminarily approving this Settlement and providing for the issuance of the
6 Notice to the Class, an opportunity to opt out of the Settlement, an opportunity to submit timely
7 objections to the Settlement, and setting a final approval hearing on the fairness of the terms of
8 Settlement, including approval of attorneys’ fees and costs. Provided that the motion is
9 consistent with the terms herein, Defendants will not object to Plaintiff’s motion for preliminary
10 approval but will be provided with an opportunity to review and comment upon the motion
11 before it is filed.

12 30. “QSF” means the Qualified Settlement Fund set up by the Administrator for the
13 benefit of the Participating Class Members and Aggrieved Employees, and from which the
14 settlement payments shall be made.

15 31. “Released Class Claims” or “Class Claims” by the Participating Class Members
16 upon Final Approval of the Settlement will include all claims stated in the Complaint and those
17 based solely upon the facts in the Complaint, including: (1) failure to pay minimum wages, (2)
18 failure to pay for rest and recovery periods and other nonproductive time under Labor Code §
19 226.2, (3) failure to reimburse business expenses, (4) unlawful deduction of wages, (5) failure to
20 timely pay final wages, (6) failure to provide accurate itemized wage statements, and (7) unfair
21 and unlawful competition.

22 32. “Released PAGA Claims” or “PAGA Claims” means all PAGA claims that
23 Plaintiff alleged against the Released Parties, based on the facts stated in the relevant LWDA
24 notice letters and only to the extent that they are alleged in the Complaint, including all PAGA
25 claims seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure to
26 pay for rest and recovery periods and other nonproductive time under Labor Code § 226.2, (3)
27 failure to reimburse business expenses, (4) unlawful deduction of wages, (5) failure to timely pay
28 wages each period, (6) failure to timely pay final wages, (7) failure to provide accurate itemized

1 wage statements, and (8) all other claims for civil penalties recoverable under the Private
2 Attorneys General Act, Labor Code §§ 2698 et seq. based on the facts or claims alleged in the
3 LWDA notice letters and Complaint. The time period governing the PAGA Released Claims
4 shall be the PAGA Period.

5 33. “Released Parties” means Defendants, together with their officers, directors,
6 employees, and agents.

7 34. “Release Period” shall be the time period governing the Released Class Claims,
8 which shall be the same as the Class Period.

9 35. “Response Deadline” is 30 calendar days from the date the Notice is mailed to the
10 Class Members, and shall be the last date on which Class Member may: (a) mail Requests for
11 Exclusion from the Settlement, or (b) mail his/her/their Objection to the Settlement. Class
12 Members to whom notice packets are resent after having been returned undeliverable to the
13 Administrator shall have an additional 14 calendar days beyond the Response Deadline or an
14 additional 14 calendar days from the date of re-mailing, whichever is later.

15 36. “Request for Exclusion” shall have the meaning ascribed to it in Paragraph 68(a)
16 below.

17 37. “Settlement Amount” is \$210,000.00, which is the total amount Defendants agree
18 to pay under the Settlement, subject to the Escalator Clause and exclusive of Defendants’
19 obligation to fund their share of payroll taxes, as further discussed in Paragraph 47(c) below.

20 38. “Service Payment” or “Service Award” means the amount approved by the Court
21 to be paid to the Class Representative in addition to his Individual Class Payments as a
22 Participating Class Member and Individual PAGA Payment as an Aggrieved Employee.

23 39. “Work Weeks” or “Weeks Worked” in the context of a Class Member means any
24 and all Work Weeks during the Class Period during which the Class Member worked at least one
25 day in California for Defendant. Likewise, in the context of Aggrieved Employees, it means any
26 and all weeks worked during the PAGA Period during which the Aggrieved Employee worked at
27 least one day in California for Defendant.
28

1 **B. General Terms**

2 40. On April 7, 2023, Plaintiff filed a putative class action complaint against
3 Defendant Hawk Transportation in San Bernardino County Superior Court. Plaintiff later filed a
4 first amended complaint, alleging putative class and representative PAGA claims against
5 Defendants, including the Released Class Claims and Released PAGA Claims.

6 41. On May 8, 2024, the Parties attended private mediation with Glenn Lerman, Esq.
7 Although the matter did not resolve at mediation, the Parties engaged in continued negotiations
8 through the mediator and ultimately reached this Settlement on June 10, 2024.

9 42. Defendants deny Plaintiff's claims and allegations and contends that the Action is
10 not suitable for class certification. The Court has not granted class certification.

11 43. The Class Representative believes he can proceed with the representative and
12 class claims, that the Action is meritorious, and that class certification is appropriate.

13 44. The Parties have conducted a thorough investigation into the facts of the Action.
14 This includes conducting formal written discovery, engaging in a lengthy meet and confer
15 process, and then an exchange of informal discovery for mediation. Class Counsel is both
16 knowledgeable about and has done extensive research with respect to the applicable law and
17 potential defenses to the claims of the Class. Class Counsel has diligently pursued an
18 investigation of the Class Members' claims against Defendants. Based on the foregoing data and
19 on their own independent investigation and evaluation, Class Counsel is of the opinion that the
20 settlement with Defendants for the consideration and on the terms set forth in this Settlement
21 Agreement is fair, reasonable, and adequate and is in the best interest of the Class Members in
22 light of all known facts and circumstances, including the risk of significant delay and uncertainty
23 associated with litigation, various defenses asserted by Defendants, and numerous potential
24 appellate issues.

25 45. The Parties agree that neither the Parties' Settlement, this Agreement, nor the acts
26 to be performed or judgment to be entered pursuant to the terms of the Settlement and
27 Agreement, shall be construed as an admission by Defendants of any wrongdoing or violation of
28 any statute or law or liability on the claims or allegations in the Action.

1 46. Stipulation for Class Certification. For settlement purposes only, Defendants will
2 stipulate that the Participating Class Members may be conditionally certified as a Class. This
3 stipulation to certification is in no way an admission that class action certification is proper and
4 shall not be admissible in this or in any other action except for the sole purposes of enforcing this
5 Agreement. Should, for whatever reason, the Court fail to issue Final Approval, the Parties’
6 stipulation to class certification as part of the Settlement shall become null and void *ab initio* and
7 shall have no bearing on, and shall not be admissible in connection with, the issue of whether
8 certification would be appropriate in a non-settlement context. Defendants expressly reserve
9 their rights and declare that they would continue to oppose class certification and the substantive
10 merits of the case should the Court fail to issue Final Approval. Plaintiff expressly reserves his
11 rights and declares that he will continue to pursue class certification and a trial should the Court
12 fail to issue Final Approval.

13 **C. Terms of Settlement**

14 47. The financial terms of the Settlement are as follows:

15 (a) Settlement Amount: The Parties agree to settle this Action for the
16 Settlement Amount of \$210,000.00, subject to the Escalator Clause and Defendants’ obligation
17 to separately pay the share of payroll taxes owed on the wage portion of the Individual Class
18 Payments, which is the maximum amount that will be paid by Defendants and includes
19 Individual Class Payments, Class Counsel’s Attorneys’ Fees and Costs Award, the Service
20 Payments to the Class Representatives, Administration Costs, and PAGA Penalties.

21 (b) Net Settlement Amount: The “Net Settlement Amount” is defined as the
22 Settlement Amount less the Attorneys’ Fees and Costs Award, the Service Payment to the Class
23 Representative as awarded by the Court, the Administration Costs, and PAGA Penalties. If the
24 Court reduces the Attorneys’ Fees and Costs Award, Service Award, or Administrator Costs, or
25 either increases or decreases the amount allocated to the PAGA Penalties, the difference shall be
26 placed in the Net Settlement Amount and allocated to the Participating Class Members.

27 (c) Individual Class Payments for the Class will be calculated and apportioned
28 from the Net Settlement Amount based on the number of Weeks Worked by a Class Member

1 during the Class Period. Each specific Individual Class Payment will be calculated by: (a)
2 dividing the Net Settlement Amount by the total number of Weeks Worked by all Participating
3 Class Members during the Class Period, and (b) multiplying the result by each Participating
4 Class Members' Weeks Worked. The entire Net Settlement Amount will be disbursed to all
5 Participating Class Members. If there are any valid and timely Requests for Exclusion, the
6 Settlement Administrator shall proportionally increase the Individual Class Payment for each
7 Participating Class Member according to the number of Weeks Worked, so that the amount
8 actually distributed to Participating Class Members equals one hundred percent (100%) of the
9 Net Settlement Amount.

10 (d) Allocation of Individual Class Payments: The Individual Class Payments
11 to Participating Class Members shall be allocated as twenty percent (20%) as wages subject to
12 withholding of all applicable local, state and federal taxes, and eighty percent (80%) for interest
13 and statutory penalties (pursuant to, *e.g.*, California Labor Code sections 203, 210, 226) from
14 which no taxes will be withheld. The Settlement Administrator will issue to each Participating
15 Class Member (as applicable) an Internal Revenue Service Form W-2 and comparable state
16 forms with respect to the wage allocation and/or a Form 1099 with respect to the penalties and
17 interest allocations.

18 (e) Service Payment to Class Representative: The amount, if any, awarded to
19 the Class Representative as a Service Payment will be set by the Court in its discretion, not to
20 exceed \$10,000, in exchange for the services that Plaintiff performed on behalf of the Class.
21 Defendants agrees not to oppose this request. The Service Payment to the Class Representative
22 will be paid out of the Settlement Amount. The Class Representative will be issued an IRS Form
23 1099 in connection with these payments and shall be solely and legally responsible to pay all
24 applicable taxes on this payment. The Parties agree that any amount awarded as the Service
25 Payments to the Class Representatives less than the requested amount shall not be a basis for
26 Class Counsel to void this Settlement Agreement. Should the Court approve a lesser amount for
27 the Service Payment, the difference shall be added to the Net Settlement Amount to be
28 distributed to the Participating Class Members.

1 (f) Attorneys' Fees and Costs Award: Defendants agree to not oppose a
2 request by Class Counsel to the Court for an award of attorneys' fees of one-third of the
3 Settlement Amount, plus reasonable litigation costs not to exceed \$25,000 ("Attorneys' Fees and
4 Cost Award"). Defendants agree not to oppose any contention by Class Counsel that attorneys'
5 fees should be based on the common fund theory. The Attorneys' Fee and Cost Award shall be
6 paid from the Settlement Amount, and, except for this award, Defendants shall have no further
7 obligation to pay any attorneys' fees, costs, or expenses to Class Counsel. Should the Court
8 approve a lesser amount than what is sought by Class Counsel, the difference shall be added to
9 the Net Settlement Amount to be distributed to the Participating Class Members. Any Court
10 order awarding less than the amount sought by Class Counsel shall not be grounds to rescind the
11 Settlement Agreement or otherwise void the Settlement. The Administrator shall issue to Class
12 Counsel an IRS Form 1099 reflecting the attorneys' fees and costs awarded by the Court.

