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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES—SPRING STREET COURTHOUSE

LARRY ROSS, individually, and on
behalf of other members of the general
public similarly situated and on behalf of
other aggrieved employees pursuant to
the California Private Attorneys General
Act;

Plaintiff,

vs.

MORRISON EXPRESS
CORPORATION (U.S.A.), a California
corporation; and DOES 1 through 100,
inclusive,

Defendants.

Case No. 23STCV22454

Honorable Kenneth R. Freeman
Department 14

CLASS ACTION

**DECLARATION OF RYAN SLINGER IN
SUPPORT OF PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT**

Date: August 5, 2025
Time: 2:00 p.m.
Department: 14

Complaint Filed: September 15, 2023
Trial Date: None Set

DECLARATION OF RYAN SLINGER

I, Ryan Slinger, hereby declare as follows:

1. I am an attorney licensed to practice law in the State of California. I am a member of Lawyers for Justice, PC, attorneys of record for Plaintiff Larry Ross ("Plaintiff"). The facts set forth in this declaration are within my personal knowledge or based on information and belief, and if called as a witness, I could and would competently testify thereto.

PROCEDURAL HISTORY

2. On July 12, 2023, Plaintiff provided written notice to the LWDA and Defendant Morrison Express Corporation (U.S.A.) ("Defendant") of the specific provisions of the alleged California Labor Code violations ("PAGA Notice"). Marked and attached hereto as "**EXHIBIT 1**" is a true and correct copy of Plaintiff's PAGA Notice.

3. On September 15, 2023, Plaintiff filed the Class Action Complaint for Damages & Enforcement under the Private Attorneys General Act, California Labor Code § 2698, Et Seq. ("Operative Complaint") in the Superior Court for the County of Los Angeles, thereby commencing the above-captioned lawsuit.

THE PROPOSED SETTLEMENT

4. Marked and attached hereto as "**EXHIBIT 2**" is a true and correct copy of the Class Action and PAGA Settlement Agreement ("Settlement," "Agreement," or "Settlement Agreement") entered into by and between Plaintiff, individually and on behalf of all others similarly situated and other aggrieved employees, on the one hand, and Defendant, on the other hand (together, the "Parties"). The Parties and their counsel have approved the proposed Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice"), which is attached to the Settlement Agreement as "Exhibit A," and respectfully request that the Court approve it as well.

5. The Settlement provides for a Total Settlement Amount of \$650,000.00 to be paid in a single payment on a non-reversionary basis. The Net Settlement Amount is the Total Settlement Amount, less the following amounts, subject to approval by the Court: Class Counsel Fees Payment of up to \$227,500.00 (if the Total Settlement Amount remains \$650,000.00) and Class Counsel

1 Litigation Expenses Payment not to exceed \$50,000.00 to Class Counsel; Enhancement Award to
2 Plaintiff of up to \$7,500.00; Administration Costs to the Administrator not to exceed \$6,500.00; and
3 the PAGA Penalties of \$35,000.00. Assuming that the amounts allocated under the Settlement
4 toward these payments are awarded by the Court, the Net Settlement Amount that will be available
5 for distribution to Participating Class Members is currently \$323,500.00. Additionally, 25% of the
6 PAGA Penalties, which is \$8,750.00 out of \$35,000.00, will be distributed to the PAGA Members
7 (i.e., Individual PAGA Payments) for their respective portion of the PAGA Penalties. The Total
8 Settlement Amount will be fully distributed in accordance with the terms of the Settlement, and there
9 is no reversion to Defendant.

10 6. The Settlement Agreement provides for Class Counsel to apply for Class Counsel
11 Fees Payment in an amount of up to 35% of the Total Settlement Amount (i.e., \$227,500.00, if the
12 Total Settlement Amount remains \$650,000.00) and Class Counsel Litigation Expenses Payment of
13 not more than \$50,000.00, which will be paid out of the Total Settlement Amount, subject to
14 approval by the Court. It should be noted that Class Counsel has borne all of the risks and costs of
15 litigation and will not receive any compensation until recovery is obtained. A description of the
16 qualifications of Class Counsel, the work performed by Class Counsel, and the results achieved by
17 Class Counsel in this matter can be found in paragraphs 14 through 19, *post*.

18 7. The Settlement Agreement provides for payment of up to \$7,500.00 to Plaintiff as an
19 Enhancement Award, to be paid out of the Total Settlement Amount and subject to approval by the
20 Court. Plaintiff spent considerable time and effort to produce relevant documents and past
21 employment records and to provide the facts and evidence necessary to attempt to prove the
22 allegations. Plaintiff was available whenever Class Counsel needed him and actively tried to obtain
23 information that would benefit the Class. Accordingly, it is appropriate and just for Plaintiff to
24 receive an Enhancement Award, in addition to his individual settlement payments, for his services
25 on behalf of the Class, PAGA Members, and State of California.

26 8. The Parties have agreed to retain Simpluris, Inc. (“Simpluris” or “Administrator”) to
27 handle the notice and settlement administration process. The Parties respectfully request that the
28 Court appoint Simpluris to handle these procedures and serve as the Administrator. Defendant will

1 provide Simpluris with the Class Data, and the Administrator will calculate each Class Member's
2 estimated share of the Net Settlement Amount ("Individual Settlement Share") and each PAGA
3 Member's estimated *pro rata* share of the 25% portion of the PAGA Penalties ("Individual PAGA
4 Payment"). The Administrator will be responsible for printing, distributing, and tracking Class
5 Notices and other documents for the Settlement; calculating and distributing payments due under
6 the Settlement, issuing of 1099 and W-2 IRS Forms and all required tax reporting, filings,
7 withholdings, and remittances, providing necessary reports and declarations, transmitting funds
8 representing uncashed checks after the void date to the Legal Aid Foundation of Los Angeles, and
9 other duties and responsibilities set forth to process the Settlement and as requested by the Parties.
10 Administration Costs are currently estimated not to exceed \$6,500.00 and will be paid out of the
11 Total Settlement Amount, subject to approval of the Court.

12 9. Under the Settlement Agreement, Defendant is responsible for any employer-side tax
13 obligations associated with the Total Settlement Amount and will deposit that amount into the
14 settlement fund, in addition to the Total Settlement Amount. Each Participating Class Member's
15 Individual Settlement Payment will be allocated 20% to wages (the "Wage Portion") and 80% to
16 penalties and interest (the "Non-Wage Portion"). The Administrator will withhold the employees'
17 share of taxes and withholdings with respect to the Wage Portions.

18 **CONDITIONAL CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE**

19 10. **Ascertainability:** The proposed Class is defined as all current and former hourly-
20 paid or non-exempt employees of Defendant in California employed during the period of September
21 15, 2019 through either (a) the date of the Court's preliminary approval of class settlement, or (b) if
22 applicable, the "Alternate End Date."

23 11. **Numerosity:** Based on data provided by Defendant, the Class is estimated to be
24 approximately 162 individuals who worked an estimated total of 15,184 Workweeks.

25 12. **Commonality:** Based on investigation and information discovered, Class Counsel
26 believes that there is sufficient evidence to support the allegations made in the lawsuit, including the
27 allegations that Defendant, with respect to Plaintiff, Class Members, and PAGA Members, *inter*
28 *alia*, failed to properly pay overtime and minimum wages and associated premium pay, failed to

1 provide compliant meal and rest periods and to pay associated premium pay, failed to timely pay
2 wages during employment and upon termination of employment, failed to provide compliant wage
3 statements, failed to maintain requisite payroll records, and failed to reimburse necessary business
4 expenses, and thereby engaged in unfair business practices and conduct giving rise to civil penalties
5 recoverable under the Private Attorneys General Act of 2004 (California Labor Code section 2698,
6 et seq.). Plaintiff also asserted that Class Members were expected to perform similar job duties and
7 were subject to the same or similar operations and employment policies, practices, and procedures.
8 Additionally, Plaintiff asserted that Defendant's recordkeeping practices with respect to Plaintiff,
9 Class Members, and PAGA Members were substantially the same during the time period at issue.
10 As a result of said alleged uniform practices, Plaintiff claims that the Class Members were not paid
11 all of the compensation that was owed to them by Defendant. Thus, in Class Counsel's view, it is
12 clear that the outcome of this litigation would be determined by Defendant's uniform operations and
13 employment practices, policies, and procedures which, as Plaintiff alleges, were applied across its
14 hourly-paid or non-exempt employees in California during the relevant time period.

15 13. **Adequacy and Typicality:** Plaintiff undertook the responsibilities of representing a
16 class action against his former employer. Plaintiff spent considerable time and effort to produce
17 relevant documents and past employment records and to provide the facts and evidence necessary to
18 attempt to prove the allegations. Plaintiff was available whenever Class Counsel needed him and
19 actively tried to obtain information that would benefit the Class. Plaintiff has no interests that are
20 adverse to the Class. Plaintiff was employed by Defendant during the Class Period and subject to
21 the same alleged violations and the same policies, practices, and procedures. Plaintiff took on the
22 challenge and risk of commencing and maintaining this action, and he has not yet received any
23 monetary benefit for his service to date. Plaintiff put his own interests aside and brought a publicly
24 filed lawsuit against an employer not just for his own benefit, but, instead, on behalf of other hourly-
25 paid or non-exempt employees and the State of California.

26 **EXPERIENCE AND ADEQUACY OF LAWYERS for JUSTICE, PC**

27 14. For over a decade, Lawyers for Justice, PC has almost exclusively focused on the
28 prosecution of consumer and employment class actions, involving wage-and-hour claims, race

1 discrimination, unfair business practices, or consumer fraud. Currently, Lawyers *for* Justice, PC is
2 attorney of record in over a dozen employment-related putative class actions in both state and federal
3 courts in the State of California. Lawyers *for* Justice, PC is comprised of attorneys who focus on
4 litigating complex wage-and-hour class and Private Attorneys General Act (“PAGA”) representative
5 actions. The firm has successfully litigated cases involving the executive, administrative, and other
6 overtime exemptions to the State of California and federal overtime compensation requirements.
7 During a relatively short time, in association with other law firms, Lawyers *for* Justice, PC has
8 recovered millions of dollars on behalf of thousands of individuals in California. Below is a summary
9 of the experience and qualifications of the attorneys at Lawyers *for* Justice, PC who most recently
10 and primarily have been responsible for the representation of Plaintiff in connection with the
11 resolution of above-captioned matter. Additional attorney and non-attorney staff have also worked
12 on the above-captioned matter.

13 15. Edwin Aiwazian is the Managing Member and Shareholder of Lawyers *for* Justice,
14 PC. He received his Bachelor of Arts degree from Pepperdine University in April of 1999 and earned
15 a Juris Doctor degree from Pepperdine University School of Law in May of 2004. He has extensive
16 formal training in dispute resolution and negotiation from the Straus Institute for Dispute Resolution
17 as part of its Masters in Dispute Resolution degree program. In addition, he has previously served
18 as a pro bono mediator for the Los Angeles County Superior Court. In October of 2000, he obtained
19 a Litigation Paralegal Certificate from the UCLA Extension Program. During the summer of 2000,
20 he studied Legal Writing at Harvard University. From approximately September 2002 to
21 approximately December 2002, he served as a Judicial Extern to the Honorable Kim McLane
22 Wardlaw of the United States Court of Appeals for the Ninth Circuit. From approximately June 2002
23 to approximately August 2002, he served as a Judicial Extern to the Honorable Earl Johnson, Jr. of
24 the California Court of Appeal for the Second Appellate District. In December of 2004, he obtained
25 a license to practice law from the California State Bar. Since in or around October of 2008, through
26 his work at Lawyers *for* Justice, PC, he has almost exclusively focused on the prosecution of
27 consumer and employment class actions. While employed by Lawyers *for* Justice PC, he has argued
28 over one hundred (100) motions, taken or defended over one hundred fifty (150) depositions,

1 prepared dozens of expert witnesses for deposition or trial, and attended over one hundred seventy-
2 five (175) mediations. Together with other attorneys at the firm, and in many cases in conjunction
3 with co-counsel, he has successfully litigated cases involving the executive, administrative, and
4 other overtime exemptions to the State of California and federal overtime compensation
5 requirements. Under his supervision, Lawyers for Justice, PC has successfully obtained class
6 certification by contested motion practice in approximately fifteen (15) cases in the last decade and
7 litigated over 1,000 class action or representative action cases.

