

Natalie Haritounian (SBN 324318)
Matthew Carraher (SBN 346860)
D.LAW, INC.
250 N. Madison Ave. Second Floor
Pasadena, CA 91101
Telephone: (818) 962-6465
Facsimile: (818) 962-6469
Emails: n.haritounian@d.law, m.carraher@d.law

Attorneys for Plaintiff RAY LOPEZ,
on behalf of himself and others similarly situated

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

RAY LOPEZ, an individual on behalf of
himself and all others similarly situated,

Plaintiff,

vs.

SUNLAND LOGISTICS SOLUTIONS,
INC., a business entity of unknown form;
SUNLAND DISTRIBUTION, a business
entity of unknown form; MELISSA
SALAZAR, an individual and DOES 1
through 50, inclusive,

Defendants.

Case No.: CIVSB2420743

CLASS ACTION

Assigned for All Purposes To:
Hon. Thomas Garza
Dept.: S27

**DECLARATION OF NATALIE
HARITOUNIAN IN SUPPORT OF
PLAINTIFF'S MOTION FOR APPROVAL
OF PAGA SETTLEMENT UNDER
CALIFORNIA LABOR CODE §§ 2698 *et. seq.***

*[Filed concurrently with Plaintiff's Notice of
Motion and Motion; and [Proposed] Order]*

Hearing Date: April 30, 2026
Time: 8:30 a.m

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1. I am an attorney licensed and admitted to practice before all courts of the State of California and the United States District Courts for the Central, Southern, Eastern and Northern Districts of California. I am a senior counsel at D.Law, Inc., and attorney of record for Plaintiff RAY LOPEZ (“Plaintiff”) on behalf of Plaintiff and Aggrieved Employees of Defendants SUNLAND LOGISTICS SOLUTIONS, INC.; SUNLAND DISTRIBUTION; and MELISSA SALAZAR and DOES 1 through 50, inclusive (“Defendants.”) I have personal knowledge of the facts herein, and if called as a witness I could and would competently testify to them.

3. All of the matters set forth herein are within my personal knowledge, except those matters that are stated to be upon information and belief. As to such matters, I believe them to be true. I submit this Declaration in support of Plaintiff's Motion for Approval of PAGA Settlement under California Labor Code 2698, *et seq.*

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DECLARATION OF NATALIE HARITONIAN IN SUPPORT OF PLAINTIFF'S MOTION FOR APPROVAL
OF PAGA SETTLEMENT UNDER CALIFORNIA LABOR CODE §§ 2698 *et. seq.*

5. On or about June 20, 2024, Plaintiff submitted his notice letter to the California Labor & Workforce Development Agency (“LWDA”) and Defendants, alleging that Defendants committed various wage and hour violations under the California Labor Code and were entitled to civil penalties under the Private Attorneys General Act (“PAGA.”)

6. On or about January 22, 2025, the Parties stipulated that Plaintiff be granted leave to file a First Amended Complaint to add a cause of action for civil penalties under PAGA against Defendants. The court granted this stipulation and Plaintiff filed his first amended complaint adding a cause of action for civil penalties under PAGA against Defendants on March 19, 2025.

7. Defendants presented Plaintiff with Plaintiff's signed arbitration agreement containing a class-action waiver. Due to this, the parties agreed to attend mediation on the basis of Plaintiff's representative PAGA claims only in lieu of forcing Defendants to move to compel arbitration.

8. On July 17, 2025, the Parties attended an all-day mediation with experienced mediator Hon. Howard R. Broadman (Ret.) and subsequently settled the Action. The Settlement Agreement reached between the parties does not constitute, is not intended to constitute, and will not be deemed to constitute, an admission of liability by Defendants as to the merits, validity, or accuracy of any of the allegations or claims made against Defendants in the Action. (*See* Exhibit 1, ¶¶ 2.1, 2.4.) Defendants deny all liability in the Action.

9. Prior to mediation, Plaintiff conducted extensive informal discovery and Defendants provided data, numbers, and documents, including electronic payroll and timekeeping data for representative sampling of Aggrieved Employees, information and documentation regarding Defendants' wage and hour policies, expense report data and information, and meal period information. The information and data exchanged by Plaintiff and Defendants prior to and during mediation and settlement negotiations were sufficient to reliably assess the merits of the parties' respective positions, to compromise the issues on a fair and equitable basis, and to devise a formula for distribution of civil penalties among the Aggrieved Employees that took into consideration the strength of the PAGA claims.

SETTLEMENT NEGOTIATIONS AND TERMS

10. As mentioned above, the parties attended an all-day mediation with highly respected

1 wage and hour mediator Hon. Brandon McKelvey and agreed to a global settlement of the Action.
2 The general terms for settling this Action were memorialized in the long-form Settlement
3 Agreement now before the Court for approval, which was fully executed on October 29, 2025. The
4 PAGA Settlement Agreement is attached hereto as **Exhibit 1**.

5 11. The parties believe and agree that the Settlement provides for a fair, adequate, and
6 reasonable resolution of the Action and have arrived at the Settlement in extensive, arm's length
7 negotiations, considering all relevant factors, present and potential. PAGA Counsel believes that
8 the Settlement confers real benefits upon Plaintiff and the Aggrieved Employees and that an
9 independent review of the Settlement by the Court in the approval process will confirm this
10 conclusion.

11 12. For purposes of the Settlement, Aggrieved Employees or PAGA Members are defined
12 as: all current and former hourly-paid, employees employed by Defendants throughout California
13 any time during the PAGA Period, which is June 20, 2023, through April 27, 2025. Based on its
14 records, Defendants estimate that there are approximately 65 Aggrieved Employees who
15 collectively worked 4,287 pay periods between June 20, 2023, through February 17, 2025. Based
16 on this information, and using a straight average, Plaintiff estimates that each Aggrieved Employee
17 will receive a payment of approximately \$305 (\$19,861.82 divided by 65 Aggrieved Employees).

18 13. The Settlement Agreement requires Defendants to pay the total sum of \$135,500.00 (the
19 "Gross Settlement Amount" or "GSA"). The Gross Settlement Amount will be allocated as follows,
20 pending Court approval:

- 21 a) Attorneys' fees in the amount of 35% of the GSA or \$47,425.00 ("PAGA
22 Counsel Fees Payment") and litigation costs in the amount of not more than
23 \$27,326.93 ("PAGA Counsel Litigation Expenses Payment");
- 24 b) Administration costs of up to \$4,000 to be paid to the Settlement Administrator
25 ("Administration Expenses Payment"), Apex Class Actions for sending notices
26 and for calculating settlement shares and preparing all checks and mailings; and
- 27 c) The remainder of the Gross Settlement Amount (the "Net Settlement Amount")
28 after deducting the above costs is approximately \$56,748.07, and shall be

1 designated as PAGA Penalties to be allocated between the LWDA and the
2 Aggrieved Employees pursuant to Labor Code section 2699(i), with 65%
3 (\$36,886.25) allocated to the LWDA (“LWDA PAGA Payment”) and 35%
4 (\$19,861.82) being paid to the Allegedly Aggrieved Employees on a pro-rata
5 basis (“Individual PAGA Payment”). The Aggrieved Employees will receive an
6 Plaintiff estimates that on average Aggrieved Employees will receive a payment
7 of approximately \$305 (\$19,861.82 divided by 65 Aggrieved Employees, which
8 is the approximate number of Aggrieved Employees based on the data given at
9 the time of mediation) as their share of the Individual PAGA Payment.

10 14. The Parties agreed to use Apex Class Actions (“Apex”) as the third-party settlement
11 administrator in this case. Apex will be responsible for updating the addresses for the Aggrieved
12 Employees, mailing the Notice of Settlement (which is attached as Exhibit A to the Settlement
13 Agreement) and calculating and distributing the settlement checks, among other duties. Apex
14 capped its fees at \$4,000.00 for administering the Settlement, and based on PAGA Counsel’s
15 experience in other class and PAGA settlements, Apex’s costs for administering this Settlement are
16 fair and reasonable. A detailed summary of the services, qualifications, and experience of the
17 Administrator, including a discussion of its procedures regarding safeguarding employee data and
18 settlement funds, is contained in the Declaration of Michael Sutherland, Senior Director of Client
19 Services for Apex Class Actions attached hereto as **Exhibit 2**.

20 15. From PAGA Counsel’s review of the facts, strengths, and weaknesses of the case, the
21 risks and delays posed by further litigation, and PAGA Counsel’s own prior litigation experience,
22 PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable
23 taking into consideration the amounts received in other PAGA actions, the risks inherent in
24 litigation of this genre, and the reasonable tailoring of each Aggrieved Employee’s claim to the
25 settlement award he or she will receive. Further, and based on the settlement negotiations, which
26 were extensive and conducted in good faith and at arm’s length between attorneys with substantial
27 experience litigating PAGA actions, the Settlement Agreement was the product of a non-collusive
28 settlement process in which the parties were forced to make significant compromises in the interest

1 of reaching a full and complete settlement of the lawsuit.

2 **THE STRENGTH OF PLAINTIFF'S CASE**
3 **IN LIGHT OF THE SETTLEMENT AMOUNT**

4 16. Plaintiff alleges that Defendants violated various provisions of California law and seeks
5 civil penalties for the foregoing violations pursuant to Labor Code § 2699 *et seq.* Under Labor Code
6 § 2699, specifically, Plaintiff alleged that Defendants:

- 7 • Failed to pay the Aggrieved Employees minimum wages and overtime for “off-the-
8 clock” work. Specifically, Defendants were systemically required to perform work-
9 related tasks during unpaid meal periods, for which no wages were paid. Further,
10 Plaintiff and Class Members were systemically required to perform work, while off-the-
11 clock after their scheduled shift, to complete their excessive workload.
- 12 • Failed to provide the Aggrieved Employees with compliant meal periods because they
13 regularly had to delay or work through their meal periods due to Defendants’
14 requirement that Aggrieved Employees respond to work demands during breaks.
- 15 • Rounded hours worked to the detriment of the Aggrieved Employees.
- 16 • Failed to provide the Aggrieved Employees with compliant rest periods as they required
17 Aggrieved Employees to respond to work demands during breaks and therefore
18 frequently received interrupted, shortened, or no rest periods.
- 19 • Failed to provide accurate wage statements, including the failure to include all hours
20 worked by the Aggrieved Employees.
- 21 • Failed to maintain accurate records of Aggrieved Employees’ hours worked and earned
22 wages and meal periods.
- 23 • Failed to pay all wages owed to Aggrieved Employees at the end of employment.
- 24 • Failed to reimburse the Aggrieved Employees for business expenses, including the use
25 of their personal cell phones for completing their work duties.