13 (g) Administration Costs: The fees and other charges of the Administrator
14 will be paid from the Settlement Amount, not to exceed \$4,500, unless (1) the Escalator Clause
15 is triggered (whereby any reasonable increase in Settlement Administration Costs shall be paid
16 from the increased Settlement Amount, subject to Court approval), or (2) as otherwise approved
17 by all Parties and the Court.

18 (h) PAGA Penalties: The Parties agree that \$10,000 is allocated to PAGA
19 Penalties, and is to be paid from the Settlement Amount, subject to Court approval. Of this
20 amount, \$7,500 (75%) shall be paid to the LWDA in satisfaction of civil penalties under the
21 Private Attorney General Act of 2004 ("PAGA") and \$2,500 (25%) will form the Individual
22 PAGA Payments to the Aggrieved Employees, which shall be calculated and allocated pro-rata
23 on a Work Week basis, which will be treated as civil penalties and shall be reported as required
24 on an IRS Form 1099. Class Counsel shall give proper notice to the LWDA of the Settlement.

25 (i) Tax Liability: Class Counsel and Defendants make no representations as
26 to the tax treatment or legal effect of settlement amounts called for hereunder, and Plaintiff and
27 the Class Members are not relying on any statement or representation by Class Counsel or
28 Defendants in this regard. Plaintiff, Participating Class Members, and Aggrieved Employees

1 understand and agree that they will be solely responsible for the payment of any taxes and
2 penalties assessed on their respective Individual Class Payments and Individual PAGA
3 Payments, described herein. Forms 1099 will be distributed in the manner required by the
4 Internal Revenue Code of 1986 (the “Code”) and consistent with this Agreement. If the Code,
5 the regulations promulgated thereunder, or other applicable tax law, is changed after the date of
6 this Agreement, the processes set forth in this Section may be modified in a manner to bring
7 Defendants into compliance with any such changes. Plaintiff, Participating Class Members, and
8 Aggrieved Employees understand and agree that they will be solely responsible for the payment
9 of any taxes and penalties assessed on their respective payments described herein.

10 (j) CIRCULAR 230 DISCLAIMER. EACH PARTY TO THIS
11 AGREEMENT (FOR PURPOSES OF THIS SECTION, THE “ACKNOWLEDGING PARTY”
12 AND EACH PARTY TO THIS AGREEMENT OTHER THAN THE ACKNOWLEDGING
13 PARTY, AN “OTHER PARTY”) ACKNOWLEDGES AND AGREES THAT (1) NO
14 PROVISION OF THIS AGREEMENT, AND NO WRITTEN COMMUNICATION OR
15 DISCLOSURE BETWEEN OR AMONG THE PARTIES OR THEIR ATTORNEYS AND
16 OTHER ADVISERS, IS OR WAS INTENDED TO BE, NOR SHALL ANY SUCH
17 COMMUNICATION OR DISCLOSURE CONSTITUTE OR BE CONSTRUED OR BE
18 RELIED UPON AS, TAX ADVICE WITHIN THE MEANING OF UNITED STATES
19 TREASURY DEPARTMENT CIRCULAR 230 (31 CFR PART 10, AS AMENDED); (2) THE
20 ACKNOWLEDGING PARTY (A) HAS RELIED EXCLUSIVELY UPON HIS, HER OR ITS
21 OWN, INDEPENDENT LEGAL AND TAX COUNSEL FOR ADVICE (INCLUDING TAX
22 ADVICE) IN CONNECTION WITH THIS AGREEMENT, (B) HAS NOT ENTERED INTO
23 THIS AGREEMENT BASED UPON THE RECOMMENDATION OF ANY OTHER PARTY
24 OR ANY ATTORNEY OR ADVISOR TO ANY OTHER PARTY, AND (C) IS NOT
25 ENTITLED TO RELY UPON ANY COMMUNICATION OR DISCLOSURE BY ANY
26 ATTORNEY OR ADVISER TO ANY OTHER PARTY TO AVOID ANY TAX PENALTY
27 THAT MAY BE IMPOSED ON THE ACKNOWLEDGING PARTY; AND (3) NO
28 ATTORNEY OR ADVISER TO ANY OTHER PARTY HAS IMPOSED ANY LIMITATION

1 THAT PROTECTS THE CONFIDENTIALITY OF ANY SUCH ATTORNEY’S OR
2 ADVISER’S TAX STRATEGIES (REGARDLESS OF WHETHER SUCH LIMITATION IS
3 LEGALLY BINDING) UPON DISCLOSURE BY THE ACKNOWLEDGING PARTY OF
4 THE TAX TREATMENT OR TAX STRUCTURE OF ANY TRANSACTION, INCLUDING
5 ANY TRANSACTION CONTEMPLATED BY THIS AGREEMENT.

6 (k) “Non-Reversionary” Settlement. This is a “non-reversionary” settlement.
7 Under no circumstances will any portion of the Settlement Amount revert to Defendants.
8 Participating Class Members and Aggrieved Employees will not have to make a claim in order to
9 receive an Individual Class Payment or Individual PAGA Payment. Distributions, in the form of
10 Individual Class Payment or Individual PAGA Payments will be made directly to each
11 Participating Class Member and Aggrieved Employee. The Administrator shall be responsible
12 for accurately and timely reporting and remittance obligations with respect to unclaimed funds as
13 a result of a Participating Class Member and/or Aggrieved Employee not cashing any checks
14 delivered pursuant to the Settlement by the check cashing deadline, as set forth herein.

15 (l) Class Counsel and Plaintiff believe that the Settlement is fair and
16 reasonable and will so represent same to the Court.

17 **D. Release by the Participating Class Members**

18 48. Upon entry of the Final Approval Order and Defendants’ funding of the
19 Settlement Amount and the required employer-side payroll taxes, and except as to such rights or
20 claims as may be created by this Agreement, Plaintiff and the Participating Class Members will
21 forever completely release and discharge the Released Parties from the Released Class Claims
22 for the Class Period.

23 49. Each Participating Class Member will be deemed to have made the foregoing
24 release of the Released Class Claims as if by manually signing it.

25 50. Class Representative, on behalf of himself and the Class, acknowledges and
26 agrees that the claims for unpaid wages and untimely payment of wages in the Action are
27 disputed, and that the payments set forth herein constitute payment of all sums allegedly due to
28 them. Class Representative, on behalf of himself and the Class, acknowledges and agrees that

1 Labor Code § 206.5 is not applicable to the Parties or Settlement. Labor Code § 206.5 provides
2 in pertinent part as follows: “An employer shall not require the execution of any release of any
3 claim or right on account of wages due, or to become due, or made as an advance on wages to be
4 earned, unless payment of those wages has been made.”

5 **E. Release of PAGA Claims**

6 51. Upon entry of the Final Approval Order and Defendants’ funding of the
7 Settlement Amount and the required employer-side payroll taxes, and except as to such rights or
8 claims as may be created by this Agreement, Plaintiff and Aggrieved Employees will forever
9 completely release and discharge the Released Parties from the Released PAGA Claims for the
10 Release Period

11 52. Regardless of submitting a valid Request for Exclusion, neither Plaintiff nor any
12 Aggrieved Employee shall have the right to opt-out or otherwise exclude themselves from
13 releasing the Released PAGA Claims.

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

16 **F. Release by Plaintiff and Class Representative**

17 54. The Class Representative does hereby, for himself and his spouses, heirs,
18 successors, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators,
19 guardians, personal representatives, and assigns forever and completely release and discharge
20 Defendants and the Released Parties from any and all charges, complaints, claims, liabilities,
21 obligations, promises, agreements, controversies, damages, actions, causes of action, suits,
22 rights, demands, costs, losses, debts, and expenses (including back wages, statutory penalties,
23 civil penalties, liquidated damages, exemplary damages, interest, attorneys’ fees, and costs) of
24 any nature whatsoever, from the beginning of time through the execution of this Agreement,
25 whether known or unknown, suspected or unsuspected, all claims arising out of, based upon, or
26 relating to Class Representative’s employment with Defendants or the remuneration for or
27 termination of such employment (the “Class Representative’s Claims”). The Release of Class
28

1 Representative's Claims is expressly conditioned on and subject to the terms of the separate
2 individual settlement agreements entered into by and among Plaintiff and Defendants.

3 55. Without limiting the generality of the foregoing, this general release by Plaintiff
4 includes all federal, state and local statutory claims, federal and state common law claims
5 (including but not limited to those for contract, tort and equity), including without limitation the
6 Americans with Disabilities Act, Age Discrimination in Employment Act, Title VII of the Civil
7 Rights Act of 1964 (as amended), 42 USC sec. 1981, 42 USC sec. 1983, the Fair Labor
8 Standards Act, the Employment Retirement Security Income Act of 1974, the California
9 Constitution, the California Fair Employment and Housing Act, the California Unfair
10 Competition Act (California Business and Professions Code section 17200 et seq.), and the
11 California Labor Code.

12 56. Plaintiff agrees that there is a risk that any injury that he may have suffered by
13 reason of Defendants and the Released Parties' relationship with them might not now be known,
14 and there is a further risk that said injuries, whether known or unknown at the date of this
15 Settlement Agreement, might possibly become progressively worse, and that as a result thereof
16 further damages may be sustained. Nevertheless, Plaintiff agrees to forever and fully release and
17 discharge Defendants and the Released Parties, and understands that by the execution of this
18 Settlement Agreement no further claims for any such injuries that existed at the time of the
19 execution of this Settlement Agreement may ever be asserted by Plaintiff with respect to claims
20 arising in the time period from the beginning of time to the execution of this Settlement
21 Agreement.

22 57. Plaintiff expressly waives and relinquishes all rights and benefits afforded by
23 Section 1542 of the Civil Code of the State of California and does so understanding and
24 acknowledging the significance of the waiver of Section 1542. Section 1542 of the Civil Code
25 of the State of California states:

26 **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS**
27 **THAT THE CREDITOR OR RELEASING PARTY DOES**
28 **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

1 **MATERIALLY AFFECTED HIS OR HER SETTLEMENT**
2 **WITH THE DEBTOR OR RELEASED PARTY.**

3 Notwithstanding the provisions of Section 1542, and for the purpose of implementing a
4 full and complete release and discharge of all parties, Plaintiff expressly acknowledges that this
5 Settlement Agreement is intended to include in its effect, without limitation, all claims that
6 Plaintiff knew of, as well as all claims that they do not know or suspect to exist in his favor
7 arising out of, based upon, or relating to Class Representative's employment with Defendants
8 and against the Released Parties, or any of them, for the time period from the beginning of time
9 to the execution of this Settlement Agreement, and that this Settlement Agreement contemplates
10 the extinguishment of any such Class Representative's Claims. Notwithstanding the above, the
11 general release by the Plaintiff shall not extend to claims for workers' compensation benefits,
12 claims for unemployment benefits, claims for state disability benefits, or other claims that may
13 not be released by law.