8 16. Arby Aiwarzian is a Member and Shareholder of Lawyers *for* Justice, PC. He received
9 his Bachelor of Arts degree from University of California, Los Angeles and graduated magna cum
10 laude. He earned a Juris Doctor degree, cum laude, from Southwestern Law School. From
11 approximately May 2007 to approximately July 2007, he served as a Judicial Extern to the Honorable
12 Earl Johnson, Jr. of the California Court of Appeal for the Second Appellate District. From
13 approximately August 2008 to approximately December 2008 he served as a Judicial Extern to the
14 Honorable Kim McLane Wardlaw of the United State Court of Appeals for the Ninth Circuit. He
15 was admitted to practice law in California in 2010. He is admitted to practice before all courts of the
16 State of California and all United States District Courts in the State of California. He has worked on
17 many wage-and-hour class action and representative action cases, taking the lead in taking and
18 defending depositions, arguing motions, and attending mediations. He has played an integral role in
19 preparing matters for class certification, including and not limited to, successful certification of a
20 class in *Upson v. Sur La Table* (Los Angeles County Superior Court Case No. BC424012),
21 *Montazemi v. Regus Management* (Los Angeles County Superior Court Case No. BC478769), and
22 *Abdulhaqq v. Urban Outfitters* (Alameda County Superior Court Case No. RG13680477). He has
23 worked on over one hundred (100) class action or representative action cases which have resulted in
24 settlement, including and not limited to those listed in paragraph 7 herein.

25 17. Joanna Ghosh is a Senior Member of Lawyers *for* Justice, PC. She received a
26 Bachelor of Arts degree from California State University, Los Angeles in 2006, a Master of Science
27 degree from the London School of Economics in 2007, and a Juris Doctor degree from Georgetown
28 University Law Center in 2010. She is admitted to practice in California (since 2010) and in New

1 York (since 2013) and is also admitted to practice in all U.S. District Courts in California, the U.S.
2 Bankruptcy Court for the Central District of California, and the U.S. Supreme Court. She has taken
3 and defended dozens of depositions and successfully handled motion practice in class action cases
4 regarding discovery (including and not limited to, regarding class contact information), class
5 certification (both contested class certification and stipulated class certification), arbitration
6 agreements, coordination, intervention. She has successfully handled briefing and oral argument on
7 appeal, and obtained notable decisions regarding the Private Attorneys General Act and employer
8 efforts to compel arbitration of PAGA claims, e.g., *Betancourt v. Prudential Overall Supply*, 9
9 Cal.App.5th 439 (Cal. Ct. App., Mar. 7, 2017), cert. denied (Cal., May 24, 2017), cert. denied (U.S.,
10 Dec. 11, 2017) and *ZB, N.A. v. Superior Court*, 8 Cal.5th 175 (2019). She also has extensive
11 experience with class action and/or representative action settlements. Under her, Edwin Aiwazian,
12 and Arby Aiwazian's supervision, the firm has handled the class certification and court approval
13 process for hundreds of class action and/or representative action matters that have successfully
14 resolved. She is a member of the California Employment Lawyers Association.

15 18. I am a Member of Lawyers for Justice, PC. I received my Bachelor of Arts degree
16 from the University of Michigan in 2020, and I earned my Juris Doctor degree from Loyola Law
17 School in 2023. I was admitted to practice law in California in 2023. I am admitted to practice before
18 all courts of the State of California. I have worked on many wage-and-hour class action and PAGA
19 representative cases, and my work on these cases has included preparing pleadings and motions,
20 making court appearances, and drafting and finalizing settlement agreements.

21 **THE SETTLEMENT AND SUMMARY OF WORKED PERFORMED**

22 19. The effectiveness of Lawyers for Justice, PC ("Class Counsel") in prosecuting this
23 matter has translated into tangible monetary benefits for the Class Members in the following
24 respects: (1) Class Members recover over a reasonably short period of time as opposed to waiting
25 additional years for the same, or possibly worse, result; (2) a guaranteed result that compares
26 favorably with other similar class action settlements of this type given the strengths and weaknesses
27 of the case; and (3) significant savings in Class Counsel's fees and/or costs that would have only
28 increased significantly had the case progressed through certification, trial, and/or appeals.

20. Class Counsel has litigated the matter for over one (1) year and was actively preparing the matters for class certification and trial. The Parties have engaged in extensive settlement negotiations and participated in a mediation conducted by Tagore Subramaniam, Esq., a well-respected mediator experienced in mediating complex labor and employment matters. In the course of the litigation and in connection with the mediation and settlement discussions, the Parties exchanged extensive information and engaged in discussions regarding their evaluations of the case and various aspects of the case, including but not limited to, the risks and delays of further litigation, the risks to the Parties of proceeding with class certification and/or representative adjudication, the law relating to off-the-clock theory, regular rate, meal and rest periods, PAGA representative actions, and state wage-and-hour law and enforcement, as well as the evidence produced and analyzed, and the possibility of appeals, among other things. During all settlement discussions, the Parties conducted their negotiations at arm's length in an adversarial position. Arriving at a settlement that was acceptable to all Parties was not easy. Defendant and its counsel felt strongly about their ability to prevail on the merits and at certification, and Plaintiff and Class Counsel believed that they would be able to obtain class certification and prevail at trial. After conducting extensive investigations, informal discovery, exchange of information, extensive settlement negotiations, and with the aid of the mediator's evaluation, the Parties have agreed that the matter is well-suited for settlement given the legal issues relating to Plaintiff's principal claims, as well as the costs and risks to both sides that would attend further litigation. The Settlement is a fair, reasonable, and adequate resolution of the Released Class Claims of Plaintiff and Participating Class Members, and of the Released PAGA Claims of Plaintiff, the State of California, and the PAGA Members, against the Released Parties.

21. Prior to reaching the Settlement, Class Counsel investigated the veracity, strength, and scope of the claims, and was preparing the action for class certification and trial. Plaintiff conducted significant investigation and informal discovery regarding the facts of the case, including and not limited to the exchange, review, and analysis of a large volume of documents and data obtained from Defendant, Plaintiff, and other sources. The volume of data and documents that Class Counsel reviewed and analyzed included and was not limited to: a sampling of Class Members' time

1 records, Plaintiff's personnel records, multiple iterations of Defendant's Employee Handbook,
2 earning statements, company policy acknowledgements (including an Employee Meal Period
3 Acknowledgment and Compliance Agreement), Defendant's operations and employment practice,
4 policies, and procedures, among other information and documents. Class Counsel had the
5 opportunity to interview Plaintiff and other Class Members to gather facts and to identify potential
6 witnesses. Counsel for the Parties also met and conferred on numerous occasions, e.g., to discuss
7 issues relating to the pleadings and the production of documents and data prior to the mediation.
8 Class Counsel also drafted pleadings and the mediation brief and prepared for and attended court
9 proceedings, mediation, and settlement negotiations, among other tasks.

10 22. Counsel for the Parties have also invested time researching and investigating the
11 applicable law, which is constantly evolving as it relates to certification, representative PAGA
12 claims, off-the-clock theory, regular rate, meal and rest periods, state wage-and-hour law and
13 enforcement, Plaintiff's claims and damages, and Defendant's defenses thereto, as well as the facts
14 discovered. Based on our analysis, I submit that the result achieved in this litigation is fair, adequate,
15 and reasonable.

16 23. Class Counsel is aware of the defenses and position of Defendant but believes that
17 Plaintiff could potentially obtain class certification despite many obstacles. Plaintiff and Class
18 Counsel have also taken into account the uncertainty and risk of the outcome of further litigation
19 and the difficulties and delays inherent in such litigation, including those involved in class
20 certification and/or representative adjudication. Plaintiff further recognizes the burdens of proof
21 necessary to establish liability for the claims asserted in the lawsuit, Defendant's defenses, and the
22 difficulties in establishing entitlement to monetary recovery. Plaintiff and Class Counsel have also
23 considered the Parties' settlement discussions, as well as the Mediator's Proposal.

24 24. Defendant, on the other hand, denied and continues to deny any liability and
25 wrongdoing of any kind associated with the claims alleged in the lawsuit, and further denies that the
26 lawsuit is appropriate for class treatment or representative adjudication for any purpose other than
27 this Settlement. Defendant believes that it would ultimately succeed in the matter. Both sides have
28 also had the opportunity to interview witnesses and review documents and information relating to

Plaintiff's, Class Members', and PAGA Members' employment with Defendant and Defendant's operations and employment policies, practices, and procedures. The Parties also reviewed and analyzed a large volume of documents and data to determine the potential value and strength of the claims. The available information enabled Class Counsel to assess and value the class and PAGA claims and prepare violation, damages, and penalties analyses models. Accordingly, the Parties have conducted adequate investigation and informal discovery to be sufficiently informed of the nature and extent of the Class Members' claims and to enable both sides to fully evaluate the Settlement for its fairness, adequacy, and reasonableness. The Settlement takes into account the strengths and weaknesses of each side's position and the uncertainty of how the case might have concluded at certification, trial, and/or appeals.

ESTIMATE OF THE VALUE OF THE CLAIMS

25. Plaintiff's action alleges that Defendant has violated the California Labor Code and Industrial Welfare Commission Wage Orders by engaging in a uniform policy and systematic scheme of wage abuse against Plaintiff and the putative class members, including, *inter alia*, failing to properly compensate overtime and minimum wages, failing to provide compliant meal and rest periods and associated premium pay, failing to timely pay wages during employment, failing to timely pay wages upon termination and associated waiting-time penalties, failing to provide compliant wage statements, failing to maintain requisite payroll records, and failing to reimburse necessary business expenses. Plaintiff further contends that Defendant's aforementioned conduct constitutes unfair business practices under the California Business and Professions Code ("UCL") and gives rise to civil penalties recoverable under PAGA.

26. Based on data provided by Defendant and extrapolated by Plaintiff, the total number of putative class members during the period from September 15, 2019 to August 5, 2025 ("relevant time period") was estimated to be approximately 162 individuals who worked an estimated total of 15,346 Workweeks with an average hourly rate of pay of \$24.88.

27. Plaintiff contended that Defendant required putative class members to perform work before clocking-in and after clocking-out of their scheduled shifts and during meal and rest periods. Plaintiff contended that Defendant discouraged the recordation of overtime hours and required

1 putative class members to perform work off-the-clock. Plaintiff contended that Defendant failed to
2 include non-discretionary bonuses and incentives in the calculation of the regular rate when paying
3 overtime wages. Plaintiff also contended that meal and rest periods were regularly missed, later,
4 shortened, and/or interrupted, putative class members were required to remain on premises during
5 rest breaks, readily available to assist with work tasks, and that Defendant failed to properly pay
6 premiums for all non-compliant meal and rest periods. Additionally, Plaintiff alleged that Defendant
7 intentionally and willfully failed to pay Plaintiff and putative class members all wages due to them
8 while they were employed by Defendant, within the time period permissible under California law,
9 and that Defendant failed to pay all wages due upon termination, within the time period permissible
10 under California law, thereby triggering waiting-time penalties under California Labor Code section
11 203. Plaintiff contended that, based on the violations described herein, the wage statements provided
12 by Defendant and the payroll records kept by Defendant were inaccurate. Finally, Plaintiff contended
13 that Defendant failed to reimburse Plaintiff and the other putative class members for necessary
14 business expenses, including, but not limited to, the costs associated with the usage of personal cell
15 phones for work duties, costs of complying with Defendant's dress code, and mileage costs.

16 28. Class Counsel considered defense arguments, e.g., that the employer's practices,
17 policies, and procedures complied with the law, that Defendant paid putative class members over
18 the California minimum wage for all hours worked, that Defendant correctly paid overtime for all
19 overtime hours worked, that no waiting-time penalties were due because waiting-time penalties only
20 arise from "willful" failure to pay wages due and owing at the time of termination or resignation,
21 that Plaintiff and putative class members suffered no actual injury from the alleged wage statement
22 violations and that this alleged violation and the alleged recordkeeping violation are entirely
23 derivative of the other causes of action, and that a policy and practice of reimbursing employees for
24 necessary business-related expenses exists. Class Counsel also considered the likelihood of
25 Plaintiff's success in establishing that any of provisions of the California Labor Code, on which the
26 civil penalties under PAGA and the UCL claim are predicated, were violated and that such violations
27 were injurious and/or warranted imposition of civil penalties. Class Counsel also considered that
28 trial courts have wide discretion when assessing penalties under PAGA, and that it could be

determined that individual liability issues predominate (e.g., due to purported variation in shifts, locations, job duties, and other circumstances which could raise individualized questions of fact) and could pose challenges to certification, manageability, and the merits of Plaintiff's claims.