26 17. Defendants denied and continues to deny all of the claims made by Plaintiff in this Action
27 and contend that it acted at all relevant times in conformance with the law. Defendants contend that
28 Plaintiff and the Aggrieved Employees were paid for all hours worked, that Defendants prohibited

1 Plaintiff and the Aggrieved Employees from working beyond their scheduled shifts, and that any
2 “off-the-clock” work was performed without Defendants’ knowledge and de minimis; that
3 Defendants provided lawfully compliant meal and rest periods and that any deviations were at the
4 voluntary election of Plaintiff and/or the Aggrieved Employees and not at the request of Defendants
5 or due to work requirements; that Defendants paid all requisite meal and rest period premiums; that
6 Defendants paid all wages due on a timely basis and using Labor Code compliant instruments; that
7 Defendants’ wage statements complied with the law; and that neither Plaintiff nor any Aggrieved
8 Employees incurred reasonable business related expenses for which they were not reimbursed. As
9 a result, PAGA Counsel had to appropriately discount the amount recoverable from Defendants in
10 a settlement.

11 **PAGA Penalties**

12 18. The Private Attorneys General Act, Labor Code § 2699 *et seq.*, allows Plaintiff to obtain
13 civil penalties on behalf of themselves and other aggrieved employees for Defendants’ violation of
14 any provision of the Labor Code enumerated under Labor Code § 2699.5. Where civil penalties are
15 provided in the statute, those civil penalties are recoverable; where no civil penalties are
16 recoverable, Labor Code § 2699(f) establishes civil penalties of one hundred dollars (\$100) for each
17 aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each
18 aggrieved employee per pay period for each subsequent violation. Pursuant to Labor Code §
19 2699(i), seventy-five (65) percent of the penalties recovered must be allocated to the LWDA, with
20 the remaining thirty-five (35) percent allocated to the affected employees. However, under *Amaral*
21 *v. Cintas*, 163 Cal. App. 4th 1157, 1207-09 (2008) the Court held that a lower penalty amount of
22 \$100 per violation applies in the absence of a determination that a violation actually occurred.

23 19. “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee
24 worked for Defendants for at least one day during the PAGA Period. (Exhibit 1, Paragraph 1.19.)
25 Plaintiff estimated that the maximum potential exposure on the PAGA claim is \$428,700,
26 calculated by multiplying the total number of PAGA Pay Periods (4,287) by \$100 per violation.
27 Plaintiff’s calculation of the total potential exposure on the PAGA claim was based on one PAGA
28 penalty per Pay Period (i.e., Plaintiff did not stack the PAGA penalties in his damages calculation).

20. Case law supports the notion that it is inappropriate to “stack” penalties for multiple violations, particularly when those violations all stem from the same alleged “injury” *Aguirre v. Genesis Logistics*, 2015 U.S. Dist. LEXIS 78748 (citing *Villacres v. ABM Indus., Inc.*, 189 Cal.App.4th 562, 577 (2010)). (“One injury gives rise to only one claim for relief...The violation of one primary right constitutes a single cause of action.”; *Crowley v. Katleman*, 8 Cal. 4th 666, 681-82) (1994); *Li v. A Perfect Day Franchise, Inc.*, 2012 WL 2236752, *17 (N.D. Cal.2012) (“There is no authority that “would permit double recovery of essentially the same penalties.”)

21. PAGA penalties are not mandatory but permissive. Labor Code § 2699(e)(2) states that “a court may award a lesser amount than the maximum civil penalty amount specified by this part if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.” (See *Thurman v. Bayshore* (2012) 203 Cal. App. 4th 1112 (substantially reducing PAGA penalties by 30% under this provision) (emphasis added); see also *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504, 529 (2018) (affirming penalty reduction of 90% for practice that resulted in meal periods occasionally starting minutes after the fifth hour of work); *Sanchez v. McDonald’s Corp.* (2017), LASC Case No. No. BC 499888 (98% reduction from \$41 million to \$775,000); *Ghrdilyan v. RJ Financial* (2012), LASC Case No. BC430633 (94% reduction from \$5.4 million to \$325,000); *Fleming v. Covidien, Inc.* (2011), USDC Case No. ED CV 10-01487-RGK (OPx) (87% reduction from \$2.8 million to \$375,000).). In departing from the \$100/pay period calculation to arrive at the \$150,000.00 Gross Settlement Amount in this case, Plaintiff considered various reasons why the Court may reduce any eventual recovery at its discretion, and considered that PAGA penalties are not mandatory but permissive.

22. The Gross Settlement Amount of \$135,500.00 is approximately 31.6% of the maximum potential exposure of \$428,700. The Gross Settlement Amount therefore represents a strong value at approximately \$31.64 per Pay Period. From PAGA Counsel’s review of the facts, strengths, and weaknesses of the case, the risks and delays posed by further litigation, PAGA Counsel believes that the recovery for each Aggrieved Employee is fair and reasonable.

REQUEST FOR ATTORNEYS’ FEES AND COSTS

1 23. Pursuant to the Settlement Agreement, PAGA Counsel is requesting an award of
2 attorneys' fees in the amount of **\$47,425.00** and an award of litigation costs to PAGA Counsel of
3 **\$27,326.93**. D.Law, Inc.'s cost log for this matter is attached hereto as **Exhibit 3**.

4 24. This request is fair, reasonable, and adequate to compensate PAGA Counsel for the
5 substantial work they have put into this case and, moreover, the risk they assumed by taking it in
6 the first place. The attorneys' fees award is intended to reimburse PAGA Counsel for all
7 uncompensated work that they have already done and for all the work they will continue to do in
8 carrying out and overseeing the notification to the Aggrieved Employees, communicating with
9 Aggrieved Employees regarding their claims, and assisting in the administration of the Settlement
10 if it is approved.

11 25. Throughout this case, PAGA Counsel have borne, and continue to bear, the entire risk
12 and cost of litigation associated with this Action on a purely contingency basis. As a result, PAGA
13 Counsel have yet to receive any compensation for the amount of time and money invested in the
14 case to date.

15 26. Contingent-fee cases present the very real risk of working hundreds if not thousands of
16 hours that may never be entirely compensated. Moreover, while the case is being litigated, counsel
17 must pay overhead (salaries, rent, etc.), provide for their own expenses, and in most cases pay the
18 out-of-pocket expenses incurred on the plaintiff's behalf. And the prospect of a court-awarded fee
19 does not greatly reduce the risk posed by these cases. In many cases, the prospect is nothing more
20 than a potential that never materializes. First, you must win the case to get a court-awarded fee;
21 even those cases that seem strongest at the onset can be lost and sometimes are lost. Second, there
22 are always the pitfalls and unforeseen obstacles that arise along the way, such as settlement offers
23 that the client may accept without ensuring that we receive a reasonable fee or changes in the law
24 that substantially affect the merits of the case, or other uncertainties involving the client. Finally,
25 there is the great risk inherent in advancing tens of thousands of dollars in out-of-pocket expenses,
26 which can only be recovered if the outcome of the case is substantially successful.

27 27. PAGA Counsel is well acquainted with the contingent-fee market throughout California,
28 particularly as it pertains to PAGA and class action litigation. PAGA Counsel has negotiated

1 numerous contingency-fee agreements with plaintiffs, both as individuals and as representatives in
2 class-action and PAGA suits. Many of those agreements required that counsel receive a fee under
3 certain scenarios that equal and even exceed the thirty-five percent of the recovery. PAGA
4 Counsel's recent attorneys' fees awards in similar wage-and-hour class and PAGA actions have
5 been 35% of the recovery.

6 28. PAGA counsel in contingency-fee cases typically receive attorneys' fees equal to or
7 greater than forty percent of the gross settlement amount. See *Crandall v. U-Haul* (Los Angeles
8 County Super. Ct., Case No. BC178775), the Honorable Steven Czuleger awarded a 40% attorney
9 fee request in an overtime-exemption class action; in *Bushnell v. Cremar, Inc.* (Orange County
10 Super. Ct., Case No. 657778), the Honorable Donald E. Smallwood awarded attorneys' fees in the
11 amount of 38%; in *Abzug v. Kerkorian* CA000981 (Los Angeles County Super. Ct., November
12 1990), the Honorable R. William Schoettler awarded a 45% fee; in *Haitz v. Meyer, et al.*, Alameda
13 County Super. Court, 8-20-1990 No. 572968-3, the court awarded a 40% fee; in *Elliott v.*
14 *Clothestime* (Orange County Super. Ct., Case No. 01-CC00333) the Honorable Jonathan Cannon
15 awarded a 40% fee in a wage-and-hour class action which had not yet proceeded to the class
16 certification stage; in both *Rippee v. Boston Market Corporation*, Case No.: 05 CV 1359 BTM
17 (JMA) and *Barile v. Boston Market Corporation*, Case No.: 05 CV 1360 BTM (JMA), the
18 Honorable Judge Barry T. Moskowitz awarded a 40% fee to plaintiffs' counsel in wage-and-hour
19 class actions that had not proceeded to the class-certification stage.

20 29. Moreover, PAGA Counsel spent substantial time on this matter. Aside from drafting the
21 initial complaint, PAGA Counsel conducted informal discovery, reviewed and analyzed time and
22 pay records, employment handbooks, Plaintiff's personnel file, relevant policies and other
23 documentation, researched the applicable law and potential defenses, constructed damage models
24 based on interpretations of California law, appeared for the initial case management conference and
25 conferred with defense counsel, drafted reports and other pleadings for the Court attendant to the
26 case, engaged in meet and confer efforts with Defendants, prepared for and participated in
27 mediation, reviewed information provided by Defendants at the mediation, drafted and revised the
28 settlement agreement and notice, and drafted this Motion. I have reviewed the records of time

1 PAGA Counsel expended in this matter and conservatively estimate that PAGA Counsel has
2 invested at least 99.5 hours of attorney time in this matter.