14 **G. Interim Stay of Proceedings**

15 58. Pending completion of all of the prerequisites necessary to effectuate this
16 Settlement, the Parties agree, subject to Court approval, to a stay of all proceedings in the Action
17 except such as is necessary to effectuate the Settlement.

18 **H. Notice Process and Settlement Administration**

19 59. Appointment of Administrator. The Parties have agreed to the appointment of the
20 Administrator to perform the duties of a settlement administrator, including mailing the Notice,
21 using standard devices to obtain forwarding addresses, independently reviewing and verifying
22 documentation associated with any claims or opt-out requests, resolving any disputes regarding
23 the calculation or application of the formula for determining the Individual Class Payment and
24 Individual PAGA Payments, drafting and mailing the settlement checks to Participating Class
25 Members and Aggrieved Employees, issuing all necessary tax forms, and performing such other
26 tasks as set forth herein or as the Parties mutually agree or that the Court orders. The Parties
27 have verified that as condition of appointment, the Administrator agrees to be bound by this
28

1 Agreement, and to perform, as a fiduciary, all duties specified in this Agreement in exchange for
2 payment of the Administration Costs.

3 60. Disputes Regarding Administration. Any and all disputes relating to
4 administration of the Settlement by the Administrator (except for disputes regarding Class Data)
5 shall be referred to the Court, if necessary, which will have continuing jurisdiction over the terms
6 and conditions of this Agreement, until Plaintiff and Defendants notify the Court that all
7 payments and obligations contemplated by this Agreement have been fully carried out. Prior to
8 presenting any issue to the Court, counsel for the Parties will confer in good faith to resolve the
9 dispute without the necessity of Court intervention. The Administrator shall also be responsible
10 for issuing to Plaintiff, Participating Class Members, and Aggrieved Employees, and Class
11 Counsel any Tax Forms as may be required by law for all amounts paid pursuant to this
12 Agreement.

13 61. Class Data. Within fourteen (14) calendar days after entry of the Preliminary
14 Approval Order, Defendants shall provide the Class Data to the Settlement Administrator. The
15 Settlement Administrator will run a check of the Class Members' addresses against those on file
16 with the U.S. Postal Service's National Change of Address List. The Class Data provided to the
17 Settlement Administrator will remain confidential and will not be used or disclosed to anyone,
18 except as required by applicable tax authorities, pursuant to Defendants' express written consent,
19 or by order of the Court. Although Class Counsel will not be provided with the list of Class Data,
20 nothing herein shall prevent Class Counsel from communicating with Class Members regarding
21 the Action and Settlement.

22 62. Total Class Members. At least five (5) calendar days prior to mailing the Notice,
23 the Administrator shall provide a spreadsheet to Class Counsel and Defense Counsel containing
24 a preliminary calculation of all payments to be paid from the Settlement Amount, including the
25 estimated Individual Class Payments to each Class Member and Individual PAGA Payments to
26 each Aggrieved Employee (a person's name shall be redacted and a control number used in place
27 of the name). In the event that the total number of Class Members triggers the Escalator Clause,
28 the Administrator shall notify the Parties of the increased Settlement Amount, and shall modify

the Notice (where needed) to reflect the increased Settlement Amount and related increased payments from the Settlement Amount, including increased Attorneys' Fees and Costs and any increased Administration Costs, all of which shall be subject to Court approval.

63. Notice to Class Members. The Notice, as approved by the Court, shall be sent by the Administrator to the Class Members, by first class mail, in English and Spanish, within ten (10) calendar days following the Administrator's receipt of the Class Data. The Administrator shall use standard devices, including a skip trace, to obtain forwarding addresses of Class Members if any envelopes are returned.

64. Returned Notice Packets. The Administrator will take steps to ensure that the Notice is received by all Class Members, including utilization of the National Change of Address Database maintained by the United States Postal Service to review the accuracy of and, if possible, update a mailing address. Notices will be re-mailed to any Class Member for whom an updated address is located within ten (10) calendar days following both the Administrator learning of the failed mailing and its receipt of the updated address. The Notice shall be identical to the original Notice, except that it shall notify the Class Member that the exclusion (opt-out) request or objection must be returned by the later of the Response Deadline or fifteen (15) days after the remailing of the Notice.

65. Presumption Regarding Receipt of Notice. It will be conclusively presumed that if an envelope has not been returned to Administrator by the Response Deadline that the Class Member received the Notice.

66. Disputes Regarding Class Data. Class Members are deemed to participate in the Settlement unless they wish to exclude themselves (opt-out). Aggrieved Employees may not opt out of the Released PAGA Claims. The Notice will inform Class Members of his/her estimated Individual Class Payment and Individual PAGA Payment, as well as the number of weeks he/she worked during the Class Period and the PAGA Period. Class Members may dispute their Weeks Worked by timely submitting evidence to the Settlement Administrator. Defendants' records will be presumed determinative absent reliable evidence to rebut Defendants' records, but the Administrator will evaluate the evidence submitted by the Class Member and provide the

evidence submitted to Class Counsel and Defense Counsel who agree to meet and confer in good faith about the evidence to determine the Class Member's actual number of Work Weeks, and estimated Individual Class and PAGA Payments. If Class Counsel and Defense Counsel are unable to agree, they agree to submit the dispute to the Court to render a final decision. Class Members and Aggrieved Employees will have until the Response Deadline to dispute Weeks Worked, object or opt out, unless extended by the Court.

67. Declaration of Due Diligence. The Administrator shall provide counsel for the Parties, at least 25 days prior to the final approval hearing, a declaration of due diligence and proof of mailing with regard to the mailing of the Notice. The Administrator's declaration of due diligence shall be suitable for filing in Court and attest to the Administrator's due diligence and compliance with all of its obligations under this Agreement, including but not limited to, its mailing of the Class Notice, the Class Notices returned as undelivered, the re-mailing of Class Notices, attempts to locate Class Members, the total number of Requests for Exclusion from Settlement it received, the number of written objections, and attach the objections and a list of the employees that opted-out (if any.). The Administrator will supplement its declaration as needed or requested by the Parties and/or the Court. Class Counsel is responsible for filing the Administrator's declaration(s) in Court.

68. Class Members' Rights. Each Class Member will be fully advised of the Settlement, the ability to timely object to the settlement, and the ability to timely opt-out or timely request exclusion from the Class Claims portion of the Settlement. The Notice will inform the Class Members of the Court-established deadlines for filing objections or requesting exclusion from the Settlement in accordance with the following guidelines:

(a) Requests for Exclusion from Class. Any Class Member, other than Plaintiff, may request to be excluded from the Class by submitting a "Request for Exclusion" to the Administrator, postmarked on or before the Response Deadline. To be valid, the Request for Exclusion must be timely postmarked by the Response Deadline. The Request for Exclusion should state:

1 “I WISH TO BE EXCLUDED FROM THE CLASS IN THE
2 HAWK TRANSPORTATION LAWSUIT. I UNDERSTAND
3 THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT
4 CLASS, I WILL NOT RECEIVE MY INDIVIDUAL CLASS
5 PAYMENT FROM THIS LAWSUIT.”

6 To be valid, any Request for Exclusion must include the full name, address, telephone
7 number, last four digits of the social security number or date of birth, and signature of the Class
8 Member requesting exclusion. The Request for Exclusion must be returned by mail to the
9 Administrator at the specified address set forth in the Notice. Any such Request must be made in
10 accordance with the terms set forth in the Notice. A Request for Exclusion via mail will be
11 timely only if postmarked by the Response Deadline, unless the Parties otherwise agree in
12 writing. Any Class Member who timely requests exclusion in compliance with these
13 requirements: (i) will not have any rights under this Agreement, including the right to object,
14 appeal or comment on the Settlement; (ii) will not be entitled to receive the Individual Class
15 Payment under this Agreement; and (iii) will not be bound by this Agreement, or the Judgment.
16 Any Class Member who is an Aggrieved Employee who requests timely exclusion will still be
17 subject to the Released PAGA Claims to the fullest extent permitted by law and receive an
18 Individual PAGA Payment. All Parties and their counsel, including Defendants and their agents
19 and employees, shall not encourage or solicit opt-outs or objections, directly or indirectly,
20 through any means.

21 (b) Binding Effect on Participating Class Members. All Participating Class
22 Members will: (i) be bound by the terms and conditions of this Agreement, the Judgment, and
23 the releases set forth herein; and (ii) except as otherwise provided herein, will be deemed to have
24 waived all objections and oppositions to the fairness, reasonableness, and adequacy of the
25 Settlement.

26 (c) Objections to Settlement. Only Participating Class Members may object
27 to the class action components of the Settlement and/or this Agreement. Any Participating Class
28 Member, other than Plaintiff, who does not submit a valid and timely Request for Exclusion may
29 object to the terms of this Agreement. To object, a Participating Class Member shall inform the

1 Administrator, in writing, of his or her objection which must be postmarked by the Response
2 Deadline at the address set forth in the Notice. Such written objection shall include the
3 Objecting Class Member's full name, address, telephone number, last four digits of the social
4 security number or date of birth, signature, and dates of employment with Defendants, in
5 addition to the case name and number, the basis for the objection, including any legal support
6 and each specific reason in support of the objection, as well as any documentation or evidence in
7 support thereof, and, if the Objecting Participating Class Member is represented by counsel, the
8 name and address of his or her counsel. The Administrator shall provide objections, if any, to
9 Class Counsel and Defense Counsel within three (3) calendar days of receipt, and the
10 Administrator shall attach the same to its declaration of due diligence and file with the Court
11 prior to the Final Approval Hearing. An Objecting Class Member remains eligible to receive
12 monetary compensation from the Settlement. Plaintiff and Defendants shall not be responsible
13 for any fees, costs, or expenses incurred by an Objecting Class Member and/or his or her counsel
14 related to any objections to the Settlement. In the alternative, Participating Class Members may
15 appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final
16 Approval hearing. Submitting an objection does not preserve the right to appeal a final
17 judgment; the right to appeal is preserved by becoming a party of record by timely and properly
18 intervening or filing a motion to vacate the judgment under Code of Civil Procedure § 663.

19 (d) Failure to Object. Any Participating Class Member who does not timely
20 and properly become a party of record by objecting or filing a motion to vacate the judgment
21 waives any and all rights to appeal from the Judgment, including all rights to any post-judgment
22 proceeding and appellate proceeding, such as a motion to vacate judgment, motion for new trial,
23 a motion under California Code of Civil Procedure section 473, and extraordinary writs.

