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8 [*Additional Counsel Listed on Next Page*]

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **IN AND FOR THE COUNTY OF SAN BERNARDINO**

11 RICHARD SNOW, individually and on  
12 behalf of others similarly-situated and  
aggrieved employees,

13 Plaintiff,

14 vs.

15 WATKINS AND SHEPARD TRUCKING,  
16 INC., a Montana Corporation; and DOES 1  
through 10, inclusive,

17 Defendants.

18  
19 ALLAN ORTEGA, on behalf of himself, all  
20 others similarly situated and on behalf of the  
general public,

21 Plaintiff,

22 vs.

23 WATKINS AND SHEPARD TRUCKING,  
24 INC.; and DOES 1 through 100, inclusive,

25 Defendants.

26 WILLIE GERMANY, an individual, on  
27 behalf of himself and others similarly situated,  
28 Plaintiff,

[PROPOSED] COORDINATED CASES

CASE NO. CIVDS1823509

CASE NO. CIVDS1826457

CASE NO. CIVDS1929857

[All Assigned to Hon. David Cohn, Dept. S26]

**STIPULATION FOR SETTLEMENT AND  
RELEASE OF CLASS AND  
REPRESENTATIVE ACTION CLAIMS,  
CONDITIONAL CONSOLIDATION OF  
CASES FOR SETTLEMENT PURPOSES,  
AND LEAVE TO CONDITIONALLY FILE  
CONSOLIDATED COMPLAINT FOR  
SETTLEMENT PURPOSES**

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vs.

WATKINS AND SHEPARD TRUCKING,  
INC.; SCHNEIDER NATIONAL  
CARRIERS, INC.; and DOES 1 thru 50,  
inclusive,  
Defendants.

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22 Attorneys for Defendants WATKINS & SHEPARD TRUCKING, INC.  
and SCHNEIDER NATIONAL CARRIERS, INC.

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1 This Stipulation for Settlement and Release of Class and Representative Action Claims,  
2 Conditional Consolidation of Cases for Settlement Purposes, and Leave to File Conditionally  
3 Consolidated Complaint for Settlement Purposes (the “Settlement Agreement” or “Agreement”) is  
4 entered into between RICHARD SNOW (“Snow”), as the named Plaintiff in the “Snow Action” (as  
5 defined below), ALLAN ORTEGA (“Ortega”), as the named Plaintiff in the “Ortega Action” (as  
6 defined below), and WILLIE GERMANY (“Germany”), as the named Plaintiff in the “Germany  
7 Action” (as defined below), on their own respective behalves and as a proposed representative  
8 plaintiff on behalf of their respective settlement classes as defined in and to be certified pursuant to  
9 this Agreement (referred to in this Agreement collectively as the “Plaintiffs” or “Class  
10 Representatives”) and each of the members of those settlement classes (individually, a “Settlement  
11 Class Member” and, collectively, “Settlement Class Members”), on the one hand, and Defendant  
12 WATKINS & SHEPARD TRUCKING, INC. (“Defendant”), on the other hand. For purposes of this  
13 Agreement, Plaintiffs and Defendant are referred to individually as a “Party” and collectively as the  
14 “Parties.”

15 This Agreement pertains to all claims that have been and/or are asserted, or reasonably could  
16 have been asserted, based on the facts, statutory or other violations and/or theories alleged in any of  
17 the pleadings that have been filed in the Lawsuits (as defined below), including without limitation  
18 the Consolidated Class Action and Representative Action Complaint attached hereto as **Exhibit A**  
19 that the Parties are stipulating to be conditionally filed in the conditionally Consolidated State Court  
20 Action (as defined below) pursuant to and solely for purposes of this Settlement Agreement; the facts,  
21 statutory or other violations and/or theories alleged in the notices sent to the California Labor and  
22 Workforce Development Agency (“LWDA”) referenced in all such pleadings; and claims that could  
23 have been brought under the California Labor Code and/or the Fair Labor Standards Act based on the  
24 facts, statutory or other violations and/or theories alleged in any of the pleadings that have been and  
25 will be filed (in accordance with this Agreement) in the Lawsuits. This Settlement Agreement is  
26 subject to the terms and conditions hereof and the approval of the Court in the Consolidated State  
27 Court Action.

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1 **RECITALS**

2 **The First-Filed Snow Action**

3 1. On September 7, 2018, Snow filed a Class Action and Representative Action  
4 Complaint Pursuant to the Private Attorneys General Act (the “Snow Complaint”) against Defendant  
5 in the Superior Court of the State of California in and for the County of San Bernardino, Case No.  
6 CIVDS1823509, styled as *Snow et al. v. Watkins and Shepard Trucking, Inc. and DOES 1 through*  
7 *10, inclusive* and assigned for all purposes to the Hon. David Cohn (the “Snow Action”). The Snow  
8 Complaint alleged various putative class and representative action wage and hour claims premised  
9 on violations of the California Labor Code and applicable California Industrial Welfare Commission  
10 (“IWC”) Wage Orders on behalf of Plaintiff and a putative class of aggrieved current and former  
11 employees.

12 2. On October 17, 2018, Defendant timely removed the Snow Action to the United States  
13 District Court for the Central District of California, wherein it was assigned Case No. 5:18-cv-02206-  
14 DMG-SP. On March 18, 2019, the Snow Action was remanded to this Court.

15 **The Later-Filed Ortega Action**

16 3. On October 10, 2018, Ortega filed a Class Action Complaint against Defendant in the  
17 Superior Court of the State of California in and for the County of San Bernardino, Case No.  
18 CIVDS1826457, styled as *Ortega et al. v. Watkins and Shepard Trucking, Inc., and DOES 1-100,*  
19 *inclusive* and assigned for all purposes to the Hon. David Cohn (the “Ortega Action”). Ortega’s Class  
20 Action Complaint alleged various putative class action wage and hour claims premised on violations  
21 of the California Labor Code and applicable California IWC Wage Orders on behalf of Plaintiff and  
22 a putative class of current and former employees.

23 4. On November 14, 2018, Defendant removed the Ortega Action to the United States  
24 District Court for the Central District of California (the “Court”), commencing Case No. 5:18-cv-  
25 02414-DOC-KK therein (the “Ortega Federal Court Action”). On December 20, 2018, Ortega filed  
26 a First Amended Class Action Complaint in the Ortega Federal Court Action (the “Ortega  
27 Complaint”), which alleged various putative class action wage and hour claims premised on  
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1 violations of the California Labor Code and applicable California IWC Wage Orders on behalf of  
2 Plaintiff and a putative class of current and former employees.

3 **The Last-Filed Germany Action**

4 5. On October 7, 2019, Germany filed a Class Action Complaint against Defendant and  
5 Schneider National Carriers, Inc. (“SNC”) in the Superior Court of the State of California in and for  
6 the County of San Bernardino, Case No. CIVDS1929857, styled as *Germany et al. v. Watkins and*  
7 *Shepard Trucking, Inc., Schneider National Carriers, Inc., and DOES 1 through 50, inclusive* and  
8 assigned for all purposes to the Hon. David Cohn (the “Germany Action”). On December 11, 2019,  
9 Germany filed a First Amended Complaint in the Germany Action that alleged various putative class  
10 action and representative action claims for violations of the California WARN Act and the California  
11 Unfair Competition Law, and for civil penalties under the California Labor Code Private Attorney  
12 General Act (the “Germany Complaint”).

13 6. The Snow Action, the Ortega Action, and the Ortega Federal Court Action are  
14 collectively referred to herein as the “Mediated Lawsuits.” The Mediated Lawsuits and the Germany  
15 Action are collectively referred to herein as the “Lawsuits.”

16 **Mediation of the Snow Action and the Ortega Action**

17 7. On December 3, 2019, the parties to the Mediated Lawsuits participated in a private  
18 jointly-held mediation with mediator David A. Rotman, Esq., the ultimate result of which was an  
19 agreement to negotiate, prepare and enter into this Settlement Agreement, subject to court approval.  
20 The parties to the Mediated Lawsuits engaged in extensive informal exchanges of documents and  
21 information, including data regarding the claims and potential claims of the putative class members  
22 and aggrieved employees at issue and potentially at issue in the Mediated Lawsuits.

23 8. As a result of the mediation, on January 30, 2020, a Notice of Settlement was filed in  
24 the Ortega Federal Action, in response to which the Court issued an Order administratively dismissing  
25 the Ortega Federal Action *without prejudice*.

26 **Negotiation of Settlement of the Germany Action**

27 9. Thereafter, the parties to the Germany Action entered into direct, arms-length  
28 negotiation of a proposed resolution thereof. In connection with those negotiations, the parties to the

1 Germany Action engaged in informal exchanges of documents and information, including data  
2 regarding the claims and potential claims of the putative class members and aggrieved employees at  
3 issue and potentially at issue therein. The ultimate result of those negotiations was an agreement to  
4 negotiate, prepare and enter into this Settlement Agreement, subject to court approval.

5 **Proposed Settlement Classes**

6 10. The Settlement Classes. For purposes of this Settlement Agreement, the respective  
7 settlement classes are defined as follows (referred to in this Agreement collectively as the “Settlement  
8 Classes” and individually as a “Settlement Class”):

9 a. The “Snow Settlement Class” consists of all individuals currently or formerly  
10 employed by Defendant as drivers who are or were paid on a “piece rate” and/or a rate-per-mile basis  
11 for work performed for Defendant while working in the State of California from September 7, 2014  
12 through March 2, 2020 (the “Snow Settlement Class Period”), but expressly excluding therefrom any  
13 individuals who, as of the date of preliminary approval of the settlement, have filed their own separate  
14 action as a named plaintiff alleging the same or similar claims being released by the settlement and/or  
15 who has previously released all claims against Defendant being settled and released by this  
16 Agreement.

17 b. The “Ortega Settlement Class” consists of all individuals who are or have been  
18 employed by Defendant in the State of California as non-exempt, hourly, non-piece-rate-paid  
19 employees, including warehouse workers, lead warehouse workers, forklift operators, freight  
20 handlers, loaders, unloaders, clerical and office workers and/or exempt or non-exempt hourly-paid  
21 drivers, from October 10, 2014 through March 2, 2020 (the “Ortega Settlement Class Period”), but  
22 expressly excluding therefrom any individuals who, as of the date of preliminary approval of the  
23 settlement, have filed their own separate action as a named plaintiff alleging the same or similar  
24 claims being released by the settlement and/or who has previously released all claims against  
25 Defendant being settled and released by this Agreement.

26 c. The “Germany Settlement Class” consists of all individuals who were  
27 employed by Defendant in the State of California who were terminated or “laid off” from employment  
28 pursuant to a reduction in force process under the California or Federal WARN Acts on or within

1 thirty (30) days of August 23, 2019 (the “Germany Settlement Class Period”) and who did not sign a  
2 severance or release agreement with Defendant, expressly excluding therefrom any individuals who,  
3 as of the date of preliminary approval of the settlement, have filed their own separate action as a  
4 named plaintiff alleging the same or similar claims being released by the settlement and/or who has  
5 previously released all claims against Defendant being settled and released by this Agreement.

6 d. The “Snow Settlement Class Period,” the “Ortega Settlement Class Period”  
7 and the “Germany Settlement Class Period” are collectively referred to herein as the “Settlement  
8 Class Periods.”

9 **Other Recitals**

10 11. No Admission of Liability by Defendant. Defendant, on behalf of itself and each and  
11 all of its respective parents, subsidiaries and affiliates, and its respective employees and agents, deny  
12 any liability or wrongdoing of any kind associated with the claims being settled and released herein.  
13 Defendant contends, among other things, that it has complied at all times with all applicable laws and  
14 asserts that the members of the Settlement Classes were properly compensated for all time worked,  
15 and otherwise treated at all times in compliance with all applicable laws, throughout the Settlement  
16 Class Periods. Neither this Settlement Agreement nor any exhibit hereto, nor any other document  
17 pertaining to the settlement contemplated herein, may be offered in this or any other case or  
18 proceeding as evidence of any admission by Defendant of any liability on any claims for damages or  
19 other relief. Any stipulation or admission by Defendant contained herein is made for settlement  
20 purposes only.

21 12. In the interest of avoiding the costs and disruption of ongoing litigation and resolving  
22 the claims asserted in the Lawsuits, Defendant believes that the settlement negotiated between the  
23 parties and set forth in this Settlement Agreement is fair, reasonable, and adequate.

24 13. It is the desire of Snow, as the named Plaintiff in the Snow Action, of Ortega, as the  
25 named Plaintiff in the Ortega Action, and of Germany as the named Plaintiff in the Germany Action,  
26 on their own respective behalves and as proposed representative plaintiffs on behalf of their respective  
27 members of the Settlement Classes, as well as on behalf of the LWDA with respect to those claims  
28 actually and to be asserted under the Labor Code Private Attorneys General Act, Lab. Code § 2698,



1 *et seq.* (“PAGA”), to fully, finally, and forever settle, compromise, and discharge any and all claims,  
2 rights, demands, charges, complaints, causes of action, obligations or liability of any and every kind  
3 that are, have been or reasonably could have been asserted based on the facts, statutory or other  
4 violations and/or theories alleged in the pleadings filed in the Lawsuits, including the Consolidated  
5 Class Action and Representative Action Complaint to be prepared and conditionally filed pursuant to  
6 this Settlement Agreement, and all violations asserted or that could have been asserted in any notice  
7 sent to the LWDA referenced in any of those pleadings based on the facts, statutory or other violations  
8 and/or theories alleged in the pleadings filed in the Lawsuits, notices sent to the LWDA in the Snow  
9 Action, and notices to be prepared and conditionally sent to the LWDA pursuant to this Settlement  
10 Agreement, including claims that could have been brought under the California Labor Code and/or  
11 Fair Labor Standards Act based on the facts, statutory or other violations and/or theories alleged in  
12 any of the pleadings that have been and will be filed (in accordance with this Agreement) in the  
13 Lawsuits.

14 **TERMS OF THE SETTLEMENT**

15 14. Conditional Consolidation of the Lawsuits: For purposes of proceedings related to the  
16 Court’s approval of this Settlement Agreement only, Plaintiffs and Defendant hereby stipulate and  
17 agree that the Lawsuits share commons questions of fact or law and that the actions should be  
18 conditionally consolidated for purposes of settlement before this Court, in which the Lawsuits are  
19 presently pending, for purposes of approving and administering the Parties’ settlement, which  
20 consolidation will terminate without further order of the Court in the event approval of this Settlement  
21 Agreement is not granted, to conserve Party and the Court’s resources with respect to the same.

22 15. Conditional Filing of Consolidated Class Action and Representative Action  
23 Complaint: For purposes of this Settlement Agreement only, Plaintiffs and Defendant hereby stipulate  
24 and agree that, upon the Court’s preliminary approval of this Agreement, Plaintiffs will have leave to  
25 conditionally file the Consolidated Class Action and Representative Action Complaint attached  
26 hereto as **Exhibit A** in the conditionally consolidated Lawsuits, asserting putative class action claims  
27 for failure to pay minimum, regular, and overtime wages of any type; meal and rest break violations;  
28 failure to provide accurate itemized wage statements; waiting time penalties; failure to timely pay

1 wages, violation of the California WARN Act, violation of the federal WARN Act, unfair competition  
2 based thereon; and civil penalties under PAGA based thereon (the “Consolidated Complaint”). In  
3 addition, Plaintiffs will each prepare and send to the LWDA an amended or original PAGA notice  
4 letter in support of the PAGA claims alleged in Consolidated Complaint in a form acceptable to  
5 Defendant, and, to the extent such PAGA notice would otherwise be time-barred, Defendant waives  
6 that defense for purposes of this Settlement Agreement only. For purposes of this Settlement  
7 Agreement, Defendants will be deemed to have generally denied the allegations of the Consolidated  
8 Complaint without the need to file and serve an Answer thereto. Should the settlement set forth in  
9 this Agreement not become final for any reason, then the Consolidated Complaint and PAGA notice  
10 letters described above will be deemed void *ab initio* and/or deemed stricken without further order of  
11 the Court.

12       16.     Stipulation for Conditional Class Certification: The Parties stipulate and agree to the  
13 conditional certification of the Settlement Classes for purposes of this Agreement only. Should for  
14 whatever reason, the settlement set forth in this Agreement not become final, the Parties’ stipulation  
15 to such class certification as part of this Agreement shall become null and void *ab initio* and shall  
16 have no bearing on, and shall not be admissible in connection with, the issue of whether or not  
17 certification would be appropriate in a non-settlement context. Defendant expressly reserves its rights  
18 and declares that, to the extent Plaintiffs may otherwise be permitted to seek class certification in the  
19 Lawsuits, or to pursue any representative claims under PAGA, it intends to oppose class certification  
20 and the pursuit of such claims vigorously should the settlement set forth in this Agreement not become  
21 final and Plaintiffs’ putative class action and/or representative claims are allowed to be pursued in  
22 the Lawsuits or any other action or proceeding.

23       17.     Establishment of the Gross Settlement Funds: This settlement is being made on a non-  
24 reversionary basis, such that Defendant will pay or cause to be paid the entirety of the agreed upon  
25 total settlement amounts into three separately-maintained gross settlement funds (referred to in this  
26 Agreement collectively as the “GSFs” and each individually as a “GSF”) to be jointly administered  
27 by a single Settlement Administrator (as defined below):  
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1           a.       The Snow Gross Settlement Fund: The agreed upon total amount in full and  
2 final settlement of the Released Claims (as defined below) of the Snow Settlement Class is Two  
3 Million Seven Hundred Thousand Dollars (\$2,700,000.00) (the “Snow GSF”). The Snow GSF is  
4 inclusive of all payments to be made in settlement of the Action to Snow, the LWDA, all Snow  
5 Settlement Class Members, and their counsel for individual, private attorney general, and class-wide  
6 relief. None of the Snow GSF will be payable by Defendant prior to final approval by the Court of  
7 the settlement, occurrence of the Effective Date of the settlement as defined below, and the  
8 occurrence of all other conditions precedent as set forth in this Agreement as approved by the Court,  
9 provided all such conditions occur prior to the Effective Date.

10           b.       The Ortega Gross Settlement Fund: The agreed upon total amount in full and  
11 final settlement of the Released Claims (as defined below) of the Ortega Settlement Class is One  
12 Million Two Hundred Fifty Thousand Dollars (\$1,250,000.00) (the “Ortega GSF”). The Ortega GSF  
13 is inclusive of all payments to be made in settlement of the Action to Ortega, the LWDA, all Ortega  
14 Settlement Class Members, and their counsel for individual, private attorney general, and class-wide  
15 relief. None of the Ortega GSF will be payable by Defendant prior to final approval by the Court of  
16 the settlement, occurrence of the Effective Date of the settlement as defined below, and the  
17 occurrence of all other conditions precedent as set forth in this Agreement as approved by the Court,  
18 provided all such conditions occur prior to the Effective Date.

19           c.       The Germany Gross Settlement Fund: The agreed upon total amount in full  
20 and final settlement of the Released Claims (as defined below) of the Ortega Settlement Class is One  
21 Hundred Forty-Five Thousand Dollars (\$145,000.00) (the “Germany GSF”). The Germany GSF is  
22 inclusive of all payments to be made in settlement of the Action to Germany, the LWDA, all Ortega  
23 Settlement Class Members, and their counsel for individual, private attorney general, and class-wide  
24 relief. None of the Germany GSF will be payable by Defendant prior to final approval by the Court  
25 of the settlement, occurrence of the Effective Date of the settlement as defined below, and the  
26 occurrence of all other conditions precedent as set forth in this Agreement as approved by the Court,  
27 provided all such conditions occur prior to the Effective Date.

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1           18.     The payment of the amounts of the GSFs made or caused to be made by Defendant  
2 pursuant to this Settlement Agreement shall settle and forever resolve all of the Released Claims (as  
3 defined below), and will include: (a) all payments to members of the Settlement Classes; (b) both  
4 employee-side and employer-side payroll taxes and withholdings associated with the Individual  
5 Settlement Payments (as defined below); (c) all costs of administration of the settlement; (d) all  
6 attorneys' fees and costs as awarded by the Court; (e) any Service Payment Awards (as defined  
7 below) to the Class Representatives as awarded by the Court; and (f) the payments to the LWDA and  
8 Settlement Class Members pursuant to PAGA. No additional funding or payment by Defendant will  
9 be required under this Agreement. The payments made to Settlement Class Members shall not be  
10 construed as any type of compensation for purposes of determining eligibility for any health and/or  
11 welfare benefits, unemployment compensation or other compensation or benefits provided by  
12 Defendant. In addition, no individual receiving a payment based on this settlement shall be entitled  
13 to any additional or increased health, welfare, retirement or other benefits as a result of their  
14 participation in the settlement under this Agreement.

15           19.     Calculation of Net Settlement Funds: The Net Settlement Fund (individually, "NSF,"  
16 collectively, "NSFs") for each of the Settlement Classes (the "Snow NSF," the "Ortega NSF" and the  
17 "Germany NSF" respectively) will constitute the total sum from which members of each of the  
18 Settlement Classes will be paid. For each of the Settlement Classes, the NSF is the GSF less Court-  
19 approved Settlement Administration Costs (as defined in Paragraph 23, below), payment to the  
20 LWDA under PAGA, Class Counsel's Court-approved attorneys' fees and litigation costs and  
21 expenses, and any Court-approved Service Payment Awards (as defined below) for the Class  
22 Representatives, and the employer's portion of the FICA, FUTA, and all other state and federal  
23 payroll taxes. The remaining sums after all these deductions shall represent the Net Settlement Fund,  
24 for each of the Settlement Classes, which will be used to calculate the Individual Settlement Payment,  
25 less ordinary withholdings and payroll taxes on that portion of the Individual Settlement Payment  
26 allocated to wages.