3 30. I provide a detailed summary of my background and experience below. In light of my
4 background and experience, my current billing rate is \$925.00 (9 years out of law school). I
5 estimate that I have spent at least 41 hours on this matter to date. Attorney Matthew Carraher
6 spent approximately 58.5 hours on this matter, and his current billing rate is \$475.00 (3 years out
7 of law school). The lodestar for PAGA Counsel is \$65,712.50 (\$37,925.00 for my time and
8 \$27,787.50 for Matthew Carraher's time.) This figure does not reflect work performed by other
9 attorneys on this matter. Thus, the fee request of \$47,425.00 is significantly less than the amount
10 warranted by the lodestar analysis. Moreover, Plaintiff need not request that the court apply a
11 multiplier as the amount requested is less than the lodestar of actual hours worked.

12 31. In light of the foregoing, the fee request in an amount equal to one-third of the settlement
13 in this case is well within the bounds that have been established by the above-cited authority.

14 **EXPERIENCE AND VIEWS OF COUNSEL**

15 32. D.Law prosecutes wage and hour cases, including class actions and PAGA actions on
16 behalf of employees and others who have had their rights violated. D.Law, either on its own or with
17 co-counsel, is currently serving as plaintiffs' counsel of record in numerous wage and hour and
18 employment class action and PAGA action cases pending in both state and federal court.

19 33. D.Law is well-qualified and has ample experience, knowledge, and resources to act as
20 counsel and represent Plaintiffs and the Aggrieved Employees in this action. Our practice is
21 exclusively focused on employment matters and representing plaintiffs in wage and hour actions
22 with the same or similar causes of actions brought forth in the matter pending before this Court.

23 34. D.Law has litigated and successfully resolved many wage and hour class action cases
24 involving failure to pay wages and derivative Labor Code claims and penalties. See e.g. De La Rosa
25 v. The Coca Cola Company et al. (Superior Court of California in Napa, 17CV000787), Harvey v.
26 Bed Bath & Beyond of California corporation (Superior Court of California in Alameda,
27 RG17885153), Paredes v. Bottling Group LLC et. al. (Superior Court of California in Kern),
28 Ramirez v. Harris Ranch Beef Company (Superior Court of California in Fresno, 16CECG04103),

1 Gates v. Gate Gourmet, Inc. et. al. (Southern District of California, 16-cv-01084-L-AGS), Hargrave
2 v. Antelope Valley Hospital (Superior Court of California in Los Angeles, BC663252), Ramirez v.
3 Milton Roy et. al. (Superior Court of California in Los Angeles, BC 632 276), Hawkins v.
4 AvalonBay Communities (Superior Court of California in Santa Clara, 17CV316492), Jones
5 Tharpe et al. v. Sprint Corporation et al. (Superior Court of California in Los Angeles, BC644645),
6 Ortega et al. v. Nestle Waters North America, Inc. et al. (Superior Court of California in Los
7 Angeles, BC623610), Schultz v. Jimbo's Natural Family, Inc. (Superior Court of California in San
8 Diego, 37-2017-00022348-CUE-OE-CTL), Ambrose v. Victor Valley Global et al. (Superior Court
9 of California in Tuolumne, CIVDS1709289), Puerta-Gildardo v. Real Time Staffing Services LLC
10 et. al. (Superior Court of California in Los Angeles, BC565445), Vargo v. Pregis Innovative
11 Packaging LLC (Superior Court of California in Tulare, 270836), Conlin v. Aegis Senior
12 Communities LLC (Northern District of California, 17-cv-05534-LHK), Galarza v. Kloeckner
13 Metals Corporation (Central District of California, 2:17-cv-04910-FMO), Estes v. L3
14 Technologies, Inc. et al. (Southern District of California, 3:17-cv-02356-H-JMA), Rowser v. Trunk
15 Club, Inc. (Central District of California, 2:17-cv-05064-DSF-RAO), Leach v. The Claremont
16 Colleges, Inc. (Superior Court of California in Los Angeles, BC686451), Vaesau v. PCT
17 Enterprises, Inc. dba Precision Cabinets (Superior Court of California, County of Contra Costa
18 MSC18-02404), Terry v. TF Louderback, Inc. dba Bay Area Beverage Company (Superior Court
19 of the State of California, County of Contra Costa, MSC18-00859), Roach v. Westcare California,
20 Inc. (Superior Court of California in Kern County, BCV-17-102367-SDS), Patton v. Church &
21 Dwight Co., Inc. (Central District of California, EDCV 18-903-MWF (KKx)), Juarez v. ISL
22 Employees, Inc. (Superior Court of California in Madera, MCV074787), Ferraro v. USC Verdugo
23 Hill s Hospital, et al. (Superior Court of California in Los Angeles, 18STCV09463), Ford v.
24 Account Control Technology, Inc., et al. (Superior Court of California in Los Angeles,
25 19STCV09369), Ornelas v. iStorage, et al. (Superior Court of California in San Francisco, CGC-
26 18-571421), Martinez v. Ronpak, Inc. (Superior Court of California in Riverside, RIC1901307),
27 Barrera et al. v. Exclusive Wireless, Inc. (Superior Court of California in Stanislaus, 9000687),
28 Barajas v. Mancha Development Company LLC (Superior Court of California in Orange County,

1 30-2018-00974707-CU-OE-CXC), Prado v. IMAX Corporation dba IMAC Worldwide Home
2 (Superior Court of California in Tuolumne, CIVDS1820265), Rodriguez v. ND Industries, Inc.
3 (Superior Court of California in Los Angeles, 19STCV38096), Singletary v. Motel 6 Operating LP,
4 et al. (Southern District of California, 3:20-cv-0270-LAB-AHG), Quizon v. CF Watsonville East,
5 LLC, et al. (Superior Court of California in Santa Cruz, 20CV01868), Stephenson v. Bakersfield
6 Dodge, Inc. (Superior Court of California in Kern, BCV-20-102693), Bacerra v. Hugo Boss Retail,
7 Inc. (Superior Court of California in San Diego, 37-2021-00002933-CU-OE-CTL), Walker v. Ariat
8 International, Inc. (Superior Court of California in Alameda, HG19026439), Orr v. Petvet Care
9 Centers (California) Inc. (Superior Court of California in Santa Clara, 19CV354063), Jimenez v.
10 OEC Distribution Services, Inc. (Superior Court of California in Tuolumne, CIVDS1915743),
11 Viridi v. Absolute Security International (Superior Court of California in Tuolumne, CIVDS
12 1909589), Raj v. First Transit, Inc (Superior Court of California in Sacramento, 34-2021-
13 00295895-CU-OE-GDS), Marchbanks v. Torrid Administration, Inc. (Superior Court of California
14 in San Diego, 37-2020-00008179-CU-OE-NC), among others.

15 35. I and the other attorneys at D.Law who are available to assist us in this case if needed
16 are fully capable of adequately and fairly representing the proposed Aggrieved Employees in this
17 matter.

18 36. I am Senior Counsel at D.Law. I graduated from the University of California, Los
19 Angeles in 2014. I received my J.D. from the University of Southern California, Gould School of
20 Law in May 2018. Since graduating from law school, I have dedicated virtually my entire career
21 on the practice of employment law. I have significant experience specifically working on wage and
22 hour class actions from the plaintiff's side.

23 37. Matthew Carraher is an associate attorney at D.Law. He graduated from Loyola
24 Marymount University in 2019. He received his J.D. from Loyola Marymount University, Loyola
25 Law School in 2022. Since graduating from law school, he has always represented Plaintiffs in the
26 practice of employment law. He has significant experience working on wage and hour class actions
27 from the Plaintiff's side.

28 38. The collective experience of the D.Law attorneys in litigating employment wage and

1 hour matters has been integral in identifying legal issues, evaluating the strengths and weaknesses
2 of a case, and generally negotiating fair and reasonable class and representative action settlements.
3 This experience is helpful in assessing the reasonableness of settlements such as the one at issue
4 here. Based on our experience, PAGA Counsel concluded that this lawsuit could not have been
5 settled on better terms than provided under the present settlement agreement given the financial
6 limitations of Defendants.

7 39. In sum, PAGA Counsel are experienced in employment class action and PAGA litigation
8 and are adequate to represent the proposed Aggrieved Employees in the instant action.

9 **PLAINTIFF'S SERVICE AS PAGA REPRESENTATIVE**

10 40. Plaintiff served the interests of the PAGA Members well by performing considerable
11 services on behalf of those similarly aggrieved, since he first searched for an attorney, collected
12 and gathered the requested documents and information, met with her attorneys, made himself
13 available every time PAGA Counsel called about Defendants' policies and procedures produced in
14 informal discovery or discussed during conversations with opposing counsel or raised in pleadings
15 filed in this matter. Plaintiff continued to be engaged in settlement negotiations that were ultimately
16 required to reach a settlement in this case. Further, Plaintiff does not have any interests that are
17 adverse to those of the Aggrieved Employees.

18 **SUMMARY**

19 41. The Settlement was reached as a result of arm's-length negotiations and have been, at all
20 times, adversarial and non-collusive in nature. The Parties recognize the expense and length of
21 continued proceedings necessary to litigate their disputes through trial and through any possible
22 appeals. Plaintiff has also taken into account the uncertainty and risk of the outcome of further
23 litigation, and the difficulties and delays inherent in such litigation. Plaintiff and PAGA Counsel
24 are also aware of the burdens of proof necessary to establish liability for the claims asserted in the
25 Action, both generally and in response to Defendants' compelling defenses thereto, and the
26 difficulties in establishing damages for the Aggrieved Employees. Based on the foregoing, Plaintiff
27 and PAGA Counsel have determined that the Settlement set forth in this Agreement is a fair,
28 adequate and reasonable settlement, and is in the best interests of the Aggrieved Employees.

- 1 a) A true and correct copy of the Settlement Agreement is attached hereto as
2 **Exhibit 1.**
- 3 b) A true and correct copy of the Declaration of Michael Sutherland (Senior
4 Director of Client Services for Apex Class Action, LLC.) is attached hereto as
5 **Exhibit 2.**
- 6 c) A true and correct copy of D.Law's costs as of this date is attached hereto as
7 **Exhibit 3.**
- 8 d) On April 3, 2026, my office submitted the Settlement and this Motion to the
9 LWDA by uploading it to the LWDA's website concurrently with the filing of
10 this Motion. A copy of the confirmatory email my office received from the
11 LWDA after submission is attached hereto as **Exhibit 4.**
- 12 e) I am not aware of any class or other representative action in any other court that
13 asserts claims similar to those alleged in the action being settled.
- 14 f) I declare under penalty of perjury under the laws of the State of California that
15 the foregoing is true and correct.