24 (e) Responses to Objections. Each Party retains the right to response to any
25 objection raise by a Participating Class Member, including the right to file responsive documents
26 in Court. Counsel for the Parties may file a response to any objections submitted by an Objecting
27 Participating Class Member at least five (5) court days before the date of the Final Approval
28 Hearing, or as otherwise ordered or accepted by the Court.

1 (f) Participating Class Members will have until the Response Deadline to
2 object or submit a Request for Exclusion to the Administrator by U.S. Mail. The Administrator
3 shall disclose jointly to Class Counsel and Defense Counsel what objections or Requests for
4 Exclusion were timely submitted on a weekly basis, and upon the request of Class Counsel or
5 Defense Counsel.

6 69. Funding of the Gross Settlement Amount. Defendants shall deposit the Gross
7 Settlement Amount, plus Defendants' share of payroll taxes owed on Individual Class Payments,
8 with the Administrator by the later of April 1, 2025, or 15 days after the Effective Date.

9 70. Distribution of Funds. No later than ten (10) calendar days after the deposit of the
10 Settlement Amount by Defendant, the Settlement Administrator shall mail the Individual Class
11 Payments to the Participating Class Members, the Individual PAGA Payments to the Aggrieved
12 Employees, the payment to Class Counsel for the Attorneys' Fees and Costs Award, any Service
13 Payment to the Class Representative, the payment to the LWDA for PAGA Penalties, mail to the
14 Aggrieved Employees their portion of the PAGA Penalties, and will pay itself the Settlement
15 Administration Costs.

16 71. Deadline for Cashing Settlement Checks. Participating Class Members and
17 Aggrieved Employees shall have 180 calendar days after mailing by the Settlement
18 Administrator to cash their settlement checks. The release will be binding upon all Participating
19 Class Members who do not cash their checks within the 180-day period. In the event that any
20 settlement check is returned to the Settlement Administrator within 180 days of mailing, the
21 Settlement Administrator will, within five (5) business days of receipt of the returned settlement
22 check, perform a skip trace to locate the individual, and notify Defense Counsel and Class
23 Counsel of the results. If a new address is located by these means, the Administrator will have
24 ten (10) business days to re-issue the check. Neither Defendant, Defense Counsel, Class
25 Counsel, Plaintiff, nor the Settlement Administrator will have any liability for lost or stolen
26 settlement checks, forged signatures on settlement checks, or unauthorized negotiation of
27 settlement checks. Without limiting the foregoing, in the event a Participating Class Member
28 and/or Aggrieved Employee notifies the Settlement Administrator that he or she believes that a

1 settlement check has been lost or stolen, the Settlement Administrator shall immediately stop
2 payment on such check. If the check in question has not been negotiated prior to the stop
3 payment order, the Settlement Administrator will issue a replacement check.

4 (a) If any Participating Class Member's check is not cashed within the time
5 periods noted above, the check will be void and a stop-payment will be issued, and the
6 Administrator shall issue the unclaimed funds to the California State Controller's Office in the
7 name of the Class Member.

8 (b) If any Aggrieved Employee's check is not cashed within the time periods
9 noted above, the check will be void and a stop-payment will be issued, and the Administrator
10 shall issue the unclaimed funds to the California State Controller's Office in the name of the
11 Aggrieved Employee.

12 **I. Duties of the Parties Prior to the Court's Approval**

13 72. Promptly after execution of this Agreement, Plaintiff will move the Court for
14 Preliminary Approval of this Settlement and entry of the Preliminary Approval Order
15 accomplishing the following:

- 16 (a) Approving as to form and content the proposed Notice;
17 (b) Directing the mailing of the Notice by first class mail to the Class
18 Members;
19 (c) Preliminarily approving this Settlement;
20 (d) Preliminarily certifying the class for purposes of this Settlement; and
21 (e) Advising the LWDA of the proposed Settlement; and
22 (f) Scheduling the Final Approval Hearing on the issue of whether this
23 Settlement should be finally approved as fair, reasonable and adequate.

24 **J. Duties of the Parties Following Court's Final Approval**

25 73. Not later than sixteen (16) court days before the calendared Final Approval
26 Hearing, Plaintiff will file in Court, a motion for final approval of the Settlement that includes a
27 request for approval of the PAGA settlement under Labor Code section 2699, subd. (1), and a
28 proposed Final Approval Order:

1 (a) Approving the Settlement, adjudging the terms thereof to be fair,
2 reasonable and adequate, and directing consummation of its terms and provisions;

3 (b) Approving Class Counsel's application for an award of attorneys' fees and
4 reimbursement of litigation costs and expenses, Service Payment to the Class Representative,
5 and the payment to the Administrator for costs of administering the settlement; and

6 (c) Entering judgment approving settlement.

7 **K. Voiding the Agreement**

8 74. If the Court fails or refuses to issue the Final Approval Order or fails to approve
9 any material condition of this Agreement which effects a fundamental change of the Settlement,
10 the entire Agreement shall be rendered voidable and unenforceable as to all Parties herein at the
11 option of either Party.

12 75. If the Settlement is voided or fails for any reason, Plaintiff and Defendants will
13 have no further obligations under the Settlement, including any obligation by Defendants to pay
14 the Settlement Amount, or any amounts that otherwise would have been owed under this
15 Settlement.

16 76. If the Settlement is voided or fails for any reason, any costs incurred by the
17 Settlement Administrator shall be borne equally by Defendants and Plaintiff, unless otherwise
18 specified in this Agreement.

19 **L. Other Terms**

20 77. Waiver. The waiver by one Party of any breach of this Agreement by another
21 Party shall not be deemed a waiver of any other prior or subsequent breach of this Agreement.

22 78. Parties' Authority. The signatories hereto represent that they are fully authorized
23 to enter into this Agreement and bind the Parties hereto to the terms and conditions hereof.

24 79. Mutual Full Cooperation. The Parties agree to fully cooperate with each other to
25 accomplish the terms of this Agreement, including but not limited to, execution of such
26 documents and to take such other action as may reasonably be necessary to implement the terms
27 of this Agreement. The Parties to this Agreement shall use their best efforts, including all efforts
28 contemplated by this Agreement and any other efforts that may become necessary by order of the

1 Court, or otherwise, to effectuate this Agreement and the terms set forth herein. As soon as
2 practicable after execution of this Agreement, Class Counsel shall, with the assistance and
3 cooperation of Defendants and Defense Counsel, take all necessary steps to secure the Court's
4 preliminary and final approval of the settlement, and the final entry of judgment.

5 80. No Prior Assignments. The Parties hereto represent, covenant, and warrant that
6 they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign,
7 transfer, or encumber to any person or entity any portion of any liability, claim, demand, action,
8 cause of action or rights released and discharged by this Agreement.

9 81. No Admission. Defendants deny any and all liability to Plaintiff and/or any Class
10 Members and/or Aggrieved Employee in this Action, as to any and all causes of action that were
11 asserted or that might have been asserted in this Action. Nonetheless, Defendants wish to settle
12 and compromise the matters at issue in the Complaint to avoid further substantial expense and
13 the inconvenience and distraction of protracted and burdensome litigation. Defendants have
14 taken into account the uncertainty and risks inherent in litigation, and without conceding any
15 infirmity in the defenses that they have asserted or could assert against Plaintiff, have determined
16 that it is desirable and beneficial that Plaintiff's claims be settled in the manner and upon the
17 terms and conditions set forth in this Agreement.

18 82. Inadmissibility of Agreement. Whether or not the Court issues the Final Approval
19 Order, nothing contained herein, nor the consummation of this Agreement, is to be construed or
20 deemed an admission of liability, culpability, negligence, or wrongdoing on the part of
21 Defendants or any of the other Released Parties. Each of the Parties hereto has entered into this
22 Agreement with the intention of avoiding further disputes and litigation with the attendant
23 inconvenience and expenses. This Agreement is a settlement document, and it, along with all
24 related documents such as the notices, and motions for preliminary and final approval, shall,
25 pursuant to California Evidence Code § 1152 and/or Federal Rule of Evidence 408, be
26 inadmissible in evidence in any proceeding, except an action or proceeding to approve the
27 settlement, and/or interpret or enforce this Agreement. The stipulation for class certification as
28

part of this Agreement is for settlement purposes only and if, for any reason the settlement is not approved, the stipulation will be of no force or effect.

83. No Publicity. The Parties will not publicize the Settlement or disclose it to third parties prior to the Court granting Preliminary Approval, except as required or necessary to effectuate its terms and comply with law. After the Final Approval Date, Class Counsel and Class Representatives agree that they will not discuss the Settlement with the media, any settlement and verdict reporting service, any social media postings, or other Internet postings. Nothing herein shall be construed to prevent Class Counsel from the public filing of motions or other case materials in the Action related to seeking and obtaining Court approval of this Settlement and the related awards of attorneys' fees and costs, or to communications with Class Members or their representatives about this Settlement, including through the posting of Court-filed documents on Class Counsel's websites for access solely by the Class Members, or to prevent the Parties or their representatives from communicating with financial or legal advisors regarding the Settlement. In response to any media inquiry, Class Counsel may state only that the Action has been settled on terms mutually agreeable to the Parties.

84. 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 third business day after mailing by United States registered or certified mail, return receipt requested, addressed:

<i>To the Class</i>	<i>To Defendants</i>
Brian J. Mankin <i>brian@lmfirm.com</i> Lauby, Mankin & Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, CA 92504 T: (951) 320-1444 F: (951) 320-1445	Mandeep Rupal <i>mrupal@rupallaw.com</i> Law Office of Mandeep S. Rupal 4740 Green River Rd., Ste. 209 Corona, CA 92878 T: (951) 460-0830 F: (951) 963-9920

85. Construction. The Parties hereto agree that the terms and conditions of this Agreement are the result of lengthy, intensive arms' length negotiations between the Parties and that this Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or his or its counsel participated in the drafting of this Agreement. Plaintiff

1 and Defendants expressly waive the common-law and statutory rule of construction that
2 ambiguities should be construed against the drafter of an agreement and further agree, covenant,
3 and represent that the language in all parts of this Agreement shall be in all cases construed as a
4 whole, according to its fair meaning.

5 86. Captions and Interpretations. Paragraph titles or captions contained herein are
6 inserted as a matter of convenience and for reference, and in no way define, limit, extend, or
7 describe the scope of this Agreement or any provision hereof. Each term of this Agreement is
8 contractual and not merely a recital.

9 87. Modification. This Agreement may not be changed, altered, or modified, except
10 in writing and signed by the Parties hereto, and approved by the Court. This Settlement
11 Agreement may not be discharged except by performance in accordance with its terms or by a
12 writing signed by all of the Parties hereto.

13 88. Dispute Resolution. Prior to instituting legal action to enforce the provisions of
14 this Agreement or to declare rights and/or obligations under this Agreement, a Party shall
15 provide written notice to the other Party and allow an opportunity to cure the alleged
16 deficiencies, and Plaintiff and Defendants may agree to seek the help of the Mediator to resolve
17 any dispute they are unable to resolve informally. During this period, the Parties shall bear their
18 own attorneys' fees and costs. This provision shall not apply to any legal action or other
19 proceeding instituted by any person or entity other than Plaintiff or Defendants.