29. Class Counsel considered information, data, and documents obtained from Plaintiff, Defendant, and other sources, and created violation, damages, and penalties valuations and models prior to reaching the Settlement. Based thereon, Plaintiff calculated the potential value of the claims. However, the potential value of each claim assumed an exposure based on the above-captioned action having been certified and Plaintiff having proven all elements of the claims and entitlement to monetary recovery in the above-captioned action (on a class-wide and a representative basis), despite risks associated with obtaining and maintaining certification and demonstrating manageability, risks to establishing liability and any underlying California Labor Code and IWC Wage Order violations and damages, and significant additional costs that would have to be incurred in order to certify the above captioned action and establish liability, damages, and penalties amounts in the cases. Plaintiff faced the risk of the Court finding that individualized issues predominate, such that the cases are not suitable for class treatment. While Class Counsel disagreed with Defendant's arguments and factual contentions, Class Counsel recognized the circumstances and realities of the case, applicable case law and regulations, the extensive time and pay records produced by Defendant, the costs and expenses of further litigation and certification, and risks to recovery, and applied appropriate discounts for them. Class Counsel calculated the potential and realistic values of each claim as follows:

- a. Failure to Pay Overtime Wages: The potential value of this claim was estimated to be \$1,145,425.44 (15,346 Workweeks x 2 hours of unpaid overtime wages x overtime hourly rate of \$37.32, which is based on the average hourly rate of \$24.88). At this juncture, a discount of 50% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$572,712.72), a discount of 55% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$257,720.72), and a discount of 70% was applied to account for the

risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$77,316.22).

- b. Failure to Pay Minimum Wages: The potential value of this claim was estimated to be \$381,808.48 (15,346 Workweeks x 1 hour of unpaid minimum wages x average hourly rate of \$24.88). At this juncture, a discount of 50% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$190,904.24), a discount of 55% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$85,906.91), and a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$25,772.07).
- c. Failure to Provide Compliant Meal Periods and Associated Premiums: The potential value of this claim was estimated to be \$763,616.96 (15,346 Workweeks x 2 meal period premium x average hourly rate of \$24.88). At this juncture, a discount of 45% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$419,989.33), a discount of 55% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$188,995.20), and a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$56,698.56).
- d. Failure to Provide Compliant Rest Periods and Associated Premiums: The potential value of this claim was estimated to be \$1,145,425.44 (15,346 Workweeks x 3 rest period premiums x average hourly rate of \$24.88). At this juncture, a discount of 45% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$629,983.99), a discount of 55% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$283,492.80), and

a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$85,047.84).

e. Failure to Timely Pay Wages During Employment: The value of this claim is considered as a part of the valuation of the PAGA claim contained *infra*.

f. Failure to Timely Pay Wages After Termination (and Waiting-Time Penalties): Based on information and data provided by Defendant, it was estimated that approximately 80 putative class members had been terminated during the three-year statute of limitations (i.e., from September 15, 2020). Assuming that these individuals were not timely paid all wages due to them upon termination, the potential value of waiting-time penalties was estimated to be \$477,696.00 collectively (80 individuals x [30 days x hourly rate of \$24.88 x 8 hours]), or approximately \$5,971.20 per individual. At this juncture, a discount of 50% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$238,848.00), a discount of 55% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$107,481.60), and a discount of 65% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim closer to \$37,618.56).

g. Failure to Provide Compliant Wage Statements: The potential value of this claim was calculated to be \$376,500.00 ([104 initial violations x \$50 statutory penalty] + [3,713 subsequent violations x \$100 statutory penalty]). At this juncture, a discount of 45% was applied to account for the risks associated with obtaining and maintaining class certification (bringing the value of this claim closer to \$207,075.00), a discount of 55% was applied to account for the risks associated with succeeding on the merits and establishing liability (bringing the value of this claim closer to \$93,183.75), and a discount of 70% was applied to account for the risks associated with proving the extent of damages and obtaining an award thereof (bringing the value of this claim

1 closer to \$27,955.13).

- 2 h. Failure to Maintain Payroll Records: Arguably, civil penalties would only be
3 recoverable by the Labor Commissioner, therefore, the value of this claim is
4 considered as a part of the valuation of the PAGA claim contained *infra*.
- 5 i. Failure to Reimburse Necessary Business Expenses: The potential value of this claim
6 was estimated to be \$148,856.20 (15,346 Workweeks x \$9.70 unreimbursed business
7 expenses). At this juncture, a discount of 45% was applied to account for the risks
8 associated with obtaining and maintaining class certification (bringing the value of
9 this claim closer to \$81,870.91), a discount of 55% was applied to account for the
10 risks associated with succeeding on the merits and establishing liability (bringing the
11 value of this claim closer to \$36,841.91), and a discount of 65% was applied to
12 account for the risks associated with proving the extent of damages and obtaining an
13 award thereof (bringing the value of this claim closer to \$12,894.67).
- 14 j. PAGA Penalties: The amount of civil penalties at issue, which the Court could
15 determine whether or not to assess and whether or not to reduce based on the facts
16 and circumstances of the case (to avoid an award that is unjust, arbitrary and
17 oppressive, or confiscatory, pursuant to California Labor Code section 2699(e)(2)),
18 were estimated to be approximately \$182,000.00 (104 aggrieved employees
19 estimated to have worked during the one-year statutory period x \$1,750 civil
20 penalties). At this juncture, a discount of 30% was applied to account for the risks
21 associated with possible bifurcation of discovery and/or trial (bringing the value of
22 this claim closer to \$127,400.00), a discount of 45% was applied to account for the
23 risks associated with succeeding on the merits and establishing liability (bringing the
24 value of this claim closer to \$70,070.00), and a discount of 50% was applied to
25 account for the risks associated with the Court's discretion to reduce civil penalties
26 and obtaining an award of civil penalties (bringing the value of this claim closer to
27 \$35,035.00).

28 ///

31. Class Counsel submits that the Settlement is fair, reasonable, and adequate, and it is in the best interest of Plaintiff, the Class, PAGA Members, and the State of California. Class Counsel further submits that the Settlement is within an acceptable range of recovery for this type of litigation given the strengths and weaknesses of the case, the inherent costs and risks of further litigation, and the costs and risks associated with class certification, representative adjudication, trial, and/or appeals.

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

21 Executed on this 7th day of February 2025 at Glendale, California.

22 *Ryan Slinger*
23 Ryan Slinger

EXHIBIT 1



July 12, 2023

BY ONLINE SUBMISSION

California Labor & Workforce Development Agency
PAGAFilings@dir.ca.gov

Re: MORRISON EXPRESS CORPORATION (U.S.A)

Dear Representative:

We have been retained to represent Larry Ross against Morrison Express Corporation (U.S.A) (including any and all affiliates, subsidiaries, parents, directors, officers, agents, and executive employees) (collectively referred to as "Morrison") for violations of California wage-and-hour laws. Mr. Ross seeks penalties for violations of the California Labor Code, which are recoverable under California Labor Code section 2698, et seq., the Labor Code Private Attorneys General Act of 2004 ("PAGA") and all other remedies available under PAGA.

Mr. Ross seeks these remedies on behalf of the State of California and "aggrieved employees," as defined herein. This letter is sent in compliance with the reporting requirements of California Labor Code section 2699.3.

Morrison employed Mr. Ross as an hourly-paid, non-exempt employee from approximately October 2022 to approximately March 2023, in the State of California.

The "aggrieved employees" that Mr. Ross may seek penalties on behalf of are all current and former hourly-paid or non-exempt employees who worked for any of the above-referenced entities within the State of California.

Based on the following facts and theories, Morrison has violated and/or continues to violate, among other provisions of the California Labor Code and applicable wage law, California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800 and 2802, and IWC Wage Orders including *inter alia*, Wage Orders 4-2001, and 9-2001.

Morrison required aggrieved employees to perform work before their scheduled shifts, after their scheduled shifts, during off-the-clock meal breaks, and/or during rest breaks and failed to compensate aggrieved employees for this time. Such work included, but was not limited to, responding to work-related inquiries.

California Labor Code sections 510 and 1198 require employers to pay time-and-a-half or double time overtime wages, and make it unlawful to work employees for hours longer than eight hours in one day and/or over forty hours in one week without paying the premium overtime rates at one-

and-one-half times or double the regular rate of pay, including additional remuneration. During the relevant time period, Mr. Ross and other aggrieved employees worked in excess of 8 hours in a day and 40 hours in a week. Therefore, Mr. Ross and other aggrieved employees were entitled to receive certain wages for overtime compensation, but they were not paid for all overtime hours worked.

California Labor Code sections 226.7 and 512 require employers to pay an employee one additional hour of pay at the employee's regular rate for each meal or rest period that is not provided. During the relevant time period, Morrison required Mr. Ross and other aggrieved employees to work during meal and rest periods and failed to compensate them properly for non-compliant meal and rest periods including, *inter alia*, short, late, interrupted, and missed meal and rest periods.

California Labor Code sections 201 and 202 provide that if an employer discharges an employee, the wages earned and unpaid at the time of discharge are due and payable immediately, and if an employee quits his or her employment, his or her wages shall become due and payable not later than seventy-two (72) hours thereafter, unless the employee has given seventy-two (72) hours' 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. During the relevant time period, Morrison failed to pay Mr. Ross and other aggrieved employees all wages due to them within any time period specified by California Labor Code sections 201 and 202, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 204 requires that all wages earned by any person in any employment between the 1st and the 15th days, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 16th and the 26th day of the month during which the labor was performed, and that all wages earned by any person in any employment between the 16th and the last day, inclusive, of any calendar month, other than those wages due upon termination of an employee, are due and payable between the 1st and the 10th day of the following month. California Labor Code section 204 also requires that all wages earned for labor in excess of the normal work period shall be paid no later than the payday for the next regular payroll period. During the relevant time period, Morrison failed to pay Mr. Ross and other aggrieved employees all wages due to them within any time period specified by California Labor Code section 204, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code section 226 requires employers to make, keep and provide complete and accurate itemized wage statements to their employees. During the relevant time period, Morrison did not provide Mr. Ross and other aggrieved employees with complete and accurate itemized wage statements. The wage statements they received from Morrison were in violation of California Labor Code section 226(a). The violations include, but are not limited to, the failure to include the total hours worked by Mr. Ross and other aggrieved employees, including time spent working off-the-clock and during meal and rest periods as discussed above, and the naming of the incorrect business entity on Plaintiff's records.

California Labor Code sections 551 and 552 require that every person employed in any occupation of labor is entitled to one day's rest in a seven-day workweek, that no employer of labor shall cause

his employees to work more than six days in a workweek, and that an employer shall pay a civil penalty in the amounts of fifty dollars (\$50) for each aggrieved employee per pay period for the initial violation and one hundred dollars (\$100) for each aggrieved employee per pay period for each subsequent violation. During the relevant time period, Mr. Ross and the aggrieved employees were required to regularly and/or consistently work in excess of six (6) days in a workweek. During the relevant time period, Mr. Ross and the aggrieved employees were required to work in excess of thirty (30) hours in a week and/or six (6) hours in any one (1) day thereof, during workweeks in which they were required to work in excess of six (6) days. During the relevant time period, Mr. Ross and the aggrieved employees were required to work in excess of six (6) days in a workweek without accumulating or being provided the opportunity to take at least one (1) day of rest, and when Mr. Ross and the aggrieved employees accumulated days of rest, they were not actually provided the opportunity to take the equivalent of one (1) day's rest in seven (7) during each calendar month.

California Labor Code sections 1174(d) requires an employer to keep, at a central location in the state or at the plants or establishments at which employees are employed, payroll records showing the hours worked daily by and the wages paid to, and the number of piece-rate units earned by and any applicable piece rate paid to, employees employed at the respective plants or establishments. These records shall be kept with rules established for this purpose by the commission, but in any case shall be kept on file for not less than two years. During the relevant time period, Morrison failed to keep accurate and complete payroll records showing the actual hours worked daily and the wages earned by Mr. Ross and other aggrieved employees, including earned and unpaid minimum, overtime, and premium wages as discussed above.

California Labor Code sections 1194, 1197, and 1197.1 provide the minimum wage to be paid to employees, and the payment of a lesser wage than the minimum so fixed is unlawful. During the relevant time period, Morrison did not provide Mr. Ross and other aggrieved employees with the minimum wages to which they were entitled for work performed "off-the-clock."