16
17 Executed this 3rd day of April, 2026, at Pasadena, California.

18
19 /s/ Natalie Haritoonian
Natalie Haritoonian

EXHIBIT 1

PAGA SETTLEMENT AGREEMENT

This PAGA Settlement Agreement (“Agreement”) is made by and between Plaintiff Ray Lopez (“Plaintiff”) and Defendant Sunland Logistics Solutions, Inc., formerly known as Sunland Distribution (“Defendant”). The Agreement refers to Plaintiff and Defendant collectively as “Parties,” or individually as “Party.”

1. DEFINITIONS.

- 1.1 “Action” means the Plaintiff’s lawsuit alleging wage and hour violations against Defendant captioned *Ray Lopez v. Sunland Logistics Solutions, Inc., et al.*, initiated on June 20, 2024 and pending in Superior Court of the State of California, County of San Bernardino, Case No. CIVSB2420743.
- 1.2 “Administrator” means Apex Class Action, LLC (“Apex”), the neutral entity the Parties have agreed to appoint to administer the Settlement.
- 1.3 “Administration Expenses Payment” means the amount the Administrator will be paid from the Gross Settlement Amount to reimburse its reasonable fees and expenses in accordance with the Administrator’s “not to exceed” bid submitted to the Court in connection with approval of this Settlement.
- 1.4 “Aggrieved Employee” means all hourly non-exempt employees who work for Defendant in California during the PAGA Period.
- 1.5 “Aggrieved Employee Data” means the identifying information in Defendant’s possession for an Aggrieve Employee, including the Aggrieved Employee’s name, last-known mailing address, Social Security number, and number of PAGA Pay Periods.
- 1.6 “Aggrieved Employee Address Search” means the Administrator’s investigation and search for an Aggrieved Employee’s current mailing address(es) using all reasonably available sources, methods and means including, but not limited to: the National Change of Address database; skip traces; and direct contact by the Administrator with Aggrieved Employees.
- 1.7 “Aggrieved Employees’ Notice” shall mean the Notice of Settlement and Approval, a sample of which is attached hereto as Exhibit A. The Aggrieved Employees’ Notice shall further contain: (i) the recipient Aggrieved Employee’s first and last name, (ii) the recipient Aggrieved Employee’s last known address, (iii) the recipient Aggrieved Employee’s employee identification number, if applicable, (iv) the number of individual pay periods the recipient Aggrieved Employee worked for one or more of Defendants during the PAGA Period; and (v) the amount of the recipient Aggrieved Employee’s Individual PAGA Payment.
- 1.8 “Court” means the Superior Court of California, County of San Bernardino.

- 1.9 “Defense Counsel” means Grace Y. Horoupian and Olivia Green of Fisher & Phillips LLP.
- 1.10 “Effective Date” means the date by when both of the following have occurred: (a) the Court enters a Judgment on its Order Approving the Parties’ PAGA Settlement and (b) the Judgment is final. The Judgment is final as of the latest of the following occurrences: (a) the day the Court enters Judgment.
- 1.11 “Gross Settlement Amount” means One Hundred Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$135,500.00), which is the maximum amount Defendant agrees to pay under the Settlement except in the event that the escalator clause provided for in Paragraph 8 below is triggered. The Gross Settlement Amount will be used to pay Individual PAGA Payments, the LWDA PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administrator’s Expenses Payment.
- 1.12 “Individual PAGA Payment” means each Aggrieved Employee’s pro rata share of 35% of the PAGA Penalties calculated according to the number of Pay Periods the Aggrieved Employee worked during the PAGA Period.
- 1.13 “Judgment” means the judgment entered by the Court based upon the Final Approval.
- 1.14 “LWDA” means the California Labor and Workforce Development Agency, the agency entitled, under Labor Code section 2699, subdivision (i).
- 1.15 “LWDA PAGA Payment” means the 65% of the PAGA Penalties paid to the LWDA under Labor Code section 2699, subdivision (i).
- 1.16 “Net Settlement Amount” means the Gross Settlement Amount, less the following payments in the amounts approved by the Court: PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and the Administration Expenses Payment. The remainder is to be paid as PAGA Penalties, allocated as follows: 35% to the Aggrieved Employees as Individual PAGA Payments and 65% to the LWDA as the LWDA PAGA Payment.
- 1.17 “PAGA Counsel” means Emil Davtyan, David Yeremian, and Natalie Haritounian of D.Law, Inc., the attorneys representing the Plaintiff in the Action.
- 1.18 “PAGA Counsel Fees Payment” and “PAGA Counsel Litigation Expenses Payment” mean the amounts allocated to PAGA Counsel for reimbursement of reasonable attorneys’ fees and expenses, respectively, incurred to prosecute the Action.
- 1.19 “PAGA Pay Period” means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period.

- 1.20 “PAGA Period” means the period from June 20, 2023, to April 27, 2025.
- 1.21 “PAGA” means the Private Attorneys General Act (Lab. Code, § 2698. *et seq.*).
- 1.22 “PAGA Notice” means Plaintiff’s June 20, 2024, letter to Defendant and the LWDA providing notice pursuant to Labor Code section 2699.3, subdivision (a).
- 1.23 “PAGA Penalties” means the total amount of PAGA civil penalties to be paid from the Net Settlement Amount, allocated 35% to the Aggrieved Employees (\$18,926.25) and 65% to the LWDA (\$35,148.75) in settlement of PAGA claims. The Net Settlement Amount is the total amount of PAGA Penalties to be paid.
- 1.24 “Plaintiff” means Ray Lopez, the named plaintiff in the Action.
- 1.25 “Approval Order” means the proposed Court Order Granting Approval of the Parties’ PAGA Settlement.
- 1.26 “Released PAGA Claims” means the claims being released by the Aggrieved Employees as described in Paragraph 5 below.
- 1.27 “Released Parties” means Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates.
- 1.28 “Settlement” means the disposition of the Action effected by this Agreement and the Judgment.
- 1.29 “Defendant” means named Defendant Sunland Logistics Solutions, Inc., formerly known as Sunland Distribution.

2. RECITALS.

- 2.1 On June 20, 2024, Plaintiff commenced this Action by filing a class action complaint against Defendant in Court that asserted causes of action against Defendant for alleged violations of the California Labor Code and California Business & Professions Code. Plaintiff alleged that Defendant committed the following Labor Code violations: (1) failed to pay Plaintiff and other similarly situated employees (the “Putative Class Members”) wages for all time worked, including time spent waiting to clock in and clock out at the beginning and end of their shifts, and time spent responding to work demands on their personal cell phones outside of scheduled work hours; (2) failed to incorporate all non-discretionary, performance-based bonuses and commissions into both Plaintiff’s and the Putative Class Members’ regular rate calculations when calculating overtime, sick pay, vacation pay, and meal and rest break premiums; (3) failed to pay Plaintiff and the Putative Class Members “double time” when they worked more than 12 hours in a single day or worked more than eight hours on the seventh consecutive day of a workweek; (4) failed to provide Plaintiff and the Putative Class Members legally

compliant meal breaks and/or rest breaks; (5) failed to provide Plaintiff and Class Members with legally compliant and accurate wage statements, in violation of Labor Code Section 226; (6) failed to issue final pay checks to Plaintiff and the Putative Class Members in a timely fashion; and (7) failed to reimburse Plaintiff and the Putative Class Members for reasonably and necessary business expenses. On March 19, 2025, Plaintiff filed a First Amended Complaint alleging causes of action against Defendant for civil penalties under the California Private Attorneys General Act (“PAGA”). The First Amended Complaint is the operative complaint in the Action (the “Operative Complaint”). The Parties are in the process of filing a joint stipulation and order requesting that the class claims be dismissed without prejudice. Defendant denies the allegations in the Operative Complaint, denies any failure to comply with the laws identified in the Operative Complaint, and denies any and all liability for the causes of action alleged.

2.2 Pursuant to Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice.

2.3 On February 26, 2025, the Parties participated in an all-day mediation with Brandon McKelvey, Esq., which led to the Settlement.

2.4 Prior to mediation, Plaintiff obtained, through informal discovery, pertinent payroll, timekeeping, and other data.

2.5 The Parties, PAGA 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 Gross Settlement Amount. Except as otherwise provided by Paragraph 8 below, Defendant promises to pay no more than One Hundred and Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$135,500.00) as the Gross Settlement Amount. Defendant has no obligation to pay the Gross Settlement Amount prior to the deadline stated in Paragraph 4.3 of this Agreement. The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Aggrieved Employees to submit any claim as a condition of payment. None of the Gross Settlement Amount will revert to Defendant.

3.2 Payments from the Gross Settlement Amount. The Administrator will make and deduct the following payments from the Gross Settlement Amount, in the amounts specified by the Court in the Final Approval:

3.2.1 To PAGA Counsel: A PAGA Counsel Fees Payment of not more than 35%, which is currently estimated to be \$47,425.00, and a PAGA Counsel Litigation Expenses Payment of not more than \$30,000.00. Defendant will not oppose requests for Court approval of these payments provided that

they do not exceed these amounts. Plaintiff and/or PAGA Counsel will file an application or motion for the awards of the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment. If the Court approves a PAGA Counsel Fees Payment and/or a PAGA Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. Released Parties shall have no liability to PAGA Counsel or any other Plaintiff's Counsel arising from any claim to any portion any PAGA Counsel Fee Payment and/or PAGA Counsel Litigation Expenses Payment. The Administrator shall pay the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment using one or more IRS 1099 Forms. PAGA Counsel assumes full responsibility and liability for taxes owed on the PAGA Counsel Fees Payment and the PAGA Counsel Litigation Expenses Payment and holds Defendant harmless, and indemnifies Defendant, from any dispute or controversy regarding any division or sharing of any of these Payments.

3.2.2 To the Administrator: An Administrator Expenses Payment not to exceed \$4,000.00 except for a showing of good cause and as approved by the Court.