20 89. Choice of Law. This Settlement Agreement shall be governed by and construed,
21 enforced and administered in accordance with the laws of the State of California, without regard
22 to its conflicts-of-law rules.

23 90. Integration Clause. This Settlement Agreement contains the entire agreement
24 between the Parties relating to the settlement and transaction contemplated hereby, and all prior
25 or contemporaneous agreements, understandings, representations, and statements, whether oral
26 or written and whether by a Party or such Party's legal counsel, are merged herein. No rights
27 hereunder may be waived except in writing.
28

91. Binding On Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

92. Integration. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

93. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Class are numerous, it is impossible or impractical to have each Class Member execute this Agreement. The Notice will advise all Class Members of the binding nature of the release provided herein and such shall have the same force and effect as if this Agreement were executed by each Class Member.

94. Counterparts. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

Dated: Jun 17, 2024

PLAINTIFF AND CLASS REPRESENTATIVE


Joshua Allen Lorenz (Jun 17, 2024 14:40 PDT)

Joshua Lorenz

Dated: _____

DEFENDANT HAWK TRANSPORTATION, INC.

By: _____ (name)

_____ (title)

91. Binding On Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, trustees, executors, administrators, successors and assigns.

92. Integration. Upon execution by all Parties and their counsel, this Agreement together with its attached exhibits shall constitute the entire agreement between the Parties relating to the Settlement, superseding any and all oral representations, warranties, covenants, or inducements made to or by any Party.

93. Signatures of All Class Members Unnecessary to be Binding. It is agreed that, because the members of the Class are numerous, it is impossible or impractical to have each Class Member execute this Agreement. The Notice will advise all Class Members of the binding nature of the release provided herein and such shall have the same force and effect as if this Agreement were executed by each Class Member.

94. Counterparts. This Agreement may be executed in counterparts, and when each Party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one fully signed Agreement, which shall be binding upon and effective as to all Parties. Electronic signatures shall have the same force and effect as an original.

Dated: Jun 17, 2024

PLAINTIFF AND CLASS REPRESENTATIVE


Joshua Allen Lorenz (Jun 17, 2024 14:40 PDT)

Joshua Lorenz

Dated: 07 / 11 / 2024

DEFENDANT HAWK TRANSPORTATION, INC.



By: JEET SINGH (name)

OP MGR (title)

1 Dated: 07 / 10 / 2024

DEFENDANT BEANT BHANGU

Beant Bhangu

Beant Bhangu

5 Dated: _____

DEFENDANT JEET SINGH

Jeet Singh

10 Dated: _____

DEFENDANT MANPRIT SANDHU

Manprit Sandhu

APPROVED AS TO FORM:

15 Dated: June 17, 2024

CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP

Brian J. Mankin

Brian J. Mankin
Attorneys for Plaintiffs

21 Dated: June 27, 2024

DEFENSE COUNSEL
LAW OFFICE OF MANDEEP S. RUPAL

Mandeep S. Rupal

Mandeep S. Rupal, Esq.
Attorneys for Defendants

1 Dated: _____

DEFENDANT BEANT BHANGU

2
3
4 _____
Beant Bhangu

5 Dated: 07 / 10 / 2024

DEFENDANT JEET SINGH

6
7 *JEET SINGH*

8 _____
Jeet Singh

9 Dated: _____

DEFENDANT MANPRIT SANDHU

10
11
12 _____
Manprit Sandhu

13
14 **APPROVED AS TO FORM:**

15 Dated: June 17, 2024

CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP

16
17
18 *Brian J. Mankin*
19 _____
Brian J. Mankin
Attorneys for Plaintiffs

20
21 Dated: June 27, 2024

DEFENSE COUNSEL
LAW OFFICE OF MANDEEP S. RUPAL

22
23 *Mandeep S. Rupal*
24 _____
Mandeep S. Rupal, Esq.
Attorneys for Defendants

1 Dated: _____

DEFENDANT BEANT BHANGU

2
3
4 _____
Beant Bhangu

5 Dated: _____

DEFENDANT JEET SINGH

6
7
8 _____
Jeet Singh

9 Dated: 07 / 10 / 2024

DEFENDANT MANPRIT SANDHU

10
11 _____
Manprit Sandhu
12 _____
Manprit Sandhu

13
14 **APPROVED AS TO FORM:**

15 Dated: June 17, 2024

CLASS COUNSEL
LAUBY, MANKIN & LAUBY LLP

16
17
18 _____
Brian J. Mankin
19 Brian J. Mankin
20 Attorneys for Plaintiffs

21 Dated: June 27, 2024

DEFENSE COUNSEL
LAW OFFICE OF MANDEEP S. RUPAL

22
23 _____
Mandeep S. Rupal
24 Mandeep S. Rupal, Esq.
25 Attorneys for Defendants
26
27
28

EXHIBIT “2”

COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT

Lorenz v. Hawk Transportation, Inc., et al.

(San Bernardino County Superior Court, Case No. CIVSB2303256)

***The San Bernardino County Superior Court authorized this Notice. Read it carefully!
It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.***

You may be eligible to receive money from an employee class action lawsuit (“Action”) against Defendant Hawk Transportation, Inc. and its alleged Owners (Beant Bhangu, Jeet Singh, and Manprit Sandhu) (collectively “Defendant”) for alleged violations of the California Labor Code.

The Action was filed by Joshua Lorenz (“Plaintiff” or “Class Representative”) and seeks payment of (1) unpaid wages, statutory damages and penalties, interest and attorneys’ fees on behalf of a class of all California resident truck drivers employed by Defendant Hawk Transportation, Inc. during the Class Period (April 7, 2019, through May 8, 2024) (the “Class Members”); and (2) penalties under the California Private Attorneys General Act (“PAGA”) for all California resident truck drivers employed by Defendant Hawk Transportation, Inc. during the PAGA Period (April 7, 2022, through May 8, 2024) (the “Aggrieved Employees”). (Plaintiff and Defendant shall be collectively referred to as the “Parties.”)

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Class Payments to Class Members, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments to Aggrieved Employees and pay penalties to the California Labor and Workforce Development Agency (“LWDA”). Based on Defendant’s records, and the Parties’ current assumptions, your Individual Class and PAGA Payments are shown in the charts below, along with the applicable data points from which these estimates are derived.

[**CLASS MEMBER NAME**] [**ID/CONTROL NUMBER**]

<i>Calculations and Data Points for Estimated Individual Class Payment</i>	
Weeks Worked during Class Period	<i>Estimated Individual Class Payment</i>
INSERT	\$INSERT

<i>Calculations and Data Points for Estimated Individual PAGA Payment</i>	
Weeks Worked during PAGA Period	<i>Estimated Individual PAGA Payment</i>
INSERT	\$INSERT

Please note that the actual amount you receive may be different from the above and will depend on several factors. (If no amount is stated for your Individual PAGA Payment then, according to Defendant’s records, you are not eligible for an Individual PAGA Payment under the Settlement because you didn’t work during the PAGA Period.) If you believe that you worked more time during the periods discussed above, you can submit a challenge by **DATE, 2024** (“**Response Deadline**”). See **Section 4** of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or do not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff’s attorneys (“Class Counsel”). The Court will also decide whether to enter a judgment that requires Defendant to make payments under the Settlement and requires Class Members and Aggrieved Employees to give up their rights to assert certain claims against Defendant.

If you worked for Defendant during the Class Period and/or the PAGA Period, you have a few options as shown in the Chart below:

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

DO NOTHING AND RECEIVE A SETTLEMENT PAYMENT	If you want to receive your full settlement payment, then no further action is required on your part. You will automatically receive a settlement payment if the Settlement receives final approval by the Court. You will be bound by the terms of the Settlement Agreement and will give up your right to sue on the Released Class Claims described in Section 3 .
EXCLUDE YOURSELF	If you do not wish to participate in the settlement of the Class Claims, you may “opt-out” of the settlement of the Class Claims. If you choose to opt-out, you must submit a Request for Exclusion by [REDACTED], 2024 (see Section 6 for more details on how to opt-out). If you opt-out, you will no longer be a Class Member, and you will (1) <u>not</u> receive an Individual Class Payment, but you will preserve your right to pursue the Released Class Claims described below subject to applicable statutes of limitations, and (2) be barred from filing an objection to the settlement. You cannot opt-out of the PAGA portion of the proposed Settlement. Defendant must pay Individual PAGA Payments to all Aggrieved Employees and the Aggrieved Employees must give up their rights to pursue Released PAGA Claims. See Section 6 of this Notice.
OBJECT	If you decide to object to the settlement with respect to the Class Claims because you find it unfair or unreasonable, you must submit an Objection stating why you object to the settlement by [REDACTED], 2024 (see Section 7 for more details on how to object).
DISPUTE THE NUMBER OF WEEKS WORKED	If you believe the number of workweeks that you were credited with working in the chart above is incorrect, you may submit a written dispute to the Administrator (see Section 4 for more details on how to submit a Dispute Form). Defendant’s records will be presumed correct, but you may provide evidence to the Administrator showing how many Work Weeks you believe you should be credited.

YOU MAY ATTEND THE FINAL APPROVAL HEARING, BUT IT’S NOT REQUIRED

DATE: DATE, 2024 TIME: 8:30 A.M.	At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement. You don’t have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court’s virtual appearance platform. See Section 8 of this Notice.
---	---

1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former employee of Defendant. The Action accuses Defendant of violating California labor laws by failing to pay minimum wages, failure to pay for rest and recovery periods and other nonproductive time under Labor Code § 226.2, failure to reimburse business expenses, the unlawful deduction of wages, failure to timely pay wages each period and upon separation of employment, and failure to provide accurate itemized wage statements. Based on the same claims, Plaintiff has also asserted a claim for civil penalties under PAGA).

Defendant strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

Both Parties are represented by attorneys in the Action. See Section 9 below for their contact information.

2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether Defendant or Plaintiff is correct on the merits. In the meantime, Plaintiff and Defendant hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement (“Agreement”), Plaintiff and Defendant

have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, Defendant does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) Defendant has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members and Aggrieved Employees. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Defendant Will Pay \$210,000 as the “Settlement Amount.” Defendant has agreed to pay a total Settlement Amount of \$210,000 and will deposit the Settlement Amount into an account controlled by the Administrator. The Administrator will use the Settlement Amount to pay the Individual Class Payments, Individual PAGA Payments, Class Representative Service Payment, Class Counsel’s attorney’s fees and expenses, the Administrator’s Costs, and PAGA Penalties to be paid to the California Labor and Workforce Development Agency (“LWDA”). Assuming the Court grants Final Approval, Defendant will fund the Settlement Amount by the later of April 1, 2025, or 15 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if the Judgment is appealed.