27           20.     Effective Date: This Settlement Agreement shall become effective when the  
28 settlement is considered as "Final." This Agreement is contingent upon the final approval by the

1 Court. For purposes of this Settlement Agreement, “Effective Date” and “Final” mean (i) in the event  
2 that the settlement has received Final Approval by the Court, and regardless of whether any timely  
3 objections thereto have been filed or withdrawn, then upon the passage of the applicable date for any  
4 interested party to seek appellate review of the Court’s order of final approval of the settlement  
5 without a timely appeal being filed; or, (ii) in the event that a timely appeal of the Court’s order of  
6 final approval has been filed, then the Settlement Agreement shall be final when the applicable  
7 appellate court has rendered a final decision or opinion affirming the Court’s final approval without  
8 material modification, and the applicable date for seeking further appellate review has passed without  
9 further appellate review being sought. In the event that the Court fails to approve the settlement, or  
10 if the appropriate appellate court fails to approve the settlement: (a) this Settlement Agreement shall  
11 have no force and effect and the parties shall be restored to their respective positions prior to entering  
12 into it, and no Party shall be bound by any of the terms of this Settlement Agreement; (b) Defendant  
13 shall have no obligation to make any payments to the LWDA, members of the Settlement Classes,  
14 Plaintiffs, Plaintiffs’ respective counsel, or any other person or entity as a result of this Agreement;  
15 (c) any preliminary approval order, final approval order or judgment shall be vacated; and (d) this  
16 Settlement Agreement and all negotiations, statements, proceedings and data relating thereto shall be  
17 deemed confidential mediation settlement communications and not subject to disclosure for any  
18 purpose in any proceeding.

19 21. PAGA: The PAGA allocation of the GSFs shall be as follows:

20 a. The PAGA allocation of the Snow GSF shall be \$60,000, subject to the Court’s  
21 final approval, of which 75% of that amount (\$45,000.00) will be paid to the LWDA out of the Snow  
22 GSF, and the remaining 25% (\$15,000.00) will become part of the Snow NSF for distribution to  
23 Settlement Class Members.

24 b. The PAGA allocation of the Ortega GSF shall be \$25,000, subject to the  
25 Court’s final approval, of which 75% of that amount (\$18,750.00) will be paid to the LWDA out of  
26 the Ortega GSF, and the remaining 25% (\$6,250.00) will become part of the Ortega NSF for  
27 distribution to Settlement Class Members.

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1 c. The PAGA allocation of the Germany GSF shall be \$3,000, subject to the  
2 Court's final approval, of which 75% of that amount (\$2,250) will be paid to the LWDA out of the  
3 Germany GSF, and the remaining 25% (\$750) will become part of the Germany NSF for distribution  
4 to Settlement Class Members.

5 22. Attorneys' Fees and Costs: Subject to the Court's approval, "Class Counsel"  
6 collectively refers to Plaintiffs' respective Counsel in this Lawsuits:

7 Michael D. Singer	David Mara, Esq.	Eric B. Kingsley, Esq.
8 Diana M. Khoury	Matthew Crawford, Esq.	Liane Katzensteing Ly, Esq.
9 Kristina De La Rosa	MARA LAW FIRM, PC	Ari J. Stiller, Esq.
COHELAN KHOURY &		KINGSLEY &
SINGER		KINGSLEY, APC
10 <i>Counsel for Snow</i>	<i>Counsel for Ortega</i>	<i>Counsel for Germany</i>

11 Class Counsel may apply to the Court for an award of attorneys' fees and costs and expenses incurred  
12 in connection with the prosecution of their respective Lawsuits, and all of the work remaining to be  
13 performed by Class Counsel in documenting the settlements of their respective Lawsuits, securing  
14 Court approval of those settlements (including all related appellate work), carrying out their duties to  
15 see that the settlements are fairly administered and implemented, and entering Judgments of  
16 Dismissal of the Lawsuits, in an amount not to exceed one-third (1/3) of their respective GSFs for  
17 each of the Lawsuits (*e.g.*, in amount not to exceed one-third (1/3) of the Snow GSF, the Ortega GSF  
18 and the Germany GSF, respectively), and for awards of reasonable litigation costs and expenses as  
19 follows:

20 a. In addition to an award of attorneys' fees as set forth above, Class Counsel for  
21 the Snow Settlement Class may apply to the Court for an award of reasonable litigation costs and  
22 expenses of up to \$25,000.00, subject to approval by the Court.

23 b. In addition to an award of attorneys' fees as set forth above, Class Counsel for  
24 the Ortega Settlement Class may apply to the Court for an award of reasonable litigation costs and  
25 expenses of up to \$25,000.00, subject to approval by the Court.

26 c. In addition to an award of attorneys' fees as set forth above, Class Counsel for  
27 the Germany Settlement Class may apply to the Court for an award of reasonable litigation costs and  
28 expenses of up to \$7,000, subject to approval by the Court.

1 Amounts awarded by the Court for attorneys' fees and costs shall be paid from the Snow GSF, Ortega  
2 GSF and Germany GSF, respectively, as applicable.

3 23. Service Payment Award: Subject to approval by the Court, if Plaintiffs sign the  
4 Settlement Agreement and do not opt-out of the settlement, Plaintiffs may apply to the Court for a  
5 service payment award in consideration for serving as Class Representatives in their respective  
6 Lawsuits (a "Service Payment Award"), as follows:

7 a. Subject to the foregoing conditions precedent, Snow may apply to the Court  
8 for a Service Payment Award in an amount not to exceed \$10,000.00, subject to approval by the  
9 Court, to be paid out of the Snow GSF.

10 b. Subject to the foregoing conditions precedent, Ortega may apply to the Court  
11 for a Service Payment Award in an amount not to exceed \$10,000.00, subject to approval by the  
12 Court, to be paid out of the Ortega GSF.

13 c. Subject to the foregoing conditions precedent, Germany may apply to the  
14 Court for a Service Payment Award in an amount not to exceed \$7,500, subject to approval by the  
15 Court, to be paid out of the Germany GSF.

16 The Service Payment Award is in addition to the Individual Settlement Payment (as  
17 defined below) to which Plaintiffs are entitled along with all other members of their respective  
18 Settlement Classes.

19 24. In the event that a lesser sum is awarded for Class Counsel's attorneys' fees and costs  
20 referenced above in Paragraph 20, or for the Service Payment Award referenced above in  
21 Paragraph 21, the approval by the Court of any such lesser sum(s) shall not be grounds for Plaintiffs  
22 and/or Class Counsel in either of the Lawsuits to terminate the settlement, but such an order shall be  
23 appealable by them. In the event that such an appeal is filed, administration of the settlement of the  
24 Lawsuit that the appeal relates to shall be stayed, only as to those amounts under appeal, pending  
25 resolution of the appeal. Any amount not awarded as fees and/or costs or as a Service Payment  
26 Award, and that is not challenged via appeal by Plaintiffs and/or Class Counsel in either of the  
27 Lawsuits, shall be added to the appropriate NSF and distributed to the members of the Settlement  
28 Classes in accordance with the terms of this Settlement Agreement. If after the exhaustion of such

1 appellate review, any additional amounts remain that are distributable to the Settlement Class  
2 Members, the cost of administration of such additional payments will be paid out of such additional  
3 amounts and will not be chargeable to or payable by Defendant.

4       25.     Settlement Administration Costs: Subject to Court approval, the Parties designate  
5 CPT Group, Inc. (“CPT”) to administer the settlement in this conditionally consolidated action  
6 (“Settlement Administrator”), subject to a competitive bid being obtained by Class Counsel from  
7 Simpluris confirming that CPT is more cost competitive, with a preliminary budget to administer the  
8 settlement for fees and costs of up to \$50,000.00 (“Settlement Administration Costs”). All Settlement  
9 Administration Costs shall be paid from the GSFs on a pro rata allocation based on the number of  
10 members of each of the Settlement Classes, and shall include all costs incurred by the Settlement  
11 Administrator in the administration of the settlement. The Settlement Administrator’s duties of  
12 administration shall include, without limitation, receiving and updating through normal and  
13 customary procedures the Class List to be produced by Defendant, so that addresses contained within  
14 it are updated prior to the Notice being mailed to Class Members, printing and mailing the Court  
15 approved Notices of Class Action Settlement (“Notice”), Change of Address Form, and preprinted  
16 return envelopes (collectively, “Notice Packets”), performing necessary additional skip traces on  
17 Notice Packets and/or Individual Settlement Payment checks returned as undeliverable, calculating  
18 prorata shares of the appropriate NSF for members of each of the Settlement Classes, preparing and  
19 mailing of Individual Settlement Payment checks to members of each of the Settlement Classes and  
20 the LWDA, establishing a toll-free number and post office box for Class Member communications,  
21 establishing a settlement website as described hereafter, responding to inquiries as appropriate from  
22 members of each of the Settlement Classes, preparing weekly status reports to provide to the Parties,  
23 providing declarations as requested, preparing any appropriate tax forms required by any  
24 governmental taxing authority or agency in connection with the settlement payments and remitting  
25 those forms and any required payments to the appropriate governmental agencies, and generally  
26 performing all normal and customary duties associated with the administration of such settlements.  
27 The Settlement Administrator and Defendant will be required to cooperate and coordinate with each  
28 other with respect to the calculation, reporting, and payment of all payroll taxes and withholdings in



1 accordance with all applicable laws and requirements of government taxing authorities. The  
2 Settlement Administrator will coordinate the calculations of the payroll taxes and deductions with  
3 Defendant to ensure that, to the extent such taxes and deductions are or could be deemed to have been  
4 made by the Settlement Administrator on behalf of Defendant by government taxing authorities, they  
5 are made in compliance with Defendant's respective tax withholding and remittance obligations for  
6 such payments.

7       26.    No Claim Form Required: Members of each of the Settlement Classes who do not  
8 opt-out of the Settlement ("Participating Class Members") shall share in the NSF for their respective  
9 Settlement Classes, as set forth in detail hereafter. Members of the Settlement Classes shall not be  
10 required to complete a claim form in order to receive their share of the NSF from their respective  
11 Settlement Class. Members of each Settlement Class shall receive a Notice of Class Action  
12 Settlement (Exhibit B attached hereto for Snow Settlement Class Members, Exhibit C attached hereto  
13 for Ortega Settlement Class Members, and/or Exhibit D attached hereto for Germany Settlement  
14 Class Members) informing them of the terms of the Settlement as applicable to their respective  
15 Lawsuits and providing them with an estimate of their individual share of the NSF for their respective  
16 Lawsuits. Unless a Settlement Class Member timely and properly elects to opt-out of the settlement,  
17 an Individual Settlement Payment check representing the Participating Class Member's settlement  
18 payment will be mailed to them pursuant to the terms of this Agreement ("Individual Settlement  
19 Payment").

20       27.    Calculation of Individual Settlement Payments:

21       a.       Each of the members of the Snow Settlement Class and of the Ortega  
22 Settlement Class will be allocated a share of the Snow NSF and Ortega NSF,  
23 respectively, on a workweek pro rata basis based on their inclusive dates of  
24 employment with Defendant during the Snow Settlement Class Period and the  
25 Ortega Settlement Class Period, respectively. The share of the respective  
26 NSFs for each member of the Settlement Class shall be calculated by  
27 multiplying the NSF applicable to their respective Lawsuits by a fraction, the  
28 numerator of which is the total number of workweeks the Participating Class

1 Member was employed by Defendant during the applicable Settlement Class  
2 Period and the denominator of which is the total number of workweeks all of  
3 the members of the Settlement Class for that Lawsuit worked for Defendant  
4 during the applicable Settlement Class Period. Such workweeks shall be  
5 calculated by Defendant from its records and set forth on the Class List (as  
6 defined below).

- 7 b. Each of the members of the Germany Settlement Class will be allocated a share  
8 of the Germany NSF on a per capita basis based on the total number of class  
9 members. The share of the Germany NSF for each member of the Germany  
10 Settlement Class shall be calculated by dividing the Germany NSF by the total  
11 number of members of the Germany Participating Class Members.

12 28. Opt-Out Rights to Settlement: The Notice Packets mailed to all members of the  
13 Settlement Classes will advise each of them of their right to opt-out of the Settlement Agreement.  
14 Any member of either Settlement Class who wishes to opt-out from the Settlement Agreement must  
15 submit any such opt-out election notice in writing mailed to the Settlement Administrator at the  
16 address provided in the Class Notice postmarked no later than forty-five (45) calendar days from the  
17 date of mailing of the Notice Packet and as instructed in the Class Notice. Any opt-out submission  
18 must contain the following language, in order to effectuate the election to opt-out, as applicable: “I  
19 elect to opt-out of the [Snow] [Ortega] [Germany] v. *Watkins and Shepard Trucking, Inc.* class action  
20 settlement. I understand that by doing so, I will not be able to participate in the settlement and will  
21 not receive a share of the settlement proceeds.” The Notices shall include the specific address to use  
22 if mailing an opt-out letter to the Settlement Administrator. In the event that five percent (5%) or  
23 more of the members of a Settlement Class submits elections to opt-out of the settlement in the  
24 manner and by the postmark deadline provided in each Notice, Defendant will have the right to  
25 rescind and terminate the settlement as to that Settlement Class without prejudice to the parties’ pre-  
26 settlement positions and defenses in the Lawsuits. Should the five percent (5%) threshold for opt-  
27 outs be exceeded, the Settlement Administrator shall notify lead counsel for all parties via email  
28 immediately.

1           29.     Objection Rights to Settlement: Each Class Notice will advise Class Members of their  
2 right to object to all or any part of the Settlement Agreement. Any member of either Settlement Class  
3 who wishes to object must not submit an opt-out request to the Settlement Administrator, and should  
4 send his / her written objections to the Settlement Administrator, postmarked no later than forty-five  
5 (45) calendar days from the date of mailing of the Notice Packets. The written objection statement  
6 must include their full name, address, telephone number, the grounds for objection, signed by the  
7 objecting member of the Settlement Class, or his or her attorney, along with all supporting papers.  
8 The written objection must also include a statement indicating whether the objecting Class Member  
9 and/or their attorney intends to appear at the Final Approval Hearing. The Settlement Administrator  
10 shall send all objections it receives to Defendant’s Counsel and Class Counsel within three (3)  
11 business days of receipt. The Court retains final authority with respect to the consideration and  
12 admissibility of any such objections. Counsel for the Parties shall file any response to objections at  
13 least ten (10) court days before the date of the Final Fairness and Approval Hearing.

14           30.     Challenges to Calculations: Settlement Class Members may dispute the amount of  
15 his or her Individual Settlement Payment, and the number of workweeks used to calculate the  
16 Individual Settlement Payment, by timely sending a written notice to the Settlement Administrator  
17 informing the Settlement Administrator of the nature of the dispute and providing any records or  
18 documentation supporting the challenge or dispute. To be considered timely, any dispute regarding  
19 the Individual Settlement Payment, or the underlying data used to calculate it, must be submitted to  
20 the Settlement Administrator within forty-five (45) days of the mailing of the Notice Packets. In  
21 response to any timely dispute, the Settlement Administrator shall examine the records provided by  
22 Defendant and the information provided by the Class Member raising the dispute. Unless the  
23 disputing Class Member can establish a different period of employment based on documentary  
24 evidence, the total number of workweeks established by Defendant’s records will control. Class  
25 Counsel and Defendant’s Counsel will then make a good faith effort to resolve the dispute informally.  
26 If counsel for the Parties cannot agree, the dispute shall be resolved by the Settlement Administrator,  
27 who shall examine the records provided by Defendant and the disputing Settlement Class Member,  
28 and shall be the final arbiter of disputes relating to a Settlement Class Member’s workweeks for

1 purposes of the settlement administration, but which shall be subject to final review, determination  
2 and approval by the Court.

3       31.     Funding of Settlement: Within ten (10) business days following the Effective Date,  
4 Defendant shall transfer or cause to be transferred the approved amounts of the Snow GSF, the Ortega  
5 GSF and the Germany GSF to the Settlement Administrator. No funds will be payable by Defendant  
6 prior to that time.

7       32.     Payment Procedures: Within ten (10) business days after deposit of the approved  
8 amounts of the Snow GSF, Ortega GSF and Germany GSF funds into the accounts created by the  
9 Settlement Administrator, the Settlement Administrator shall pay Individual Settlement Payments  
10 from the Snow NSF, the Ortega NSF and the Germany GSF, respectively, to all Participating Class  
11 Members in the applicable Settlement Classes, and any Court-approved attorneys' fees, costs, Service  
12 Payment Award, LWDA payment, Settlement Administration Costs, and taxes.

13       33.     Tax Treatment of Individual Settlement Payments:

14             a.       Individual Settlement payments will be allocated 25% for unpaid wages, 25%  
15 for civil and/or statutory penalties, 25% for statutory or other non-wage damages, and 25% for  
16 interest.

17             b.       Each recipient of any monies paid in accordance with this Settlement  
18 Agreement is responsible for any taxes associated with the monies received by each recipient with  
19 the exception of the employee-side and employer-side payroll taxes, which shall be paid from the  
20 applicable NSF.

21             c.       If required by state or federal tax requirements, the Settlement Administrator  
22 will prepare appropriate IRS W-4 payroll tax deductions for that portion of each Individual Settlement  
23 Payment on which payroll tax withholdings are required. Where otherwise required, the Settlement  
24 Administrator will prepare a IRS Form 1099 for Participating Class Members. The IRS Form 1099  
25 will reflect each Participating Class Member's non-wage income. The Settlement Administrator will  
26 be responsible for preparing these forms timely and correctly. Participating Class Members will be  
27 responsible for correctly characterizing the compensation that they receive pursuant to the IRS Form  
28 1099 and for payment of any taxes owing on said amount.

1           d.       The Parties acknowledge and agree that neither Defendant nor Defendant's  
2 attorneys have made any representations regarding the tax consequences of the settlement payments  
3 made under this Settlement Agreement. Participating Class Members will be required to pay all  
4 federal, state or local employee-side taxes, if any, which are required by law to be paid with respect  
5 to their Individual Settlement Payments. The Parties further agree that Defendant shall have no legal  
6 obligation to pay, on behalf of Participating Class Members, any taxes, deficiencies, levies,  
7 assessments, fines, penalties, interest or costs, which may be required to be paid with respect to the  
8 settlement payments other than as provided for in this Agreement.

9           34.     Tax Treatment of Class Representative Service Payment Award: The Settlement  
10 Administrator will prepare and have delivered to each Plaintiff an IRS Form 1099 for the Service  
11 Payment Award awarded to him. Plaintiffs will be responsible for correctly characterizing the  
12 Service Payment Awards paid for tax purposes and for payment of any taxes related to the Service  
13 Payment Awards.

14           35.     Undistributed Funds: In the event that any checks mailed to Participating Class  
15 Members remain uncashed after the expiration of 180 days of mailing, or an envelope mailing a check  
16 to a Participating Class Member is returned and no forwarding address can be located for the  
17 Participating Class Member after reasonable efforts have been made, then any such funds shall be  
18 transmitted by the Settlement Administrator pursuant to governing California law to the State of  
19 California Unclaimed Property Fund, to be held there in the name of and for the benefit of such class  
20 members under California's escheatment laws. The Settlement Administrator will mail a postcard  
21 to each Participating Class Member whose check remains uncashed to remind him or her that the  
22 check will become void if not cashed by the 180<sup>th</sup> day of mailing.

### 23   **NOTICES TO THE SETTLEMENT CLASSES**

24           36.     Compilation of Class List: The Parties agree that within thirty (30) calendar days after  
25 preliminary approval of this Settlement Agreement by the Court, Defendant will provide a "Class  
26 List" to the Settlement Administrator for each of the Settlement Classes. Each Class List shall include  
27 the following information about each member of the Settlement Classes in an electronic format:  
28

- 1 (1) First and last name;
- 2 (2) Last known home address as reflected in Defendant's personnel records;
- 3 (3) Last known telephone number as reflected in Defendant's personnel records (if
- 4 any);
- 5 (4) Social Security Number;
- 6 (5) Hire dates of record with Defendant;
- 7 (6) Termination dates of record with Defendant, if applicable; and
- 8 (7) Number of workweeks employed by Defendant during the applicable Settlement
- 9 Class Period based on Defendant's records.

10 Each Class List provided to the Settlement Administrator shall be used only by the Settlement  
11 Administrator and only for purposes of administering the settlement as provided for in this  
12 Agreement, and the Settlement Administrator shall not disclose the contents thereof except as  
13 expressly permitted under this Agreement. Within 5 calendar days of calculating the Individual  
14 Settlement Payment amounts for each person on the Class List, the Settlement Administrator will  
15 provide to counsel for Plaintiff and counsel for Defendants a list that includes only the following: (a)  
16 employee identification number as provided by Defendant to the Settlement Administrator; (b) class  
17 member identification number as assigned by the Settlement Administrator, (c) number of credited  
18 workweeks (if applicable) and (d) the amount of the calculated Individual Settlement Payments for  
19 each such person on the Class List. The restrictions on the use and disclosure of the Class List set  
20 forth in this Agreement shall be deemed, upon entry of the Court's Order granting preliminary  
21 approval of this Settlement, to be a protective order entered by the Court subject to full enforcement  
22 by the Parties to this Agreement and the Court, and by taking on the administration of the Settlement,  
23 the Settlement Administrator agrees that it and its employees, agents and representatives are bound  
24 by such protective order.

25 Prior to the initial mailing, the Settlement Administrator will check the mailing addresses of  
26 all members of the Settlement Classes against the National Change of Address database and shall  
27 update any addresses before mailing the Notice Packets to anyone with a changed address. In  
28 response to any dispute raised by a putative member of either Settlement Class about their omission

1 from the Class Lists, the Settlement Administrator shall examine the records provided by Defendant  
2 and any documents provided by the putative member of either Settlement Class to determine whether  
3 the individual should be included as a member of the Settlement Class. Unless the putative member  
4 of the Settlement Class can establish that they should have been included on the Class Lists based on  
5 documentary evidence, Defendant's records will control. Class Counsel and Defendant's Counsel  
6 will then make a good faith effort to resolve the dispute informally. If counsel for the Parties cannot  
7 agree, the dispute shall be resolved by the Settlement Administrator, who shall examine the records  
8 provided by the Defendant and the putative member of the Settlement Class, and the Settlement  
9 Administrator shall be the final arbiter of disputes relating to a putative member of the Settlement  
10 Classes' omission from the Class Lists for purposes of the settlement administration, but subject to  
11 final review, determination and approval by the Court.

12         37.     Dissemination of Notice Packets: Within ten (10) business days of its receipt of the  
13 Class List for each Settlement Class, the Settlement Administrator will send to all members of the  
14 Settlement Classes, by first-class mail, at their most current address of record or such other address  
15 as located by the Settlement Administrator, the court-approved Notices of Class Action Settlement  
16 as applicable to their respective Settlement Class in the form attached hereto as **Exhibits B, C and/or**  
17 **D**, respectively.