California Labor Code section 1198 provides that "The employment of any employee ... under conditions of labor prohibited by the [Industrial Wage Orders] is unlawful." The applicable Industrial Wage Orders, including *inter alia*, Wage Orders 4-2001, and 9-2001, require that for each workday an employee is required to report for work and does report, but is not put to work or is furnished less than half said employee's usual or scheduled day's work, the employee shall be paid for half the usual or scheduled day's work, but in no event for less than two (2) hours nor more than four (4) hours, at the employee's regular rate of pay. Further, if an employee is required to report for work a second time in any one workday and is furnished less than two (2) hours of work on the second reporting, said employee shall be paid for two (2) hours at the employee's regular rate of pay. During the relevant time period, Morrison failed to pay Mr. Ross and other aggrieved employees half the usual or scheduled day's work in an amount no less than two (2) hours nor more than four (4) hours at the employee's regular rate of pay for workdays in which Mr. Ross and the other aggrieved employees reported to work and were furnished less than half the usual or scheduled day's work. During the relevant time period, Morrison failed to pay Mr. Ross and other aggrieved employees for two (2) hours at the employee's regular rate of pay on days in which Mr. Ross and the other aggrieved employees were required to report for work a second time in one workday and were furnished less than two (2) hours of work upon the second reporting.

California Labor Code sections 2800 and 2802 require an employer to reimburse its employee for all necessary expenditures incurred by the employee in direct consequence of the discharge of his or her job duties or in direct consequence of his or her obedience to the directions of the employer. During the relevant time period, Mr. Ross and other aggrieved employees incurred necessary business-related expenses and costs that were not fully reimbursed by Morrison. These costs include, but are not limited to, the use of a personal phone for work-related tasks, the use of mileage on a personal vehicle for work-related tasks, and the purchasing and maintenance of footwear in compliance with the dress code.

Therefore, on behalf of all aggrieved employees, Mr. Ross seeks all applicable penalties arising out of the above-referenced wage, hour, and payroll practices, or which could be assessed and collected by the Labor and Workforce Development Agency, for violation of the California Labor Code pursuant to PAGA, including civil penalties pursuant to Labor Code section 558.

If you have any questions or require additional information, please do not hesitate to contact us. Thank you for your attention to this matter and the noble cause you advance each and every day.

With kind regards,

A handwritten signature in blue ink that reads "Gabriella Sole". The signature is fluid and cursive, with the first name and last name clearly distinguishable.

Gabriella Sole, Esq.

Cc: (By U.S. Certified Mail / Return Receipt Requested)

Morrison Express Corporation (U.S.A)
c/o Devita Ralston
Agent for Service of Process
2000 S Hughes Way
El Segundo, CA 90245

EXHIBIT 2

CLASS ACTION AND PAGA SETTLEMENT AGREEMENT

This Class Action and PAGA Settlement Agreement (“Settlement,” “Agreement,” or “Settlement Agreement”) is made by and between Plaintiff Larry Ross (“Plaintiff”) and Defendant Morrison Express Corporation (U.S.A.) (“Defendant”) in the lawsuit entitled *Larry Ross v. Morrison Express Corporation (U.S.A.)*, Los Angeles Superior Court Case No. 23STCV22454 (the “Action”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1. “Action” means Plaintiff’s class action and PAGA lawsuit alleging wage and hour violations against Defendant captioned *Larry Ross v. Morrison Express Corporation (U.S.A.)*, initiated on September 15, 2023, Los Angeles Superior Court Case No. 23STCV22454.
- 1.2. “Administrator” means Simpluris, Inc., the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3. “Administration Costs” means the amount the Administrator will be paid from the Total Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Parties and approved by the Court in connection with Preliminary Approval of the Settlement.
- 1.4. “Class” or “Class Member(s)” mean all current and former hourly-paid or non-exempt employees of Defendant in California employed during the Class Period.
- 1.5. “Class Counsel” means Arby Aiwasian, Elizabeth Parker-Fawley, and Ryan Slinger of Lawyers for Justice, PC and all the lawyers of this firm acting on behalf of Plaintiff and the Class.
- 1.6. “Class Counsel Fees Payment” and “Class Counsel Litigation Expenses Payment” mean the amounts allocated to Class Counsel for reasonable attorneys’ fees and reimbursement of actual litigation costs, respectively, incurred to prosecute the Action.
- 1.7. “Class Data” means Class Member identifying information in Defendant’s possession, custody, or control including the Class Member’s full name, last-known mailing address, Social Security number, hire and termination dates, and information and/or data sufficient to determine the number of Workweeks and PAGA Pay Periods worked by each Class Member.
- 1.8. “Class Member Address Search” means the Administrator’s investigation and search for Class Members’ current mailing addresses using all reasonably available sources, methods and means including, but not limited to, the National Change of Address database and direct contact by the Administrator with Class Members.
- 1.9. “Class Notice” means the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval, to be mailed to Class Members in English and Spanish in

the form, without material variation, attached as “**Exhibit A**” and incorporated by reference into this Agreement.

- 1.10. “Class Period” means the period from September 15, 2019 through either (a) the date of the Court’s preliminary approval of class settlement, or (b) if applicable, the “Alternate End Date.”
- 1.11. “Class Representative” or “Plaintiff” mean Larry Ross.
- 1.12. “Class Settlement” means the settlement and resolution of the Released Class Claims.
- 1.13. “Court” means the Superior Court of California, County of Los Angeles.
- 1.14. “Defendant” means Morrison Express Corporation (U.S.A.).
- 1.15. “Defense Counsel” means Eric C. Schwettmann, Katherine A. Hren, and Janet S. Soultanian of Ballard Rosenberg Golper & Savitt, LLP.
- 1.16. “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Granting Final Approval of the Settlement; and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) if no Participating Class Member objects to the Settlement, the day the Court enters Judgment; (b) if one or more Participating Class Members objects to the Settlement, the day after the deadline for filing a notice of appeal from the Judgment; or if a timely appeal from the Judgment is filed, the day after the appellate court affirms the Judgment and issues a remittitur.
- 1.17. “Employer Taxes” means the share of employer payroll taxes on the Wages Portion of each Individual Settlement Share, which Defendant will pay in addition to the Total Settlement Amount.
- 1.18. “Enhancement Award” means the payment to the Class Representative for initiating the Action and providing services in support of the Action.
- 1.19. “Final Approval” means the Court’s order granting final approval of the Settlement.
- 1.20. “Final Approval Hearing” means the hearing at which the Court will consider and determine whether the Settlement should be granted Final Approval.
- 1.20. “Individual PAGA Payment(s)” means the PAGA Member’s *pro rata* share of 25% of the PAGA Penalties calculated according to the number of PAGA Pay Periods worked during the PAGA Period.
- 1.21. “Individual Settlement Payment(s)” means the net payment of each Participating Class Member’s Individual Settlement Share, after reduction for the employee’s share of taxes and withholdings with respect to the portion of the Individual Settlement Share allocated as wages.

- 1.22. “Individual Settlement Share(s)” means the *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under the Settlement Agreement.
- 1.23. “LWDA” means the California Labor and Workforce Development Agency.
- 1.24. “LWDA Payment” means the 75% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, former subd. (i).
- 1.25. “Net Settlement Amount” means the Total Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Penalties, Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and the Administration Costs. The remainder is to be paid to Participating Class Members as Individual Settlement Payments.
- 1.26. “Non-Participating Class Member” means any Class Member who opts out of the Class Settlement by sending the Administrator a valid and timely Request for Exclusion.
- 1.27. “Objection” means a Class Member’s written objection to the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a written statement of all grounds for the objection accompanied by any legal and factual support for such objection; (d) contain copies of any papers, briefs, or other documents upon which the objection is based; and (e) be submitted by mail to the Administrator at the specified address, postmarked on or before the Response Deadline.
- 1.28. “PAGA Member” means all current and former hourly-paid or non-exempt employees of Defendant in California employed during the PAGA Period.
- 1.29. “PAGA Pay Periods” means the number of pay periods each PAGA Member worked for Defendant as an hourly-paid or non-exempt employee within California during the PAGA Period. Defendant shall provide information and/or data sufficient for the Administrator to determine the number of PAGA Pay Periods worked by each PAGA Member.
- 1.30. “PAGA Period” means the period from July 12, 2022 through either (a) the date of the Court’s preliminary approval of the settlement, or (b) if applicable, the “Alternate End Date.”
- 1.31. “PAGA” means the Private Attorneys General Act (Labor Code §§ 2698. et seq.).
- 1.32. “PAGA Notice” means Plaintiff’s July 12, 2023 letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a).
- 1.33. “PAGA Penalties” means the total amount of PAGA civil penalties, in the amount of \$35,000.00, to be paid from the Total Settlement Amount, allocated as 25% to the PAGA Members (\$8,750.00) and 75% to the LWDA (\$26,250.00) in settlement of PAGA claims.
- 1.34. “PAGA Settlement” means the settlement and resolution of the Released PAGA Claims.

- 1.35. “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Class Settlement.
- 1.36. “Preliminary Approval” means the Court’s Order Granting Preliminary Approval of the Settlement.
- 1.37. “Preliminary Approval Order” means the proposed Order Granting Preliminary Approval and Approval of PAGA Settlement.
- 1.38. “Released Class Claims” means the claims being released as described in Paragraph 5.2 below.
- 1.39. “Released PAGA Claims” means the claims being released as described in Paragraph 5.3 below.
- 1.40. “Released Parties” means Defendant Morrison Express (U.S.A.) and any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members or PAGA Members as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives.
- 1.41. “Request for Exclusion” means a Class Member’s written letter indicating a request to be excluded from the Class Settlement, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) contain a clear written statement indicating that the Class Member seeks exclusion from the Class Settlement; and (d) be submitted by mail to the Settlement Administrator at the specified address, postmarked on or before the Response Deadline.
- 1.42. “Response Deadline” means sixty (60) calendar days after the Administrator mails the Class Notice to Class Members and PAGA Members, and shall be the last date on which Class Members may: (a) mail Requests for Exclusion from the Class Settlement, or (b) mail his or her Objection to the Class Settlement. The Response Deadline shall be extended by fourteen (14) calendar days for those Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator.
- 1.43. “Total Settlement Amount” means Six Hundred Fifty Thousand Dollars and Zero Cents (\$650,000.00) which, in addition to Employer Taxes, is the total amount Defendant agrees to pay under the Settlement except as provided in Paragraph 8 below. The Total Settlement Amount will be used to pay Individual Settlement Payments, Individual PAGA Payments, the LWDA Payment, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, Enhancement Award, and the Administrator’s Costs.
- 1.44. “Workweeks” means the number of weeks each Class Member worked for Defendant as an hourly-paid or non-exempt employee within California during the Class Period. Defendant shall provide information and/or data sufficient for the Administrator to determine the number of Workweeks and PAGA Pay Periods worked by each Class Member.

- 1.45. “Workweeks / PAGA Pay Periods Dispute” means a a Class Member’s written letter disputing the pre-printed information on the Class Notice as to the number of Workweeks / PAGA Pay Periods credited to them, which must: (a) contain the case name and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone number, and last four (4) digits of Social Security Number; (c) clearly state that the Class Member disputes of the number of Workweeks / PAGA Pay Periods credited to him or her and what he or she contends is the correct number to be credited to him or her; (d) attach any documentation that he or she has to support the dispute; and (e) be submitted by mail to the Administrator at the specified address, postmarked on or before the Response Deadline.

2. RECITALS.

- 2.1. On July 12, 2023, Plaintiff provided written notice to the LWDA and to Defendant of the specific provisions of the California Labor Code that Defendant allegedly violated (i.e., PAGA Notice). Pursuant to Labor Code section 2699.3, subd.(a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice. On September 15, 2023, Plaintiff commenced the class action lawsuit entitled *Larry Ross v. Morrison Express Corporation (U.S.A.)* in the Superior Court of California for the County of Los Angeles, Case No. 23STCV22454 (i.e., the Action), by filing the Class Action Complaint for Damages & Enforcement Under The Private Attorneys General Act, California Labor Code § 2698, *Et Seq.* (the “Complaint”), which alleged eleven causes of action against Defendant for: (1) failure to pay overtime wages pursuant to California Labor Code sections 510 and 1198; (2) failure to provide meal periods and associated premiums pursuant to California Labor Code sections 226.7 and 512(a); (3) failure to provide rest periods and associated premiums pursuant to California Labor Code sections 226.7; (4) failure to pay all minimum wages owed pursuant to California Labor Code sections 1194, 1197, and 1197.1; (5) failure to pay all wages owed at termination pursuant to California Labor Code sections 201 and 202; (6) failure to timely pay wages during employment pursuant to California Labor Code section 204; (7) failure to furnish accurate itemized wage statements pursuant to California Labor Code section 226(a); (8) failure to keep complete or accurate payroll records pursuant to California Labor Code section 1174(d); (9) failure to reimburse all necessary business expenses pursuant to California Labor Code sections 2800 and 2802; (10) violations of California Business & Professions Code sections 17200, *et seq.*; and (11) for civil penalties under California Labor Code § 2698, *et seq.*
- 2.2. Defendant has denied the allegations in the Action, and denies all material allegations set forth in the Complaint. Notwithstanding, in the interest of avoiding further litigation, Defendant desires to fully and finally settle the Action and, Released Class Claims, and Released PAGA Claims.
- 2.3. On August 7, 2024, the Parties participated in an all-day mediation presided over by Tagore Subramaniam, Esq. Although the parties did not reach a resolution during the mediation, the Mediator presented a “Mediator’s Proposal” at the conclusion of mediation, which both parties accepted, and which led to this Agreement to settle the Action.