3.2.3 To the LWDA and Aggrieved Employees: After making the above-contemplated deductions from the Gross Settlement Amount in amounts approved by the Court for the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, and Administration Expenses Payment, the remainder ("Net Settlement Amount") shall be paid as PAGA Penalties, which is currently estimated to be \$54,075.00, with 65% allocated to the LWDA PAGA Payment and 35% allocated to the Individual PAGA Payments.

3.2.3.1 The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 35% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment.

3.2.3.2 If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.

3.2.3.3 The Administrator will report the Individual PAGA Payments on IRS 1099 Forms.

4. SETTLEMENT FUNDING AND PAYMENTS.

4.1 Aggrieved Employee Pay Periods. Based on a review of its records to date, Defendant estimates there are 65 Aggrieved Employees who worked a total 4,287 of PAGA Pay Periods through February 15, 2025.

4.2 Aggrieved Employee Data. Within 15 days, Defendant will simultaneously deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet. To protect Aggrieved Employees' privacy rights, the Administrator must maintain the Aggrieved Employee Data in confidence, use the Aggrieved Employee Data only for purposes of this Settlement and for no other purpose and restrict access to the Aggrieved Employee Data to Administrator employees who need access to the Aggrieved Employee Data to effect and perform under this Agreement. Defendant has a continuing duty to immediately notify PAGA Counsel if it discovers that the Aggrieved Employee Data omitted employee identifying information and to provide corrected or updated Aggrieved Employee Data as soon as reasonably feasible. Without any extension of the deadline by which Defendant must send the Aggrieved Employee 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 Aggrieved Employee Data.

4.3 Funding of Gross Settlement Amount. Defendant shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 14 days after the Effective Date.

4.4 Payments from the Gross Settlement Amount. Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, and the PAGA Counsel Litigation Expenses Payment.

4.4.1 The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.

4.4.2 The Administrator must conduct an Aggrieved Employee Address Search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 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 Aggrieved Employee Address Search. The Administrator need not take further steps

to deliver checks to Aggrieved Employees whose remailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, requested by the Aggrieved Employee prior to the void date.

4.4.3 For any Aggrieved Employee whose Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

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

5. **RELEASES OF CLAIMS.** Effective on the date when Defendant fully funds the entire Gross Settlement Amount, Plaintiff, acting on behalf of the State of California and all Aggrieved Employees, will release claims against all Released Parties as follows:

5.1 Plaintiff's Release and Enhancement: Plaintiff shall receive a separate individual payment of \$9,000.00 in consideration of a general release of all claims he may have against Defendant. This Settlement Payment shall be subject of a separate individual settlement agreement and release that will be executed by the Parties on or before the Effective Date of this Agreement.

5.2 Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Complaints in the Action, and/or the PAGA Notices including, but not limited to, any and all claims involving (a) any failure to pay wages, including minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods (including failure to pay meal period premiums); (d) failure to provide rest periods (including failure to pay rest period premiums) (e) failure to provide accurate itemized wage statements; (f) failure to timely pay wages including wages due upon termination; (g) failure to maintain accurate records; (h) failure to provide reimbursable expenses; (i) failure to pay vacation wages; (j) violation of Business & Professions Code 17200 et seq.; and (k) any and all statutes and regulations referenced in the Complaints or PAGA Notices. This Release shall not apply to any Defendant that does not fully fund their share of the Gross Settlement Amount as provided in Paragraph 4.3.

5.3 Release by PAGA Counsel: PAGA Counsel release, on behalf of their present and former attorneys, employees, agents, successors, and assigns, the Released Parties from all claims for PAGA Fees incurred in connection with the facts stated in the Operative Complaint and the PAGA Notice during the PAGA Period.

6. **MOTION OR APPLICATION FOR APPROVAL OF SETTLEMENT.** The Parties agree to jointly prepare and file an application or motion for approval of this Settlement.

6.1 Plaintiff's Responsibilities. Plaintiff will prepare and deliver to Defense Counsel all documents necessary for obtaining approval of this Settlement under Labor Code section 2699, subdivision (f)(2)) including (i) a draft proposed Order Granting Approval of PAGA Settlement; (ii) a signed declaration from the Administrator attaching its "not to exceed" bid for administering the Settlement and attesting to its willingness to serve; competency; operative procedures for protecting the security of Aggrieved Employee Data; amounts of insurance coverage for any data breach, defalcation of funds or other misfeasance; all facts relevant to any actual or potential conflicts of interest with Aggrieved Employees or the LWDA; and the nature and extent of any financial relationship with Plaintiff, PAGA Counsel or Defense Counsel; (iii) a signed declaration from PAGA Counsel firm attesting to its timely transmission to the LWDA of all necessary PAGA documents (initial notice of violations (Labor Code section 2699.3, subd. (a)), Operative Complaint (Lab. Code, §2699, subd. (l)(1)), this Agreement (Lab. Code, § 2699, subd. (l)(2)); and (iv) all facts relevant to any actual or potential conflict of interest with Aggrieved Employees and/or the Administrator. In their Declarations, Plaintiff and PAGA Counsel shall aver that they are not aware of any other pending matter or action asserting claims that will be extinguished or adversely affected by the Settlement.

6.2 Responsibilities of Counsel. PAGA Counsel and Defense Counsel are jointly responsible for expeditiously finalizing and filing the application or motion for approval of this Settlement no later than 30 days after the full execution of this Agreement and, if necessary, obtaining a prompt hearing date for the motion and appearing in Court to advocate in favor of the motion. PAGA Counsel is responsible for delivering the Court's Approval Order to the Administrator.

6.3 Duty to Cooperate. If the Parties disagree on any aspect of the proposed application or motion for approval of this Settlement and/or the supporting declarations and documents, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, and in good faith, to resolve the disagreement. If the Court does not grant the motion for approval of this Settlement or conditions its approval on any material change to this Agreement, PAGA Counsel and Defense Counsel will expeditiously work together on behalf of the Parties by meeting and conferring, 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 Apex to serve as the Administrator and verified that, as a condition of appointment, Apex agrees to be bound by this Agreement and to perform, as a fiduciary, all duties specified in this Agreement in exchange for payment of Administration Expenses. 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 have and use its own Employer Identification Number for purposes of calculating payroll tax withholdings and providing reports 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 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.

8. **AGGRIEVED EMPLOYEE SIZE ESTIMATES and ESCALATOR CLAUSE** Based on its records, Defendant estimates that, as of the date of this Settlement Agreement, there are 65 Aggrieved Employees who worked 4,287 Pay Periods through February 17, 2025. If the Pay Periods increases by more than 10%, then the GSA will be increased proportionally by the number of workweeks worked in excess of 10%. For example, if the Pay Periods increases by 15%, then the GSA will increase by 5%. In the alternative, Defendants can avoid increasing the GSA by electing to end the PAGA Period when the number of PAGA Pay Periods reaches 4,716.

9. **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.

9.1 Waiver of Right to Appeal. Provided the Judgment is consistent with the terms and conditions of this Agreement, specifically including the PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment, the Parties, and their respective counsel 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 another party 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.

10. ADDITIONAL PROVISIONS.

10.1 No Admission of Liability 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 Operative Complaint 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 representative treatment is for purposes of this Settlement only. If for any reason the Court does not approve this Settlement, Defendant reserves all available defenses to the claims in the Action, and Plaintiff reserves the right 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 litigation (except for proceedings to enforce or effectuate the Settlement and this Agreement).

10.2 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.

10.3 Attorney Authorization. PAGA 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.

10.4 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 a mediator and/or the Court for resolution.

10.5 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.

10.6 No Tax Advice. Neither Plaintiff, PAGA Counsel, Defendant nor Defense Counsel are providing any advice regarding taxes or taxability, nor shall anything in this

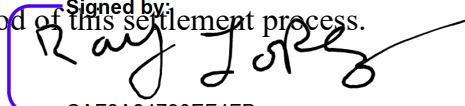
Settlement be relied upon as such within the meaning of United States Treasury Department Circular 230 (31 CFR Part 10, as amended) or otherwise.

- 10.7 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.
- 10.8 Agreement Binding on Successors. This Agreement will be binding upon, and inure to the benefit of, the successors of each of the Parties.
- 10.9 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.
- 10.10 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.
- 10.11 Confidentiality. To the extent permitted by law, all agreements made and orders entered during Action and in this Agreement relating to the confidentiality of information shall survive the execution of this Agreement.
- 10.12 Use and Return of Aggrieved Employee Data. Information provided to PAGA Counsel pursuant to Evidence Code section 1152, and all copies and summaries of the PAGA Data provided to PAGA Counsel by Defendant in connection with the mediation, other settlement negotiations, or in connection with the Settlement, may be used only with respect to this Settlement, and no other purpose, and may not be used in any way that violates any existing contractual agreement, statute or California Rules of Court rule. Not later than 90 days after the Administrator discharges its obligation to pay out of all Settlement funds, Plaintiff shall destroy all paper and electronic versions of Aggrieved Employee Data received from Defendant unless, prior to the Administrator's payment of all Settlement Funds, Defendant makes a written request to PAGA Counsel for the return, rather than the destruction, of Aggrieved Employee Data.
- 10.13 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.
- 10.14 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.
- 10.15 Execution in Counterparts. This Agreement may be executed in one or more counterparts by facsimile, electronically (i.e. 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.

10.16 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 Code of Civil Procedure section 583.330 to extend the date to bring a case to trial under Code of Civil Procedure section 583.310 for the entire period of this settlement process.

Dated: 7/1/2025

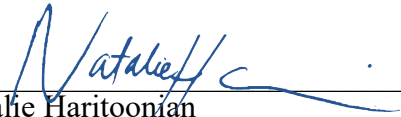
Signed by:

By: _____
Plaintiff Ray Lopez CAF3A84730EF4FD...

Dated: _____

By: _____
Defendant Sunland Logistics Solutions, Inc.
By: _____
Title: _____

AGREED AS TO FORM

Dated: July 29, 2025

By: 
Natalie Haritounian
Counsel for Plaintiff Ray Lopez

Dated: _____

By: _____
Grace Horoupian
Counsel for Defendant Sunland Logistics
Solutions, Inc.

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.

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Dated: _____

By: _____
Plaintiff Ray Lopez

Dated: 7.15.25

By: Jennifer Smith
Defendant Sunland Logistics Solutions, Inc.
By: Jennifer Smith
Title: Field HR Director

AGREED AS TO FORM

Dated: _____

By: _____
Natalie Haritonian
Counsel for Plaintiff Ray Lopez

Dated: 10/29/25

By: 
Grace Horoupian
Counsel for Defendant Sunland Logistics Solutions, Inc.