18   **RELEASE BY THE SETTLEMENT CLASSES**

19         38.     Upon the occurrence of the Effective Date, and once Defendant has paid the GSF  
20 amounts in full, each Participating Class Member and the LWDA will release Defendant, and each  
21 of their respective affiliates, parent companies (including without limitation Schneider National, Inc.  
22 and Schneider National Carriers, Inc.), subsidiaries, shareholders, officers, officials, partners,  
23 directors, members, owners, servants, employees, employers, agents, contractors, attorneys, insurers,  
24 predecessors, representatives, accountants, executors, personal representatives, successors and  
25 assigns, past, present, and future, and each and all of their respective officers, partners, directors,  
26 members, owners, servants, agents, shareholders, employees, employers, agents, contractors,  
27 representatives, executors, personal representatives, accountants, insurers, attorneys, pension, profit  
28 sharing, retirement savings, health and welfare, and any other employee benefit plans of any nature

1 and the respective trustees, administrators, sponsors, fiduciaries, successors, agents and employees  
2 of all such plans, predecessors, successors and assigns, past, present, and future, and all persons acting  
3 under, by, through, or in concert with any of them (collectively, the “Released Parties”), of and from  
4 the following “Released Claims”: any and all allegations, claims, debts, rights, demands, charges,  
5 complaints, actions, causes of action, guarantees, costs, expenses, attorneys’ fees, damages,  
6 obligations or liabilities of any and every kind, contingent or accrued, that are, were or reasonably  
7 could have been asserted based on the facts and/or theories alleged in the Consolidated Complaint  
8 and/or in any other pleading filed in the Lawsuits or that will be filed pursuant to this Agreement, and  
9 all violations asserted in any notice sent to the LWDA pursuant to PAGA, whether or not referenced  
10 in any of those pleadings, based on the facts and/or theories alleged in the notices sent to the LWDA  
11 in connection with the Lawsuits, including but not limited to those that were, are or could be the basis  
12 of any of the claims (including without limitation under theories of successor liability, joint employer  
13 liability, agency and/or conspiracy) that the Released Parties failed to pay or underpaid wages of any  
14 type (including minimum, regular, overtime, double time, and terminal wages), failed to provide or  
15 pay for missed or non-compliant meal breaks, failed to provide or authorize and permit or pay for  
16 missed or non-compliant rest breaks, failed to furnish accurate itemized wage statements, failed to  
17 timely pay wages of any type, failed to reimburse employment-related expenses, violated the  
18 California Unfair Competition Law (“UCL”), violated any applicable state or federal Worker  
19 Adjustment and Retraining Act, violated the federal Fair Labor Standards Act (“FLSA”), and/or are  
20 subject to civil penalties under PAGA, based in whole or in part on any direct or imputed violation  
21 of any federal, state, local or administrative constitution, charter, law, rule, regulation or ordinance  
22 and whether for economic damages, noneconomic damages, restitution, statutory penalties, civil  
23 penalties, liquidated damages, punitive damages, interest, attorneys’ fees, costs of suit or other  
24 monies, through March 2, 2020.

25 **ADDITIONAL RELEASE BY PLAINTIFFS/CLASS REPRESENTATIVES**

26 39. In addition to the Release set forth in Paragraph 36, Plaintiffs and Class  
27 Representatives, for themselves and no other person, release the Released Parties of and from any  
28 and all claims, debts, liabilities, demands, obligations, guarantees, costs, expenses, attorneys’ fees,



1 damages, actions or causes of action of every kind or nature, contingent or accrued, which do or may  
2 exist as of the date of the execution of this Settlement Agreement and through and including March  
3 2, 2020. In connection therewith, Plaintiffs and Class Representatives waive the provisions of  
4 California Civil Code Section 1542 which states:

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

11 **INJUNCTION BARRING PURSUIT OF RELEASED CLAIMS**

12 40. As part of the final approval of the Settlement, Plaintiffs and Participating Class  
13 Members shall be notified by way of their Notice of Class Action Settlement that unless they request  
14 exclusion from the Lawsuit, and the LWDA will be notified by Class Counsel by way of the  
15 procedures required under PAGA, they will be enjoined from filing, initiating or continuing to  
16 prosecute any actions, claims, complaints, or proceedings in court, arbitration, with the California  
17 Division of Labor Standards Enforcement (“DLSE”), with the LWDA, or with any other entity,  
18 agency or body, with respect to the Released Claims. This settlement is conditioned upon the release  
19 by Participating Class Members, Plaintiffs, and the LWDA as described in Paragraphs 36 and 37,  
20 above, and upon covenants by Plaintiffs, all Participating Class Members, and the LWDA that they  
21 will not and cannot participate in any actions, lawsuits, proceedings, complaints or charges brought  
22 individually, by the DLSE, the LWDA, or by any other agency, persons or entity in any court or  
23 arbitration or before any administrative body with respect to the Released Claims, nor will such  
24 Participating Class Members, Plaintiffs, or the LWDA contest or interfere with efforts by Defendant  
25 or by any other Released Parties to oppose any attempt to bring such released claims against any of  
26 them. Additionally, it is agreed herein that neither injunctive or declaratory relief, nor any equitable  
27 relief beyond what could be characterized as restitution of claimed unpaid wages required to be paid  
28 pursuant to this Settlement Agreement, will be ordered by the Court against Defendant in final

1 approval of the settlement, which will otherwise be grounds for Defendant rescinding and terminating  
2 this Settlement Agreement.

3 **DUTIES OF THE PARTIES PRIOR TO COURT APPROVAL**

4 41. Not later than 10 court days after execution of this Settlement Agreement, Plaintiffs  
5 shall jointly file a motion seeking preliminary approval of this Settlement Agreement and  
6 concurrently notify the LWDA of this settlement in accordance with the requirements under PAGA,  
7 in order to accomplish the following:

8 a. Schedule a final fairness hearing on the question of whether the settlement,  
9 including the payments of attorneys' fees and costs, the Service Payment Awards, and the payments  
10 to the LWDA pursuant to the PAGA, should be finally approved as fair, reasonable, and adequate,  
11 and finally resolving any outstanding issues or disputes remaining from the administration of the  
12 Class Notices;

13 b. Approve, as to form and content, the proposed Notices of Class Action  
14 Settlement attached hereto as Exhibits B, C and D;

15 c. Direct the mailing of the Notice Packets by first class mail to all members of  
16 the Settlement Classes;

17 d. Preliminarily approve the settlement subject to the final review and approval  
18 by the Court;

19 e. Preliminarily approve the Settlement Administrator selected by Class Counsel  
20 as the Settlement Administrator and approving payment of the Settlement Administration Cost;

21 f. Preliminarily approve Class Counsels' respective requests for attorneys' fees  
22 and litigation expenses and costs, subject to final review and approval by the Court;

23 g. Preliminarily approve Class Counsels' respective requests that each Plaintiff  
24 /Class Representative receive a Service Payment award up to the amounts specified in this  
25 Agreement, subject to final review and approval by the Court; and

26 h. Conditionally certify the proposed Settlement Classes for settlement purposes  
27 only.

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1 Not later than five (5) court days prior to the submission of the motion for preliminary  
2 approval of this Settlement Agreement to the Court, Plaintiffs' counsel will submit a near-final draft  
3 thereof (including all supporting papers and proposed order) to counsel for Defendant for its review  
4 and comment. Concurrently with the filing of the motion for preliminary approval of the settlement  
5 under this Agreement, Plaintiffs and their respective Class Counsel will comply with all requirements  
6 under PAGA to give notice and make submissions, respectively, regarding the proposed settlement  
7 to the LWDA. Proof of such notices and submissions being made shall be promptly provided by  
8 them to counsel for Defendant.

9 **DUTIES OF THE PARTIES FOLLOWING PRELIMINARY APPROVAL**

10 42. In conjunction with the request for final approval of the Settlement provided for in this  
11 Settlement Agreement, Class Counsel will submit a proposed final approval order and Judgment:

12 a. Granting Final Approval of the Settlement, adjudging the terms thereof to be  
13 fair, reasonable, and adequate, and directing consummation of its terms and provisions;

14 b. Approving Class Counsels' respective applications for an award of attorneys'  
15 fees and reimbursement of costs;

16 c. Approving the Service Payment Awards to the Plaintiffs/Class  
17 Representatives;

18 d. Approving the payment to the LWDA and Participating Class Members under  
19 PAGA; and

20 e. Permanently enjoining and restraining Plaintiffs, Participating Class Members,  
21 and the LWDA from and against initiating or pursuing any Released Claims; and

22 f. Entering a Judgment dismissing the coordinated Lawsuits on the merits and  
23 with prejudice, and providing that no further notice of the entry thereof needs to be provided to any  
24 members of the Settlement Classes.

25 Not later than five (5) calendar days prior to the submission of the motion(s) seeking  
26 the foregoing, Plaintiffs' counsel will submit a near-final draft thereof (including all supporting  
27 papers and proposed order) to counsel for Defendant for its review and comment.

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**PARTIES' AUTHORITY**

43. The signatories hereto hereby represent that they are fully authorized to enter into this Settlement Agreement and bind the Parties hereto to the terms and conditions hereof.

**MUTUAL FULL COOPERATION**

44. The Parties agree to fully cooperate with each other to accomplish the terms of this Settlement Agreement, including but not limited to execution of such documents and to take such other actions as may reasonably be necessary to implement the terms of this Settlement Agreement. The Parties shall use their best efforts, including all efforts contemplated by this Settlement Agreement and any other efforts that may become necessary by order of the Court, or otherwise, to effectuate this Settlement Agreement and the terms set forth herein. As soon as practicable after execution of this Settlement Agreement, Class Counsel shall, with the assistance and cooperation of Defendant and its counsel, take all necessary steps to secure the Court's preliminary and final approval of this Settlement Agreement and entry of Judgments of Dismissal with prejudice of the Lawsuits in accordance with the terms of this Agreement.

**NO PRIOR ASSIGNMENTS**

45. The Parties hereto represent, covenant, and warrant that they have not, directly or indirectly, assigned, transferred, encumbered, or purported to assign, transfer, or encumber to any person or entity any portion of any liability, claim, demand, action, cause of action, or rights herein released and discharged except as set forth herein.

**CONSTRUCTION**

46. The Parties hereto agree that the terms and conditions of this Settlement Agreement are the result of lengthy, intensive, arms'-length mediated negotiations between the Parties, conducted under the auspices of mediator David A. Rotman, Esq., a highly respected and experienced class action mediator. The Parties further agree that this Settlement Agreement shall not be construed in favor of, or against, any party by reason of the extent to which any party, or his or its counsel, participated in the drafting of this Settlement Agreement.

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**CAPTIONS AND INTERPRETATIONS**

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

**MODIFICATION**

48. This Settlement Agreement may not be changed, altered, or modified, except in writing and signed by the Parties or their Counsel hereto, and approved by the Court. This Settlement Agreement may not be discharged except by performance in accordance with its terms or by a writing signed by the Parties hereto.

**INTEGRATION CLAUSE**

49. This Settlement Agreement contains the entire agreement between the Parties relating to the settlement and the transaction contemplated hereby, and all prior or contemporaneous agreements, understandings, representations, and statements, whether oral or written and whether by a party or such party's legal counsel, including, without limitation, that Memorandum of Understanding entered into between Ortega and Defendant on December 3, 2019, are merged herein. No rights hereunder may be waived except in writing.

**BINDING ON ASSIGNS**

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

**CLASS COUNSEL SIGNATORIES**

51. It is agreed that because of the large number of Settlement Class Members, it is impossible or impractical to have each Settlement Class Member execute this Settlement Agreement. As such, Class Counsel is signing on behalf of the Settlement Class Members. In addition, the Notices of Class Action Settlement (**Exhibits B, C and D**) will advise all members of the Settlement Classes of the binding nature of the Released Claims and such shall have the same force and effect as if this Settlement Agreement were executed by each Settlement Class Member.

1 **CONFIDENTIALITY**

2 52. Plaintiffs and Class Counsel will maintain the proposed settlement and this Settlement  
3 Agreement as confidential and not publicly disclose the same except as set forth herein and in  
4 Paragraph 51, below. Except as set forth in Paragraph 51, below, or as otherwise agreed in writing  
5 between the Parties, both before and following the execution of this Settlement Agreement by the  
6 Parties and their counsel, there will be no direct or indirect comment or publication by Plaintiffs or  
7 Class Counsel of the settlement in terms of affirmative or responsive media statements/comments,  
8 press releases or conferences, website postings or content, social media postings or content, other  
9 Internet postings or content, subscribed email messages, newsletters, disseminated updates, mass  
10 mailings, or any other comment or publication to the press, media or public at large. This shall not  
11 apply to or limit the public filing of motions or other case materials by Class Counsel in the Lawsuits  
12 related to seeking and obtaining Court approval of the proposed settlement and the related awards of  
13 attorneys' fees and costs, Service Payments and the other relief set forth in this Settlement Agreement,  
14 or to communications between Class Counsel and Plaintiffs or Settlement Class Members in the  
15 Lawsuits. Class Counsel may state only that the Lawsuits have been settled on terms mutually  
16 agreeable to the Parties. The Parties understand and agree that there may be media coverage of the  
17 settlement of the Lawsuits not initiated by Plaintiffs or Class Counsel, directly or indirectly. It is also  
18 agreed and understood that the Parties may disclose the settlement to their families, plus their legal,  
19 tax, or accounting advisors, insurance companies, or as required by law, regulatory rules or regulatory  
20 requirements.

21 **WEBSITES**

22 53. The Parties agree that the Settlement Administrator may use U.S. Mail and an  
23 information-only website to provide notice and information about the settlement to Settlement Class  
24 Members. The website will host the relevant settlement documents, i.e., Notice of Class Action  
25 Settlement for Snow Settlement Class Members, Notice of Class Action Settlement for Ortega  
26 Settlement Class Members, Notice of Class Action Settlement for Germany Settlement Class  
27 Members, Change of Address Form, preliminary approval motion, and order granting preliminary  
28 approval, a Frequently Asked Questions section and will provide the Administrator's toll-free number

1 and address to return change of address requests and other communications. The domain name used  
2 for the Settlement Administrator's website for the settlement will be subject to Defendant's  
3 reasonable approval. The website shall remain live until 60 days after Settlement Administrator  
4 remits any uncashed check funds to the State of California's unclaimed property fund pursuant to the  
5 terms of the court-approved settlement, after which the website will be taken down. No information  
6 about the Lawsuits or the settlement may be posted on any of Class Counsel's websites. Defendant  
7 consents to Class Counsel listing the case name, number, and a short description of the claims in  
8 declarations filed in court listing their prior cases to provide their qualifications to be appointed as  
9 Class Counsel.

10 **COUNTERPARTS**

11 54. This Settlement Agreement may be executed in counterparts, and when each party has  
12 signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and,  
13 when taken together with other signed counterparts, shall constitute one Settlement Agreement,  
14 which shall be binding upon and effective as to all Parties.

15 **GOVERNING LAW**

16 55. The Parties agree that California law governs the interpretation and application of this  
17 Settlement Agreement, except to the extent governed by federal law in which case federal law will  
18 apply.

19  
20 DATED: 12/15/2020, 2020

*Richard Alvin Snow, Jr.*

\_\_\_\_\_  
RICHARD SNOW  
Plaintiff and Proposed Class Representative

21  
22  
23 DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
ALLAN ORTEGA  
Plaintiff and Proposed Class Representative

24  
25  
26 DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
WILLIE GERMANY  
Plaintiff and Proposed Class Representative

1 and address to return change of address requests and other communications. The domain name used  
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3 reasonable approval. The website shall remain live until 60 days after Settlement Administrator  
4 remits any uncashed check funds to the State of California's unclaimed property fund pursuant to the  
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17 Settlement Agreement, except to the extent governed by federal law in which case federal law will  
18 apply.

19  
20 DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
RICHARD SNOW  
Plaintiff and Proposed Class Representative

21  
22  
23 DATED: 12/15/2020 \_\_\_\_\_, 2020

  
\_\_\_\_\_  
ALLAN ORTEGA  
Plaintiff and Proposed Class Representative

24  
25  
26 DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
WILLIE GERMANY  
Plaintiff and Proposed Class Representative



1 and address to return change of address requests and other communications. The domain name used  
2 for the Settlement Administrator’s website for the settlement will be subject to Defendant’s  
3 reasonable approval. The website shall remain live until 60 days after Settlement Administrator  
4 remits any uncashed check funds to the State of California’s unclaimed property fund pursuant to the  
5 terms of the court-approved settlement, after which the website will be taken down. No information  
6 about the Lawsuits or the settlement may be posted on any of Class Counsel’s websites. Defendant  
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8 declarations filed in court listing their prior cases to provide their qualifications to be appointed as  
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15 **GOVERNING LAW**

16 55. The Parties agree that California law governs the interpretation and application of this  
17 Settlement Agreement, except to the extent governed by federal law in which case federal law will  
18 apply.


19  
20 DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
RICHARD SNOW  
Plaintiff and Proposed Class Representative

21  
22  
23 DATED: \_\_\_\_\_, 2020

\_\_\_\_\_  
ALLAN ORTEGA  
Plaintiff and Proposed Class Representative

24  
25  
26 DATED: December 15, 2020, 2020

DocuSigned by:  
  
\_\_\_\_\_  
WILLIE GERMANY  
Plaintiff and Proposed Class Representative

1 DATED: December 15, 2020

WATKINS & SHEPARD TRUCKING, INC.

2  
3 By: 

4  
5 Print Name: ROBERT BULICK

6  
7 Print Title: President

8  
9 **AGREED AND APPROVED AS TO FORM AND CONTENT:**

10 DATED: \_\_\_\_\_, 2020

COHELAN KHOURY & SINGER

11  
12 By: \_\_\_\_\_

13 Martin D. Singer, Esq.  
14 Kristin De La Rosa, Esq.

15 Attorneys for Plaintiff Richard Snow

16 DATED: \_\_\_\_\_, 2020

MARA LAW FIRM, PC

17  
18 By: \_\_\_\_\_

19 David Mara, Esq.  
20 Tony Roberts, Esq.

21 Attorneys for Plaintiff Allan Ortega

22 DATED: \_\_\_\_\_, 2020

KINGSLEY & KINGSLEY, APC

23  
24 By: \_\_\_\_\_

25 Eric B. Kingsley, Esq.  
26 Ari J. Stiller, Esq.

27 Attorneys for Plaintiff Willie Germany

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DATED: \_\_\_\_\_, 2020

WATKINS & SHEPARD TRUCKING, INC.

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

**AGREED AND APPROVED AS TO FORM AND CONTENT:**

DATED: December 15, 2020

**COHELAN KHOURY & SINGER**

By:  \_\_\_\_\_

Michael D. Singer, Esq.  
Kristin De La Rosa, Esq.

Attorneys for Plaintiff Richard Snow

DATED: \_\_\_\_\_, 2020

**MARA LAW FIRM, PC**

By: \_\_\_\_\_

David Mara, Esq.  
Tony Roberts, Esq.

Attorneys for Plaintiff Allan Ortega

DATED: \_\_\_\_\_, 2020

**KINGSLEY & KINGSLEY, APC**

By: \_\_\_\_\_

Eric B. Kingsley, Esq.  
Ari J. Stiller, Esq.

Attorneys for Plaintiff Willie Germany

1 DATED: \_\_\_\_\_, 2020

WATKINS & SHEPARD TRUCKING, INC.

2

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By: \_\_\_\_\_

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Print  
Name: \_\_\_\_\_

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Print  
Title: \_\_\_\_\_

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**AGREED AND APPROVED AS TO FORM AND CONTENT:**

10

11 DATED: \_\_\_\_\_, 2020

**COHELAN KHOURY & SINGER**

12

13 By: \_\_\_\_\_

Martin D. Singer, Esq.  
Kristin De La Rosa, Esq.

14

15 Attorneys for Plaintiff Richard Snow

15

16 DATED: 12/16/2020, 2020

**MARA LAW FIRM, PC**

17

18 By: David Mara

David Mara, Esq.  
Tony Roberts, Esq.

18

19

20 Attorneys for Plaintiff Allan Ortega

20

21

22 DATED: \_\_\_\_\_, 2020

**KINGSLEY & KINGSLEY, APC**

23

24

24 By: \_\_\_\_\_

Eric B. Kingsley, Esq.  
Ari J. Stiller, Esq.

25

26 Attorneys for Plaintiff Willie Germany

26

27

28

1 DATED: \_\_\_\_\_, 2020

WATKINS & SHEPARD TRUCKING, INC.

2

3

By: \_\_\_\_\_

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Print  
Name: \_\_\_\_\_

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Print  
Title: \_\_\_\_\_

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**AGREED AND APPROVED AS TO FORM AND CONTENT:**

10

11 DATED: \_\_\_\_\_, 2020

**COHELAN KHOURY & SINGER**

12

13

By: \_\_\_\_\_

Martin D. Singer, Esq.  
Kristin De La Rosa, Esq.

14

Attorneys for Plaintiff Richard Snow

15

16

DATED: \_\_\_\_\_, 2020

**MARA LAW FIRM, PC**

17

18

By: \_\_\_\_\_

David Mara, Esq.  
Tony Roberts, Esq.

19

Attorneys for Plaintiff Allan Ortega

20

21

22

DATED: December 16, 2020

**KINGSLEY & KINGSLEY, APC**

23

24

By:  \_\_\_\_\_

Eric B. Kingsley, Esq.  
Ari J. Stiller, Esq.

25

Attorneys for Plaintiff Willie Germany

26

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DATED: December 15, 2020

**McGUIREWOODS LLP**

By:  \_\_\_\_\_

Matthew C. Kane, Esq.  
Sabrina A. Beldner, Esq.  
Sylvia J. Kim, Esq.  
Amy E. Beverlin, Esq.

Attorneys for Defendant Watkins & Shepard  
Trucking, Inc.