- 2.4. Prior to mediation, Plaintiff obtained, through informal discovery, a random sampling of Class Members' time and pay records, as well as information and documents concerning the claims set forth in the Action, including but not limited to, Defendant's employee handbook and relevant wage and hour policies, datapoints, including and not limited to, information regarding the number of Class Members and PAGA Members, the number of workweeks worked by the Class Members, the number of pay periods worked by the Class Members, and the average rate of pay of the Class Members. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").
- 2.5. The Court has not yet granted class certification, as the Parties agreed to mediate prior to the filing of any motion to determine whether a class should be certified.
- 2.6. The Parties, Class Counsel, and Defense Counsel represent that they are not aware of any other pending matter or action asserting claims that will be extinguished or affected by the Settlement.

3. **MONETARY TERMS.**

- 3.1. Total Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay \$650,000.00 and no more as the Total Settlement Amount and to separately pay any and all Employer Taxes. Defendant has no obligation to pay the Total Settlement Amount (or Employer Taxes) prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Total Settlement Amount without asking or requiring Participating Class Members or PAGA Members to submit any claim as a condition of payment. None of the Total Settlement Amount will revert to Defendant.
- 3.2. Payments from the Total Settlement Amount. The Administrator will make and deduct the following payments from the Total Settlement Amount, in the amounts specified by the Court in the Final Approval:
- 3.2.1. To Plaintiff: Enhancement Award to the Class Representative of not more than \$7,500.00 (in addition to any Individual Settlement Payment and any Individual PAGA Payment the Class Representative is entitled to receive as a Participating Class Member). Defendant will not oppose Plaintiff's request for an Enhancement Award that does not exceed this amount. As part of the motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment, Plaintiff will seek Court approval for any Enhancement Award prior to the Final Approval Hearing. If the Court approves an Enhancement Award less than the amount requested, the Administrator will retain the remainder in the Net Settlement Amount to be distributed to Participating Class Members. The Administrator will pay the Enhancement Award using IRS Form 1099. Plaintiff assumes full responsibility and liability for employee taxes owed on the Enhancement Award.

- 3.2.2. To Class Counsel: A Class Counsel Fees Payment of not more than 35%, which is

currently estimated to be \$227,500.00 and a Class Counsel Litigation Expenses Payment of not more than \$50,000.00. Defendant will not oppose requests for these payments. Plaintiff and/or Class Counsel will file a motion for Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment prior to the Final Approval Hearing. These amounts will cover any and all work performed and any and all costs incurred by Class Counsel in connection with the Action, including without limitation all work performed to date, and all work to be performed and all costs to be incurred in connection with obtaining the Court's approval of the Settlement, as well as any objections raised, and any appeals necessitated by those objections. Class Counsel shall be solely and legally responsible for correctly characterizing this compensation for tax purposes and for paying any taxes on the amounts received. With respect to the Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment, the Administrator may purchase annuities to utilize United States Treasuries and bonds or other attorney fee deferral vehicles, for Class Counsel. Any additional expenses for the use of attorney fee deferral vehicles shall be paid separately by Class Counsel and shall not be included in the Administration Costs. Any portion of the Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment not awarded to Class Counsel shall be part of the Net Settlement Amount to be distributed to Participating Class Members.

- 3.2.3. To the Administrator: The Administrator will be paid for the reasonable costs of administration of the Settlement and distribution of payments under the Settlement, which is currently estimated not to exceed \$6,500.00. To the extent actual Administration Costs are greater than the estimated amount stated herein, such excess amount will be disclosed to the Court and deducted from the Total Settlement Amount, subject to approval by the Court. Any portion of the estimated, designated, and/or awarded Administration Costs which are not in fact required to fulfill payment to the Administrator to undertake the required settlement administration duties will become part of the Net Settlement Amount to be distributed to Participating Class Members.
- 3.2.4. PAGA Penalties: Subject to approval by the Court, the Parties agree that the amount of \$35,000.00 from the Total Settlement Amount will be allocated toward penalties under PAGA ("PAGA Penalties"), of which seventy-five percent (75%), or \$26,250.00, will be paid to the LWDA (i.e., the LWDA Payment) and twenty-five percent (25%) or, \$8,750.00, will be distributed to PAGA Members on a *pro rata* basis, based on PAGA Pay Periods during the PAGA Period (i.e., Individual PAGA Payment).
- 3.2.5. Individual Settlement Share Calculations: Individual Settlement Shares will be calculated and apportioned from the Net Settlement Amount based on the Class Members' Workweeks, as follows:
 - a. After Preliminary Approval of the Settlement, the Administrator will divide the Net Settlement Amount by the total number of Workweeks worked by all Class Members to yield the "Estimated Workweek Value," and multiply each Class Member's individual Workweeks by the Estimated Workweek Value to yield his or her estimated Individual Settlement Share that he or she may be eligible to receive under the Class Settlement.

b. After Final Approval of the Settlement, the Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Members to yield the “Final Workweek Value,” and multiply each Participating Class Member’s individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share.

3.2.6. Individual PAGA Payment Calculations: Individual PAGA Payments will be calculated and apportioned from the 25% share of the PAGA Penalties based on the PAGA Members’ PAGA Pay Periods, as follows: The Administrator will divide the 25% portion of the PAGA Penalties attributed to PAGA Members, i.e. \$8,750.00, by the PAGA Pay Periods worked by all PAGA Members during the PAGA Period resulting in the PAGA Pay Period Value and then multiplying the PAGA Pay Period Value by the number of PAGA Pay Periods worked by each individual PAGA Member during the PAGA Period.

3.2.7. Tax Allocation of Individual Settlement Payments and Individual PAGA Payments. Twenty percent (20%) of each Participating Class Member’s Individual Settlement Payment will be allocated to settlement of wage claims (the “Wage Portion”). The Wage Portions are subject to tax withholding and will be reported on an IRS W-2 Form. Eighty percent (80%) of each Participating Class Member’s Individual Settlement Payment will be allocated to settlement of claims for interest and penalties (the “Non-Wage Portion”). The Non-Wage Portions are not subject to wage withholdings and will be reported on IRS 1099 Forms. Participating Class Members assume full responsibility and liability for any employee taxes owed on their Individual Settlement Payment. Any payment for an Individual PAGA Payment will be allocated as one hundred percent (100%) penalties, will not be subject to taxes or withholdings, and will be reported on an IRS Form-1099, if necessary. The Administrator will have the option to pay the Individual Settlement Payment and Individual PAGA Payment by way of a single check.

3.2.8. Effect of Non-Participating Class Members on Calculation of Individual Settlement Payments. Non-Participating Class Members will not receive any Individual Settlement Payments. The Administrator will retain amounts equal to their Individual Settlement Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1. Workweeks and PAGA Pay Periods. Based on a review of its records, during the period from September 15, 2019 to August 7, 2024, Defendant estimates there were 134 Class Members who collectively worked a total of 12,694 Workweeks.

4.2. Class Data. Not later than fourteen (14) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. To protect Class Members’ privacy rights, the Administrator must maintain the Class Data in confidence, use the Class Data only for purposes of this Settlement and for no other purpose, and restrict access to the Class Data

to Administrator employees who need access to the Class Data to effect and perform under this Agreement. Notwithstanding this provision, Class Counsel shall also receive redacted Class Data that shall only disclose an identification number attributed to each Class Member and their associated Workweeks during the Class Period and each PAGA Member and their associated PAGA Pay Periods during the PAGA Period. Defendant has a continuing duty to immediately notify Class Counsel if it discovers that the Class Data omitted class member identifying information and to provide corrected or updated Class Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Class Data to the Administrator, the Parties and their counsel will expeditiously use best efforts, in good faith, to reconstruct or otherwise resolve any issues related to missing or omitted Class Data.

- 4.3. Funding of Total Settlement Amount. Defendant shall fully fund the Total Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes, by transmitting the funds to the Administrator no later than fourteen (14) calendar days after the Effective Date.
- 4.4. Payments from the Total Settlement Amount. Within fourteen (14) calendar days after Defendant funds the Total Settlement Amount, the Administrator will mail checks for all Individual Settlement Payments, all Individual PAGA Payments, the LWDA Payment, the Administration Costs, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Enhancement Award. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Enhancement Award shall not precede disbursement of Individual Settlement Payments and Individual PAGA Payments.
 - 4.4.1. The Administrator will issue checks for the Individual Settlement Payments and/or Individual PAGA Payments and send them to the Participating Class Members and/or PAGA Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than one hundred eighty (180) calendar days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. The Administrator will send checks for Individual Settlement Payments to all Participating Class Members (including those for whom Class Notice was returned undelivered). The Administrator will send checks for Individual PAGA Payments to all PAGA Members including Non-Participating Class Members who qualify as PAGA Members (including those for whom Class Notice was returned undelivered). The Administrator may send Participating Class Members a single check combining the Individual Settlement Payment and the Individual PAGA Payment. Before mailing any checks, the Administrator must update the recipients' mailing addresses using the National Change of Address Database.
 - 4.4.2. The Administrator must conduct a Class Member Address Search for all other Participating Class Members and PAGA Members whose checks are returned undelivered without USPS forwarding address. Within seven (7) calendar days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the Class Member Address Search. The Administrator need not take further steps to deliver checks to

Participating Class Members and PAGA Members whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Participating Class Member whose original check was lost or misplaced, requested by the Participating Class Member prior to the void date.

4.4.3. For any Participating Class Member whose Individual Settlement Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Legal Aid Foundation of Los Angeles, a nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd.

4.4.4. The payment of Individual Settlement Payments and Individual PAGA Payments shall not obligate Defendant to confer any additional benefits or make any additional payments to Participating Class Members or PAGA Members (such as 401(k) contributions or bonuses) beyond those specified in this Agreement.

5. **RELEASES OF CLAIMS.** Upon the Effective Date and full funding of the Total Settlement Amount (including all employer payroll taxes owed on the Wage Portion of the Individual Settlement Payments), Plaintiff, all Participating Class Members (i.e., Class Members who do not submit a valid and timely Request for Exclusion), and PAGA Members will release claims against all Released Parties as follows:

5.1. **General Release of Claims by Plaintiff.** Upon the Effective Date and full funding of the Total Settlement Amount, Plaintiff will be deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of and from all claims arising from her employment with Defendant, separation of employment from Defendant, whether known or unknown, arising under any federal or local law, or statute, including, *inter alia*, those arising under the California Labor Code, Fair Labor Standards Act, Americans with Disabilities Act, Title VII of the Civil Rights Act of 1964, Employee Retirement Income Security Act, National Labor Relations Act, California Corporations Code, California Business and Professions Code, California Fair Employment and Housing Act, California Constitution (all as amended), and law of contract and tort, as well as for termination, lost wages, benefits, other employment compensation, emotional distress, medical expenses, other economic and non-economic damages, attorney fees, and costs, arising on or before the date on which the Settlement is executed. With respect to those claims released by Plaintiff in an individual capacity, Plaintiff acknowledges and waives any and all rights and benefits available under California Civil Code Section 1542, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

Plaintiff understands and agrees that claims or facts in addition to or different from those which are not known or believed by him to exist may hereafter be discovered. It is

Plaintiff's intention to settle fully and release all claims he now has against the Released Parties, whether known or unknown, suspected or unsuspected. Notwithstanding the above, the general release by Plaintiff shall not extend to claims for workers' compensation benefits, claims for unemployment benefits, or other claims that may not be released by law.