Ray Lopez v. Sunland Logistics Solutions, Inc., et al.
San Bernardino County Superior Court Case No. CIVSB2420743



<<PSA ID>>

<<First Last>>

<<Address>>

<<City, State, Zip, Country>>

Name/Address Changes (if any):

NOTICE OF REPRESENTATIVE ACTION SETTLEMENT

If you are or were a non-exempt, hourly employee who worked for Sunland Logistics Solutions, Inc. in California at any time between June 20, 2023 to April 27, 2025, you are entitled to receive money from a Representative PAGA Action Settlement.

A court approved this notice. This is not a solicitation from a lawyer. You are not being sued.

1. Why should you read this notice?

A settlement (the “Settlement”) was reached in a lawsuit entitled *Ray Lopez v. Sunland Logistics Solutions, et al.*, San Bernardino County Superior Court Case No. CIVSB2420743 (the “Action” or “Lawsuit”). The Lawsuit involved claims asserted under the Private Attorneys General Act (the “PAGA”). The Defendant in the Action is Sunland Logistics Solutions, Inc. (“Defendant”).

The Court has granted approval of a PAGA representative group of Aggrieved Employees defined as follows:

All non-exempt, hourly employees who worked for Sunland Logistics Solutions, Inc., in California at any time between June 20, 2023 to April 27, 2025 (the “Aggrieved Employees”).

You are receiving this notice because Defendant’s records indicate that you may be an Aggrieved Employee. The Court directed that this Notice be sent to all Aggrieved Employees to inform you about the case and your rights.

This Notice explains the Lawsuit, the Settlement, and your legal rights.

2. What is this Lawsuit about?

On June 20, 2024, Plaintiff Ray Lopez (“Plaintiff”) (together, with Defendant, referred to herein as the “Parties”) filed the Action alleging that Defendant failed to comply with various provisions of the California Labor Code. The Lawsuit seeks penalties pursuant to the PAGA on behalf of both the State of California and the Aggrieved Employees for the alleged violations. Plaintiff and Defendant participated in mediation with Brandon McKelvey, Esq., on February 26, 2025. Through arm’s length negotiations, the Parties agreed to the core terms of the settlement. The Court approved the Settlement on [REDACTED], 2025.

3. Why is there a Settlement?

The Court did not decide in favor of Plaintiff or Defendant. Instead, both sides agreed to a Settlement. This allows the Parties to avoid the risk and uncertainty of trial and any subsequent appeal, and all affected employees will receive compensation. The Settlement is not an admission of liability by Defendant. Defendant vigorously denies all the claims and contentions made in the Lawsuit and maintains it has fully complied with the law, but has

QUESTIONS? CALL TOLL FREE 1-800-###-####

agreed to settle the Lawsuit to avoid the expense of litigation. Plaintiff and the attorneys believe the Settlement is fair, reasonable and adequate, and in the best interests of all Aggrieved Employees.

4. What are the terms of the Settlement?

Defendant will pay One Hundred Thirty-Five Thousand Five Hundred Dollars and Zero Cents (\$135,500.00) to settle the Action (the “Gross Settlement Amount”). The Gross Settlement Amount will be used to pay Individual PAGA Payments, the California Labor and Workforce Development Agency (“LWDA”) PAGA Payment, PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment and the Administrator’s Expenses Payment.

The Court has approved the following payments from the Gross Settlement Amount:

- Plaintiff’s Counsel’s fees of Forty-Seven Thousand Four Hundred Twenty-Five Dollars and Zero Cents (\$47,425.00);
- Plaintiff’s Counsel’s out-of-pocket litigation costs of Thirty Thousand Dollars and Zero Cents (\$30,000.00); and
- Settlement Administration Costs for the third-party Settlement Administrator of Four Thousand Dollars and Zero Cents (\$4,000.00).

The law requires that Thirty Five Thousand One Hundred Forty Eight Dollars and Seventy Five Cents (\$35,148.75), or 65% of the Fifty Four Thousand Seventy Five Dollars and Zero Cents (\$54,075.00) remaining in the Gross Settlement Amount, be paid to the LWDA. The remaining Eighteen Thousand Nine Hundred Twenty-Six Dollars and Twenty Five Cents (\$18,926.25) (“Aggrieved Employees Payment”) will be paid out to the Aggrieved Employees. No portion of the Gross Settlement Amount will be returned to Defendant.

5. How much am I receiving?

Each Aggrieved Employee is receiving a *pro rata* share of the Aggrieved Employees Payment based on the number of pay periods the person worked for Defendant as a non-exempt, hourly employee during the Representative Period, defined above. Any pay period in which an Aggrieved Employee worked at least one day was counted as a pay period.

To calculate an Aggrieved Employee’s share of the Aggrieved Employees Payment, the Aggrieved Employees Payment was divided by the aggregate total number of pay periods of all Aggrieved Employees, resulting in the “Pay Period Value.” Each Aggrieved Employee’s share of the Aggrieved Employee’s share of the Aggrieved Employees Payment will be calculated by multiplying each individual Aggrieved Employee’s total number of pay periods by the Pay Period Value.

Your Compensable Pay Periods are: <<PayPeriods>>

Your Aggrieved Employee’s share of the Aggrieved Employees Payment is: \$<<Est.PAGAPaymentAmt>>

Each Aggrieved Employee’s share of the Aggrieved Employees Payment will be allocated as follows: 100% as penalties that will not be subject to deductions and withholdings. Each Aggrieved Employee will receive an IRS Form 1099 for his or her share of the Aggrieved Employees Payment.

The Settlement checks will be able to be cashed for 180 days after they are issued. After 180 days, the Settlement checks will no longer be able to be cashed. Any funds represented by Settlement checks remaining uncashed for

more than 180 days after issuance shall be transmitted to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Code of Civil Procedure Section 1500, *et seq.* in the names of those Aggrieved Employees who did not cash their Settlement checks until such time they claim their property.

6. What claims are being released by the Settlement?

A Judgment has been entered by the Court. Upon the Effective Date of the Judgment, the State of California, the LWDA, Plaintiff, and the Aggrieved Employees have released the Released Parties from the Released Claims for the Representative Period, which is defined above.

All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims, transactions, or occurrences that occurred during the PAGA Period, for: all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice including, but not limited to, any and all claims involving (a) any failure to pay wages, including minimum wages; (b) failure to pay overtime wages; (c) failure to provide meal periods (including failure to pay meal period premiums); (d) failure to provide rest periods (including failure to pay rest period premiums) (e) failure to provide accurate itemized wage statements; (f) failure to timely pay wages including wages due upon termination; (g) failure to maintain accurate records; (h) failure to reimburse necessary expenses; (i) failure to pay vacation wages; (j) violation of Business & Professions Code 17200 *et seq.*; and (k) any and all statutes and regulations referenced in the Complaints or PAGA Notices.

Aggrieved Employees cannot opt out of or object to the foregoing Release.

The Released Parties are defined as Defendant and its former, present, and future owners, parents, affiliates, and subsidiaries, and all of their current, former, and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, predecessors, successors, assigns, accountants, insurers, reinsurers, and/or legal representatives.

Under the terms of the Settlement, Aggrieved Employees do not need to do anything in order to receive their PAGA Claim Employee Settlement Award.

If you have questions, you can call the Settlement Administrator at [REDACTED].

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANT'S MANAGERS OR
SUPERVISORS ABOUT THIS SETTLEMENT
They will not be able to assist you.

EXHIBIT 2

D.LAW, INC.
Natalie Haritonian (SBN 324318)
n.haritonian@d.law
Matthew Carraher (SBN 346860)
m.carraher@d.law
250 N Madison Ave., 2nd Floor
Pasadena, CA 91101
Telephone: (818) 962-6465
Facsimile: (818) 962-6469

Attorneys for Plaintiff RAY LOPEZ,
on behalf of himself and others similarly situated

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

RAY LOPEZ, an individual on behalf of
himself and all others similarly situated,

Plaintiff,

vs.

SUNLAND LOGISTICS SOLUTIONS,
INC., a business entity of unknown form;
SUNLAND DISTRIBUTION, a business
entity of unknown form; MELISSA
SALAZAR, an individual and DOES 1
through 50, inclusive,

Defendants.

Case No.: CIVSB2420743

CLASS ACTION

Assigned for All Purposes To:

Hon. Thomas Garza
Dept.: S27

**DECLARATION OF MICHAEL
SUTHERLAND IN SUPPORT OF
PLAINTIFF'S MOTION FOR APPROVAL
OF PAGA SETTLEMENT UNDER
CALIFORNIA LABOR CODE §§ 2698 et seq.;
MEMORANDUM OF POINTS AND
AUTHORITIES**

*[Filed concurrently with, Notice of Motion and
Memorandum of Points and Authorities
Declaration of Natalie Haritonian; and
[Proposed] Order]*

Hearing: April 30, 2026
Time: 8:30 AM

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I, Michael Sutherland, declare as follows:

1. I am the President of Apex Class Action LLC., a settlement administration company headquartered in Irvine, California. I have personal knowledge of the facts outlined in this declaration and, if called as a witness, I could and would competently testify thereto.

2. Apex Class Action's team has been directly involved with settlement administration for a combined 15 years and has successfully managed numerous class & PAGA actions during that time. Our team comprises experienced professionals with extensive knowledge of settlement administration. In addition, Apex Class Action has the necessary technology and infrastructure to efficiently manage large-scale settlements. We utilize state-of-the-art software and systems to ensure that all aspects of the administration process are executed accurately and efficiently.

3. The legal practitioners or parties involved do not possess any form of ownership stake or affiliation with Apex Class Action.

4. Apex Class Action has extensive expertise in the dissemination of settlement notices and administration of PAGA settlements. Our range of services includes first-class mail via the United States Postal Service, a bilingual toll-free call center, interactive & static website development and support, enterprise database management, response processing, and Qualified Settlement Fund (QSF) distribution for settlements of various sizes. We uphold the highest level of confidentiality in all our operations, and any employee data and communication received by us will be treated with the utmost confidentiality and will not be disclosed to any unauthorized party. Attached is our current CV as **Exhibit A**, highlighting our primary competencies in settlement administration.