\_\_\_\_\_

## Certificate Of Completion

Envelope Id: F725A277EA604C9E86ADC3B7FB62E0A2	Status: Completed
Subject: Please DocuSign: Snow v W & S Trucking Settlement Agreement	
Source Envelope:	
Document Pages: 118	Signatures: 1
Certificate Pages: 1	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Disabled	Matthew Atlas
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	605 C Street, Suite 200
	San Diego, CA 92101
	matlas@ckslaw.com
	IP Address: 98.178.229.3

## Record Tracking

Status: Original	Holder: Matthew Atlas	Location: DocuSign
12/15/2020 9:06:00 AM	matlas@ckslaw.com	

## Signer Events

Signature	Timestamp
Richard Alvin Snow, Jr. rsnowjr@msn.com Security Level: Email, Account Authentication (None)	Sent: 12/15/2020 9:13:43 AM Viewed: 12/15/2020 9:31:10 AM Signed: 12/15/2020 11:25:55 AM
Signature Adoption: Pre-selected Style Using IP Address: 98.148.136.216	

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

## In Person Signer Events

Signature	Timestamp
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## Editor Delivery Events

Status	Timestamp
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## Agent Delivery Events

Status	Timestamp
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## Intermediary Delivery Events

Status	Timestamp
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## Certified Delivery Events

Status	Timestamp
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## Carbon Copy Events

Status	Timestamp
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## Witness Events

Signature	Timestamp
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## Notary Events

Signature	Timestamp
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## Envelope Summary Events

Status	Timestamps
Envelope Sent	Hashed/Encrypted 12/15/2020 9:13:43 AM
Certified Delivered	Security Checked 12/15/2020 9:31:10 AM
Signing Complete	Security Checked 12/15/2020 11:25:55 AM
Completed	Security Checked 12/15/2020 11:25:55 AM

## Payment Events

Status	Timestamps
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### Certificate Of Completion

Envelope Id: B7FA03B3DCD04845820E43C2D3714C79	Status: Completed
Subject: Please DocuSign: W&S Settlement Agreement.pdf	
Source Envelope:	
Document Pages: 33	Signatures: 1
Certificate Pages: 5	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Mara Law Firm
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	2650 Camino Del Rio N. suite 205 San Diego, CA 92108 madame@maralawfirm.com IP Address: 68.7.137.93

### Record Tracking

Status: Original 12/15/2020 10:37:30 AM	Holder: Mara Law Firm madame@maralawfirm.com	Location: DocuSign
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### Signer Events

Allan Ortega  
allanortega686@yahoo.com  
Security Level: Email, Account Authentication (None)

### Signature

Signature Adoption: Drawn on Device  
Using IP Address: 68.118.143.225  
Signed using mobile

### Timestamp

Sent: 12/15/2020 10:39:22 AM  
Viewed: 12/15/2020 7:06:17 PM  
Signed: 12/15/2020 7:15:41 PM

**Electronic Record and Signature Disclosure:**  
Accepted: 12/15/2020 7:06:17 PM  
ID: 862d5405-f54a-4aac-b3ac-95930c46929e

### In Person Signer Events

### Signature

### Timestamp

### Editor Delivery Events

### Status

### Timestamp

### Agent Delivery Events

### Status

### Timestamp

### Intermediary Delivery Events

### Status

### Timestamp

### Certified Delivery Events

### Status

### Timestamp

### Carbon Copy Events

### Status

### Timestamp

matthew Crawford  
MCrawford@maralawfirm.com  
Security Level: Email, Account Authentication (None)

COPIED

Sent: 12/15/2020 10:39:22 AM

**Electronic Record and Signature Disclosure:**  
Not Offered via DocuSign

### Witness Events

### Signature

### Timestamp

### Notary Events

### Signature

### Timestamp

### Envelope Summary Events

### Status

### Timestamps

Envelope Sent	Hashed/Encrypted	12/15/2020 10:39:22 AM
Certified Delivered	Security Checked	12/15/2020 7:06:17 PM
Signing Complete	Security Checked	12/15/2020 7:15:41 PM
Completed	Security Checked	12/15/2020 7:15:41 PM



**Payment Events**

**Status**

**Timestamps**

**Electronic Record and Signature Disclosure**

## **CONSUMER DISCLOSURE**

From time to time, The Turley and Mara Law Firm, APLC (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign, Inc. (DocuSign) electronic signing system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

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At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after signing session and, if you elect to create a DocuSign signer account, you may access them for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of a DocuSign envelope instead of signing it. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures

electronically from us.

**How to contact The Turley and Mara Law Firm, APLC:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [madame@turleylawfirm.com](mailto:madame@turleylawfirm.com)

**To advise The Turley and Mara Law Firm, APLC of your new e-mail address**

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at [madame@turleylawfirm.com](mailto:madame@turleylawfirm.com) and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc. to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in the DocuSign system.

**To request paper copies from The Turley and Mara Law Firm, APLC**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to [madame@turleylawfirm.com](mailto:madame@turleylawfirm.com) and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

**To withdraw your consent with The Turley and Mara Law Firm, APLC**

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to [madame@turleylawfirm.com](mailto:madame@turleylawfirm.com) and in the body of such request you must state your e-mail, full name, US Postal Address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

**Required hardware and software**

Operating Systems:	Windows® 2000, Windows® XP, Windows Vista®; Mac OS® X
Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

\*\* These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and browsers are not supported.

**Acknowledging your access and consent to receive materials electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC CONSUMER DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify The Turley and Mara Law Firm, APLC as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by The Turley and Mara Law Firm, APLC during the course of my relationship with you.

## Certificate Of Completion

Envelope Id: 0FE20882789E46ABA57DB5AF0260B69C	Status: Completed
Subject: Please DocuSign: Active_138906237_1_W&S-Snow-Ortega-Germany Settlement Agreement with Exhibits ...	
Source Envelope:	
Document Pages: 124	Signatures: 2
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Client Services
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	16133 Ventura Blvd., Suite 1200
	Encino, CA 91436
	info@kingsleykingsley.com
	IP Address: 104.9.112.153

## Record Tracking

Status: Original	Holder: Client Services	Location: DocuSign
12/15/2020 9:28:40 AM	info@kingsleykingsley.com	

## Signer Events

WILLIE GERMANY  
 chip84@gmail.com  
 Security Level: Email, Account Authentication (None)

## Signature

DocuSigned by:  
  
 F11356870A734FR

## Timestamp

Sent: 12/15/2020 9:32:07 AM  
 Viewed: 12/15/2020 12:21:49 PM  
 Signed: 12/15/2020 5:43:37 PM

Signature Adoption: Pre-selected Style  
 Using IP Address: 47.155.76.51  
 Signed using mobile

**Electronic Record and Signature Disclosure:**  
 Accepted: 12/15/2020 12:21:49 PM  
 ID: 51b9b6d5-b63f-4d23-b01d-8d2c26a365c6

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	12/15/2020 9:32:07 AM
Certified Delivered	Security Checked	12/15/2020 12:21:49 PM
Signing Complete	Security Checked	12/15/2020 5:43:37 PM
Completed	Security Checked	12/15/2020 5:43:37 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

COHELAN KHOURY & SINGER  
605 C Street, Suite 200  
San Diego, CA 92101

1 **COHELAN KHOURY & SINGER**  
Michael D. Singer (SBN 115301)  
2 [msinger@ckslaw.com](mailto:msinger@ckslaw.com)  
3 Kristina De La Rosa (SBN 279821)  
[kdelarosa@ckslaw.com](mailto:kdelarosa@ckslaw.com)  
4 605 C Street, Suite 200  
San Diego, CA 92101  
5 Telephone: (619) 595-3001  
6 Facsimile: (619) 595-3000

7 Attorneys for Plaintiff Richard Snow

8 **MARA LAW FIRM PC**  
DAVID MARA, Esq., Bar No. 230498  
9 [dmara@maralawfirm.com](mailto:dmara@maralawfirm.com)  
MATTHEW CRAWFORD, Esq., Bar No. 310230  
10 [mcrawford@maralawfirm.com](mailto:mcrawford@maralawfirm.com)  
11 2650 Camino Del Rio North, Suite 205  
San Diego, CA 92108  
12 Telephone 619.234.2833  
13 Facsimile 619.234.4048

14 Attorneys for Plaintiff Allan Ortega  
(Additional Counsel Following Caption)

15 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
16 **COUNTY OF SAN BERNARDINO**

17  
18 RICHARD SNOW, ALLAN ORTEGA and  
19 WILLIE GERMANY, individually and on  
20 behalf of others similarly-situated and  
aggrieved employees,

21 Plaintiff,

22 v.

23  
24 WATKINS AND SHEPARD TRUCKING,  
25 INC., a Montana Corporation; and DOES 1  
26 through 10, inclusive

27 Defendants.  
28

Case No. CIVDS1823509

**FIRST AMENDED CONSOLIDATED CLASS  
ACTION AND REPRESENTATIVE ACTION  
COMPLAINT PURSUANT TO THE  
PRIVATE ATTORNEYS GENERAL ACT  
("PAGA") FOR:**

**(1) Failure to Pay Minimum Wages for All  
Hours Worked in Violation of Cal. Labor Code  
§§ 226.2 and 1194.2;**

**(2) Failure to Provide Off-Duty, Paid Rest  
Periods or a "Premium Wage" in Lieu Thereof  
in Violation of Cal. Labor Code § 226.7 and  
IWC Wage Order 9, § 12;**

**(3) Failure to Timely Pay Final Wages to  
Terminated or Separated Employees in Violation  
of Cal. Labor Code § 203;**

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- (4) Failure to Provide Accurate Itemized Wage Statements in Violation of Labor Code §§ 226(a)-(e);**
- (5) Unfair Competition in Violation of Cal. Bus. & Prof. Code §§ 17200, *et seq.*;**
- (6) Civil Penalties Pursuant to the PAGA Based on Violations of Cal. Labor Code §§ 223, 510, 1197, and 1194 for Failure to Pay all “Hours Worked”;**
- (7) Civil Penalties Pursuant to the PAGA Based on Violations of the Applicable IWC Wage Orders as Permitted by Labor Code § 558(a)**
- (8) Civil Penalties Pursuant to the PAGA Based on Violations of Cal. Labor Code § 226.3 for Non-compliant Wage Statements;**
- (9) Civil Penalties Pursuant to the PAGA Based on Violations of Cal. Labor Code § 210 for Untimely Payment of Wages;**
- (10) Failure to Pay Overtime Wages for All Hours Worked in Violation of Cal. Labor Code § 510;**
- (11) Failure to Provide Off-Duty Meal Periods or a “Premium Wage” in Lieu Thereof in Violation of Cal. Labor Code §§ 512, 226.7 and IWC Wage Order 9, §§ 11, 12;**
- (12) Violation of the California WARN Act (Cal. Labor Code §§ 1400, *et seq.*)**
- (13) Violation of the Federal WARN Act (29 U.S.C. §§ 2101 *et seq.*)**
- (14) Civil Penalties Pursuant to the PAGA Based on Violations of Cal. Labor Code § 1400 *et seq.*;**

**DEMAND FOR JURY TRIAL**

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1 Plaintiffs RICHARD SNOW (referred to herein as “Plaintiff SNOW” or “SNOW”),  
2 ALLAN ORTEGA (referred to herein as “Plaintiff ORTEGA” or “ORTEGA”), and WILLIE  
3 GERMANY (referred to herein as “Plaintiff GERMANY” or “GERMANY”), on behalf of  
4 themselves and all others similarly situated and as RepresentativeS on behalf of the California  
5 Labor and Workforce Development Agency and current and former employees pursuant the  
6 Labor Code Private Attorneys General Act of 2004 (“PAGA”), Labor Code sections 2698, *et*  
7 *seq.*, complain and allege as follows:

8 **INTRODUCTION & GENERAL ALLEGATIONS**

9 1. Plaintiffs brings this action against their former employer, WATKINS AND  
10 SHEPARD TRUCKING, INC. and DOES 1 through 10 (collectively referred to herein as  
11 “Defendants”), for California Labor Code violations stemming from Defendants’ failure to  
12 pay minimum wages for all hours worked, failure to pay overtime, failure to provide mandated  
13 meal periods or to pay additional wages in lieu thereof, failure to provide mandated paid rest  
14 periods or to pay additional wages in lieu thereof, failure to provide lawful notice prior to a  
15 mass layoff, failure to timely pay final wages upon separation of employment, and failure to  
16 provide complete, accurate itemized wage statements. Plaintiffs also seek civil penalties as  
17 against the Defendants pursuant to the Labor Code Private Attorneys General Act of 2004  
18 (“PAGA”), Labor Code sections 2699, *et seq.*, for violations of the Labor Code and applicable  
19 Industrial Welfare Commission Wage Order(s).

20 2. Plaintiff SNOW brings this class action on behalf of himself and all other  
21 aggrieved and similarly-situated current and former drivers of Defendants who worked in  
22 California at any time within the Relevant Time Period, as defined below, and who are/were  
23 compensated on a piece-rate or per-mile basis for at least part of their compensation for work  
24 performed in California (hereinafter, the “Piece-Rate Class”).

25 3. Plaintiff ORTEGA brings this class action on behalf of himself and all other  
26 aggrieved and similarly-situated current and former hourly non-exempt employees of  
27 Defendants who worked in California at any time within the Relevant Time Period, as defined  
28 below, and who are/were compensated on an hourly basis in California (hereinafter, the

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1 “Hourly Class”).

2 4. Plaintiff GERMANY brings this class action on behalf of himself and all other  
3 individuals who were employed by Defendants in the State of California who were terminated  
4 or “laid off” from employment pursuant to a reduction in force process under the California or  
5 Federal WARN Acts on or within thirty (30) days of August 23, 2019 and who did not sign a  
6 severance agreement with Defendants (hereinafter, the “WARN Class”).

7 5. At all relevant times, Plaintiffs and other Piece-Rate Class members, Hourly  
8 Class members, and WARN Class members (collectively “Represented Employees) are/were  
9 responsible for maintaining Defendants’ supply chain in their warehouses within the State of  
10 California and providing deliveries for Defendants’ clients within the State of California, as  
11 well as throughout various other states.

12 6. Plaintiffs and Represented Employees seek to recover damages, liquidated  
13 damages, interest, penalties, costs of suit, and attorneys’ fees resulting from Defendants’  
14 failure to pay minimum wages for all hours worked, failure to pay overtime, failure to provide  
15 mandated meal periods, failure to provide meal period premium wages, failure to provide  
16 mandated paid rest periods, failure to provide rest period premium wages, failure to provide  
17 wages timely during employment, failure to provide lawful notice prior to a mass layoff,  
18 failure to timely pay final wages upon separation of employment, failure to provide complete,  
19 accurate itemized wage statements, and injunctive relief against Defendants’ unfair business  
20 practices related thereto.

21 7. The acts complained of herein have occurred, are presently occurring, and are  
22 expected to continue occurring, within the time period from four (4) years preceding the filing  
23 of the original Complaint herein, up to and through the time of trial for this matter (hereinafter,  
24 the “Relevant Time Period”).

25 8. After initial investigation, Plaintiff SNOW alleges that Defendants paid drivers  
26 by mileage and did not pay for all hours worked, including times spent during pre- and post-  
27 trip inspection work duties and waiting time subject to employer control, and other non-  
28 driving time performing work duties in violation of California law. See, *Gonzalez v.*

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1 *Downtown LA Motors, LP* (2013) 215 Cal.App.4th 36 (employer does not satisfy minimum  
2 wage obligations under Wage Orders by averaging “flag-rate” (piece-rate) pay to auto  
3 mechanics, which would constitute illegal wage deduction and forfeiture under Labor Code  
4 sections 221 and 223; employees entitled to separate hourly compensation for time spent  
5 waiting for repair work or performing other non-repair tasks directed by employer during their  
6 shifts).

7 9. Defendants paid Plaintiff SNOW and Piece-Rate Class members based on a  
8 piece-rate formula that consisted of a “per mile” amount for each mile driven as well as a flat  
9 rate for pre- and post-trip inspections. These payments did not sufficiently compensate  
10 Plaintiff SNOW and other Piece-Rate Class members for all hours worked, including all non-  
11 driving time.

12 10. In addition to driving, Plaintiff SNOW and Piece-Rate Class members’ duties  
13 included: cleaning, fueling, check in and check out, loading and unloading trailers, collecting  
14 payment from customers, and moving product for customers, adjusting equipment, checking  
15 brakes and checking trailers, securing loads, reporting any accidents and/or claims. Defendants  
16 did not provide sufficient pay equal to at least minimum wage for all these additional hours  
17 worked.

18 11. Plaintiff SNOW and Piece-Rate Class members regularly worked over 8 hours  
19 per day and over 40 hours per week, entitling them to overtime under Labor Code section 510.  
20 By failing to sufficiently compensate Plaintiff SNOW and other Piece-Rate Class members for  
21 all hours worked, including time spent cleaning, fueling, check in and check out, loading and  
22 unloading trailers, collecting payment from customers, and moving product for customers,  
23 adjusting equipment, checking brakes and checking trailers, securing loads, reporting any  
24 accidents and/or claims, and other time subject to employer control, during shifts of over 8  
25 hours and weeks in which Plaintiff SNOW and Piece-Rate Class members worked over 40  
26 hours, Defendants violated Labor Code section 510.

27 12. Additionally, Plaintiff SNOW and Piece-Rate Class members are not provided  
28 a meal period in which the employee is free from all control and duty for the entire 30-minutes

1 of the meal period. *See Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 265.  
2 Defendants did not provide compliant meal periods to Plaintiff ORTEGA and Hourly Class  
3 members because Defendant requires employees to spend a portion of their 30-minute meal  
4 period under Defendant’s control, performing tasks such as locking the truck and securing  
5 loads prior to exiting the truck, violating Labor Code section 512.

6 13. Further, Plaintiff SNOW alleges that the employer did not separately pay for  
7 compliant 10-minute rest periods in violation of California law. *See, Bluford v. Safeway Inc.*  
8 (2013) 216 Cal.App.4th 864 (task-based or piece-rate compensation formula that does not  
9 compensate separately for rest periods does not comply with California minimum wage laws).

10 14. On information and belief, the employer in this case did not timely comply with  
11 Labor Code section 226.2. Labor Code section 226.2 provides employers an affirmative  
12 defense against any claims for recovery of wages, liquidated damages, civil penalties, statutory  
13 penalties, or premium pay under Labor Code section 226.7 that are based solely on the  
14 employer’s failure to timely pay piece-rate employees the compensation due for rest and  
15 recovery periods and other non-productive time for wages earned prior to December 31, 2015.  
16 The employer must have, by no later than December 15, 2016, paid the employee’s non-  
17 productive time at the highest of: The hourly rate determined by dividing the total  
18 compensation for the workweek—exclusive of compensation for rest and recovery periods and  
19 any premium compensation for overtime—by the total hours worked during the workweek,  
20 exclusive of rest and recovery periods; or Minimum wage plus interest; or 4 percent of the  
21 employee’s gross earnings less up to 1 percent paid for non-productive time for the time  
22 period of July 1, 2012 to December 31, 2015. Plaintiff SNOW is informed and believes that  
23 Defendants failed to comply with Labor Code section 226.2, and thereafter, failed to comply  
24 with the requirements to pay drivers for 10-minute rest periods at their regular rate of pay, or  
25 at least at California’s applicable minimum wage.

26 15. For the Relevant Time Period, Plaintiff SNOW alleges that Defendants, and  
27 each of them:

- 28 a. Failed to pay the statutory minimum wage for all hours worked to Plaintiff

1 SNOW and Piece-Rate Class members in violation of California Labor Code  
2 sections 221, 223, 1194, 1194.2, 1197, and Industrial Welfare Commission  
3 (“IWC”) Wage Order 9;

4 b. Failed to pay all wages due and owing to Plaintiff SNOW and Piece-Rate Class  
5 members in violation of California Labor Code sections 201, 202, 203, 218.6,  
6 221, 223, 224, 226.7, 510, 512, 558, 1194, 1194.2, 1197, and IWC Wage  
7 Order 9;

8 c. Failed to pay the statutory overtime rate for all hours worked to Plaintiff  
9 SNOW and Piece-Rate Class members in violation of California Labor Code  
10 sections 510 and Industrial Welfare Commission (“IWC”) Wage Order 9;

11 d. Failed to provide Plaintiff SNOW and Piece-Rate Class members with  
12 mandated meal periods of at least thirty (30) minutes before the end of fifth (5)  
13 hour of work, or to pay such employees one (1) hour of additional wages at the  
14 employees’ regular rate of compensation for each workday that the meal period  
15 is not provided, as required by California Labor Code sections 226.7, 510, 558,  
16 and IWC Wage Order 9;

17 e. Failed to provide Plaintiff SNOW and Piece-Rate Class members with  
18 mandated rest periods of at least ten (10) minutes per four (4) hours of work, or  
19 major fraction thereof, or to pay such employees one (1) hour of additional  
20 wages at the employees’ regular rate of compensation for each workday that the  
21 rest period is not provided, as required by California Labor Code sections  
22 226.7, 558, and IWC Wage Order 9. Here, Plaintiff SNOW, the Piece-Rate  
23 Class members, and the similar “aggrieved” employees were not paid  
24 separately for 10-minute rest periods in violation of the holding in *Bluford v.*  
25 *Safeway Inc.* (2013) 216 Cal.App.4th 864 (task-based or piece-rate  
26 compensation formula that does not compensate separately for rest periods does  
27 not comply with California minimum wage laws);

28 f. Failed to provide complete, accurate itemized wage statements to Plaintiff

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1 SNOW and Piece-Rate Class members in violation of California Labor Code  
2 sections 226, 226.2, 1174, 1174.5, and IWC Wage Order 9;

3 g. Violated California Business and Professions Code sections 17200, *et seq.* as  
4 further set forth below; and

5 h. Violated the California Private Attorneys General Act of 2004, Labor Code  
6 sections 2698, *et seq.*

7 16. After initial investigation, Plaintiff ORTEGA alleges that Defendants did not  
8 pay Hourly Class members for all hours worked, including time spent entering the warehouse  
9 at the start of the day, waiting at the time clock to clock in, exiting the facility after clocking  
10 out, and other time subject to employer control in violation of California law. *See Stoetzel v.*  
11 *Department of Human Resources* (2019) 7 Cal.5th 718, 726 (holding that *Morillion v. Royal*  
12 *Packing Co.* (2000) 22 Cal.4th 575 supports an argument that both the time it takes to walk  
13 from the entrance of the workplace to the time clock before clocking in and that the time it  
14 takes to walk from the time clock to the furthest exit is compensable and falls within Wage  
15 Order No. 4's definition of hours worked).

16 17. Plaintiff ORTEGA and Hourly Class members regularly worked over 8 hours  
17 per day and over 40 hours per week, entitling them to overtime under Labor Code section 510.  
18 By failing to sufficiently compensate Plaintiff ORTEGA and other Hourly Class members for  
19 all hours worked, including time spent entering the warehouse at the start of the day, waiting  
20 at the time clock to clock in, exiting the facility after clocking out, and other time subject to  
21 employer control, during shifts of over 8 hours and weeks in which Plaintiff ORTEGA and  
22 Hourly Class members worked over 40 hours, Defendants violated Labor Code section 510.