2. Court Approved Deductions from Gross Settlement. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:

A. Up to one-third of the Settlement Amount (\$70,000.00) to Class Counsel for attorneys' fees and up to \$25,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.

B. Up to \$10,000 to the Class Representative as a Service Payment for litigating the Action, working with Class Counsel and representing the Class.

C. \$4,500 to the Settlement Administrator for services administering the Settlement.

D. Up to \$10,000 for PAGA Penalties, allocated 75% to the LWDA PAGA Payment and 25% in Individual PAGA Payments to the Aggrieved Employees based on their share of Pay Periods Worked during the PAGA Period.

E. Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.

3. Net Settlement Distributed to Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the remainder (the “Net Settlement Amount”) by making Individual Class Payments to Participating Class Members based on their pro rata share of Weeks Worked during the Class Period.

4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Class Payment to taxable wages (“Wage Portion”) and 80% to penalties and interest (“Non-Wage Portion”). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. Defendant will separately pay employer payroll taxes they owe on the Wage Portion. The Individual PAGA Payments are counted as penalties rather than wages for tax purposes. The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.

Although Plaintiff and Defendant have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.

5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be deposited with the California Controller's Unclaimed Property Fund in your name. If the monies represented by your check is sent to the Controller's Unclaimed Property Fund, you should consult the rules of the Fund for instructions on how to retrieve your money.

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, not later than the Response Deadline. See Section 6 of this Notice for details on how to Opt-Out.

7. The Proposed Settlement Will be Void If the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline to enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and Defendant have agreed that, in either case, the Settlement will be void: Defendant will not pay any money and Class Members will not release any claims against Defendant.

8. Settlement Administrator. The Court has appointed a neutral company, Phoenix Settlement Administrators (the “Administrator”) to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion. The Settlement Administrator will also decide any Disputes over weeks worked, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Settlement Administrator’s contact information is contained in Section 9 of this Notice.

9. Participating Class Members' Release. After the Judgment is final and Defendant has fully funded the Settlement Amount and separately paid all employer payroll taxes, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against Defendant or related entities for wages based on the facts alleged in the Action for the duration of the Class Period and PAGA Period, which are resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective representatives, agents, heirs, and assigns, release the “Released Parties” (which includes Defendants, together with their officers, directors, employees, and agents) from all claims stated in the Complaint and those based solely upon the facts in the Complaint, including: (1) failure to pay minimum wages, (2) failure to pay for rest and recovery periods and other nonproductive time under Labor Code § 226.2, (3) failure to reimburse business expenses, (4) unlawful deduction of wages, (5) failure to timely pay final wages, (6) failure to provide accurate itemized wage statements, and (7) unfair and unlawful competition (the “Released Class Claims”). The operative release period for the Released Class Claims is the Class Period. Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers’ compensation, or claims based on facts occurring outside the Class Period.

10. Release of Released PAGA Claims. After the Court's judgment is final, and Defendant has paid the Settlement Amount (and separately paid the employer-side payroll taxes), Plaintiff on behalf of himself, the State of California and the LWDA shall release the Released Parties of all PAGA claims that Plaintiff alleged against the Released Parties, based on the facts stated in the relevant LWDA notice letters and only to the extent that they are alleged in the Complaint, including all PAGA claims seeking civil penalties premised upon: (1) failure to pay minimum wages, (2) failure to pay for rest and recovery periods and other nonproductive time under Labor Code § 226.2, (3) failure to reimburse business expenses, (4) unlawful deduction of wages, (5) failure to timely pay wages each period, (6) failure to timely pay final wages, (7) failure to provide accurate itemized wage statements, and (8) all other claims for civil penalties recoverable under the Private Attorneys General Act, Labor Code §§ 2698 et seq. based on the facts or claims alleged in the LWDA notice letters and Complaint. ("Released PAGA Claims.") The time period governing the Released PAGA Claims shall be any time during the PAGA Period.

4. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

1. Individual Class Payments. The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Weeks Worked for all Participating Class Members during the Class Period, and (b) multiplying the result by each Participating Class Members' Weeks Worked.

2. Individual PAGA Payments. The Settlement Administrator will calculate Individual PAGA Payments by (a) dividing \$2,500 by the total number of Weeks Worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by the number of Weeks Worked by each individual Aggrieved Employee during the PAGA Period.

3. Disputing Weeks Worked. The number of weeks you worked during the Class Period and PAGA Period, as recorded in Defendant's records, are stated in the tables on page 2 of this Notice. You have until **DATE** ("Response Deadline") to dispute the number of Workweeks credited to you by submitting evidence to the Administrator. Section 9 of this Notice has the Administrator's contact information.

You need to support your dispute by sending copies of pay stubs or other records. The Administrator will accept Defendant's calculation of weeks worked based on Defendant's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve challenges based on your submission and on input from Class Counsel and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members and Aggrieved Employees. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (which includes every Class Member who doesn't opt-out) and Aggrieved Employee. The single check will combine the Individual Class Payment and the Individual PAGA Payment.

2. Aggrieved Employees Only. If you opted out of the Class settlement, but qualify as an Aggrieved Employee, then the Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every Aggrieved Employee, including those who opt out of the Class Settlement.

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Settlement Administrator's contact information.

6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

You will be treated as a Participating Class Member, participating fully in the Settlement, unless you opt-out of the Settlement, not later than the Response Deadline.

If you **do not** wish to take part in the release of the Class Claims in the Settlement, you may exclude yourself by sending to the Administrator a "Request for Exclusion" letter/card postmarked no later than **DATE**, 2024 with your full name, address, telephone number, last four digits of your social security number or your date of birth, and signature. The Request for Exclusion should state:

"I WISH TO BE EXCLUDED FROM THE CLASS IN THE HAWK TRANSPORTATION LAWSUIT. I UNDERSTAND THAT IF I ASK TO BE EXCLUDED FROM THE SETTLEMENT CLASS, I WILL NOT RECEIVE MY INDIVIDUAL CLASS PAYMENT FROM THIS LAWSUIT."

Any person who submits a timely Request for Exclusion from the Class Claims (1) will not have any rights under this Settlement, including the right to object, appeal or comment on the Settlement; (2) will not be entitled to receive an Individual Class Payment; (3) will preserve the right to pursue the Released Class Claims, and (4) will not be bound by this Settlement, or the Judgment.

You cannot opt-out of the PAGA portion of the Settlement. Class Members who exclude themselves from the Class Claims remain eligible to receive an Individual PAGA Payment.

If you do not want to participate in the Settlement, the Administrator will exclude you based on timely receipt of a writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as Lorenz v. Hawk Transportation, Inc., and include your identifying information (full name, address, telephone number, approximate dates of employment, and last four digits of social security number or your date of birth for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **Send your request to be excluded to the Administrator by [REDACTED], 2024 (the “Response Deadline”), or it will be invalid.** Section 9 of the Notice has the Administrator’s contact information.

7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. A Participating Class Member who disagrees with any aspect of the Settlement may wish to object. **The deadline for sending written objections to the Administrator is [REDACTED], 2024 (the “Response Deadline”).**

If you wish to object to the proposed Settlement, you or your own attorney must submit a written objection, and the objection must include your full name, address, telephone number, last four digits of the social security number or date of birth, signature, and dates of employment with Defendant, in addition to the case name and number (Lorenz v. Hawk Transportation, Inc., Case No. CIVSB2303256), the basis for the objection, including any legal support and each specific reason in support of the objection, as well as any documentation or evidence in support thereof. Additionally, if you are represented by an attorney, the objection must include the name and address of your attorney. This objection and all supporting information must be sent to the Administrator at the address listed in Section 9, **postmarked** on or before [REDACTED], 2024.

If you do not comply with these procedures and the deadline for objections, the Court may not consider your objection at the Final Approval Hearing, and you may lose the right to contest the approval of the Settlement. You are still eligible to receive a settlement payment should the settlement become Final even if you object to the settlement. Submitting an objection does not preserve the right to appeal a final judgment. Rather, the right to appeal is preserved by becoming a party of record by timely and properly intervening or filing a motion to vacate the judgment before entry of judgment.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

8. WHEN IS THE FINAL APPROVAL HEARING?

On [REDACTED], 2024, the Court will hold a public hearing in Department S26 of the Superior Court for the State of California, County of San Bernardino, 247 West 3rd Street, San Bernardino, CA 92415, for the purposes of determining whether the proposed Settlement is fair, adequate and reasonable and should be approved, whether to approve Class Counsel’s applications for attorneys’ fees and costs, whether to approve the payments to the LWDA, and whether to approve Plaintiff’s request for the service award. This hearing may be continued or rescheduled by the Court. Objectors to the proposed settlement will be provided notice in the event that the Final Approval Hearing is continued to a later date. Class Members who support the proposed Settlement do not need to appear at the hearing and do not need to take any other action to indicate their approval. Class Members who object to the proposed Settlement are not required to attend the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

If you have questions about this Notice, the process to Opt-Out or Object, or the Settlement, or if you did not receive this Notice in the mail and you believe that you are or may be a member of the Class, you may contact the Administrator for more information or to request that a copy of this Notice be sent to you in the mail. And you may also contact Class Counsel. Contact information for both the Administrator and Class Counsel is provided here:

Settlement Administrator	Class Counsel
Name Mailing Address Telephone Number	Brian Mankin, Esq. <i>brian@LMLfirm.com</i> Peter Carlson, Esq. <i>peter@LMLfirm.com</i> Lauby Mankin Lauby LLP 5198 Arlington Ave, PMB 513 Riverside, CA 92504 Tel: (951) 320-1444

You may also seek advice and guidance from your own private attorney at your own expense, if you so desire.

This Notice is only a summary. For more detailed information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is on file with the Court and attached to the Declaration of Brian J. Mankin in Support of Motion for Preliminary Approval of Class Action Settlement filed on DATE, 2024 and available to be inspected at any time during regular business hours at the Office of the Clerk, San Bernardino County Superior Court, located at 247 West Third Street, San Bernardino, CA 92415.

DO NOT TELEPHONE THE COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT

10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check. If your check is already void, you should consult the Unclaimed Property Fund for instructions on how to retrieve the funds.

11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.

EXHIBIT “3”



April 7, 2023

Sent Via Online Filing to the LWDA

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

Sent Via U.S. Mail and Certified Mail

Hawk Transportation Inc.
15238 Arrow Blvd.
Fontana, CA 92335

Beant Bhangu
15238 Arrow Blvd.
Fontana, CA 92335

Jeet Singh
15238 Arrow Blvd.
Fontana, CA 92335

Manprit Sandhu
15238 Arrow Blvd.
Fontana, CA 92335

Re: PAGA Civil Penalty Claim
Joshua Lorenz v. Hawk Transportation Inc., et al.