5. Apex Class Action ensures that Client and employee information is only used for the purposes specified in the relevant agreements or court orders governing the provision of its legal services. To safeguard employee information, Apex Class Action has implemented a comprehensive process to identify, assess, and mitigate risks in all areas of its operations, regularly evaluating the effectiveness of its security measures. Access to aggrieved employee

1 information is limited to employees, agents, or subcontractors who require it to perform their
2 duties, and Apex Class Action conducts background checks on all personnel with access to
3 sensitive personal information, to ensure they do not pose a threat to the security of client or
4 aggrieved employee information. To guarantee the security of the settlement administration
5 process, Apex Class Action maintains Professional Liability and Cyber Liability Insurance
6 coverage, as required by legal standards and best practices in the legal profession.

7 6. Apex Class Action disbursement process involves (i) obtaining a Federal Employer
8 Identification Number (FEIN) from the Internal Revenue Service (IRS) under the name of the
9 settlement case; (ii) establishing a QSF to manage the distribution of settlement funds; (iii)
10 conducting preliminary and final calculations to determine the individual settlement amounts,
11 including attorneys' fees, costs, enhancement awards, and any other court-approved designees;
12 (iv) calculating and reporting state and federal taxes as applicable; (v) and disseminating approved
13 settlement funds and tax forms via First-Class USPS mail.

14 7. The administration fees for Apex Class Action's management of this PAGA
15 settlement will not exceed \$4,000.00, as specified in **Exhibit B**. This document presents a
16 comprehensive plan detailing the specific administration services that will be provided.

17
18 I declare under penalty of perjury under the laws of the state of California that the
19 foregoing is true and correct. Executed this 17th day of November 2025, in Irvine, California.

20
21 

22 _____
Michael Sutherland

EXHIBIT A



CASE TYPES

- Consumer
- Data Breach
- Mass Tort Disbursement
- Wage & Hour
- Private Attorneys
General Act (PAGA)
- Belaire West
- Class Certification
- Fair Labor Standards
Act (FSLA)
- Telephone Consumer
Protection Act (TCPA)
- Employee Retirement
Income Security Act
(ERISA)
- Product Liability

SUMMARY

Apex Class Action brings together a seasoned team of professionals adept at navigating the intricate landscape of legal processes and settlement administration. Armed with extensive expertise, we offer a comprehensive understanding of the nuances inherent in settlement procedures. Our organization excels in communication and organization, leveraging cutting-edge technology to streamline project management and adhere to rigorous timelines with precision and efficiency.

From initial pre-settlement consultation to the final stages of disbursement and tax reporting, our technology platform and stringent data security protocols revolve around integration, automation, and observability. This ensures swift and precise payment for class members, bolstering efficiency and accuracy throughout the process.

PRELIMINARY CONSULTATION

Our complimentary preliminary consultation serves as the cornerstone for establishing a comprehensive framework. This framework ensures that all stakeholders grasp the project's scope, timeline, and budget parameters effectively. Following the alignment of objectives and expectations between plaintiff and defense counsel, our team diligently explores additional avenues to identify potential class members. We go the extra mile by offering detailed interactive banner ad campaigns and print media options, maximizing outreach and engagement to achieve optimal results.

CASE MANAGEMENT

At Apex Class Action, our expert Case Managers and Data Managers take charge of overseeing all aspects of the settlement administration process. Their role is pivotal in ensuring strict adherence to court orders, settlement agreements, and industry benchmarks. Working hand in hand with both plaintiff and defense counsel, we meticulously manage every aspect of the settlement administration process.

Our comprehensive mailing and notification services commence with meticulous data scrubbing and the establishment of a class database, guaranteeing the accuracy of contact information. Subsequently, the database undergoes validation using the USPS National Change of Address (NCOA) database to ensure precision and reliability. Additionally, we provide court-certified translation services covering over 65 languages, facilitating effective communication across diverse demographics. In instances where mail is returned as undeliverable, we undertake skip tracing to obtain updated addresses for class members, ensuring that all notices reach their intended recipients without delay.



To ensure transparency throughout the entire process, a steady cadence of reports, as defined during the preliminary consultation, is generated throughout the administration process for both the plaintiff and defense counsel.

Our capability to provide cost-effective pricing is rooted in our adept utilization of cutting-edge technology, a team of highly skilled professionals, and an optimized process. Should the courts approve the utilization of modern electronic notification methods like email and banner ads, we ensure both certainty and cost-effectiveness. Through electronic disbursement, we offer a highly efficient strategy wherein settlement awards are directly delivered to class members, mitigating potential drawbacks associated with traditional mail delivery and enhancing overall efficiency.

TAX COMPLIANCE & CASE RESOLUTION

Apex leverages its proprietary technology to efficiently manage all necessary state and federal tax reporting requirements. This includes establishing a Settlement Federal Tax Identification Number (FIEN) with the IRS and Qualified Settlement Fund (QSF) EDD accounts where applicable. We handle taxes associated with settlements involving multiple state tax filings, as well as manage all payroll tax filings such as Form 940, 941, and state filings. Additionally, our services encompass the preparation of information returns (Forms W-2, 1099, and 1042-S) for reportable payments and the preparation of the annual Federal income tax return (Form 1120-SF). Moreover, we provide comprehensive management of qualified settlement funds (QSF), ensuring that all accounts are FDIC-insured bank accounts. Our full suite of comprehensive tax management services includes:

- Prepare and fill all applicable returns (Forms W-2, 1099, and 1042-S)
- Payroll tax filings, including Form 940, 941, and state filings
- FID-Insured QSF Bank Accounts
- State and Federal Tax Reporting
- IRS Federal Tax Identification Number
- QSF Audit Reports
- Prepare And File 1120-SF Tax Returns with Quarterly Tax Obligations

CONTACT

Address

18 Technology Dr. Ste. 154
Irvine, CA 92618

Email

mike@apexclassaction.com
Info@apexclassaction.com

Phone

1.321.223.5067
1.800.355.0700

EXHIBIT B

**Quotation Request:**

Natalie Haritoonian
D Law
n.haritoonian@d.law

Case Name:

Lopez v. Sunland Logistics Solutions, Inc.

Date:

Tuesday, March 25, 2025

RFP Number:

29130017

Prepared By:

Michael Sutherland
Apex Class Action LLC
mike@apexclassaction.com
321.223.5067

Settlement Specifications

Number of Aggrieved Employees	65
Certified Language Translation:	No
Static Settlement Website	No
Percentage of Undeliverable Mail	20%

Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Data Analytics and Standardization

Import and Standardize Data*	Per Hour	\$125.00	1	\$125.00
Data Analyst	Per Hour	\$150.00	1	\$150.00
*Data provided must be in a workable format. Apex can standardize provided data at an additional cost of \$150/hr.				
Sub Total:				\$275.00

Project Management

Project Management	Per Hour	\$150.00	1	\$150.00
Project Coordinator	Per Hour	\$90.00	1	\$90.00
Data Analyst and Reporting	Per Hour	\$140.00	1	\$140.00
Sub Total:				\$380.00

Toll-Free Contact Center, Website, Reporting & Pre-Distribution

Form Set Up	Per Hour	\$120.00	1	\$120.00
Bilingual Toll-Free Contact Center	Static Rate	\$125.90	1	\$125.90
NCOA Address Update (USPS)	Static Rate	\$25.00	1	\$25.00
Settlement Status Reports	Static Rate	\$750.00	1	Waived
Sub Total:				\$270.90



Professional Services	Fee Calculation	Rate(s)	Quantity	Estimated Cost
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Distribution & Settlement Fund Management				
Settlement Calculations	Per Hour	\$120.00	2	\$240.00
Account Management and Reconciliation	Per Hour	\$140.00	2	\$280.00
Print & Mail Distribution Settlement Check (IRS Form 1099 if applicable)	Per Piece	\$1.25	65	\$81.25
USPS First Class Postage	Per Piece	\$0.73	65	\$47.45
Remail Distribution to Updated Address (Skip Trace)	Per Piece	\$2.50	7	\$16.25
Individual Income Tax Preparation & Reporting	Per Hour	\$100.00	6	\$600.00
QSF Income Tax Reporting (per calendar year)	Per Year	\$1,250.00	1	\$1,250.00
Unclaimed Funds: State Controller's Unclaimed Property Fund	Static Rate	\$204.15	1	\$204.15
Sub Total:				\$2,719.10

Post Distribution Reconciliation				
Bank Account Reconciliation	Per Hour	\$135.00	1	\$135.00
Project Management Reconciliation	Per Hour	\$100.00	1	\$100.00
Declarations	Per Hour	\$120.00	1	\$120.00
Sub Total:				\$355.00

WILL NOT EXCEED:				\$4,000.00
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Thank you for your business!



Terms & Conditions

The following Terms and Conditions govern the provision of all services to be provided by Apex Class Action and its affiliates ("Apex") to the Client. These terms and conditions are binding and shall apply to all services provided by Apex in relation to any related services or products.

1. Services: Apex commits to providing the Client with the administrative services detailed in the attached Proposal (the "Services").

2. Payment Terms: As compensation for the legal services to be provided, the Client agrees to pay Apex all fees detailed in the Proposal. The fees quoted in the Proposal (and any subsequent proposals for additional services) are estimates based on the information provided to Apex by the Client. Apex makes no representation that the estimated fees in the Proposal or any subsequent proposals for additional services shall equal the actual fees charged by Apex to the Client, which fees (including individual line items) may be greater or less than estimated. If additional services are requested on an hourly basis and are not specifically detailed in the Proposal, Apex will prepare estimates for such services subject to approval by the Client. In the performance of such additional services, Apex will charge standard hourly fees which shall apply.

3. Incurred Expenses: In relation to the provision of services outlined in this agreement, the Client agrees to reimburse Apex for all reasonable out-of-pocket expenses incurred. Such expenses may include, but are not limited to, costs associated with postage, media production or publication, banking fees, brokerage fees, messenger and delivery service expenses, travel expenses, filing fees, office supplies, meals, staff overtime expenses, and other related costs and expenses. If not otherwise specified in writing, fees for print notice and certain expenses, such as media publication and postage, must be paid immediately upon invoicing and, in certain cases, at least ten (10) days prior to the date on which such expenses will be incurred.