23 18. In addition, Plaintiff ORTEGA and Hourly Class members' are not provided a  
24 meal period in which the employee is free from all control and duty for the entire 30-minutes  
25 of the meal period. *See Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 265.  
26 Defendants did not provide compliant meal periods to Plaintiff ORTEGA and Hourly Class  
27 members because Defendant requires employees to walk to the time clock and perform the  
28 clock-in procedure during the 30-minute meal period, violating Labor Code section 512.

1           19. Further, Plaintiff ORTEGA alleges that Defendants did not provide Plaintiff  
2 ORTEGA and Hourly Class members compliant 10-minute rest periods in violation of  
3 California law. *See Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 267-268  
4 (affirming that there must be a net 10 minutes of rest time completely free from work for the  
5 entirety of the 10 minute rest period). Defendants did not provide compliant rest periods to  
6 Plaintiff ORTEGA and Hourly Class members because Defendant requires employees to  
7 utilize a portion of their 10 minute rest periods to travel to a suitable resting area, as required  
8 under Industrial Welfare Commission Wage Order, 9-2001 section 12.

9           20. For the Relevant Time Period, Plaintiff ORTEGA alleges that Defendants, and  
10 each of them:

- 11           a. Failed to pay the statutory minimum wage for all hours worked to Plaintiff  
12 ORTEGA and Hourly Class members in violation of California Labor Code  
13 sections 221, 223, 1194, 1194.2, 1197, and Industrial Welfare Commission  
14 (“IWC”) Wage Order 9;
- 15           b. Failed to pay the statutory overtime rate for all hours worked to Plaintiff  
16 ORTEGA and Hourly Class members in violation of California Labor Code  
17 sections 510 and Industrial Welfare Commission (“IWC”) Wage Order 9;
- 18           c. Failed to provide Plaintiff ORTEGA and Hourly Class members with mandated  
19 meal periods of at least thirty (30) minutes before the end of fifth (5) hour of  
20 work, or to pay such employees one (1) hour of additional wages at the  
21 employees’ regular rate of compensation for each workday that the meal period  
22 is not provided, as required by California Labor Code sections 226.7, 510, 558,  
23 and IWC Wage Order 9;
- 24           d. Failed to provide Plaintiff ORTEGA and Hourly Class members with mandated  
25 rest periods of at least ten (10) minutes per four (4) hours of work, or major  
26 fraction thereof, or to pay such employees one (1) hour of additional wages at  
27 the employees’ regular rate of compensation for each workday that the rest  
28 period is not provided, as required by California Labor Code sections 226.7,

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1 558, and IWC Wage Order 9;

2 e. Failed to provide complete, accurate itemized wage statements to Plaintiff  
3 ORTEGA and Hourly Class members in violation of California Labor Code  
4 sections 226, 226.2, 1174, 1174.5, and IWC Wage Order 9;

5 f. Violated California Business and Professions Code sections 17200, *et seq.* as  
6 further set forth below; and

7 g. Violated the California Private Attorneys General Act of 2004, Labor Code  
8 sections 2698, *et seq.*

9 21. After initial investigation, Plaintiff GERMANY alleges that Defendants have  
10 violated the California Worker Adjustment and Retraining Notification Act (“California  
11 WARN Act”), California Labor Code §§ 1400 *et seq.* and the Federal Worker Adjustment and  
12 Retraining Notification Act (29 U.S.C. §§ 2101 *et seq.*) (“Federal WARN Act”) (both acts  
13 collectively referred to herein as the “WARN Act”), by failing to provide Plaintiff and the  
14 WARN Class at least 60 days of advance written notice of termination.

15 22. Plaintiff GERMANY alleges on behalf of himself and other WARN Class  
16 members that, on or about August 23, 2019, Defendants carried out a reduction in force  
17 (“RIF”), or “mass layoff” pursuant to the WARN Act. On or after August 1, 2019, Plaintiff  
18 and the WARN Class were notified of their pending termination, which did not satisfy  
19 required 60-day advance notice pursuant to the WARN Act. Defendants terminated 50 or more  
20 of its employees.

21 23. For the Relevant Time Period, Plaintiff GERMANY alleges that Defendants,  
22 and each of them:

23 a. Engaged in a “mass layoff,” “relocation,” or “termination” of business, under  
24 the WARN Act;

25 b. Failed to provide the required notice under the WARN Act;

26 c. Failed to pay wages and benefits for 60 days in lieu of notice;

27 d. Violated § 17200, *et seq.* of the Business & Professions Code by engaging in  
28 the acts previously alleged; and



1 e. Violated the California Labor Code Private Attorneys General Act of 2004,  
2 Labor Code sections 2698, *et seq.*

3 **JURISDICTION & VENUE**

4 24. Jurisdiction and venue are proper here because, upon information and belief  
5 and throughout the Relevant Time Period, Defendants were, and are, licensed to do business in  
6 the State of California, maintain a physical terminal located in Fontana, California, County of  
7 San Bernardino as well as in Modesto, California, and because many of the acts alleged herein  
8 occurred throughout San Bernardino County and/or other counties within the State of  
9 California.

10 25. Throughout the Relevant Time Period, Plaintiffs and Represented Employees  
11 resided within the State of California and performed work for Defendants throughout the State  
12 of California, as well as in various other states. The unlawful acts alleged herein have a direct  
13 effect on Plaintiffs and those similarly situated within the State of California.

14 26. Plaintiffs are informed and believe and thereon allege that they and  
15 Represented Employees had virtually the same job duties and responsibilities. As a  
16 consequence, any differences between particular individual employees who work or have  
17 worked as a driver for Defendants, in terms of the duties actually performed, were and are  
18 legally insignificant to the issues presented by this action.

19 27. Represented Employees have suffered damages and will continue to suffer the  
20 same harm as Plaintiffs as a result of Defendants’ unlawful conduct unless the relief requested  
21 herein is granted.

22 **PARTIES**

23 **Plaintiff**

24 28. Plaintiff RICHARD SNOW resides in San Bernardino in the State of  
25 California. Plaintiff SNOW was employed with Defendants from approximately August 2015  
26 through February 2018 as a truck driver and was paid on a piece-rate or by-the-mile basis.

27 29. Throughout his employment with Defendants, Plaintiff SNOW did not receive  
28 minimum and overtime wages for all hours worked, was not provided with mandated meal

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1 periods or paid rest periods or paid the mandated additional wages in lieu thereof. Plaintiff  
2 SNOW also did not receive complete, accurate itemized wage statements. Additionally,  
3 Plaintiff SNOW was not timely paid during his employment and was not paid all his final  
4 wages upon his separation of employment from Defendants.

5 30. Plaintiff ALLAN ORTEGA resides in San Bernardino in the State of  
6 California. Plaintiff ORTEGA was employed with Defendants from approximately May 2015  
7 through September 2016 as a warehouse worker.

8 31. Throughout his employment with Defendants, Plaintiff ORTEGA did not  
9 receive minimum wages for all hours worked, was not paid for all overtime, was not provided  
10 with mandated meal periods or paid the mandated additional wages in lieu thereof, was not  
11 provided with mandated paid rest periods or paid the mandated additional wages in lieu  
12 thereof. Plaintiff ORTEGA also did not receive complete, accurate itemized wage statements.  
13 Additionally, Plaintiff ORTEGA was not timely paid during his employment and was not paid  
14 all his final wages upon his separation of employment from Defendants.

15 32. Plaintiff WILLIE GERMANY is a resident of California and was employed by  
16 Defendants as a truck driver for at least 6 months of the 12 months preceding August 23, 2019,  
17 when he, along with over 50 other employees, was separated from employment without sixty  
18 (60) days' advance notice.

19 **Defendants**

20 33. On information and belief, and throughout the Relevant Time Period,  
21 Defendant WATKINS AND SHEPARD TRUCKING, INC. is a Montana corporation  
22 authorized to do and doing business in the State of California as Watkins and Shepard  
23 Trucking, Inc.

24 34. Defendants' maintain a business office in the State of California located in San  
25 Bernardino County, in Fontana, California.

26 35. Plaintiffs are informed and believe, and based thereon allege, that Defendants  
27 are engaged in the hauling and delivery of freight across the United States.

28 36. Plaintiffs are informed and believe, and based thereon alleges, that Defendants

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1 conduct business throughout the United States and maintain a terminal located in Fontana,  
2 California, among other states, and is the legal employer of Plaintiffs and Represented  
3 Employees during the Relevant Time Period.

4 37. Plaintiffs are ignorant of the true names, capacities, relationships, and extent of  
5 participation in the conduct herein alleged, of Defendants sued herein as DOES 1 through 10,  
6 inclusive, but on information and belief alleges that those Defendants are legally responsible  
7 for the payment of penalties and damages to Plaintiffs and Represented Employees by virtue  
8 of Defendants’ unlawful actions and practices, and therefore sues these Defendants by such  
9 fictitious names. Plaintiffs will amend this Complaint to allege the true names and capacities  
10 of the DOE Defendants when ascertained.

11 38. Plaintiffs are informed and believe, and based thereon allege, that the  
12 Defendants acted in all respects pertinent to this action as the agent of the other Defendants,  
13 carried out a joint scheme, business plan or policy in all respect pertinent hereto, and the acts  
14 of each Defendant are legally attributable to the other Defendants. On information and belief,  
15 a unity of interest and ownership between each Defendant exists such that all Defendants acted  
16 as a single employer of Plaintiffs and Represented Employees.

17 **CLASS ACTION ALLEGATIONS**

18 39. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
19 though fully set forth herein.

20 40. Plaintiffs bring this action on behalf of themselves and all others similarly  
21 situated as a class action pursuant to Code of Civil Procedure section 382. The Classes that  
22 Plaintiffs seeks to represent are defined as follows:

23 Piece-Rate Class: All current and former employee drivers of Defendants who  
24 worked in California at any time within the Relevant Time Period and who  
25 are/were paid on a “piece rate” and/or rate-per-mile basis for compensation  
purposes for work performed in California.

26 Hourly Class: All current and former employees of Defendants who worked in  
27 California at any time within the Relevant Time Period and who are/were paid  
28 on an “hourly” basis for compensation purposes for work performed in  
California.

1 WARN Class: All individuals who were employed by Defendants in California  
2 who were terminated or “laid off” from employment pursuant to a reduction in  
3 force process under the California or Federal WARN Acts on or within thirty  
4 (30) days of August 23, 2019 and who did not sign a severance agreement with  
5 Defendants

6 41. Plaintiffs reserve the right to amend or modify the class description with greater  
7 specificity or further division into subclasses or limitation to particular issues as appropriate.

8 42. Plaintiff SNOW is a member of the Piece-Rate Class he seeks to represent.

9 43. Plaintiff ORTEGA is a member of the Hourly Class he seeks to represent.

10 44. Plaintiff GERMANY is a member of the WARN Class he seeks to represent.

11 45. This action is appropriately suited for a class action because:

12 a. The members of the Classes which Plaintiffs seek to represent are sufficiently  
13 numerous that joinder is impracticable. Although the exact number is currently  
14 unknown to Plaintiffs, this information is easily ascertainable from Defendants’  
15 payroll and personnel records.

16 b. Common questions of fact and law predominate. Such common questions  
17 include, but are not limited to:

18 i. Whether Defendants violated the California Labor Code and  
19 applicable IWC Wage Order by failing to pay the statutory minimum  
20 wage to Plaintiffs and both Piece-Rate and Hourly Class members for  
21 all hours worked;

22 ii. Whether Defendants violated the California Labor Code and  
23 applicable IWC Wage Order by failing to pay the statutory overtime  
24 wage to Plaintiffs and both Piece-Rate and Hourly Class members for  
25 all hours worked;

26 iii. Whether Defendants violated Labor Code section 512 by failing  
27 to provide full thirty-minute meal periods before the end of the fifth  
28 hour of work to Plaintiffs and both Piece-Rate and Hourly Class  
members;

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- iv. Whether Defendants violated IWC Wage Order 9, section 12 by failing to provide net ten-minute rest periods for every four hours worked (or major fraction thereof) to Plaintiff ORTEGA and Hourly Class members;
- v. Whether Defendants violated IWC Wage Order 9, section 12 by failing to separately pay for “paid” ten-minute rest periods for every four hours worked (or major fraction thereof), at least at minimum wage, to Plaintiff SNOW and Piece-Rate Class members, so as to comply with the decision in *Bluford v. Safeway Inc.* (2013) 216 Cal.App.4th 864;
- vi. Whether Defendants violated the California and Federal WARN Acts by completing a mass layoff of Plaintiff and other WARN Class members without lawful notice and without paying 60 days of wages in lieu of notice;
- vii. Whether Defendants violated the California Labor Code by failing to pay all wages due upon separation of employment between Defendants and Plaintiffs and both Piece-Rate and Hourly Class members, whether such separation was voluntary or involuntary;
- viii. Whether Defendants violated the California Labor Code by failing to provide Plaintiffs and both Piece-Rate and Hourly Class members with complete, accurate itemized wage statements;
- ix. Whether Defendants violated California Business & Professions Code sections 17200, *et seq.* by: failing to pay minimum wages for all hours worked by Plaintiffs and both Piece-Rate and Hourly Class members; failing to pay overtime wages for all hours worked by Plaintiffs and both Piece-Rate and Hourly Class members; failing to provide mandated meal periods to Plaintiffs and both Piece-Rate and Hourly Class members and not compensating such employees with one

1 hour of additional wages in lieu of each meal period denied; failing to  
2 provide mandated rest periods to Plaintiff and both Piece-Rate and  
3 Hourly Class members and not compensating such employees with one  
4 hour of additional wages in lieu of each rest period denied; failing to  
5 provide lawful notice prior to a mass layoff; failing to timely pay all  
6 final wages due upon separation of employment between Defendants  
7 and Plaintiffs and both Piece-Rate and Hourly Class members; and  
8 failing to provide Plaintiffs and both Piece-Rate and Hourly Class  
9 members with complete, accurate itemized wage statements;

10 x. Whether Defendants violated sections 17200, *et seq.* of the  
11 California Business and Professions Code and, without limitation,  
12 California Labor Code sections 201, 202, 203, 218.6, 223, 226, 226.7,  
13 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1198.5 among  
14 possibly other sections inadvertently omitted, and the applicable IWC  
15 Wage Order, which violations constitute false, fraudulent, unlawful,  
16 unfair and deceptive business practices; and

17 xi. Whether Plaintiffs and both Piece-Rate and Hourly Class  
18 members are entitled to equitable relief pursuant to California Business  
19 & Professions Code sections 17200, *et seq.*

20 c. Plaintiff SNOW's claims are typical of the Piece-Rate Class. Like other  
21 members of the Piece-Rate Class, he was subjected to Defendants' ongoing  
22 Labor Code and IWC Wage Order violations pertaining to payment of  
23 minimum wages for all hours worked, payment of overtime wages, meal  
24 periods, rest periods, payment of final wages upon separation of employment,  
25 inaccurate and/or incomplete itemized wage statements.

26 d. Plaintiff ORTEGA's claims are typical of the Hourly Class. Like other  
27 members of the Hourly Class, he was subjected to Defendants' ongoing Labor  
28 Code and IWC Wage Order violations pertaining to payment of minimum

1 wages for all hours worked, payment of overtime wages, meal periods, rest  
2 periods, payment of final wages upon separation of employment, inaccurate  
3 and/or incomplete itemized wage statements.

4 e. Plaintiff GERMANY’s claims are typical of the WARN Class. Like other  
5 members of the WARN Class, he was subjected to Defendants’ mass layoff on  
6 or around August 2019 without having been provided adequate notice of the  
7 layoff and was not provided with 60 days of wages in lieu of notice.

8 f. Plaintiffs will fairly and adequately protect the interest of all members of the  
9 Piece-Rate Class, Hourly Class, and WARN Class because it is in their best  
10 interests to prosecute the claims alleged herein to obtain full compensation due  
11 to them and all Class Members. Plaintiffs’ interests are not in conflict with  
12 those of the Class Members. Further, Plaintiffs’ and Class Representatives’  
13 counsel are competent and experienced in litigating large employment class  
14 actions and other complex litigation matters, including many wage and hour  
15 class action cases.

16 46. A class action is superior to other available means for the fair and efficient  
17 adjudication of this controversy. Individual joinder of all Class Members is not practicable,  
18 and questions of law and fact common to the Piece-Rate, Hourly, and WARN Classes  
19 predominate over any questions affecting only individual members of the Piece-Rate, Hourly,  
20 and WARN Classes. Each member of the Piece-Rate and Hourly Classes has been damaged  
21 and is entitled to recovery by reason of Defendants’ unlawful policies and practices alleged in  
22 the Complaint.

23 47. Class action procedure will allow those similarly-situated persons to litigate  
24 their claims in the manner that is most efficient and economical for the parties and the judicial  
25 system. Plaintiffs know of no difficulty that might be encountered in management of this  
26 litigation which would preclude maintenance as a class action.

27 48. The class action is manageable because all common issues can be determined  
28 from identical payroll records and other corporate records showing pay, and common uniform

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1 policies that will minimize or eradicate individual issues at trial.

2 49. Plaintiffs also bring this action as a Representative Action pursuant to Labor  
3 Code sections 2698, *et seq.*, the California Labor Code Private Attorneys General Act of 2004  
4 (“PAGA”) for themselves and all current and former “aggrieved employees.” Plaintiff SNOW  
5 provided notice to the California Labor and Workforce Development Agency (“LWDA”) on  
6 or about July 3, 2018. The LWDA did not intervene and the Defendants did not seek to cure.  
7 As a result, as a matter of law, Plaintiffs are entitled to file this Complaint for full compliance  
8 and exhaustion of notice requirements under the PAGA and seek civil penalty assessments  
9 against Defendants as a Representative of the State of California as hereinafter alleged and in  
10 accordance with law, in addition to costs and reasonable attorneys’ fees as provided by the  
11 PAGA statute. Plaintiffs allege that the notice period provided by statute has expired and this  
12 complaint is proper pursuant to Labor Code section 2699.3(a)(2)(A).

13 50. On or about **INSERT DATE**, Plaintiffs submitted an amended notice to the  
14 LWDA, alleging claims for Plaintiff ORTEGA and Hourly Class members. The LWDA did  
15 not intervene and the Defendants did not seek to cure. As a result, as a matter of law, Plaintiffs  
16 are entitled to file this Complaint for full compliance and exhaustion of notice requirements  
17 under the PAGA and seek civil penalty assessments against Defendants as a Representative of  
18 the State of California as hereinafter alleged and in accordance with law, in addition to costs  
19 and reasonable attorneys’ fees a provided by the PAGA statute. Plaintiffs allege that the notice  
20 period provided by statute has expired and this complaint is proper pursuant to Labor Code  
21 section 2699.3(a)(2)(A).

22 51. Plaintiff GERMANY provided notice to the California Labor and Workforce  
23 Development Agency (“LWDA”) on or about October 7, 2019. The LWDA did not intervene  
24 and the Defendants did not seek to cure. As a result, as a matter of law, Plaintiffs are entitled  
25 to file this Complaint for full compliance and exhaustion of notice requirements under the  
26 PAGA and seek civil penalty assessments against Defendants as a Representative of the State  
27 of California as hereinafter alleged and in accordance with law, in addition to costs and  
28 reasonable attorneys’ fees a provided by the PAGA statute. Plaintiffs allege that the notice



1 period provided by statute has expired and this complaint is proper pursuant to Labor Code  
2 section 2699.3(a)(2)(A).

3 **CAUSES OF ACTION**

4 **FIRST CAUSE OF ACTION**

5 **FAILURE TO PAY MINIMUM WAGES FOR ALL HOURS WORKED**  
6 **(Cal. Labor Code §§ 221, 223, 1194, 1194.2, 1197; IWC Wage Order 9, § 4)**  
7 **(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

8 52. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
9 though fully set forth herein.

10 53. Failure of an employer to pay its employees the California minimum wage  
11 violates, *inter alia*, Labor Code section 1197 and IWC Wage Order 9, section 4.

12 54. During the Relevant Time Period, Plaintiff SNOW and Piece-Rate Class  
13 members were employed by Defendants as over-the-road drivers and were paid a per-mileage  
14 rate for each mileage driven for at least part of their compensation.

15 55. During the Relevant Time Period, Defendants required Plaintiff SNOW and  
16 Piece-Rate Class members to perform work in addition to driving without paying for all  
17 “hours worked” and resulted in Plaintiff SNOW and Piece-Rate Class members earning less  
18 than the applicable California minimum hourly wage for each hour worked.

19 56. Specifically, Defendants maintained and continue to maintain a practice of  
20 refusing to compensate Piece-Rate Class members for time spent not driving, including but not  
21 limited to, fueling vehicles, waiting for the loading and unloading of trailers, moving products  
22 for customers, performing pre- and post-trip inspections, adjusting equipment, checking brakes  
23 and trailers, securing loads, and completing paperwork. The flat rate compensation Defendants  
24 provided did not equate to at least minimum wage for each hour worked.

25 57. During the Relevant Time Period, Plaintiff ORTEGA and Hourly Class  
26 members were employed by Defendants as hourly employees and were paid an hourly rate for  
27 their compensation.

28 58. During the Relevant Time Period, Defendants maintained control over Plaintiff  
ORTEGA and Hourly Class members while clocked out without paying for all “hours

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1 worked” and resulted in Plaintiff ORTEGA and Hourly Class members earning less than the  
2 applicable California minimum hourly wage for each hour worked.

3 59. Specifically, Defendants maintained and continue to maintain a practice of  
4 refusing to compensate Hourly Class members for time spent under Defendant compensable  
5 control, including but not limited to, time spent entering the warehouse at the start of the day,  
6 waiting at the time clock to clock in, exiting the facility after clocking out, and other time  
7 subject to employer control. Thus, the compensation Defendants provided did not equate to at  
8 least minimum wage for each hour worked.

9 60. Plaintiffs and Class Members were not exempt from the requirement to be paid  
10 at least the applicable California minimum wage throughout the Relevant Time Period for  
11 each hour worked.

12 61. Plaintiffs are informed and believe, and thereon allege, that Defendants  
13 intentionally, willfully, and improperly failed to pay minimum wages to them and Class  
14 Members in violation of Labor Code sections 221, 223, 1194, and 1197.

15 62. Defendants’ conduct was willful because Defendants knew Plaintiffs and Class  
16 Members were entitled to be paid at least the California minimum wage throughout the  
17 Relevant Time Period for each hour worked, yet Defendants chose not to pay them in  
18 accordance thereto.

19 63. As a result of Defendants’ wrongful conduct, Plaintiffs and Class Members  
20 have been damaged in amounts to be proven at trial.