5.2. Released Class Claims by Participating Class Members: All Participating Class Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims and causes of action that were alleged in the Complaint in the Action or that reasonably could have been alleged based on the factual allegations in the Complaint in the Action, arising during the Class Period, against any of the Released Parties, for violations of the California Labor Code, including and not limited to, claims under the California Labor Code, regulations, and/or other provisions of law, for failure to pay overtime wages under Labor Code Sec. 510, 1198; failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512(a); failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; failure to pay minimum wages under Labor Code Sec. 1194, 1197, 1197.1; failure to timely pay wages upon termination under Labor Code Sec. 201, 202; failure to timely pay wages during employment under Labor Code Sec. 204; failure to provide accurate, itemized wage statements under Labor Code Sec. 226(a); failure to keep requisite payroll records under Labor Code Sec. 1174(d); failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and violation of California's unfair competition law under Business and Professions Code Sec. 17200 for the aforementioned alleged violations ("Released Class Claims").

5.3. Released PAGA Claims by PAGA Members: All PAGA Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims and causes of action for civil penalties under the Labor Code Private Attorneys General Act that were alleged, or that reasonably could have been alleged, in the PAGA Notice and the Action, arising during the PAGA Period, for Defendant's alleged failure to pay overtime wages under Labor Code Sec. 510, 1198; failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512(a); failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; failure to pay minimum wages under Labor Code Sec. 1194, 1197, 1197.1; failure to timely pay wages upon termination under Labor Code Sec. 201, 202; failure to timely pay wages during employment under Labor Code Sec. 204; failure to provide accurate, itemized wage statements under Labor Code Sec. 226(a); failure to keep requisite payroll records under Labor Code Sec. 1174(d); and failure to reimburse business expenses under Labor Code Sec. 2800, 2802 ("Released PAGA Claims").

6. **MOTION FOR PRELIMINARY APPROVAL.** The Parties agree to jointly prepare and file a motion for preliminary approval ("Motion for Preliminary Approval") that complies with the Court's current checklist for Preliminary Approvals.

6.1. Responsibilities of Counsel. Class Counsel and Defense Counsel are jointly responsible for finalizing and filing the Motion for Preliminary Approval; obtaining a prompt hearing

date for the Motion for Preliminary Approval; and for appearing in Court to advocate in favor of the Motion for Preliminary Approval. Class Counsel is responsible for delivering the Court's Preliminary Approval to the Administrator.

- 6.2. Duty to Cooperate. If the Parties disagree on any aspect of the proposed Motion for Preliminary Approval and/or the supporting declarations and documents, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to resolve the disagreement. If the Court does not grant Preliminary Approval or conditions Preliminary Approval on any material change to this Agreement, Class Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting in person or by telephone, and in good faith, to modify the Agreement and otherwise satisfy the Court's concerns.

7. SETTLEMENT ADMINISTRATION.

- 7.1. Selection of Administrator. The Parties have jointly selected and will ask the Court to appoint Simpluris, Inc. ("Simpluris") to serve as the Administrator and to perform all duties specified in this Agreement in exchange for payment of Administration Costs. The Parties and their Counsel represent that they have no interest or relationship, financial or otherwise, with the Administrator other than a professional relationship arising out of prior experiences administering settlements.
- 7.2. Employer Identification Number. The Administrator shall take steps to establish a case-specific Employer Identification Number, if necessary, for purposes of calculating payroll tax withholdings and providing reports to state and federal tax authorities.
- 7.3. Qualified Settlement Fund. The Administrator shall establish a settlement fund that meets the requirements of a Qualified Settlement Fund ("QSF") under US Treasury Regulation section 468B-1.
- 7.4. Notice to Class Members.
- 7.4.1. No later than three (3) business days after receipt of the Class Data, the Administrator shall notify Class Counsel that the list has been received and state the number of Class Members, PAGA Members, Workweeks, and PAGA Pay Periods in the Class Data.
- 7.4.2. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation, substantially in the form attached to this Agreement as "**Exhibit A**". The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Settlement Payment and/or Individual PAGA Payment payable to the Class Member and/or PAGA Member, and the number of Workweeks and/or PAGA Pay Periods used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database.

- 7.4.3. Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time.
- 7.4.4 The deadlines for Class Members' written objections to the Class Settlement, disputes regarding Workweeks and/or Pay Periods, and Requests for Exclusion from the Class Settlement will be extended an additional fourteen (14) calendar days beyond the sixty (60) calendar days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice.
- 7.4.5. If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever is later.
- 7.5. Requests for Exclusion from the Class Settlement (Opt-Outs).
- 7.5.1. Class Members who wish to exclude themselves (opt-out of) the Class Settlement must send the Administrator, by mail, a signed written Request for Exclusion not later than the Response Deadline. A Request for Exclusion is a letter from a Class Member or his/her representative that reasonably communicates the Class Member's election to be excluded from the Class Settlement and includes all of the information required by Section 1.42 of this Settlement Agreement. To be valid, a Request for Exclusion must be timely postmarked by the Response Deadline. PAGA Members shall be bound to the PAGA Settlement irrespective of whether they exercise their option to opt out of the Class Settlement.
- 7.5.2. The Administrator may not reject a Request for Exclusion from the Class Settlement as invalid because it fails to contain all the information specified in the Class Notice. The Administrator shall accept any Request for Exclusion as valid if the Administrator can reasonably ascertain the identity of the person as a Class Member and the Class Member's desire to be excluded. The Administrator's determination shall be final and not appealable or otherwise susceptible to challenge. If the Administrator has reason to question the authenticity of a Request for Exclusion, the Administrator may demand additional proof of the Class Member's identity. The Administrator's determination of authenticity shall be final and not appealable or otherwise susceptible to challenge.
- 7.5.3. Class Members who do not submit a timely and valid Request for Exclusion from the

Class Settlement are deemed to be Participating Class Members under this Agreement, entitled to all benefits and bound by all terms and conditions of the Settlement, including the Participating Class Members' release of Released Class Claims under Paragraph 5.2 of this Agreement, regardless whether the Participating Class Member actually receives the Class Notice or objects to the Class Settlement.

7.5.4. Class Members who submit a valid and timely Request for Exclusion from the Class Settlement are Non-Participating Class Members and shall not receive Individual Settlement Payments or have the right to object to the Class Settlement. Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are also PAGA Members are deemed to release the Released PAGA Claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment.

7.6. Disputes to Calculation of Workweeks / PAGA Pay Periods. Each Class Member shall have until the Response Deadline to dispute the number of Class Workweeks and/or PAGA Pay Periods (if any) allocated to the Class Member in the Class Notice. The Class Member may dispute the allocation by communicating with the Administrator by mail. The Workweeks / PAGA Pay Period Dispute must be signed by the Class Member and contain all information required by Section 1.45 of this Settlement Agreement. In the absence of any contrary documentation, the Administrator is entitled to presume that the Workweeks and/or PAGA Pay Periods contained in the Class Notice are correct so long as they are consistent with the Class Data. The Administrator's determination of each Class Member's allocation of Workweeks and/or PAGA Pay Periods shall be final and not appealable or otherwise susceptible to dispute. The Administrator shall promptly provide copies of all disputes to calculation of Workweeks and/or PAGA Pay Periods to Defense Counsel and Class Counsel and the Administrator's determination of those disputes.

7.7. Objections to Class Settlement.

7.7.1. Only Participating Class Members may object to the Class Settlement and/or this Agreement, including contesting the fairness of the Class Settlement, and/or amounts requested for the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Enhancement Award.

7.7.2. Participating Class Members may send written objections to the Administrator by mail. In the alternative, Participating Class Members may appear in Court (or hire an attorney to appear in Court) to present verbal objections at the Final Approval Hearing. A Participating Class Member who elects to send a written objection to the Administrator must do so not later than the Response Deadline.

7.7.3. The Objection must be signed by the Participating Class Member and contain all the information required by Section 1.27.

7.7.4. Non-Participating Class Members have no right to object to the Class Settlement.

7.8. Administrator Duties. The Administrator has a duty to perform or observe all tasks to be

performed or observed by the Administrator contained in this Agreement or otherwise.

- 7.8.1. Website, Email Address and Toll-Free Number. The Administrator will post information of interest to Class Members including the date, time, and location for the Final Approval Hearing and copies of the Settlement Agreement, Motion for Preliminary Approval, the Preliminary Approval, the Class Notice, the Motion for Final Approval, the Final Approval and the Judgment on a portion of its website. The Administrator will also maintain and monitor an email address and a toll-free telephone number to receive Class Member calls and emails.
- 7.8.2. Requests for Exclusion (Opt-outs) and Exclusion List. The Administrator will promptly review on a rolling basis Requests for Exclusion to ascertain their validity. Not later than five (5) calendar days after the expiration of the deadline for submitting Requests for Exclusion, the Administrator shall email a list to Class Counsel and Defense Counsel containing (a) the names and other identifying information of Class Members who have timely submitted valid Requests for Exclusion from the Class Settlement (“Exclusion List”); (b) the names and other identifying information of Class Members who have submitted invalid Requests for Exclusion from the Class Settlement; (c) copies of all Requests for Exclusion from the Class Settlement submitted (whether valid or invalid).
- 7.8.3. Weekly Reports. The Administrator must, on a weekly basis, provide written reports to Class Counsel and Defense Counsel that, among other things, tally the number of: Class Notices mailed or re-mailed, Class Notices returned undelivered, Requests for Exclusion from the Class Settlement (whether valid or invalid) received, Objections to the Class Settlement received, Disputes to Workweeks and/or PAGA Pay Periods received and/or resolved, and checks mailed for Individual Settlement Payments and Individual PAGA Payments (“Weekly Report”). The Weekly Reports must include the Administrator’s assessment of the validity of Requests for Exclusion and attach copies of all Requests for Exclusion and objections received.
- 7.8.4. Workweek and/or PAGA Pay Period Disputes. The Administrator has the authority to address and make final decisions consistent with the terms of this Agreement on all Class Member disputes over the calculation of Workweeks and/or PAGA Pay Periods. The Administrator’s decision shall be final and not appealable or otherwise susceptible to challenge.
- 7.8.5. Administrator’s Declaration. Not later than fourteen (14) calendar days before the date by which Class Counsel is required to file the Motion for Final Approval of the Settlement, the Administrator will provide to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its due diligence and compliance with all of its obligations under this Agreement, including, but not limited to, its mailing of 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 the Class Settlement it received (both valid or invalid), the number of written objections to the Class Settlement and attach the Exclusion List. 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.

- 7.8.6. Final Report by Settlement Administrator. Within ten (10) calendar days after the Administrator disburses all funds in the Total Settlement Amount, the Administrator will provide Class Counsel and Defense Counsel with a final report detailing its disbursements by employee identification number only of all payments made under this Agreement. At least fifteen (15) calendar days before any deadline set by the Court, the Administrator will prepare, and submit to Class Counsel and Defense Counsel, a signed declaration suitable for filing in Court attesting to its disbursement of all payments required under this Agreement. Class Counsel is responsible for filing the Administrator's declaration in Court.
8. **ESCALATOR CLAUSE.** Defendant represents that there are 12,694 workweeks during the period from September 15, 2019 to August 7, 2024. Should the qualifying workweeks worked by the Class Members during the Class Period increase beyond 10%, then Defendant shall elect to either (a) increase the Total Settlement Amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the Class Members above 10% (e.g., if the number of workweeks increases by 11% to 14,091 workweeks, the Total Settlement Amount will increase by 1%), or (b) the Class Period and PAGA Period shall end on the last day on which the workweeks do not exceed 13,964 ("Alternate End Date").
9. **MOTION FOR FINAL APPROVAL.** Class Counsel will file in Court, a motion for final approval of the Settlement that includes a request for approval of the Settlement, a Proposed Final Approval Order and a proposed Judgment (collectively "Motion for Final Approval"). Class Counsel and Defense Counsel will expeditiously meet and confer in person or by telephone, and in good faith, to resolve any disagreements concerning the Motion for Final Approval.
- 9.1. Response to Objections to the Class Settlement. Each Party retains the right to respond to any objection to the Class Settlement raised by a Participating Class Member, including the right to file responsive documents in Court no later than five (5) court days prior to the Final Approval Hearing, or as otherwise ordered or accepted by the Court.
- 9.2. Duty to Cooperate. If the Court does not grant Final Approval or conditions Final Approval on any material change to the Settlement (including, but not limited to, the scope of release to be granted by Class Members), the Parties will expeditiously work together in good faith to address the Court's concerns by revising the Agreement as necessary to obtain Final Approval. The Court's decision to award less than the amounts requested for the Enhancement Award, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment and/or Administration Costs shall not constitute a material modification to the Agreement within the meaning of this paragraph.
- 9.3. Continuing Jurisdiction of the Court. The Parties agree that, after entry of Judgment, the Court will retain jurisdiction over the Parties, Action, and the Settlement solely for purposes of (i) enforcing this Agreement and/or Judgment, (ii) addressing settlement administration matters, and (iii) addressing such post-Judgment matters as are permitted by law.
- 9.4. Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and

conditions of this Agreement, specifically including the Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment as set forth in this Settlement, the Parties, their respective counsel, and all Participating Class Members who did not object to the Settlement as provided in this Agreement, waive all rights to appeal from the Judgment, including all rights to post-judgment and appellate proceedings, the right to file motions to vacate judgment, motions for new trial, extraordinary writs, and appeals. The waiver of appeal does not include any waiver of the right to oppose such motions, writs or appeals. If an objector appeals the Judgment, the Parties' obligations to perform under this Agreement will be suspended until such time as the appeal is finally resolved and the Judgment becomes final, except as to matters that do not affect the amount of the Net Settlement Amount.