4. Invoicing: Apex shall present invoices for its fees and expenses on a monthly basis, except as provided in Section 3. The Client agrees to pay each invoice within 30 days of receipt. In the event of non-payment within 90 days of the billing date, an additional service charge of 1.5% per month may apply. Apex reserves the right to increase its prices, charges, and rates annually, subject to reasonable adjustments. If any price increases exceed 10%, Apex shall give thirty (30) days' notice to the Client. In the event of any unpaid invoices beyond 120 days of the due date, Apex reserves the right to withhold services and reports until payment is received, subject to notice to the Client. It is important to note that Apex's failure to provide services and reports in such instances shall not constitute a default under this agreement.

5. Case Duration: The duration of these Terms and Conditions, except for the data storage obligations stated in Section 13, shall be in effect until 30 days following the completion of the Services as described in the Proposal. The parties may extend these Terms and Conditions in writing for a mutually agreed-upon period beyond this initial 30-day period.

6. Termination of Services: Either party may terminate the Services by providing thirty (30) days written notice to the other party. Alternatively, termination may occur immediately upon written notice for Cause, as defined below. Cause means (i) Apex's gross negligence or willful misconduct that causes serious and material harm to the Client; (ii) the Client's failure to pay Apex invoices for more than one hundred twenty (120) days from the date of the invoice; or (iii) the accrual of invoices or unpaid services where Apex reasonably believes it will not be paid. Termination of the Services shall not relieve the Client of its obligation to pay Apex for services rendered prior to the termination.

7. Independent Contractor: As an independent contractor, Apex will provide services under the terms of this agreement. It is agreed that neither Apex nor any of its employees will be considered an employee of the Client. Consequently, Apex and its employees will not be eligible for any benefits provided by the Client to its employees. The Client will not make any tax deductions from the payments due to Apex for state or federal tax purposes. Apex will be solely responsible for paying all taxes and other payments due on payments received from the Client under this agreement.

8. Apex warrants that the Services outlined in the Proposal will be performed in accordance with the standards generally adhered to by professionals providing similar services. It is acknowledged that the Services may entail the likelihood of some human and machine errors, omissions, delays, and losses that may result in damage. However, Apex shall not be held liable for such errors, omissions, delays, or losses unless they are caused by its gross negligence or willful misconduct. In the event of any breach of this warranty by Apex, the Client's sole remedy will be limited to Apex's rerunning, at its expense, any inaccurate output provided that such inaccuracies occurred solely as a result of Apex's gross negligence or willful misconduct under this agreement.

9. Limitation of Liability: The Client acknowledges that Apex shall not be held liable for any consequential, special, or incidental damages incurred by the Client in relation to the performance of Services, whether the claim is based on breach of warranty, contract, tort (including negligence), strict liability, or any other grounds. Under no circumstances shall Apex's liability to the Client, for any Losses (including court costs and reasonable attorney's fees), arising out of or in connection with these Terms and Conditions, exceed the total amount charged or chargeable to the Client for the specific service(s) that caused the Losses.

10. Indemnification: The Client agrees to indemnify and hold harmless Apex from any losses, suits, actions, judgments, fines, costs, liabilities, or claims arising from any action or proceeding relating to the Services provided by Apex, regardless of whether or not it results in liability (collectively referred to as "Indemnified Claims"). However, this indemnification provision shall not apply to the extent that such Indemnified Claims are caused by Apex's willful misconduct, gross negligence, or breach of these Terms and Conditions. This provision shall survive termination of the Services.

11. Confidentiality: Apex will uphold strict confidentiality between Apex and the Client and applies to all non-public records, documents, systems, procedures, processes, software, and other information received by either party in connection with the performance of services under these terms. Both Apex and the Client agree to keep confidential all such non-public information, including any material marked or identified as confidential or proprietary. Any such confidential information shall not be disclosed, provided, disseminated, or otherwise made available to any third party, except as required to fulfill the parties' obligations under these terms. The parties acknowledge that in the event of any request to disclose any confidential information in connection with a legal or administrative proceeding, or otherwise to comply with a legal requirement, prompt notice of such request must be given to the other party to enable that party to seek an appropriate protective order or other remedy or to waive compliance with the relevant provisions of these terms. If the Client seeks a protective order or another remedy, Apex, at the Client's expense, will cooperate with and assist the Client in such efforts. If the Client fails to obtain a protective order or waives compliance with the relevant provisions of these terms, Apex will disclose only that portion of the confidential information that it determines it is required to disclose. This confidentiality provision shall survive termination of the services provided. Both parties acknowledge and agree that any breach of this confidentiality may cause irreparable harm to the non-breaching party and that injunctive relief may be necessary to prevent any actual or threatened breach. The terms set forth between the parties supersede all prior negotiations, understandings, and agreements between the parties concerning confidentiality. These terms may only be amended in writing and signed by both parties.

12. Ownership of the programs, system data, and materials provided by Apex to the Client during the course of providing services herein shall solely belong to Apex. It is acknowledged that fees and expenses paid by the Client do not confer any rights in such property. It is also understood that the said property is made available to the Client solely for the purpose of using it during and in connection with the services provided by Apex.

13. Upon the completion of the administration and unless retention instructions are ordered by the court, Apex will notify the client that it will destroy and/or return all confidential information and property within 90 days upon the client's written request. Alternatively, the material may be stored for one year at a monthly fee of \$1.50 per storage box for paper documents and \$0.01 per image for electronic copies over a period of three years, which compensates Apex for its electronic and hard-copy storage costs. Apex will not be liable for any damages, liability, or expenses incurred in connection with any delay in delivery of, or damage to disks, magnetic tapes, or any input data provided by the client or its representatives unless Apex has agreed in writing to assume such responsibility.

14. COMPLETE AGREEMENT. These Terms and Conditions, along with the attached Proposal, represent the complete agreement and understanding between the parties and override any prior agreements (whether written or oral) between Apex and the Client regarding the subject matter. Any modification to these Terms and Conditions may only be made in writing and must be signed by both Apex and the Client. The headings in this document are included for convenience only and do not alter or restrict any provisions in these Terms and Conditions. They may not be used in the interpretation of these Terms and Conditions.

15. This provision outlines the requirements for providing notice or other communication under this agreement. All such communications must be in writing and can be delivered either by personal delivery or through U.S. Mail with prepaid postage or overnight courier. Once delivered personally or sent through the mail, the notice will be considered given after five (5) days from the deposit date in the U.S. Mail. Alternatively, if sent through an overnight courier, the notice will be considered given one business day after delivery to the such courier. It's important to note that the notice must be provided to a responsible officer or principal of the Client or Apex, depending on the case.

16. Force Majeure: In the event of any failure or delay in performance due to circumstances beyond Apex's control, including but not limited to strikes, lockouts, fires, floods, acts of God or public enemy, riots, civil disorders, insurrections, war or war conditions, or interference by civil or military authorities, Apex shall not be held liable for any resulting loss or damage. The time for performance under this agreement shall be extended for a period equal to the duration of the disabling cause and a reasonable time thereafter. This provision shall constitute a force majeure clause and shall be construed accordingly.

17. The applicable state and federal laws shall govern the interpretation and enforcement of these Terms and Conditions. No choice of law or conflict of laws provisions shall affect this governing law provision.

18. Severability: This applies to all clauses and covenants contained within these Terms and Conditions. In the event that any clause or covenant is deemed invalid, illegal, or unenforceable, the remaining provisions shall remain valid and enforceable to the fullest extent permissible by law. The validity, legality, and enforceability of the remaining provisions shall in no way be affected or impaired by the invalidity, illegality, or unenforceability of any provision deemed so.

19. Nonwaiver: This applies to these Terms and Conditions. This means that any failure by one party to enforce a provision of these terms on one or more occasions shall not be construed as a waiver of that provision. In other words, any failure to enforce a provision does not give up the right to enforce it in the future. All provisions of these Terms and Conditions remain in full force and effect, regardless of any prior failure to enforce them.

EXHIBIT 3

Lopez v. Sunland Logistics Solutions, Inc.			
Litigation Costs			
Service Date	Details	Provider	Amount
10/18/23	PRR Shipping	USPS	\$4.31
07/03/24	Complaint, Summons, & Civil Case Cover Sheet	Rapid Legal	\$1,494.79
07/12/24	Process Service - Sunland Distribution	Rapid Legal	\$118.45
07/12/24	Process Service - Sunland Logistics Solutions	Rapid Legal	\$118.45
07/17/24	Process Service - Melissa Salazar	Rapid Legal	\$123.60
08/01/24	Proof of Service - Summons and Complaint - Sunland Logistics Solutions	Rapid Legal	\$16.74
08/01/24	Proof of Service - Summons and Complaint - Sunland Distribution	Rapid Legal	\$16.74
08/02/24	Skip Trace	Rapid Legal	\$257.50
08/16/24	Process Service - Melissa Salazar	Rapid Legal	\$87.55
08/27/24	Proof of Service - Summons and Complaint - Melissa Salazar	Rapid Legal	\$16.74
09/07/24	First Amended Complaint	Rapid Legal	\$11.33
10/23/24	Notice of Change of Address; Notice of Posting Jury Fees	Rapid Legal	\$171.24
12/30/24	Joint Stipulation and Order; Notice of Unavailability	Rapid Legal	\$11.33
02/04/25	Mediation Invoice	M Resolution	\$12,500.00
02/20/25	Joint Stipulation and Order regard Request to File First Amended Complaint	Rapid Legal	\$37.29
04/06/25	Expert Mediation Analysis	Berger Consulting	\$12,090.00
04/10/25	First Amended Complaint	Rapid Legal	\$17.46
07/30/25	Joint Case Management Conference Statement	Rapid Legal	\$17.53
12/02/25	Stipulation and Order to Dismiss Claims	Rapid Legal	\$38.23
03/09/26	Notice of Change of Address	Proceed	\$17.53
03/09/26	Notice of Disassociation of Counsel	Proceed	\$17.53
04/03/26	Motion for PAGA Approval (Future Cost)	Proceed	\$107.53
04/03/26	Notice of Entry of Judgement (Future Cost)	Proceed	\$17.53
04/03/26	Declaration of Admin for Compliance Hearing (Future Cost)	Proceed	\$17.53

TOTAL:	\$27,326.93
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EXHIBIT 4

[Blank for the purposes of submission to the LWDA, filed copy will include confirmation from this submission]