21 64. Plaintiffs, on behalf of themselves and Class Members, seeks recovery of all  
22 unpaid wages, including unpaid minimum wages, liquidated damages, interest, attorneys’ fees  
23 and costs of suit, pursuant to Labor Code sections 1194 and 1194.2, against Defendants in an  
24 amount to be proven at trial.

25 **SECOND CAUSE OF ACTION**  
26 **FAILURE TO PROVIDE MANDATED REST PERIODS**  
27 **OR TO PAY ADDITIONAL WAGES IN LIEU THEREOF**  
28 **(Cal. Labor Code §§ 226.7, 558; IWC Wage Order 9, § 12)**  
**(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

65. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as

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1 though fully set forth herein.

2 66. IWC Wage Order 9, section 12(A) mandates that employees be provided with a  
3 rest period of ten (10) minutes per four (4) hours worked, or major fraction thereof.  
4 Authorized rest period time shall be counted as hours worked for which there shall be no  
5 deduction from wages.

6 67. Labor Code section 226.7(b) provides that no employer shall require an  
7 employee to work during any mandated rest period.

8 68. Pursuant to Labor Code section 226.7(c) and IWC Wage Order 9, section  
9 12(B), an employee is entitled to one additional hour of pay at the employees' regular rate of  
10 pay for each work day that the rest period was not provided.

11 69. On information and belief, and at all times relevant, Plaintiffs allege that they  
12 and Class Members were denied the required ten (10)-minute rest periods for every four (4)  
13 hours, or major fraction thereof, worked per day as non-exempt employees, and that  
14 Defendants further failed to provide compensation in lieu of rest periods not provided.

15 70. Specifically, Defendants and each of them, failed to authorize and permit ten-  
16 minute rest periods, paid as separate hourly pay in addition to piece-rate (or by-the-mile) pay  
17 for Piece-Rate Class members subject to the Defendants' piece-rate or pay-by-the-mile rate,  
18 for every four hours worked (or major fraction thereof). This uniform and systematic policy of  
19 Defendants directly violated the holding in *Bluford v. Safeway Inc.* (2013) 216 Cal.App.4th  
20 864 in that it failed to compensate separately for rest periods and does not comply with  
21 California minimum wage laws.

22 71. Further, Defendants and each of them, failed to authorize and permit net ten-  
23 minute rest periods because Defendant requires Hourly Class members to utilize a portion of  
24 their 10 minute rest periods to travel to a suitable resting area, as required under Industrial  
25 Welfare Commission Wage Order, 9-2001 section 12, in violation of *Augustus v. ABM*  
26 *Security Services, Inc.* (2016) 2 Cal.5th 257, 267-268.

27 72. Defendants did not permit or authorize Plaintiffs and Class Members to take  
28 rest periods in accordance with California law by not offering net 10 minute rest periods as

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1 required by *Augustus* or paid rest periods as required by *Bluford*.

2 73. By their failure to provide Plaintiffs and Class Members with rest periods as  
3 required by California law, and failing to pay one hour of additional wages in lieu of each rest  
4 period not provided, Defendants willfully violated Labor Code section 226.7 and IWC Wage  
5 Order 9, section 12. Accordingly, Defendants are liable for one hour of additional wages at the  
6 employee’s regular rate of compensation for each work day that a rest period was not lawfully  
7 provided.

8 74. As a result of Defendants’ unlawful acts, Plaintiffs and Class Members have  
9 been deprived of additional wages in amounts to be proven at trial, and are entitled to recover  
10 such amounts, plus interest and penalties thereon, attorneys’ fees and costs of suit.

11 75. Defendants are also liable to Plaintiffs and Class members for the civil  
12 penalties provided for in Labor Code section 558 because of the violations alleged in this  
13 claim for relief.

14 76. Further, after the employment of Plaintiffs and other members of the Piece-  
15 Rate and Hourly Class ended, Defendants never paid them all wages due to them (as defined  
16 by applicable California law) because these employees were never paid any of the additional  
17 hours of wages with respect to rest periods described above in this paragraph. Defendants’  
18 failure to pay said additional hours of wages after these employees’ employment ended was  
19 willful within the meaning of Labor Code section 203. Therefore, under Labor Code section  
20 203, as additional relief and continuation of wages for failure to comply with the rest period  
21 laws, each of these employees is entitled to one day’s wages, at the regular rate, for each day  
22 following the time periods in Labor Code sections 201 or 202, up to a maximum of 30 days’  
23 wages for each employee. Because none of these employees were ever paid the additional  
24 hours of wages with respect to rest periods described above in this paragraph, each of these  
25 employees is entitled to 30 days’ additional wages.

26 **THIRD CAUSE OF ACTION**  
27 **FAILURE TO TIMELY PAY FINAL WAGES**  
28 **(Cal. Labor Code §§ 201-203)**  
**(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

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1            77.     Plaintiffs hereby incorporates all preceding paragraphs of this Complaint as  
2 though fully set forth herein.

3            78.     Labor Code section 201 requires employers to immediately pay any wages,  
4 without abatement or reduction, to any employee who is discharged.

5            79.     Labor Code section 202 provides that if an employee quits his or her  
6 employment, his or her wages shall become due and payable not later than 72 hours thereafter,  
7 unless the employee has given 72 hours previous notice of his or her intention to quit, in which  
8 case the employee is entitled to his or her wages at the time of quitting.

9            80.     For a violation of Labor Code sections 201 or 202, Labor Code section 203(a)  
10 provides that where the employer willfully fails to timely pay any wages of an employee who  
11 is discharged or who quits, the wages of the employee shall continue as a penalty from the due  
12 date thereof at the same rate until paid or until an action therefor is commenced, but that the  
13 wages shall not continue for more than 30 days.

14            81.     As alleged above, Plaintiffs and Class Members are entitled to compensation  
15 for all wages earned, including without limitation, unpaid minimum wages, unpaid overtime,  
16 additional wages for meal periods they were denied, and additional wages for paid rest periods  
17 they were denied. Plaintiffs and Class Members are therefore entitled to Labor Code section  
18 203 penalties.

19            82.     More than 30 days have passed since Plaintiffs and certain affected Class  
20 Members were terminated or have voluntarily left Defendants’ employ without giving at least  
21 72-hour notice, and on information and belief, they have not received payment pursuant to  
22 Labor Code section 203. As a consequence of Defendants’ willful conduct in not paying all  
23 earned wages, Plaintiffs and certain affected Class Members are entitled to 30 days’ wages as  
24 a penalty under Labor Code section 203, as well as any underlying unpaid wages.

25            83.     The exact amount of Labor Code section 203 penalties is all in an amount to be  
26 shown according to proof at trial.

27                                    **FOURTH CAUSE OF ACTION**  
28                    **FAILURE TO PROVIDE ACCURATE ITEMIZED WAGE STATEMENTS**  
                                  **(Cal. Labor Code §§ 226, 1174, 1174.5, IWC Wage Order 9, § 7)**

**(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

84. Plaintiff hereby incorporates all preceding paragraphs of this Complaint as though fully set forth herein.

85. Labor Code section 226(a) requires an employer to provide its employees with itemized wage statements accurately stating gross wages earned, total hours worked, the number of piece-rate units earned and any applicable piece rate if the employee is paid on a piece-rate basis, all deductions, net wages earned, the inclusive dates of the pay period, the employee’s name and the last four digits of his or her social security number (or employee identification number), the name and address of the legal entity that is the employer, and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

86. Labor Code section 1174(d) requires, in part, that employers, including Defendants, maintain payroll records showing the daily hours worked and the wages paid to employees, among other requirements.

87. Pursuant to Labor Code section 1174.5, any person, including any entity, employing labor who willfully fails to maintain accurate and complete records required by Labor Code section 1174(d) is subject to a penalty.

88. Pursuant to IWC Wage Order 9, section 7(A)(3), every employer shall keep time records showing when the employee begins and ends each work period. Meal periods and total hours worked daily shall also be recorded.

89. Additionally, IWC Wage Order 9, section 7(A)(5) requires employers to keep total hours worked in the pay period and applicate rates of pay.

90. At all relevant times, Defendants failed to maintain records pursuant to the Labor Code and applicable IWC Wage Order by failing to maintain records showing the beginning and end time of each shift and daily hours worked.

91. Defendants’ failure to provide and maintain records required by the Labor Code and applicable IWC Wage Order deprived Plaintiffs and Class Members of the ability to know, understand, and question the accuracy and frequency of wages earned for all hours

1 worked in addition to drive time. Therefore, Plaintiffs and Class Members had no way to  
2 dispute the resulting failure to pay wages, all of which resulted in an unjustified economic  
3 enrichment to Defendants. As a direct result, Plaintiffs and Class Members have suffered and  
4 continue to suffer substantial losses related to the use and enjoyment of such wages, lost  
5 interest on such wages, and expenses and attorneys' fees in seeking to compel Defendants to  
6 fully perform their obligations under state law, all to their respective damage in amounts  
7 according to proof at trial.

8 92. Furthermore, Defendants knowingly and intentionally failed to furnish  
9 Plaintiffs and Class Members with complete itemized wage statements accurately listing gross  
10 and net wages earned, the pay period begin date, and the address of the legal entity that is the  
11 employer.

12 93. For the Piece Rate Class members, the mileage and corresponding rates are not  
13 differentiated on the wage statement from hours worked and results in further confusion  
14 regarding the amount of pay earned. It is difficult to determine from the wages statement alone  
15 the amount of pay earned for mileage and for other tasks.

16 94. For the Hourly Class members, none of the time spent entering and exiting  
17 Defendants' warehouse at the start and end of their shifts is paid for or recorded. It is  
18 impossible to determine from the wage statement alone the amount of hours worked or the  
19 amount of pay that should have been earned.

20 95. As a result of Defendants' violation of Labor Code sections 226(a), 1174(d),  
21 1174.5, Plaintiffs and Class Members have suffered injury and damage to their statutorily-  
22 protected rights.

23 96. Specifically, Plaintiffs and Class Members have been injured by Defendants'  
24 intentional violation of California Labor Code section 226(a) because they were denied both  
25 their legal right to receive, and their protected interest in receiving, complete, accurate,  
26 itemized wage statements under Labor Code section 226(a).

27 97. By failing to keep and/or provide accurate records as required by Labor Code  
28 sections 226(a), 1174(d) and IWC Wage Order 9, section 7, Defendants have injured Plaintiffs

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1 and Class Members and made it difficult to calculate the unpaid minimum, regular, and  
2 additional period wages owed, as well as interest due to Plaintiffs and Class Members.

3 98. Plaintiffs have also been injured as a result of having to bring this action to  
4 attempt to obtain correct wage information following Defendants’ refusal to comply with  
5 many of the mandates of California’s Labor Code and related laws and regulations.

6 99. Labor Code section 226(e) provides that if an employer knowingly and  
7 intentionally fails to provide an accurate wage statement listing, among other things, the  
8 amount of gross or net wages, the name and address of the legal entity that is the employer, the  
9 name of the employee and only the last four digits of his or her social security number or an  
10 employee identification number, then the employee is entitled to recover the greater of all  
11 actual damages or fifty dollars (\$50) for the initial violation and one hundred dollars (\$100)  
12 for each subsequent violation up to four thousand dollars (\$4,000).

13 100. Plaintiffs and Class Members also seek and request, pursuant to Labor Code  
14 section 226(g), injunctive relief to ensure compliance by Defendants with section 226(a), to  
15 wit, that the wage statements Defendants provide to their employees accurately list all wages  
16 earned, the pay period begin date, and the address of the legal entity that is the employer.  
17 Plaintiffs also request an award of costs and reasonable attorneys’ fees.

18 101. The exact amount of Plaintiffs’ and Class Members’ damages is all in an  
19 amount to be shown according to proof at trial.

20 **FIFTH CAUSE OF ACTION**  
21 **VIOLATION OF UNFAIR COMPETITION LAW**  
22 **(Bus. & Prof. Code §§ 17200, *et seq.*)**  
23 **(On behalf of Plaintiffs and Represented employees as against all Defendants)**

24 102. Plaintiffs hereby incorporates all preceding paragraphs of this Complaint as  
25 though fully set forth herein.

26 103. California Business & Professions Code sections 17200, *et seq.*, prohibit acts of  
27 unfair competition, which includes any “unlawful, unfair or fraudulent business act or  
28 practice....” Plaintiffs and Class Members, as herein alleged, have suffered and continue to  
suffer injuries in fact due to Defendants’ unfair and unlawful business practices.



1           104. Defendants, and each of them, are “persons” as defined under Business &  
2 Professions Code section 17021.

3           105. As alleged herein, Defendants engaged in conduct that violated California’s  
4 wage and hour laws, including failing to pay wages for all hours worked, failing to pay  
5 overtime, failing to provide mandated meal periods, failing to provide mandated paid rest  
6 periods, failing to provide adequate warning prior to a mass layoff, failing to timely pay final  
7 wages upon separation of employment, and failing to provide complete, accurate, itemized  
8 wage statements, all in order to decrease their costs and increase their profits.

9           106. At all relevant times herein mentioned, Defendants did not pay Plaintiffs and  
10 Class Members all wages and monies and other financial obligations attached thereto to which  
11 they were owed.

12           107. Defendants’ violations of the California Labor Code and IWC Orders, and their  
13 scheme to lower their payroll costs as alleged herein, constitute unlawful and unfair business  
14 practices as it was done in a systematic manner over a period of time to the detriment of their  
15 employees, including Plaintiffs.

16           108. Defendants’ conduct, as alleged herein, has been, and continues to be, unfair,  
17 unlawful, and harmful to Plaintiffs, other Class Members, and to the general public. Plaintiffs  
18 seek to enforce important rights affecting the public interest within the meaning of Code of  
19 Civil Procedure section 1021.5.

20           109. Defendants’ activities, as alleged herein, are violations of California law, and  
21 constitute unlawful business acts and practices in violation of California Business &  
22 Professions Code sections 17200, *et seq.*

23           110. A violation of California Business & Professions Code sections 17200, *et seq.*  
24 may be predicated on the violation of any state or federal law. All of the acts described herein  
25 as violations of, among other things, the California Labor Code and IWC Wage Orders, are  
26 unlawful and in violation of public policy, and in addition are immoral, unethical, oppressive,  
27 fraudulent and unscrupulous, and thereby constitute unfair, unlawful and/or fraudulent  
28 business practices in violation of California Business and Professions Code sections 17200, *et*

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1 *seq.*

2 111. Plaintiffs, as individuals, and on behalf of members of the putative Classes,  
3 have no plain, speedy, and/or adequate remedy at law to redress the injuries which they have  
4 suffered as a consequence of Defendants’ unfair, unlawful and/or fraudulent business  
5 practices. As a result of the unfair, unlawful and/or fraudulent business practices described  
6 above, Plaintiffs, as individuals, and on behalf of members of the putative Classes, have  
7 suffered and will continue to suffer irreparable harm unless Defendants, and each of them, are  
8 restrained from continuing to engage in said unfair, unlawful, and/or fraudulent business  
9 practices.

10 112. Plaintiffs, as individuals, and on behalf of members of the putative Classes, are  
11 entitled to, and does seek such relief as may be necessary to disgorge the profits which  
12 Defendants have acquired, or of which Plaintiffs and Class Members have been deprived, by  
13 means of the above-described unfair, unlawful and/or fraudulent business practices. Plaintiffs  
14 and the members of the Class are not obligated to establish individual knowledge of the unfair  
15 practices of Defendants in order to recover restitution.

16 113. Plaintiffs, as individuals, and on behalf of members of the putative Classes, are  
17 further entitled to and does seek a declaration that the above-described business practices are  
18 unfair, unlawful, and/or fraudulent, and injunctive relief restraining Defendants, and each of  
19 them, from engaging in any of the above-described unfair, unlawful and/or fraudulent business  
20 practices in the future.

21 114. Pursuant to Business & Professions Code sections 17200, *et seq.*, Plaintiffs and  
22 Class Members are entitled to restitution of the wages withheld and retained by Defendants  
23 during a period that commences four years prior to the filing of this complaint; a permanent  
24 injunction requiring Defendants to pay all outstanding wages due to Plaintiffs and Class  
25 Members; an award of attorneys’ fees pursuant to California Code of Civil Procedure section  
26 1021.5 and other applicable laws; and an award of costs.

27 **SIXTH CAUSE OF ACTION**  
28 **CIVIL PENALTIES UNDER THE PAGA FOR FAILURE TO PAY REGULAR  
PAY/MINIMUM WAGES/OVERTIME AND UNLAWFUL DEDUCTION OF WAGES**

**(Cal. Labor Code §§ 226.7, 510, 558, 2699(f)(2); Cal. Code Regs. Tit. 8, § 11090)  
(On behalf of Plaintiffs and current and former aggrieved employees as against all  
Defendants)**

115. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as though fully set forth herein.

116. Pursuant to Labor Code section 2699, Plaintiffs seek all applicable PAGA civil penalties and remedies for each aggrieved employee for each pay period in the applicable statute of limitations in which the aggrieved employee was not paid for all hours worked for each pay period, plus reasonable attorneys’ fees and costs.

117. The Labor Code Private Attorneys General Act of 2004 (“PAGA”) provides that:

...an aggrieved employee may recover the civil penalty described in subdivision (f) in a civil action pursuant to the procedures specified in Section 2699.3 filed on behalf of himself or herself and other current or former employees against whom one or more of the alleged violations was committed. Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs. Nothing in this part shall operate to limit an employee’s right to pursue or recover other remedies available under state or federal law, either separately or concurrently with an action taken under this part.

Cal. Lab. Code § 2699(g)(1).

118. Plaintiffs are “aggrieved employee” under the PAGA, as they were employed by Defendants during the applicable statutory period and suffered one or more of the California Labor Code violations set forth herein. Accordingly, Plaintiffs seek to recover on behalf of themselves and all other current and former aggrieved non-exempt employees, as defined above, the civil penalties provided by the PAGA, plus reasonable attorneys’ fees and costs.

119. Plaintiffs have satisfied all prerequisites to serve as a representative of the general public to enforce California’s labor laws, including without limitation, the penalty provisions identified in California Labor Code section 2699.5. Because the LWDA took no steps within the applicable time period required to intervene, and because the Defendants took no corrective actions to remedy the allegations set forth above, Plaintiffs, as representatives of

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1 the people of the State of California, will seek, and hereby does seek, any and all civil  
2 penalties otherwise capable of being collected by the Labor Commission and/or the  
3 Department of Labor Standards Enforcement (“DLSE”).

4 120. Any civil penalties recovered herein will be distributed in accordance with the  
5 PAGA, with at least 75% of the penalties recovered being reimbursed to the State of  
6 California and the LWDA, where applicable. *See* Cal. Lab. Code § 2699(i).

7 121. Specifically, Plaintiffs seek to recover civil penalties pursuant to the PAGA that  
8 arise from the policies, practices and business acts of Defendants to the extent provided by law  
9 as a Representative Action, including reasonable attorneys’ fees and costs, and underpayment  
10 of wages as permitted by Labor Code section 558, as a separate penalty provided by the  
11 PAGA statute.

12 122. Plaintiffs seek civil penalties against Defendants for their violations of the labor  
13 code on account of the failure to provide Plaintiff and other aggrieved non-exempt employees  
14 proper regular pay and minimum wages for regular hours worked during the applicable  
15 statutory period as set forth herein.

16 123. California Labor Code section 558 provides in pertinent part:

17 (a) Any employer or other person acting on behalf of an employer who  
18 violates, or causes to be violated, a section of this chapter or any  
19 provision regulating hours and days of work in any order of the  
20 Industrial Welfare Commission shall be subject to a civil penalty as  
21 follows:

22 (1) For any initial violation, fifty dollars (\$50) for each underpaid  
23 employee for each pay period for which the employee was underpaid  
24 in addition to an amount sufficient to recover underpaid wages.

25 (2) For each subsequent violation, one hundred dollars (\$100) for  
26 each underpaid employee for each pay period for which the  
27 employee was underpaid in addition to an amount sufficient to  
28 recover underpaid wages....

(c) The civil penalties provided for in this section are in addition to any  
other civil or criminal penalty provided by law.

124. Labor Code section 1194(a) provides: “(a) Notwithstanding any agreement to  
work for a lesser wage, any employee receiving less than the legal minimum wage or the legal  
overtime compensation applicable to the employee is entitled to recover in a civil action the

1 unpaid balance of the full amount of this minimum wage or overtime compensation, including  
2 interest thereon, reasonable attorney’s fees, and costs of suit.”

3 125. Pursuant to California Labor Code section 1198, the IWC provides the  
4 maximum hours of work and standard conditions of labor for California employees.

5 126. Section 4 of IWC Wage Order No. 9-2001 provides in pertinent part:

6 (A)(1) Every employer shall...pay to each employee wages not less:

7 (a) Ten dollars and fifty cents (\$10.50 hour for all hours worked,  
effective January 1, 2017; and

8 (b) Eleven dollars (\$11.00) per hour for all hours worked, effective  
9 January 1, 2018.

10 (B) Every employer shall pay to each employee, on the established  
11 payday for the period involved, not less than the applicable minimum  
12 wage for all hours worked in the payroll period, whether the  
13 remuneration is measured by time, piece, commission, or otherwise.

14 127. Labor code section 510 provides in pertinent part: (a) Eight hours of labor  
15 constitutes a day’s work. Any work in excess of eight hours in one workday and any work in  
16 excess of 40 hours in any one workweek and the first eight hours worked on the seventh day  
17 of work in any one workweek shall be compensated at the rate of no less than one and one-half  
18 times the regular rate of pay for an employee.

19 128. Section 2(K) of IWC Wage Order No. 9-2001 defines “hours worked” as “the  
20 time during which an employee is subject to the control of an employer and includes all the  
21 time the employee is suffered or permitted to work, whether or not required to do so.”

22 129. Labor code section 223 states that where any statute or contract requires an  
23 employer to maintain a designated wage scale, it shall be unlawful to secretly pay a lower  
24 wages while purporting to pay the wages designated by statute or contract.

25 130. Labor Code section 2699(a) provides: “Notwithstanding any other provision of  
26 law, any provision of this code that provides for a civil penalty to be assessed and collected by  
27 the Labor and Workforce Development Agency or any of its departments, divisions,  
28 commissions, boards, agencies, or employees, for a violation of this code, may, as an  
alternative, be recovered through a civil action brought by an aggrieved employee on behalf of  
himself or herself and other current or former employees pursuant to the procedures specified

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1 in Section 2699.3.”