To the Labor and Workforce Development Agency, Hawk Transportation Inc., Beant Bhangu, Jeet Singh, Manprit Sandhu, and all other affiliated entities and owners:

Pursuant to the Private Attorneys General Act of 2004 (“PAGA”), Labor Code §§ 2699, *et seq.*, this letter shall serve as notification of the PAGA civil penalty claim of aggrieved employee Joshua Lorenz (“Claimant”), on behalf of the State of California and all Aggrieved Employees, against his employer(s), Hawk Transportation Inc. and/or any affiliated entities, as well as its owners/officers Beant Bhangu, Jeet Singh, Manprit Sandhu, and others (the “Owners”) (collectively, the “Company”), for violations of Labor Code §§ 201, 202, 203, 204, 208, 210, 218.6, 221, 226, 226.2, 226.3, 256, 558, 1174(d), 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2802, among other sections inadvertently omitted, and/or sections of the applicable Industrial Welfare Commission Wage Order(s).

FACTUAL BACKGROUND

Claimant was employed by the Company from 2020 through April 2023 as a truck driver. Claimant alleges that he and all nonexempt employees that were employed by the Company (the “Aggrieved Employees”) were subjected to the same policies, working conditions, and corresponding wage and hour violations to Claimant was subjected during his employment.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

Notably, at all relevant times, Claimant and the Aggrieved Employees were only paid on a piece-rate (per-mile) basis but did not receive separate hourly compensation at no less than the minimum wage for unpaid, on-duty, time including tasks such as pre-trip and post-trip inspections, detention time, loading and unloading time, completing paperwork, refueling or repair, and downtime between runs. Also, the piece-rate compensation paid to Claimant and the Aggrieved Employees often resulted in a payment of wages at less than the required California minimum wages for all hours worked. Furthermore, Claimant and the Aggrieved Employees were not provided proper minimum and regular wages due to Company's failure to accurately record and compensate for all hours worked. For example, Claimant and the Aggrieved Employees were often required to clock out for meal periods and/or rest breaks yet were under the Company's control and required to perform duties for the Company while off the clock. As a result of this policy and practice, Claimant and the Aggrieved Employees were required to perform off-the-clock work that the Company either knew or should have known they were performing. Also, the Company failed to pay Claimant and the Aggrieved Employees for rest and recovery periods and other nonproductive time as required by Labor Code § 226.2.

Also, the Company required Claimant and the Aggrieved Employees to incur necessary business-related expenses and costs without reimbursement, including, but not limited to, acquiring and maintaining a smart phone and related monthly data plan to communicate with the Company.

The Company also failed to comply with the mandates of Labor Code § 204 regarding the timing of the payment of wages to its employees each period, including meal and rest period premiums, and failed to comply with the mandates of Labor Code §§ 201 – 203 regarding payment of final wages upon separation of employment. Moreover, at all relevant times, the Company provided inaccurate and incomplete wage statements that failed to accurately state all necessary items required under Labor Code § 226(a).

Claimant alleges that he worked under the joint direction and control of the Company and the Owners and is informed and believes that each of them acted in all respects pertinent to this action as the agent of the others, carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts of each are legally attributable to the others. On information and belief, a unity of interest and ownership between each exists such that the Company and the Owners acted as a single employer of Claimant and the Aggrieved Employees. Furthermore, on information and belief, the Company and the Owners are an integrated enterprise and should be treated as a single employer because the Company and the Owners share an interrelation of operations, with common human resources and personnel policies and shared common offices and facilities. Upon information and belief, the Company and the Owners share common management, a centralized control of labor operations, and common ownership or financial control.

Furthermore, Claimant alleges that the Owners are now and at all material times herein mentioned was the owners/officers of the Company, and Claimant's and the Aggrieved Employees' actual employer or, in the alternative, was an individual employed by the Company as a managerial and/or supervisory employee and/or agent. In addition, Claimant alleges that at all relevant times herein the Owners had the authority, in the interest of the Company to exercise independent judgment to hire, transfer, promote, discharge, assign, discipline, or take other similar actions against Claimant and the Aggrieved Employees, and were in Claimant's chain of command at the time of and direct participants in the wrongful conduct which constitutes the basis of Claimant's complaint herein. Claimant also alleges that the Company and the Owners are the agents, servants, employees, partners, affiliates, and/or representatives of each other, and were, at all times herein mentioned, acting within the course, scope, and purpose of such relationship(s) and with the

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504

IMI

Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

knowledge, consent and/or ratification of each other. Furthermore, in conducting themselves in the manner described herein, the Company and the Owners were acting in active concert with one another such that the acts of each were fully attributable to the other in all material respects.

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

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

Based on Claimant’s own personal observations, all Aggrieved Employees employed or formerly employed by the Company are entitled to similar wage and hour claims, as further set forth below.

PAGA ASSESSMENT FOR FAILURE TO PAY WAGES

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

During their employment, Claimant and the Aggrieved Employees were paid on a piece-rate basis and did not receive separate hourly compensation at no less than the minimum wage for unpaid, on-duty, time including tasks such as mandatory paid rest breaks, pre-trip and post-trip inspections, detention time, loading and unloading time, completing paperwork, refueling or repair, and downtime between runs. Additionally, the piece-rate compensation paid to Claimant and the Aggrieved Employees often resulted in a payment of wages at less than the required California minimum wages for all hours worked. Therefore, this resulted in earned, but unpaid, minimum and regular wages due and owing to Claimant and the Aggrieved Employees. Accordingly, Labor Code §§ 210, 558, 1194.2, 1197.1, and 2699, among possibly others, impose various penalties upon the Company for each employee and each pay period in which it failed to pay all wages including, but not limited to, minimum and regular wages in violation of the Labor Code and/or the IWC Wage Orders.

PAGA ASSESSMENT FOR FAILURE TO PROVIDE SEPARATE PAYMENT FOR REST AND RECOVERY PERIODS AND OTHER NONPRODUCTIVE TIME

(Labor Code § 226.2)

Labor Code § 226.2 requires employers that pay their employees on a piece-rate basis to provide separate payment for rest and recovery periods and other nonproductive time. Claimant and the Aggrieved

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

Employees are and/or were employees of the Company who were paid on a piece-rate basis, yet the Company did not comply with the requirements of Labor Code § 226.2 for its piece-rate employees. As a result of these violations, penalties may be assessed pursuant to Labor Code § 2699, among possibly other sections.

PAGA ASSESSMENT FOR UNLAWFUL DEDUCTION OF WAGES

(Labor Code §§ 200, 221, 223)

California Labor Code § 200 defines wages to include “all amounts for labor performed by employees of every description, whether the amount is fixed or ascertained by the standard of time, task, piece, commission basis, or other method of calculation.” California Labor Code § 221 states that “[i]t shall be unlawful for any employer to collect or receive from an employee any part of wages theretofore paid by said employer to said employee.” Labor Code § 221 reflects “‘California's strong public policy favoring the protection of employees' wages.’” *Sciborski v. Pacific Bell Directory* (2012) 205 Cal.App.4th 1152, 1166, quoting *Harris v. Investor's Business Daily, Inc.* (2006) 138 Cal.App.4th 28, 40–41. Furthermore, Labor Code § 219 states that the protections of Labor Code § 221 cannot “be contravened or set aside by a private agreement.” Therefore, the rights under Labor Code § 221 are nonnegotiable and cannot be waived by the parties. See *Sciborski, supra* at 1166. Also, under Labor Code §§ 219 and 221, an employer may not “require its employees to consent to unlawful deductions from their wages.” *Hudgins v. Neiman Marcus Group, Inc.* (1995) 34 Cal.App.4th 1109, 1124.

Here, the Company had a policy of unlawfully deducting amounts from the wages of the Aggrieved Employees, including Claimant. Accordingly, Labor Code §§ 210, 225.5, 558, and 2699, among possibly others, impose various penalties upon the Company for each employee and each pay period in which it engaged in the unlawful deduction of wages.

PAGA ASSESSMENT FOR FAILURE TO REIMBURSE BUSINESS EXPENSES

(Labor Code § 2802; IWC Wage Order § 9(b))

Labor Code § 2802(a) states “An employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties.” IWC Wage Order § 9(b) states “[w]hen tools or equipment are required by the employer or are necessary to the performance of a job, such tools and equipment shall be provided and maintained by the employer.”

Here, the Company required Claimant and the Aggrieved Employees to incur expenses in direct consequence of the discharge of their duties. For example, the Company required Claimant and the Aggrieved Employees to acquire and maintain a smart phone and related monthly data plan in order to log into an application that tracks mileage and GPS during the routes assigned to them by the Company. Additionally, the Company required Claimant and the Aggrieved Employees to incur costs and expenses related to tolls and gas, without reimbursement. Accordingly, Labor Code § 2699 imposes a penalty upon the Company for each such violation of Labor Code § 2802. Furthermore, Labor Code § 2802(b) states that “[a]ll awards made by a Court for reimbursement of necessary expenditures” shall carry interest, at the same rate as judgments in civil actions, and said interest will accrue from the date on which the employee incurred the necessary expenditure or loss including, but not limited to, reasonable costs and attorney’s fees incurred by the employee enforcing her rights granted pursuant to Labor Code § 2802.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

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

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

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

Here, the Company failed to timely pay all wages due and owing each period, including, but not limited to, all wages and wage premiums. As a result, penalties may be assessed pursuant to Labor Code §§ 203, 210, 256, and/or 2699.

PAGA ASSESSMENT FOR FAILURE TO TIMELY PAY FINAL WAGES

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

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

As discussed above, the Company did not pay the Aggrieved Employees all wages that were due and owing within the required time following the end of their employment due to the violations discussed above. Furthermore, Claimant did not receive his final pay within the time required by Labor Code §§ 201 – 202. As a result, all such Aggrieved Employees are entitled to the “waiting time penalty.” (Labor Code §§ 203, 256.) Labor Code § 2699 also imposes a penalty.

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

(Labor Code §§ 226, 226.3, and 1174)

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

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

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

Furthermore, Labor Code § 226.2(a) states “[f]or employees compensated on a piece-rate basis during a pay period, the following shall apply for that pay period: [...] (2) the itemized statement required by subdivision (a) of Section 226 shall, in addition to the other items specified in that subdivision, separately state the following, to which the provisions of Section 226 shall also be applicable: (A) the total hours of compensable rest and recovery periods, the rate of compensation, and the gross wages paid for those periods during the pay period [and] (B) [...] the total hours of other nonproductive time, [...] the rate of compensation, and the gross wages paid for that time during the pay period.”