- 9.5. Appellate Court Orders to Vacate, Reverse, or Materially Modify Judgment. If the reviewing Court vacates, reverses, or modifies the Judgment in a manner that requires a material modification of this Agreement (including, but not limited to, the scope of release to be granted by Class Members), this Agreement shall be null and void. The Parties shall nevertheless expeditiously work together in good faith to address the appellate court's concerns and to obtain Final Approval and entry of Judgment, sharing, on a 50-50 basis, any additional Administration Costs reasonably incurred after remittitur. An appellate decision to vacate, reverse, or modify the Court's award of the Enhancement Award or any payments to Class Counsel shall not constitute a material modification of the Judgment within the meaning of this paragraph, as long as the Total Settlement Amount remains unchanged.

10. **AMENDED JUDGMENT.** If any amended judgment is required under Code of Civil Procedure section 384, the Parties will work together in good faith to jointly submit and a proposed amended judgment.

11. **ADDITIONAL PROVISIONS.**

- 11.1. No Admission of Liability, Class Certification, or Representative Manageability for Other Purposes. This Agreement represents a compromise and settlement of highly disputed claims. Nothing in this Agreement is intended or should be construed as an admission by Defendant that any of the allegations in the Action have merit or that Defendant has any liability for any claims asserted; nor should it be intended or construed as an admission by Plaintiff that Defendant's defenses in the Action have merit. The Parties agree that class certification and representative treatment is for purposes of this Settlement only. If, for any reason the Court does not grant Preliminary Approval, Final Approval, or enter Judgment, Defendant reserves the right to contest certification of any class for any reasons, and Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right to move for class certification on any grounds available and to contest Defendant's defenses. The Settlement, this Agreement and Parties' willingness to settle the Action will have no bearing on, and will not be admissible in connection with, any Action (except for proceedings to enforce or effectuate the Settlement and this Agreement).
- 11.2. Confidentiality Prior to Preliminary Approval. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree that, until the Motion for Preliminary Approval of

Settlement is filed with the Court, they and each of them will not disclose, disseminate and/or publicize, or cause or permit another person to disclose, disseminate or publicize, any of the terms of the Agreement directly or indirectly, specifically or generally, to any person, corporation, association, government agency, or other entity except: (1) to the Parties' attorneys, accountants, or spouses, all of whom will be instructed to keep this Agreement confidential; (2) counsel in a related matter; (3) to the extent necessary to report income to appropriate taxing authorities; (4) in response to a court order or subpoena; or (5) in response to an inquiry or subpoena issued by a state or federal government agency. Each Party agrees to immediately notify each other Party of any judicial or agency order, inquiry, or subpoena seeking such information. Plaintiff, Class Counsel, Defendant, and Defense Counsel separately agree not to, directly or indirectly, initiate any conversation or other communication, before the filing of the Motion for Preliminary Approval, with any third party regarding this Agreement or the matters giving rise to this Agreement except to respond only that "the matter was resolved," or words to that effect. This paragraph does not restrict Class Counsel's communications with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.

- 11.3. No Solicitation. The Parties separately agree that they and their respective counsel and employees will not solicit any Class Member to opt out of or object to the Class Settlement, or appeal from the Judgment. Nothing in this paragraph shall be construed to restrict Class Counsel's ability to communicate with Class Members in accordance with Class Counsel's ethical obligations owed to Class Members.
- 11.4. Integrated Agreement. 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.
- 11.5. Attorney Authorization. Class Counsel and Defense Counsel separately warrant and represent that they are authorized by Plaintiff and Defendant, respectively, to take all appropriate action required or permitted to be taken by such Parties pursuant to this Agreement to effectuate its terms, and to execute any other documents reasonably required to effectuate the terms of this Agreement including any amendments to this Agreement.
- 11.6. Cooperation. The Parties and their counsel will cooperate with each other and use their best efforts, in good faith, to implement the Settlement by, among other things, modifying the Settlement Agreement, submitting supplemental evidence and supplementing points and authorities as requested by the Court. In the event the Parties are unable to agree upon the form or content of any document necessary to implement the Settlement, or on any modification of the Agreement that may become necessary to implement the Settlement, the Parties will seek the assistance of the mediator Tagore Subramaniam, Esq. and/or the Court for resolution.
- 11.7. No Prior Assignments. The Parties separately represent and warrant that they have not directly or indirectly assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity and portion of any liability, claim, demand, action, cause of action, or right released and discharged by the Party in this Settlement.

- 11.8. No Tax Advice. Neither Plaintiff, Class Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.
- 11.9. Modification of Agreement. This Agreement, and all parts of it, may be amended, modified, changed, or waived only by an express written instrument signed by all Parties or their representatives, and approved by the Court. Notwithstanding the foregoing, the Parties agree that any dates contained or contemplated in this Agreement may be modified by agreement of counsel for the Parties in writing without approval by the Court if the Parties agree and cause exists for such modification.
- 11.10. Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 11.11. Applicable Law. All terms and conditions of this Agreement and its exhibits will be governed by and interpreted according to the internal laws of the state of California, without regard to conflict of law principles.
- 11.12. Cooperation in Drafting. The Parties have cooperated in the drafting and preparation of this Agreement. This Agreement will not be construed against any Party on the basis that the Party was the drafter or participated in the drafting.
- 11.13. Confidentiality. To the extent permitted by law, all agreements made, and orders entered during the Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 11.14. Neutral Employment Reference. Defendant agrees that it will adopt a neutral reporting policy regarding any future employment references related to Plaintiff. In the event that any potential or future employers of Plaintiff request a reference regarding Defendant's employment of Plaintiff, Defendant shall only provide the requested Plaintiff's dates of employment and job titles during employment. Defendant shall not refer to the Action or this Settlement.
- 11.15. Headings. The descriptive heading of any section or paragraph of this Agreement is inserted for convenience of reference only and does not constitute a part of this Agreement.
- 11.16. Calendar Days. Unless otherwise noted, all reference to "days" in this Agreement shall be to calendar days. In the event any date or deadline set forth in this Agreement falls on a weekend or federal legal holiday, such date or deadline shall be on the first business day thereafter.
- 11.17. Notice. All notices, demands or other communications between the Parties in connection with this Agreement will be in writing and deemed to have been duly given as of the third business day after mailing by United States mail, or the day sent by email or messenger, addressed as follows:

<u>To Plaintiff and Class Counsel:</u> Joanna Ghosh, Esq. Elizabeth Parker-Fawley, Esq. Ryan Slinger, Esq. LAWYERS for JUSTICE, PC 450 North Brand Blvd., Suite 900 Glendale, California 91203	<u>To Defendant:</u> Eric C. Schwettmann, Esq. Katherine A. Hren Esq. Janet S. Soultanian Esq. BALLARD ROSENBERG GOLPER & SAVITT, LLP 15760 Ventura Boulevard, 18th Floor Los Angeles, California 91436
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- 11.18. Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (e.g., DocuSign), or email which for purposes of this Agreement shall be accepted as an original. All executed counterparts and each of them will be deemed to be one and the same instrument if counsel for the Parties will exchange between themselves signed counterparts. Any executed counterpart will be admissible in evidence to prove the existence and contents of this Agreement.
- 11.19. Stay of Litigation. The Parties agree that upon the execution of this Agreement the litigation shall be stayed, except to effectuate the terms of this Agreement. The Parties further agree that upon the signing of this Agreement that pursuant to CCP section 583.330 the date to bring a case to trial under CCP section 583.310 shall be extended for the entire period of this settlement process.

IT IS SO AGREED.

Dated: 12/17/2024

PLAINTIFF LARRY ROSS

Electronically Signed 2024-12-17 18:31:23 UTC - 76.33.85.157

 Verint AssuranceID 45398952-dcfba-480e-aeff-6249012937db

Larry Ross, Plaintiff

DEFENDANT MORRISON EXPRESS CORPORATION (U.S.A.)

Dated: 01/07/2025



Full Name: Fanny Chiang

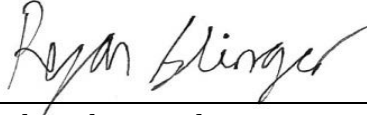
Title: Vice President and General Manager

On behalf of Morrison Express Corporation (U.S.A.)

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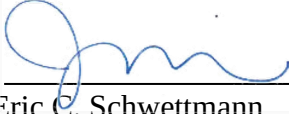
APPROVED AS TO FORM ONLY:

Dated: 12/17/2024

By: 
Elizabeth Parker-Fawley, Esq.
Ryan Slinger, Esq.
LAWYERS for JUSTICE, PC

Attorneys for Plaintiff Larry Ross and Proposed Class Counsel

Dated: January 7, 2025

By: 
Eric C. Schwettmann
Katherine A. Hren
Janet S. Soultanian
BALLARD ROSENBERG GOLPER & SAVITT, LLP

Attorneys for Defendant Morrison Express Corporation (U.S.A.)

EXHIBIT A

**COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT
AND HEARING DATE FOR FINAL COURT APPROVAL**

Larry Ross v. Morrison Express Corporation (U.S.A.), Case No. 23 STCV22454

***The Superior Court for the State of California 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 Morrison Express Corporation (U.S.A.) ("Defendant") for alleged wage and hour violations. The Action was filed by former employee Larry Ross ("Plaintiff") and seeks payment of (1) unpaid wages, unreimbursed business expenses, statutory penalties, interest, and attorneys' fees and costs for a class of all current and former hourly-paid or non-exempt employees of Defendant in California employed during the Class Period (September 15, 2019 to [REDACTED]) ("Class Members"); and (2) civil penalties under the California Private Attorney General Act ("PAGA") for all current and former hourly-paid or non-exempt employees of Defendant in California employed during the PAGA Period (July 12, 2022 to [REDACTED]) ("PAGA Members").

The proposed Settlement has two main parts: (1) a Class Settlement requiring Defendant to fund Individual Settlement Shares, and (2) a PAGA Settlement requiring Defendant to fund Individual PAGA Payments and pay penalties to the California Labor and Workforce Development Agency ("LWDA").

Based on Defendant's records, and the Parties' current assumptions, **your Individual Settlement Share is estimated to be \$ [REDACTED] (less withholding) and your Individual PAGA Payment is estimated to be \$ [REDACTED]**. The actual amount you may receive likely will be different and will depend on a number of 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 did not work during the PAGA Period.)

The above estimates are based on Defendant's records showing that **you worked [REDACTED] Workweeks** during the Class Period and **you worked [REDACTED] PAGA Pay Periods** during the PAGA Period. If you believe that you worked more Workweeks during the Class Period or PAGA Pay Periods during the PAGA Period, you can submit a dispute by the deadline date. 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 PAGA Members 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 two basic options under the Settlement:

- (1) **Do Nothing.** You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Settlement Payment. As a Participating Class Member, though, you will give up your right to assert Released Class Claims. If you are a PAGA Member, you will automatically be bound to the PAGA Settlement and issued your Individual PAGA Payment.
- (2) **Opt-Out of the Class Settlement.** You can exclude yourself from the Class Settlement (opt-out) by submitting the written Request for Exclusion or otherwise notifying the Administrator in writing.

If you opt-out of the Class Settlement, you will not receive an Individual Settlement Payment. You will, however, preserve your right to personally pursue Released Class Claims against Defendant, and, if you are a PAGA Member, remain eligible for an Individual PAGA Payment. You cannot opt-out of the PAGA Settlement.

Defendant will not retaliate against you for any actions you take with respect to the proposed Settlement.

SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Settlement Payment and/or an Individual PAGA Payment (if any). In exchange, you will give up your right to assert the Released Class Claims and/or Released PAGA Claims against Defendant that are covered by this Settlement.
You Can Opt-out of the Class Settlement but not the PAGA Settlement The Opt-out Deadline is [REDACTED]	If you do not want to fully participate in the proposed Class Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Settlement Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. See Section 6 of this Notice. You cannot opt-out of the PAGA Settlement. Defendant must pay Individual PAGA Payments to all PAGA Members and the PAGA Members must give up their rights to pursue Released PAGA Claims (defined below).
Participating Class Members Can Object to the Class Settlement but not the PAGA Settlement Written Objections Must be Submitted by [REDACTED]	All Class Members who do not opt-out ("Participating Class Members") can object to the Class Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on [REDACTED] on [REDACTED] at [REDACTED]. You do not 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. Participating Class Members can verbally object to the Class Settlement at the Final Approval Hearing. See Section 8 of this Notice.
You Can Dispute the Calculation of Your Workweeks / PAGA Pay Periods Written Disputes Must be Submitted by	The amount of your Individual Settlement Payment and Individual PAGA Payment (if any) depend on how many Workweeks and/or PAGA Pay Periods you were determined to have worked, as follows: PAGA Pay Periods are calculated by the Administrator, based on the number of weeks each PAGA Member worked for Defendant as an hourly-paid or non-exempt employee within California during the PAGA Period.

	Workweeks are calculated by the Administrator, based on the number of weeks each Class Member worked for Defendant as an hourly-paid or non-exempt employee within the California during the Class Period. The number Workweeks and number of PAGA Pay Periods you worked according to Defendant's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must dispute it by <u> </u>. See Section 4 of this Notice.
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1. WHAT IS THE ACTION ABOUT?

On September 25, 2023, Plaintiff commenced the class action lawsuit entitled *Larry Ross v. Morrison Express Corporation (U.S.A.)*, in the Superior Court of California for the County of Los Angeles, Case No. 23STCV22454 ("Action"). The Action accuses Defendant of violating California labor laws by failing to properly pay minimum and overtime wages, provide compliant meal and rest breaks and associated premiums, timely pay wages during employment and upon termination of employment and associated waiting-time penalties, provide complaint wage statements, keep requisite payroll records, reimburse business expenses, and thereby engaged in unfair business practices in violation of the California Business & Professions Code section 17200, *et seq.* Based on the same claims, Plaintiff has also asserted a claim for civil penalties under the California Private Attorneys General Act (Labor Code §§ 2698, *et seq.*) ("PAGA"). Plaintiff is represented by attorneys in the Action:

Joanna Ghosh, Esq.
 Elizabeth Parker-Fawley, Esq.
 Ryan Slinger, Esq.
Lawyers for Justice, PC
 410 West Arden Avenue, Suite 203
 Glendale, California 91203
 Telephone: (818) 265-1020 / Fax: (818) 265-1021
 ("Class Counsel.")

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

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") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the 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. 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 \$650,000.00 as the Total Settlement Amount. Defendant has agreed to deposit

the Total Settlement Amount into an account controlled by the Administrator of the Settlement. The Administrator will use the Total Settlement Amount to pay the Individual Settlement Payments, Individual PAGA Payments, Enhancement Award, Class Counsel's attorney's fees and litigation expenses, the Administration Costs, and penalties to be paid to the California Labor and Workforce Development Agency ("LWDA"). Assuming the Court grants Final Approval, Defendant will fund the Total Settlement Amount not more than 14 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 Participating Class Members object to the proposed Settlement or the Judgment is appealed.

2. Court Approved Deductions from Total Settlement Amount. At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Total Settlement Amount, the amounts of which will be decided by the Court at the Final Approval Hearing:
 - A. Up to \$227,500.00 (35% of the Total Settlement Amount) to Class Counsel for attorneys' fees and up to \$50,000.00 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
 - B. Up to \$7,500.00 as an Enhancement Award for filing the Action, working with Class Counsel, and representing the Class. An Enhancement Award will be the only monies Plaintiff will receive other than Plaintiff's Individual Settlement Payment and any Individual PAGA Payment as a Class Member and PAGA Member.
 - C. Up to \$6,500.00 to the Administrator for services administering the Settlement.
 - D. Up to \$35,000.00 for PAGA Penalties, allocated as 75% to be paid to the LWDA and 25% to be paid to the PAGA Members based on their PAGA Pay Periods.

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

3. Net Settlement Distributed to Participating Class Members. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Total Settlement Amount (the "Net Settlement Amount") by making Individual Settlement Payments to Participating Class Members based on their Workweeks.
4. Taxes Owed on Payments to Class Members. Plaintiff and Defendant are asking the Court to approve an allocation of 20% of each Individual Settlement Payment to taxable wages ("Wage Portion") and 80% to interest, and penalties ("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 it owes 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 Settlement 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

Settlement Payments and Individual PAGA Payments will show the date when the check expires (the void date). If you do not cash it by the void date, your check will be automatically cancelled, and the monies will be irrevocably lost to you because they will be paid to a non-profit organization or foundation (“Cy Pres”).

6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than [60 Day Response Deadline], that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion from the Class Settlement by the [60 Day Response Deadline] Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member’s name, present address, telephone number, and a simple statement clearly explaining that you would like to be excluded from the Class Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Settlement Payments, but will preserve their rights to personally pursue Released Class Claims against Defendant.

You cannot opt-out of the PAGA Settlement. Class Members who exclude themselves from the Class Settlement (Non-Participating Class Members) remain eligible for Individual PAGA Payments and are required to give up their right to assert Released PAGA Claims against Defendant.

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 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. Administrator. The Court has appointed a neutral company, Simpluris, Inc, (the “Administrator”), to send this Notice, calculate and make payments, and process Class Members’ Requests for Exclusion from the Class Settlement. The Administrator will also decide disputes regarding Workweeks and/or PAGA Pay Periods, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator’s contact information is contained in Section 9 of this Notice.
9. Participating Class Members’ Release of Released Class Claims. Upon the Effective Date and full funding of the Total Settlement Amount (including all employer payroll taxes owed on the Wage Portion of the Individual Settlement Payments), 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 Released Parties for Released Class Claims.

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

All Participating Class Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Defendant Morrison Express Corporation (U.S.A.) and any of its former and/or current parents, subsidiaries, affiliates, and any other entities that could be considered to have jointly employed the Class Members or PAGA Members as well as each of their officers, directors, managers, owners, executives, partners, executive-level employees, shareholders, agents, attorneys, and any other predecessors, successors, assigns or legal representatives (“Released Parties”), from all claims and causes of action that were alleged in the Complaint in the Action or that reasonably could have been alleged based on the factual allegations in the Complaint in the Action, arising during the Class Period, against any of the Released Parties, for violations of the California Labor Code, including and not limited to, claims under the

California Labor Code, regulations, and/or other provisions of law, for failure to pay overtime wages under Labor Code Sec. 510, 1198; failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512(a); failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; failure to pay minimum wages under Labor Code Sec. 1194, 1197, 1197.1; failure to timely pay wages upon termination under Labor Code Sec. 201, 202; failure to timely pay wages during employment under Labor Code Sec. 204; failure to provide accurate, itemized wage statements under Labor Code Sec. 226(a); failure to keep requisite payroll records under Labor Code Sec. 1174(d); failure to reimburse business expenses under Labor Code Sec. 2800, 2802; and violation of California's unfair competition law under Business and Professions Code Sec. 17200 for the aforementioned alleged violations ("Released Class Claims").

10. PAGA Members' Release of Released PAGA Claims. Upon the Effective Date and full funding of the Total Settlement Amount (including all employer payroll taxes owed on the Wage Portion of the Individual Settlement Payments), all PAGA Members will be barred from asserting PAGA claims against Defendant, whether or not they exclude themselves from the Class Settlement. This means that all PAGA Members, including those who are Participating Class Members and those who opt-out of the Class Settlement, cannot sue, continue to sue, or participate in any other PAGA claim against Released Parties based on the facts alleged in the Action during the PAGA Period and resolved by this Settlement. The PAGA Members' Releases for Participating and Non-Participating Class Members are as follows:

All PAGA Members on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims and causes of action for civil penalties under the Labor Code Private Attorneys General Act alleged in the PAGA Notice and Complaint, arising during the PAGA Period, for Defendant's alleged failure to pay overtime wages under Labor Code Sec. 510, 1198; failure to provide meal periods and/or pay meal period premiums under Labor Code Sec. 226.7, 512(a); failure to provide rest periods and/or pay rest period premiums under Labor Code Sec. 226.7; failure to pay minimum wages under Labor Code Sec. 1194, 1197, 1197.1; failure to timely pay wages upon termination under Labor Code Sec. 201, 202; failure to timely pay wages during employment under Labor Code Sec. 204; failure to provide accurate, itemized wage statements under Labor Code Sec. 226(a); failure to keep requisite payroll records under Labor Code Sec. 1174(d); and failure to reimburse business expenses under Labor Code Sec. 2800, 2802 ("Released PAGA Claims").

4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. Individual Settlement Payments. The Administrator will divide the final Net Settlement Amount by the Workweeks of all Participating Class Members to yield the "Final Workweek Value," and multiply each Participating Class Member's individual Workweeks by the Final Workweek Value to yield his or her Individual Settlement Share. The Individual Settlement Payment is the amount each Class Member receives after the tax withholdings from the Wage Portion are subtracted from the Individual Settlement Share.
2. Individual PAGA Payments. The Administrator will divide the 25% portion of the PAGA Penalties attributed to PAGA Members, i.e., \$8,750.00, by the PAGA Pay Periods worked by all PAGA Members during the PAGA Period resulting in the PAGA Pay Period Value and then multiplying the PAGA Pay Period Value by the number of PAGA Pay Periods worked by each individual PAGA Member during the PAGA Period.

3. Workweeks / PAGA Pay Periods Dispute. The number of Workweeks you worked during the Class Period and the number of PAGA Pay Periods you worked during the PAGA Period, as recorded in Defendant's records, are stated in the first page of this Notice. You have until **[60-Day Response Deadline]** to dispute the number of Workweeks and/or PAGA Pay Periods credited to you. You can submit your dispute by signing and sending a letter to the Administrator via mail or email. 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 Workweeks and/or PAGA Pay Periods 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 Workweek and/or PAGA Pay Period disputes based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and Defendant's Counsel. The Administrator's decision is final. You can't appeal or otherwise dispute its final decision.

5. HOW WILL I GET PAID?

1. Participating Class Members. The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out) including those who also qualify as PAGA Members. The single check will combine the Individual Settlement Payment and the Individual PAGA Payment.
2. PAGA Members. The Administrator will send, by U.S. mail, a single Individual PAGA Payment check to every individual who is eligible to receive payment under the PAGA Settlement as a PAGA Member.

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 Administrator's contact information.

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

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Class Settlement. The Administrator will exclude you based on any writing communicating your request to be excluded. Be sure to personally sign your request, identify the Action as *Larry Ross v. Morrison Express Corporation (U.S.A.)*, Case No. 23STCV22454, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by **[60 Day 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 CLASS SETTLEMENT?

Only Participating Class Members have the right to object to the Class Settlement. Before deciding whether to object, you may wish to see what Plaintiff and Defendant are asking the Court to approve. At least sixteen (16) court days before the **[Date of Final Approval Hearing]** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Enhancement Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as an Enhancement Award. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these

documents at no cost to you. You can also view them on the Administrator's Website _____ (url) _____ or the Court's website for a fee at <https://www.lacourt.org/casesummary/ui/>.

A Participating Class Member who disagrees with the Class Settlement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Enhancement Award may wish to object, for example, that the proposed Class Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is [60-Day Response Deadline].** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Larry Ross v. Morrison Express Corporation (U.S.A.)*, Case No. 23STCV22454 and include your name, current address, telephone number, and approximate dates of employment for Defendant and sign the objection. Section 9 of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object to the Class Settlement (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. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but do not have to, attend the Final Approval Hearing on **(Date)** at **(Time)** in Department 14 of the Los Angeles Superior Court, located at 312 North Spring Street, Los Angeles, CA 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Total Settlement Amount will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors to the Class Settlement, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) either personally or virtually via LACourtConnect (<https://www.lacourt.org/lacc/>). Check the Court's website for the most current information.

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything Defendant and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment or any other Settlement documents is to go to the Administrator's website at _____ (url) _____. You can also telephone or send an email to the Administrator using the contact information listed below, or consult the Superior Court website by going to (<http://www.lacourt.org/casesummary/ui/index.aspx>) and entering the Case Number for the Action, Case No. 23STCV22454. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800. You may also telephone Class Counsel at the phone number provided in Section 1 above.

**DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN
INFORMATION ABOUT THE SETTLEMENT.**

Administrator:

Simpluris, Inc.

Email Address:

Mailing Address:

Telephone:

Fax Number:

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 will have no way to recover the money.

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.