2 131. Labor Code section 2699(f)(2) states: “For all provisions of this code except  
3 those for which a civil penalty is specifically provided, there is established a civil penalty for a  
4 violation of these provisions, as follows... (2) If, at the time of the alleged violation, the  
5 person employs one or more employees, the civil penalty is one hundred dollars (\$100) for  
6 each aggrieved employee per pay period for the initial violation and two hundred dollars  
7 (\$200) for each aggrieved employee per pay period for each subsequent violation.”

8 132. Labor Code section 2699.5 provides, in pertinent part that “[t]he provisions of  
9 subdivision (a) of Section 2699.3 apply to any alleged violation of the following provisions:  
10 [Labor Code §§] 223, 510, 1194, 1194.2, 1197, 1197.1” as provisions of the Code that allow  
11 for recovery of civil penalties pursuant to the PAGA.

12 133. Defendants’ conduct, as alleged herein, violates the aforementioned regulations  
13 because Defendants failed to properly compensate Plaintiffs and other aggrieved non-exempt  
14 employees applicable minimum wage for all regular hours worked and overtime premium pay  
15 for hours worked in excess of eight hours per workday, forty hours per workweek, and/or  
16 hours worked on the seventh consecutive day in a workweek.

17 134. As a direct and proximate result of the Defendants’ unlawful acts, as alleged in  
18 detail herein, Plaintiffs and other aggrieved non-exempt employees have been deprived, and  
19 continue to be deprived, of minimum wages for regular hours worked and proper overtime  
20 premium pay for overtime hours worked.

21 135. As such, Defendants are liable for PAGA penalties resulting from their failure  
22 to provide Plaintiffs and other aggrieved non-exempt employees minimum wages for regular  
23 hours worked and proper overtime premium pay for overtime hours worked. Accordingly,  
24 Plaintiffs are entitled to recover, and hereby seeks through this Representative Action, all civil  
25 penalties provided by California Labor Code sections 225.5, 510, 1194, 1194.2, 1197.1 and  
26 2699.5, as well as attorneys’ fees and costs pursuant to California Labor Code section  
27 2699(g)(1).

28 **SEVENTH CAUSE OF ACTION**

**CIVIL PENALTIES UNDER THE PAGA FOR FAILURE TO PROVIDE MEAL PERIODS OR MEAL PERIOD PREMIUM PAY AND PAID REST PERIODS OR REST PERIOD PREMIUM PAY**

**(Cal. Lab. Code §§ 218.5, 218.6, 226.7, 512, 2699(f)(2); Cal. Code Regs. tit. 8, § 11090; IWC Wage Order 9, §§ 11-12)**

**(On behalf of Plaintiffs and current and former aggrieved employees as against all Defendants)**

136. Plaintiffs hereby incorporates all preceding paragraphs of this Complaint as though fully set forth herein.

137. Plaintiffs seek civil penalties against Defendants for failure to provide Plaintiffs and other aggrieved non-exempt employees lawful off-duty paid meal and rest periods, as well as corresponding premium pay for meal and rest periods, during the applicable statutory period.

138. California Labor Code section 226.7 provides in pertinent part (and Labor Code section 512 similarly addresses):

(b) An employer shall not require an employee to work during a meal or rest or recovery period mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial Welfare Commission . . . .

(c) If an employer fails to provide an employee a meal or rest or recovery period in accordance with a state law, including, but not limited to, an applicable statute or applicable regulation, standard, or order of the Industrial Welfare Commission, . . . the employer shall pay the employee one additional hour of pay at the employee's regular rate of compensation for each workday that the meal or rest or recovery period is not provided.

139. California Labor Code section 558 provides in pertinent part:

(a) Any employer or other person acting on behalf of an employer who violates, or causes to be violated, a section of this chapter or any provision regulating hours and days of work in any order of the Industrial Welfare Commission shall be subject to a civil penalty as follows:

(1) For any initial violation, fifty dollars (\$50) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages.

(2) For each subsequent violation, one hundred dollars (\$100) for each underpaid employee for each pay period for which the employee was underpaid in addition to an amount sufficient to recover underpaid wages....

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(c) The civil penalties provided for in this section are in addition to any other civil or criminal penalty provided by law.

140. Pursuant to California Labor Code section 1198, the Industrial Welfare Commission provides the maximum hours of work and standard conditions of labor for California employees.

141. Sections 11(A) and 11(D) of IWC Wage Order No. 9-2001 provide:

(A) No employer shall employ any person for a work period of more than five (5) hours without a meal period of not less than 30 minutes, except that when a work period of not more than six (6) hours will complete the day’s work the meal period may be waived by mutual consent of the employer and the employee.

(D) If an employer fails to provide an employee a meal period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the meal period is not provided.

142. Sections 12(A) and 12(B) of IWC Wage Order No. 9-2001 provide:

(A) Every employer shall authorize and permit all employees to take rest periods, which in so far as practicable shall be in the middle of each work period. The authorized rest period time shall be based on the total hours worked daily at the rate of ten (10) minutes net rest time per four (4) hours or major fraction thereof. However, a rest period need not be authorized for employees whose total daily work time is less than three and one-half (3 1/2) hours. Authorized rest period time shall be counted as hours worked for which there shall be no deduction from wages.

(B) If an employer fails to provide an employee a rest period in accordance with the applicable provisions of this order, the employer shall pay the employee one (1) hour of pay at the employee’s regular rate of compensation for each workday that the rest period is not provided

143. Premium pay for denied lawful meal or rest periods is considered a “wage” rather than a penalty. *See Murphy v. Kenneth Cole Prods., Inc.* (2007) 40 Cal. 4th 1094, 1114.

144. Specifically, Plaintiffs seek to recover civil penalties pursuant to the PAGA that arise from the policies, practices, and business acts of Defendants to the extent provided by law as a Representative Action, including reasonable attorneys’ fees and costs, and underpayment of wages as permitted by Labor Code section 558, as a separate penalty provided by the PAGA statute.

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1           145. Defendants’ conduct throughout the applicable statutory period, as alleged in  
2 more detail herein, violates the aforementioned regulations because Defendants failed to  
3 properly provide Plaintiffs and other aggrieved non-exempt employees lawful unpaid, off-duty  
4 30-minute meal periods and paid, off-duty 10-minute rest periods, free from management  
5 control, as well as the corresponding required premium pay wages for denied rest periods.

6           146. As alleged in more detail above, Defendants denied Plaintiffs and other  
7 aggrieved non-exempt employees lawful meal and rest periods throughout the applicable  
8 statutory period. Even when they were provided rest periods of some form during the  
9 applicable statutory period, those rest periods were unpaid. Since the aggrieved employees  
10 were paid at a piece-rate or by-the-mile rate, Defendants failed to comply with paid 10-minute  
11 break periods, at least paying minimum wage or a regular rate of compensation in lieu thereof.  
12 Defendants’ pay policy was a direct violation of *Bluford v. Safeway Inc.* (2013) 216  
13 Cal.App.4th 864.

14           147. Additionally, Defendants denied Plaintiffs and other aggrieved non-exempt  
15 employees lawful meal and rest periods throughout the applicable statutory period. Defendants  
16 failed to authorize and permit aggrieved employees to take 30-minute meal periods and 10  
17 minute rest periods in which the employee is permitted to spend the entirety of the meal or rest  
18 period free from employer control as mandated under *Augustus v. ABM Security Services,*  
19 *Inc.* (2016) 2 Cal.5th 257.

20           148. Further, Defendants denied Plaintiffs and other aggrieved non-exempt  
21 employees lawful 30 minute meal periods because Defendant maintains control of employees  
22 for a portion of their 30 minute meal periods, denying them a full 30 minute meal period as  
23 required under Industrial Welfare Commission Wage Order, 9-2001 section 11, in violation of  
24 *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 267-268

25           149. Plaintiffs are informed and believe, and based thereon allege, that all other  
26 aggrieved non-exempt employees have substantially similar job responsibilities.

27           150. Relatedly, despite failing to provide Plaintiffs and other aggrieved non-exempt  
28 employees lawful meal and paid rest periods throughout the applicable statutory period,

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1 Defendants also systematically denied Plaintiffs and other aggrieved non-exempt employees  
2 proper premium pay at the rate of one hour of pay at their regular pay rates for each workday  
3 they were denied an off-duty meal period or paid, off-duty 10-minute rest period.

4 151. As such, Defendants are liable for PAGA penalties resulting from their failure  
5 to provide Plaintiffs and other aggrieved non-exempt employees lawful meal and rest periods  
6 and the corresponding rest period premium pay. Accordingly, Plaintiffs are entitled to recover,  
7 and hereby seeks through this Representative Action, all civil penalties provided by California  
8 Labor Code sections 226.7, 512 and 558, as well as attorneys’ fees and costs pursuant to  
9 California Labor Code section 2699(g)(1).

10 152. Aggrieved employees can recover penalties for denied meal and rest periods  
11 under the PAGA, as the civil penalty under California Labor Code section 558 applies to “any  
12 provision regulating hours and days of work in any order” of the IWC, including the meal and  
13 rest period requirement. *See Thurman v. Bayshore Transit Mgmt., Inc.* (2012) 203 Cal. App.  
14 4th 1112, 1153.

15 153. Plaintiffs have fully complied with procedures specified in Labor Code section  
16 2699.3.

17 **EIGHTH CAUSE OF ACTION**  
18 **CIVIL PENALTIES UNDER THE PAGA FOR FAILURE TO PROVIDE ACCURATE**  
19 **ITEMIZED WAGE STATEMENTS & KEEP ACCURATE PAYROLL RECORDS**  
20 **(Cal. Lab. Code §§ 226(a), 226.3; Cal. Code Regs. tit. 8, § 11090)**  
21 **(On behalf of Plaintiffs and current and former aggrieved employees as against all**  
22 **Defendants)**

23 154. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
24 though fully set forth herein.

25 155. Plaintiffs seek civil penalties against Defendants for failure to provide Plaintiffs  
26 and other aggrieved non-exempt employees accurate itemized wage statements during the  
27 applicable statutory period.

28 156. California Labor Code section 226 provides in pertinent part:

(a) Every employer shall, semimonthly or at the time of each payment of wages, furnish each of his or her employees, either as a detachable part of the check, draft, or voucher paying the employee's wages, or

1 separately when wages are paid by personal check or cash, an accurate  
 2 itemized statement in writing showing (1) gross wages earned, (2) total  
 3 hours worked by the employee, except for any employee whose  
 4 compensation is solely based on a salary and who is exempt from  
 5 payment of overtime under subdivision (a) of Section 515 or any  
 6 applicable order of the Industrial Welfare Commission, (3) the number  
 7 of piece-rate units earned and any applicable piece rate if the employee is  
 8 paid on a piece-rate basis, (4) all deductions, provided that all deductions  
 9 made on written orders of the employee may be aggregated and shown as  
 10 one item, (5) net wages earned, (6) the inclusive dates of the period for  
 11 which the employee is paid, (7) the name of the employee and only the  
 12 last four digits of his or her social security number or an employee  
 13 identification number other than a social security number, (8) the name  
 14 and address of the legal entity that is the employer and, if the employer is  
 15 a farm labor contractor, as defined in subdivision (b) of Section 1682, the  
 16 name and address of the legal entity that secured the services of the  
 17 employer, and (9) all applicable hourly rates in effect during the pay  
 18 period and the corresponding number of hours worked at each hourly  
 19 rate by the employee . . . .

12 157. Similarly, Section 7(B) of IWC Wage Order No. 9-2001 provides: “Every  
 13 employer shall semimonthly or at the time of each payment of wages furnish each employee,  
 14 either as a detachable part of the check, draft, or voucher paying the employee’s wages, or  
 15 separately, an itemized statement in writing showing: (1) all deductions; (2) the inclusive dates  
 16 of the period for which the employee is paid; (3) the name of the employee or the employee's  
 17 social security number; and (4) the name of the employer, provided all deductions made on  
 18 written orders of the employee may be aggregated and shown as one item.”

19 158. As alleged in more detail above, Defendants violated the above statutes by  
 20 failing to provide Plaintiffs and other aggrieved non-exempt employees accurate itemized  
 21 wage statements during the applicable statutory period, which accurately accounted for all  
 22 hours worked and premium pay owed. The wage statements provided to Plaintiff and other  
 23 aggrieved non-exempt employees fail to accurately reflect all overtime hours worked,  
 24 overtime hourly rates, and/or actual gross wages and net wages earned, for the reasons detailed  
 25 herein. Additionally, Defendants also failed to account for premium wages owed as a result of  
 26 denying Plaintiffs and other aggrieved non-exempt employees lawful meal and rest periods, as  
 27 alleged above.

28 159. California Labor Code section 226.3 provides:

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1 Any employer who violates subdivision (a) of Section 226 shall be  
2 subject to a civil penalty in the amount of two hundred fifty dollars  
3 (\$250) per employee per violation in an initial citation and one thousand  
4 dollars (\$1,000) per employee for each violation in a subsequent citation,  
5 for which the employer fails to provide the employee a wage deduction  
6 statement or fails to keep the records required in subdivision (a) of  
7 Section 226. The civil penalties provided for in this section are in  
8 addition to any other penalty provided by law. In enforcing this section,  
9 the Labor Commissioner shall take into consideration whether the  
10 violation was inadvertent, and in his or her discretion, may decide not to  
11 penalize an employer for a first violation when that violation was due to  
12 a clerical error or inadvertent mistake.

13 160. Plaintiffs also seek civil penalties against Defendants for failure to maintain  
14 accurate payroll records during the applicable statutory period.

15 161. California Labor Code section 1174 provides in pertinent part: "Every person  
16 employing labor in this state shall . . . . (d) Keep, at a central location in the state or at the  
17 plants or establishments at which employees are employed, payroll records showing the hours  
18 worked daily by and the wages paid to, and the number of piece-rate units earned by and any  
19 applicable piece rate paid to, employees employed at the respective plants or establishments.  
20 These records shall be kept in accordance with rules established for this purpose by the  
21 commission, but in any case, shall be kept on file for not less than three years."

22 162. Similarly, Sections 7(A) and (C) of IWC Wage Order No. 9-2001 provide:

23 (A) Every employer shall keep accurate information with respect to each  
24 employee including the following:

- 25 (1) Full name, home address, occupation and social security number.
- 26 (2) Birth date, if under 18 years, and designation as a minor.
- 27 (3) Time records showing when the employee begins and ends each  
28 work period. Meal periods, split shift intervals and total daily hours  
worked shall also be recorded. Meal periods during which operations  
cease and authorized rest periods need not be recorded.
- (4) Total wages paid each payroll period, including value of board,  
lodging, or other compensation actually furnished to the employee.
- (5) Total hours worked in the payroll period and applicable rates of  
pay. This information shall be made readily available to the  
employee upon reasonable request.
- (6) When a piece rate or incentive plan is in operation, piece rates or  
an explanation of the incentive plan formula shall be provided to  
employees. An accurate production record shall be maintained by the

1 employer.

2 ...

3 (C) All required records shall be in the English language and in ink or  
4 other indelible form, properly dated, showing month, day and year, and  
5 shall be kept on file by the employer for at least three years at the place  
6 of employment or at a central location within the State of California. An  
employee's records shall be available for inspection by the employee  
upon reasonable request.

7 163. California Labor Code section 1174.5 provides: “Any person employing labor  
8 who willfully fails to maintain the records required by subdivision (c) of Section 1174 or  
9 accurate and complete records required by subdivision (d) of Section 1174 . . . shall be subject  
10 to a civil penalty of five hundred dollars (\$500).”

11 164. Specifically, Plaintiffs seek to recover civil penalties pursuant to the PAGA that  
12 arise from the policies, practices and business acts of Defendants to the extent provided by law  
13 as a Representative Action, including reasonable attorneys’ fees and costs, and underpayment  
14 of wages as permitted by Labor Code section 558, as a separate penalty provided by the  
15 PAGA statute.

16 165. As alleged in more detail above, Defendants violated the above statutes by  
17 failing to maintain accurate payroll records showing the hours worked daily by, and the wages  
18 paid to, Plaintiffs and other aggrieved non-exempt employees. Defendants’ payroll records  
19 pertaining to Plaintiffs and other aggrieved non-exempt employees fail to accurately reflect all  
20 overtime hours worked, overtime hourly rates, actual gross wages and net wages earned, and  
21 premium wages owed for denied lawful rest periods.

22 166. As such, Defendants are liable for PAGA penalties resulting from their failure  
23 to provide Plaintiffs and other aggrieved hourly employee accurate itemized wages statements  
24 during the applicable statutory period. Accordingly, Plaintiffs are entitled to recover, and  
25 hereby seeks through this representative action, all civil penalties provided by California  
26 Labor Code sections 226 and 226.3, as well as attorneys’ fees and costs pursuant to California  
27 Labor Code section 2699(g)(1).

28 167. Plaintiffs have fully complied with procedures specified in Labor Code section

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1 2699.3.

2 **NINTH CAUSE OF ACTION**  
3 **CIVIL PENALTIES UNDER THE PAGA FOR FAILURE TO TIMELY PAY**  
4 **WAGES OWED**  
5 **(Cal. Lab. Code §§ 201-204, 210, 558, 2926, 2927; Cal. Code Regs. tit. 8, § 11090)**  
6 **(On behalf of Plaintiff and current and former aggrieved employees as against all**  
7 **Defendants)**

8 168. Plaintiffs hereby incorporates all preceding paragraphs of this Complaint as  
9 though fully set forth herein.

10 169. Plaintiffs seek civil penalties against Defendants for their failure to timely pay  
11 Plaintiffs and other aggrieved non-exempt employees all wages owed during the applicable  
12 statutory period.

13 170. Pursuant to California Labor Code section 2926, “[a]n employee who is not  
14 employed for a specified term and who is dismissed by his employer is entitled to  
15 compensation for services rendered up to the time of such dismissal.”

16 171. Pursuant to California Labor Code section 2927, “[a]n employee who is not  
17 employed for a specified term and who quits the service of his employer is entitled to  
18 compensation for services rendered up to the time of such quitting.”

19 172. Pursuant to California Labor Code section 201, “[i]f an employer discharges an  
20 employee the wages earned and unpaid at the time of discharge are due and payable  
21 immediately.”

22 173. California Labor Code section 202 provides: “If an employee not having a  
23 written contract for a definite period quits his or her employment, his or her wages shall  
24 become due and payable not later than 72 hours thereafter, unless the employee has given 72  
25 hours previous notice of his or her intention to quit, in which case the employee is entitled to  
26 his or her wages at the time of quitting.”

27 174. California Labor Code section 203(a) provides:

28 If an employer willfully fails to pay, without abatement or reduction, in  
accordance with Sections 201, 201.3, 201.5, 202, and 205.5, any wages  
of an employee who is discharged or who quits, the wages of the  
employee shall continue as a penalty from the due date thereof at the  
same rate until paid or until an action therefor is commenced; but the

1 wages shall not continue for more than 30 days. An employee who  
2 secretes or absents himself or herself to avoid payment to him or her, or  
3 who refuses to receive the payment when fully tendered to him or her,  
4 including any penalty then accrued under this section, is not entitled to  
any benefit under this section for the time during which he or she so  
avoids payment.

5 175. California Labor Code section 204 provides:

6 (a) All wages, other than those mentioned in Section 201, 201.3, 202,  
7 204.1, or 204.2, earned by any person in any employment are due and  
8 payable twice during each calendar month, on days designated in  
9 advance by the employer as the regular paydays. Labor performed  
10 between the 1st and 15th days, inclusive, of any calendar month shall be  
11 paid for between the 16th and the 26th day of the month during which  
the labor was performed, and labor performed between the 16th and the  
last day, inclusive, of any calendar month, shall be paid for between the  
1st and 10th day of the following month.

12 176. California Labor Code section 210 provides:

13 (a) In addition to, and entirely independent and apart from, any other  
14 penalty provided in this article, every person who fails to pay the wages  
15 of each employee as provided in Sections 201.3, 204, 204b, 204.1, 204.2,  
205, 205.5, and 1197.5, shall be subject to a civil penalty as follows:

16 (1) For any initial violation, one hundred dollars (\$100) for each  
failure to pay each employee.

17 (2) For each subsequent violation, or any willful or intentional  
18 violation, two hundred dollars (\$200) for each failure to pay each  
employee, plus 25 percent of the amount unlawfully withheld.

19 (b) The penalty shall be recovered by the Labor Commissioner as part of  
20 a hearing held to recover unpaid wages and penalties pursuant to this  
21 chapter or in an independent civil action. The action shall be brought in  
22 the name of the people of the State of California and the Labor  
23 Commissioner and the attorneys thereof may proceed and act for and on  
24 behalf of the people in bringing these actions. Twelve and one-half  
percent of the penalty recovered shall be paid into a fund within the  
Labor and Workforce Development Agency dedicated to educating  
employers about state labor laws, and the remainder shall be paid into  
the State Treasury to the credit of the General Fund.

25 177. Section 20 of IWC Order No. 9-2001 provides in pertinent part:

26 (A) In addition to any other civil penalties provided by law, any  
27 employer or any other person acting on behalf of the employer who  
28 violates, or causes to be violated, the provisions of this order, shall be  
subject to the civil penalty of:

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(1) Initial Violation — \$50.00 for each underpaid employee for each pay period during which the employee was underpaid in addition to the amount which is sufficient to recover unpaid wages.

(2) Subsequent Violations — \$100.00 for each underpaid employee for each pay period during which the employee was underpaid in addition to an amount which is sufficient to recover unpaid wages.

(3) The affected employee shall receive payment of all wages recovered.

178. Specifically, Plaintiffs seek to recover civil penalties pursuant to the PAGA that arise from the policies, practices and business acts of Defendants to the extent provided by law as a Representative Action, including reasonable attorneys’ fees and costs, and underpayment of wages as permitted by Labor Code section 558, as a separate civil penalty provided by the PAGA statute.

179. Defendants violated the above statutes by failing to promptly pay Plaintiffs and other aggrieved non-exempt employees all earned wages due each and every pay period, as well as immediately upon termination and/or within 72 hours upon resignation.

180. During the applicable statutory period, Defendants violated, and continue to violate, California Labor Code section 204 and Section 20 of IWC Wage Order No. 9-2001 by failing to compensate Plaintiffs and other aggrieved hourly employee overtime premium wages for overtime hours worked, premium pay for denied meal and rest periods (wages), and other wages due to Plaintiffs and other aggrieved non-exempt employees each pay period, as alleged in more detail herein.