Here, the Company failed to provide accurate itemized wage statements due to violations including: failure to accurately state total hours worked on the Aggrieved Employees’ wage statements; name and address of the legal entity that is the employer; failure to accurately state the number of piece-rate units earned by the Aggrieved Employees and any applicable piece-rate; failure to accurately state gross wages earned; failure to accurately state all deductions; failure to accurately state net wages earned; failure to state all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee; failure to state the total hours of compensable rest and recovery periods, the rate of compensation, and the gross wages paid for those periods during the pay period; and failure to state the total hours of other nonproductive time, [...] the rate of compensation, and the gross wages paid for that time during the pay period. Accordingly, Claimant and the Aggrieved Employees are entitled to damages under Labor Code § 226(e), including reasonable attorneys’ fees. Labor Code §§ 226.3 and 2699 also impose a civil penalty and/or assessment for these violations.

PAGA ASSESSMENT FOR VIOLATIONS OF LABOR CODE § 1199

(Labor Code § 1199)

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

ATTORNEYS’ FEES, INTEREST, AND PENALTIES

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

Labor Code § 2699(g)(1), give employees the right to recover in a civil action the unpaid balance of the full amount of wages, including interest thereon, penalties and other damages, as applicable, reasonable attorneys’ fees, and costs of suit. Additionally, Claimant seeks the assessment of penalties, including civil penalties, under Labor Code §§ 203, 210, 225.5, 226.3, 1174.5, 1197.1, 2699, among possibly other provisions inadvertently omitted herein. Furthermore, Claimant is entitled to bring a wage/hour claim on behalf of all current and former similarly situated employees of the Company. Thus, the Company is exposed to these same penalties for violations involving all Aggrieved Employees.

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

Additionally, Claimant seeks attorney's fees pursuant to *C.C.P.* § 1021.5. Please construe this correspondence as Claimants' notification of alleged wrongdoing and attempted resolution in accordance with *C.C.P.* § 1021.5 and *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553.

CONCLUSION

Based on the foregoing, the Company may be liable for penalties, including unpaid wages under Labor Code § 558, related to the foregoing claims and remedies. If Claimant becomes aware of any additional claims for Labor Code violations related to his employment and/or other employees of the Company, she reserves the right to add new claims by amending this claim letter.

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

Very Truly Yours,



By: Peter J. Carlson, Esq.

E-mail: peter@lmlfirm.com

Mailing Address

5198 Arlington Avenue, PMB 513, Riverside, CA 92504



Toll Free
888.959.8508

Physical Address

11801 Pierce Street, Suite 200, Riverside, CA 92505

EXHIBIT “4”



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

June 14, 2024

CASE ASSUMPTIONS

Class Members	50
Opt Out Rate	1%
Opt Outs Received	2
Total Class Claimants	48
Subtotal Admin Only	\$4,941.69

Flat Fee Total \$4,500.00

For 50 Class Members

Pricing Good for Scope of Estimate Only

All Aspects of Escheating to the State of CA Included

Language Translation, Printing & Mailing Included

Case: Lorenz v. Hawk, Opt-Out & PAGA Administration

Phoenix Contact: Michael E. Moore
Contact Number: 949.331.0131
Email: mike@phoenixclassaction.com

Requesting Attorney: Brian J. Mankin
Firm: Lauby, Mankin & Lauby,
Contact Number: (951) 320-1444
Email: brian@lmfirm.com

Assumptions and Estimate are based on information provided by counsel. If class size changes, PHX will need to adjust this Estimate accordingly. Estimate is based on **50** Class Members. Class data **Must** be sent in Microsoft Excel or uploaded in the same format. Class Data Must be sent in one spreadsheet, with no additional programming needed. A rate of \$150 per hour will be charged for any additional analysis or programming. Pricing good for 90 day

Case & Database Setup / Toll Free Setup & Call Center / NCOA (USPS)

Administrative Tasks:	Rate	Hours/Units	Line Item	Estimate
Programming Manager	\$100.00	1		\$100.00
Programming Database & Setup	\$100.00	1		\$100.00
Toll Free Setup*	\$100.00	1		\$100.00
Call Center & Long Distance	\$2.00	13		\$26.00
NCOA (USPS)	\$20.00	1		\$20.00
Total				\$346.00

* Up to 120 days after disbursement

Data Merger & Scrub / Notice Packet, Opt-Out Form & Postage / Language Translation / Website

Project Action	Rate	Hours/Units	Line Item	Estimate
Notice Packet Formatting	\$100.00	2		\$200.00
Language Translation	\$1,000.00	1		\$1,000.00
Data Merge & Duplication Scrub	\$0.10	50		\$5.00
Notice Packet & Opt-Out Form	\$1.30	50		\$65.00
Estimated Postage (up to 2 oz.)*	\$0.84	50		\$42.00
Static Website	\$200.00	1		\$200.00
Total				\$1,512.00

* Prices good for 90 days. Subject to change with the USPS Rate or change in Notice pages or Translation, if any.



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Skip Tracing & Remailing Notice Packets / Tracking & Programming Undeliverables

Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Associate	\$55.00	1		\$55.00
Skip Tracing Undeliverables	\$1.00	14		\$14.00
Remail Notice Packets	\$1.00	11		\$11.00
Estimated Postage	\$0.87	11		\$9.57
Programming Undeliverables	\$50.00	1		\$50.00
			Total	\$139.57

Database Programming / Processing Opt-Outs, Deficiencies or Disputes

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Database	\$150.00	1		\$150.00
Non Opt-Out Processing	\$200.00	1		\$200.00
Case Associate	\$55.00	2		\$110.00
Deficiency & Dispute Letters	\$10.00	2		\$20.00
Case Manager	\$85.00	1		\$85.00
			Total	\$565.00

Calculation & Disbursement Programming/ Create & Manage QSF/ Mail Checks

Project Action:	Rate	Hours/Units	Line Item	Estimate
Programming Calculations	\$135.00	1		\$135.00
Disbursement Review	\$135.00	1		\$135.00
Programming Manager	\$95.00	1		\$95.00
QSF Bank Account & EIN	\$135.00	1		\$135.00
Check Run Setup & Printing	\$135.00	1		\$135.00
Mail Class Checks *	\$0.80	48		\$38.40
Estimated Postage	\$0.64	48		\$30.72
			Total	\$704.12

* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing & Instructions for downloading tax forms from PHX secure portal



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

Tax Reporting & Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations				
Project Action:	Rate	Hours/Units	Line Item	Estimate
Case Supervisor	\$115.00	1		\$115.00
Remail Checks (Postage Included)	\$2.00	10		\$20.00
Case Associate	\$55.00	1		\$55.00
Reconcile Uncashed Checks	\$85.00	2		\$170.00
Conclusion Reports	\$115.00	1		\$115.00
Case Manager Conclusion	\$85.00	1		\$85.00
Final Reporting & Declarations	\$115.00	1		\$115.00
IRS & QSF Annual Tax Reporting * (1 State Tax Reporting & Escheating to the State of CA Included)	\$1,000.00	1		\$1,000.00
Total				\$1,675.00

* All applicable California State & Federal taxes, which include SUI, ETT, and SDI, and FUTA filings. Additional taxes are Defendant's responsibility.

Estimate Total: \$4,941.69



PHOENIX

CLASS ACTION ADMINISTRATION SOLUTIONS

TERMS AND CONDITIONS

Provisions: The case estimate is in good faith and does not cover any applicable taxes and fees. The estimate does not make any provision for any services or class size not delineated in the request for proposal or stipulations. Proposal rates and amounts are subject to change upon further review, with Counsel/Client, of the Settlement Agreement. Only pre-approved changes will be charged when applicable. No modifications may be made to this estimate without the approval of PSA (Phoenix Settlement Administrators). All notifications are mailed in English language only unless otherwise specified. Additional costs will apply if translation into other language(s) is required. Rates to prepare and file taxes are for Federal and California State taxes only. Additional charges will apply if multiple state tax filing(s) is required. **Pricing is good for ninety (90) days.**

Data Conversion and Mailing: The proposal assumes that data provided will be in ready-to-use condition and that all data is provided in a single, comprehensive Excel spreadsheet. PSA cannot be liable for any errors or omissions arising due to additional work required for analyzing and processing the original database. A minimum of two (2) business days is required for processing prior to the anticipated mailing date with an additional two (2) business days for a National Change of Address (NCOA) update. Additional time may be required depending on the class size, necessary translation of the documents, or other factors. PSA will keep counsel apprised of the estimated mailing date.

Claims: PSA's general policy is to not accept claims via facsimile. However, in the event that facsimile filing of claims must be accepted, PSA will not be held responsible for any issues and/or errors arising out of said filing. Furthermore, PSA will require disclaimer language regarding facsimile transmissions. PSA will not be responsible for any acts or omissions caused by the USPS. PSA shall not make payments to any claimants without verified, valid Social Security Numbers. All responses and class member information are held in strict confidentiality. Additional class members are \$10.00 per opt-out.

Payment Terms: All postage charges and 50% of the final administration charges are due at the commencement of the case and will be billed immediately upon receipt of the data and/or notice documents. PSA bills are due upon receipt unless otherwise negotiated and agreed to with PSA by Counsel/Client. In the event the settlement terms provide that PSA is to be paid out of the settlement fund, PSA will request that Counsel/Client endeavor to make alternate payment arrangements for PSA charges that are due at the onset of the case. The entire remaining balance is due and payable at the time the settlement account is funded by Defendant, or no later than the time of disbursement. Amounts not paid within thirty (30) days are subject to a service charge of 1.5% per month or the highest rate permitted by law.

Tax Reporting Requirements

PSA will file the necessary tax returns under the EIN of the QSF, including federal and state returns. Payroll tax returns will be filed if necessary. Under the California Employment Development Department, all taxes are to be reported under the EIN of the QSF with the exception of the following taxes: Unemployment Insurance (UI) and Employment Training Tax (ETT), employer-side taxes, and State Disability Insurance (SDI), an employee-side tax. These are reported under Defendant's EIN. Therefore, to comply with the EDD payroll tax filing requirements we will need the following information:

1. Defendant's California State ID and Federal EIN.
2. Defendant's current State Unemployment Insurance (UI) rate and Employment Training Tax (ETT) rate. This information can be found in the current year DE 2088, Notice of Contribution Rates, issued by the EDD.
3. Termination dates of the class members, or identification of current employee class members, so we can account for the periods that the wages relate to for each class member.
4. An executed Power of Attorney (Form DE 48) from Defendant. This form is needed so that we may report the UI, SDI, and ETT taxes under Defendant's EIN on their behalf. If this form is not provided we will work with the EDD auditors to transfer the tax payments to Defendant's EIN.
5. Defendant is responsible for reporting the SDI portion of the settlement payments on the class member's W-2. PSA will file these forms on Defendant's behalf for an additional fee and will issue an additional W-2 for each class member under Defendant's EIN, as SDI is reported under Defendant's EIN rather than the EIN of the QSF. The Power of Attorney (Form DE 48) will be needed in order for PSA to report SDI payments.

EXHIBIT “5”