181. Further, Defendants violated, and continue to violate, California Labor Code sections 201, 202, 2926, and 2927 by failing to compensate employees (including Plaintiffs and other aggrieved non-exempt employees no longer working for Defendants) for services rendered up to the time of dismissal or quitting.

182. As such, Defendants are liable for PAGA penalties resulting from their failure to timely pay Plaintiffs and other aggrieved non-exempt employees all wages owed each and every pay period, and upon cessation of employment. Accordingly, Plaintiffs are entitled to recover, and hereby seeks through this Representative Action, all civil penalties provided by California Labor Code sections 210 and 558, and IWC Order No. 9-2002, section 20, as well



1 as attorneys’ fees and costs pursuant to California Labor Code section 2699(g)(1).

2 183. Plaintiffs have fully complied with procedures specified in Labor Code section  
3 2699.3.

4 **TENTH CAUSE OF ACTION**  
5 **FAILURE TO PAY OVERTIME WAGES FOR ALL HOURS WORKED**  
6 **(Cal. Labor Code § 510; IWC Wage Order 9, § 3)**  
7 **(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

8 184. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
9 though fully set forth herein.

10 185. Labor code section 510 provides in pertinent part: (a) Eight hours of labor  
11 constitutes a day’s work. Any work in excess of eight hours in one workday and any work in  
12 excess of 40 hours in any one workweek and the first eight hours worked on the seventh day  
13 of work in any one workweek shall be compensated at the rate of no less than one and one-half  
14 times the regular rate of pay for an employee.

15 186. During the Relevant Time Period, Plaintiff SNOW and Piece-Rate Class  
16 members were employed by Defendants as over-the-road drivers and were paid a per-mileage  
17 rate for each mileage driven for at least part of their compensation.

18 187. During the Relevant Time Period, Defendants required Plaintiff SNOW and  
19 Piece-Rate Class members to perform work in addition to driving without paying for all  
20 “hours worked” and resulted in Plaintiff SNOW and Piece-Rate Class members earning less  
21 than the applicable California minimum hourly wage for each hour worked.

22 188. Specifically, Defendants maintained and continue to maintain a practice of  
23 refusing to compensate Piece-Rate Class members for time spent not driving, including but not  
24 limited to, fueling vehicles, waiting for the loading and unloading of trailers, moving products  
25 for customers, performing pre- and post-trip inspections, adjusting equipment, checking brakes  
26 and trailers, securing loads, and completing paperwork. The flat rate compensation Defendants  
27 provided did not equate to at least minimum wage for each hour worked.

28 189. During the Relevant Time Period, Plaintiff ORTEGA and Hourly Class  
members were employed by Defendants as hourly employees and were paid an hourly rate for

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1 their compensation.

2 190. During the Relevant Time Period, Defendants maintained control over Plaintiff  
3 ORTEGA and Hourly Class members while clocked out without paying for all “hours  
4 worked” and resulted in Plaintiff ORTEGA and Hourly Class members earning less than the  
5 applicable California minimum hourly wage for each hour worked.

6 191. Specifically, Defendants maintained and continue to maintain a practice of  
7 refusing to compensate Hourly Class members for time spent under Defendant compensable  
8 control, including but not limited to, time spent entering the warehouse at the start of the day,  
9 waiting at the time clock to clock in, exiting the facility after clocking out, and other time  
10 subject to employer control. Thus, the compensation Defendants provided did not equate to at  
11 least minimum wage for each hour worked.

12 192. Plaintiffs and Class members regularly worked over 8 hours per day and over  
13 40 hours per week, entitling them to overtime under Labor Code section 510. By failing to  
14 sufficiently compensate Plaintiffs and other Class members for all hours worked, including  
15 time spent entering the warehouse at the start of the day, waiting at the time clock to clock in,  
16 exiting the facility after clocking out, and other time subject to employer control, during shifts  
17 of over 8 hours and weeks in which Plaintiffs and Class members worked over 40 hours,  
18 Defendants violated Labor Code section 510.

19 193. Labor Code section 1194(a) provides: “(a) Notwithstanding any agreement to  
20 work for a lesser wage, any employee receiving less than the legal minimum wage or the legal  
21 overtime compensation applicable to the employee is entitled to recover in a civil action the  
22 unpaid balance of the full amount of this minimum wage or overtime compensation, including  
23 interest thereon, reasonable attorney’s fees, and costs of suit.

24 194. As a result of Defendants’ wrongful conduct, Plaintiffs and Class members  
25 have been damaged in amounts to be proven at trial. Plaintiffs, on behalf of themselves and  
26 Class members, seeks recovery of all unpaid wages, including unpaid overtime wages,  
27 liquidated damages, interest, attorneys’ fees and costs of suit, pursuant to Labor Code sections  
28 1194 and 1194.2, against Defendants in an amount to be proven at trial.

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1                                    **ELEVENTH CAUSE OF ACTION**  
2                                    **FAILURE TO PROVIDE MANDATED MEAL PERIODS**  
3                                    **OR TO PAY ADDITIONAL WAGES IN LIEU THEREOF**  
4                                    **(Cal. Labor Code §§ 226.7, 510, 558; IWC Wage Order 9, § 11)**  
5                                    **(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

6                                    195. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
7 though fully set forth herein.

8                                    196. IWC Wage Order 9, section 11(A) mandates that employees be provided with a  
9 meal period of no less than thirty (30) before the employee end their fifth hour of work.  
10 Authorized meal period time shall be not counted as hours worked.

11                                    197. Labor Code section 226.7(b) provides that no employer shall require an  
12 employee to work during any mandated meal period.

13                                    198. Pursuant to Labor Code section 226.7(c) and IWC Wage Order 9, section  
14 11(D), an employee is entitled to one additional hour of pay at the employees’ regular rate of  
15 pay for each work day that the meal period was not provided.

16                                    199. On information and belief, and at all times relevant, Plaintiffs allege that they  
17 and Class members were denied the required thirty (30)-minute meal periods to be provided  
18 prior to the end of the fifth hour of work, and that Defendants further failed to provide  
19 compensation in lieu of meal periods not provided.

20                                    200. Specifically, Defendants and each of them, failed to authorize and permit full  
21 30 minute meal periods because Defendant maintains control of Class members for a portion  
22 of their 30 minute meal periods, denying them a full 30 minute meal period as required under  
23 Industrial Welfare Commission Wage Order, 9-2001 section 11, in violation of *Augustus v.*  
24 *ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 267-268.

25                                    201. Defendants did not permit or authorize Plaintiffs Hourly Class members to take  
26 meal periods in accordance with California law by not offering 30 minute meal periods as  
27 required by *Augustus*.

28                                    202. By their failure to provide Plaintiffs and Class members with meal periods as  
required by California law, and failing to pay one hour of additional wages in lieu of each  
meal period not provided, Defendants willfully violated Labor Code sections 226.7, 510, and

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1 IWC Wage Order 9, section 11. Accordingly, Defendants are liable for one hour of additional  
2 wages at the employee’s regular rate of compensation for each work day that a meal period  
3 was not lawfully provided.

4 203. As a result of Defendants’ unlawful acts, Plaintiffs and Class members have  
5 been deprived of additional wages in amounts to be proven at trial, and are entitled to recover  
6 such amounts, plus interest and penalties thereon, attorneys’ fees and costs of suit.

7 204. Defendants are also liable to Plaintiffs and Class members for the civil  
8 penalties provided for in Labor Code section 558 because of the violations alleged in this  
9 claim for relief.

10 205. Further, after the employment of Plaintiffs and other members of the Classes  
11 ended, Defendants never paid them all wages due to them (as defined by applicable California  
12 law) because these employees were never paid any of the additional hours of wages with  
13 respect to meal periods described above in this paragraph. Defendants’ failure to pay said  
14 additional hours of wages after these employees’ employment ended was willful within the  
15 meaning of Labor Code section 203. Therefore, under Labor Code section 203, as additional  
16 relief and continuation of wages for failure to comply with the meal period laws, each of these  
17 employees is entitled to one day’s wages, at the regular rate, for each day following the time  
18 periods in Labor Code sections 201 or 202, up to a maximum of 30 days’ wages for each  
19 employee. Because none of these employees were ever paid the additional hours of wages with  
20 respect to meal periods described above in this paragraph, each of these employees is entitled  
21 to 30 days’ additional wages

22 **TWELFTH CAUSE OF ACTION**  
23 **VIOLATION OF THE CALIFORNIA WARN ACT**  
24 **(Cal. Labor Code §§ 1400, et seq.)**

25 **(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

26 206. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
27 though fully set forth herein.

28 207. The California WARN Act, California Labor Code § 1400 et seq., requires  
employers at a “covered establishment” (75 or more employees) give 60 days’ notice before a

1 mass layoff (of 50 or more employees), a relocation, or a cessation of doing business.  
2 Employers must give notice not only to employees, but also to the relevant California  
3 government agency, the Employment Development Department. (See Lab. Code § 1401(a).)

4 208. If any employer fails to give notice of a mass layoff, relocation, or cessation of  
5 business, its employees are entitled to recover up to 60 days of wages, at the average regular  
6 rate of pay, and the value of any employment benefits that the employee would have been  
7 entitled had his or her employment not been lost, including cost of any medical expenses  
8 under a health insurance plan or matching contributions to a 410(k) retirement plan. (See §  
9 Lab. Code § 1402.)

10 209. At all relevant times, Plaintiff GERMANY and the WARN Class were  
11 “employees” of Defendants within the meaning of California Labor Code § 1400(h).

12 210. At all relevant times, Defendants were an “employer” within the meaning of  
13 Labor Code § 1400(b) and/or joint employers or successors liable for the violations.

14 211. Defendants owned or operated covered establishments at Defendants’  
15 California locations. Upon information and belief, Defendants employed 75 or more people at  
16 its covered establishment.

17 212. Plaintiff GERMANY and the WARN Class were subject to a mass reduction in  
18 force, or “mass layoff” by Defendants within the meaning of Labor Code §§ 1400(c) and (d) in  
19 that each was subjected to a separation from employment for lack of funds or lack of work,  
20 and Defendants laid off 50 or more employees during a 30-day period at its covered  
21 establishments.

22 213. Plaintiff GERMANY and the WARN Class were subject to a “termination” by  
23 Defendants when Defendants ceased operations at its covered establishments.

24 214. Defendants did not provide Plaintiff GERMANY and the WARN Class written  
25 notice of the “mass layoff” or “termination” 60 days in advance of the “mass layoff” or  
26 “termination.”

27 215. Defendants’ actions constituted a “mass layoff” or “termination” without  
28 written notice to Plaintiff GERMANY and the WARN Class 60 days in advance, thereby

1 depriving Plaintiff and the WARN Class of the notice required by the WARN Act.

2 216. Additionally, Defendants did not sufficiently notify the State of California,  
3 Employment Development Department in advance of the “mass layoff” or “termination.”

4 217. Pursuant to Labor Code § 1403, and in addition to the remedies available in  
5 Labor Code § 1402 stated above.

6 218. Pursuant to Labor Code § 1404, Plaintiff GERMANY and members of the  
7 WARN Class are entitled to recover reasonable attorneys’ fees and costs.

8 219. As a result of the unlawful acts of Defendants, Plaintiff GERMANY and the  
9 WARN Class Members have been deprived of wages and benefits in amounts to be  
10 determined at trial, and are entitled to recovery of such amounts, plus interest and penalties  
11 thereon, attorneys’ fees, and costs.

12 **THIRTEENTH CAUSE OF ACTION**  
13 **VIOLATION OF THE FEDERAL WARN ACT**  
14 **(29 U.S.C. §§ 2101 et seq.)**

15 **(On behalf of Plaintiffs and Represented Employees as against all Defendants)**

16 220. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
17 though fully set forth herein.

18 221. The Federal WARN Act, 29 U.S.C. § 2101 et seq., requires employers to give  
19 60 days’ notice before a plant closing or mass layoff involving 50 or more employees and 33  
20 percent of the employees at a single site of employment. Employers must give notice not only  
21 to employees but also to the relevant local government agency. (See 29 U.S.C. § 2102(a).)

22 222. If any employer fails to give notice of a plant closing or mass layoff, its  
23 employees are entitled to recover up to 60 days of wages, at the average regular rate of pay,  
24 and the value of any employment benefits that the employee would have been entitled had his  
25 or her employment not been lost, including cost of any medical expenses under a health  
26 insurance plan or matching contributions to a 410(k) retirement plan. (See 29 U.S.C. §  
27 2104(a)(1).)

28 223. At all relevant times, Defendants were an “employer” of WARN Class  
members within the meaning of 29 U.S.C. § 2101(a)(1) and/or joint employers or successors

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1 liable for the violations.

2 224. Defendants owned or operated covered establishments at Defendants’  
3 California locations. Upon information and belief, Defendants employed 100 or more people.

4 225. Plaintiff GERMANY and the WARN Class were subject to a mass reduction in  
5 force, or “mass layoff” by Defendants within the meaning of 29 U.S.C. § 2101(a)(3) in that  
6 Defendants laid off 50 or more employees and 33 percent or more of its employees at a single  
7 site of employment during a 30-day period at its covered establishments, resulting in an  
8 “employment loss” by the terminated employees.

9 226. Defendants did not provide Plaintiff GERMANY and the WARN Class written  
10 notice of the “mass layoff” or “termination” 60 days in advance of the “mass layoff” or  
11 “termination.”

12 227. Defendants’ actions constituted a “mass layoff” without written notice to  
13 Plaintiff GERMANY and the WARN Class 60 days in advance, thereby depriving Plaintiff  
14 GERMANY and the WARN Class of the notice required by the Federal WARN Act.

15 228. Additionally, Defendants did not sufficiently notify relevant state and local  
16 entities designated by the state and the chief elected official of the unit of local government  
17 within which the closing or layoff was to occur.

18 229. As a result of the unlawful acts of Defendants, Plaintiff GERMANY and the  
19 WARN Class Members have been deprived of wages and benefits in amounts to be  
20 determined at trial, and are entitled to recovery of such amounts, interest and penalties thereon,  
21 attorneys’ fees, and costs pursuant to 29 U.S.C. § 2104.

22 **FOURTEENTH CAUSE OF ACTION**  
23 **CIVIL PENALTIES UNDER THE PAGA FOR FAILURE TO PROVIDE WARNING**  
24 **PRIOR TO MASS LAYOFF**  
25 **(Cal. Labor Code §§ 1400, 2699(f)(2))**  
26 **(On behalf of Plaintiffs and current and former aggrieved employees as against all**  
27 **Defendants)**

28 230. Plaintiffs hereby incorporate all preceding paragraphs of this Complaint as  
though fully set forth herein.

231. As a result of the acts alleged above, Plaintiff GERMANY seeks penalties

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1 under Labor Code § 2699, *et seq.* because of Defendants’ violation of Labor Code § 1400, *et*  
2 *seq.*, which calls for civil penalties.

3 232. For each violation, Plaintiff GERMANY and the aggrieved employees are  
4 entitled to penalties in an amount to be shown at trial, subject to the following formula:

5 \$100 for the initial violation per employee per pay period.

6 \$200 for each subsequent violation per employee per pay period.

7 233. These penalties shall be allocated seventy-five percent (75%) to the Labor and  
8 Workforce Development Agency (LWDA) and twenty-five percent (25%) to the aggrieved  
9 employees.

10 234. Pursuant to Labor Code § 2699.3(a)(1), Plaintiff GERMANY uploaded a notice  
11 letter to the LWDA and mailed a letter by certified mail to Defendants WATKINS AND  
12 SHEPARD TRUCKING, INC. and SCHNEIDER NATIONAL CARRIERS, INC., as required  
13 by PAGA on October 7, 2019, describing Defendants’ conduct.

14 235. Plaintiff GERMANY also obtained an e-filing confirmation from the LWDA  
15 confirming receipt of the notice and certified green return receipts from Defendants  
16 establishing that it also received Plaintiff’s notice. As no letter evidencing the LWDA’s  
17 intention to investigate was received by Plaintiff GERMANY’s Counsel within sixty-five (65)  
18 calendar days of October 7, 2019, Plaintiff GERMANY is entitled to commence a civil action  
19 as though the LWDA has chosen not to investigate pursuant to Labor Code § 2699.3(a)(2)(A).

20 **PRAYER FOR RELIEF**

21 Plaintiffs, on behalf of themselves and all others similarly situated, and as a  
22 representative on behalf of the State of California’s Labor and Workforce Development  
23 Agency (“LWDA”), prays for damages, restitution, civil penalties, and all other proper relief  
24 and judgment against all Defendants, jointly and severally, as follows:

- 25 a. That the matter be certified as a class action pursuant to California Code of
- 26 Civil Procedure section 382 and applicable California Rules of Court;
- 27 b. That Plaintiffs be appointed as Class Representatives and as a Representatives
- 28 of the California LWDA pursuant to the PAGA;



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- c. That counsel for Plaintiffs be appointed Class Counsel and be counsel for the California LWDA absent intervention by the State of California in relation to the PAGA civil penalties claims;
- d. As to the First Cause of Action: To pay all minimum and regular wages for all hours worked as required by law in an amount according to proof;
- e. As to the Second Cause of Action: To pay minimum and regular wages for all rest periods and to pay rest period premiums for failure to provide paid 10-minute rest periods as required by law and the decisions in *Bluford v. Safeway Inc.* (2013) 216 Cal.App.4th 864 and *Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, in an amount according to proof;
- f. As to the Third Cause of Action: For penalty wages of 30-days’ pay pursuant to Labor Code section 203 related to Defendants’ failure to timely pay all wages due to Plaintiffs and all other terminated or separated Class Members, distributed in a fair and equitable manner in an amount according to proof;
- g. On the Fourth Cause of Action: For statutory penalties under Labor Code sections 226(e) and (g) related to Defendants’ failure to provide accurate wage statements to the extent provided by law, up to a maximum of \$4,000.00 per Class Member, distributed in a fair and equitable manner in an amount in an amount according to proof;
- h. On the Fifth Cause of Action: For restitution of wages due to Class Members pursuant to Business & Professions Code sections 17200, *et seq.*, distributed in a fair and equitable manner in an amount according to proof and an injunction compelling Defendants to meet their obligation henceforth to properly pay minimum wage, overtime, to pay meal and rest period premiums, for rest periods and to pay rest period premiums;
- i. On the Sixth Cause of Action: For recovery of all civil penalties for unpaid minimum and regular wages and overtime premium pay for the applicable statutory period as permitted by Labor Code sections 225.5, 558(a)(3), 2699.3,

1 and 1194.2-1197.1, to be distributed in the manner provided by Labor Code  
2 section 2699(i) with 75% of recovery to the LWDA and 25% of the recovery to  
3 the aggrieved employees in an amount according to proof and subject to  
4 approval by the Court;

5 j. On the Seventh Cause of Action: For recovery of all civil penalties as permitted  
6 by Labor Code sections 226.7, 558(a)(3), and 2699.3 for meal periods and  
7 unpaid rest periods and failure to pay one-hour “premiums” to Plaintiffs and  
8 other aggrieved employees to be distributed in the manner provided by Labor  
9 Code section 2699(i) with 75% of recovery to the LWDA and 25% of the  
10 recovery to the aggrieved employees in an amount according to proof and  
11 subject to approval by the Court;

12 k. On the Eighth Cause of Action: recovery of all civil penalties as permitted by  
13 Labor Code sections 226(a) and 226.3 for failing to provide accurate itemized  
14 wage statements, to be distributed in the manner provided by Labor Code  
15 section 2699(i) with 75% of recovery to the LWDA and 25% of the recovery to  
16 the aggrieved employees in an amount according to proof and subject to  
17 approval by the Court;

18 l. On the Ninth Cause of Action: For recovery of all civil penalties pursuant to  
19 Labor Code section 2699(f)(2) where a statutory civil penalty is not provided,  
20 for failing to comply with Labor Code sections 201-203, 210, and 1197, to be  
21 distributed in the manner provided by Labor Code section 2699(i) with 75% of  
22 recovery to the LWDA and 25% of the recovery to the aggrieved employees in  
23 an amount according to proof and subject to approval by the Court;

24 m. As to the Tenth Cause of Action: To pay all overtime wages for all hours  
25 worked as required by law in an amount according to proof;

26 n. As to the Eleventh Cause of Action: To pay meal period premiums for failure  
27 to provide 30-minute meal periods as required by law;

28 o. As to the Twelfth Cause of Action: For recovery of an amount equal to the sum

1 of all back pay, unpaid wages and other employee benefits for sixty (60) days  
2 following the employee’s termination that would have been covered and paid  
3 under the then applicable employee benefit plans had coverage continued for  
4 that period, in accordance with Labor Code § 1400 et seq.;

5 p. As to the Thirteenth Cause of Action: For recovery of an amount equal to the  
6 sum of all back pay, unpaid wages and other employee benefits for sixty (60)  
7 days following the employee’s termination that would have been covered and  
8 paid under the then applicable employee benefit plans had coverage continued  
9 for that period, in accordance with 29 U.S.C. § 2104;

10 q. As to the Fourteenth Cause of Action: For recovery of all civil penalties  
11 pursuant to Labor Code section 2699(f)(2) where a statutory civil penalty is not  
12 provided, for failing to comply with Labor Code section 1400 et seq., to be  
13 distributed in the manner provided by Labor Code section 2699(i) with 75% of  
14 recovery to the LWDA and 25% of the recovery to the aggrieved employees in  
15 an amount according to proof and subject to approval by the Court;

16 r. For reasonable attorneys’ fees and costs of suit to the extent permitted by Labor  
17 Code sections 218.5, 1194, 1404, 2699(g)(1), the Federal WARN Act and/or  
18 California Code of Civil Procedure section 1021.5, in an amount according to  
19 proof and subject to Court approval;

20 s. For Pre-and post-judgment interest at the legal rate of 10% in the State of  
21 California on readily calculable monies due to the extent provided by California  
22 law, in an amount according to proof;

23 t. For reasonable litigation costs, including costs of administration and  
24 accounting;

25 u. For the Court to otherwise determine the appropriate remedy to compensate  
26 each Plaintiff and Class Member and “aggrieved employee” as required to  
27 promote fairness and justice, including but not limited to establishing  
28 procedures for compensation, compensation amounts, and fluid recovery if

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appropriate; and

v. Any such other and further relief as this Court may deem necessary, just, and/or proper.

Dated: September 6, 2018

COHELAN KHOURY & SINGER

By: \_\_\_\_\_  
Kristina De La Rosa

Attorneys for Plaintiff Richard Snow, on behalf of himself and all others similarly situated and aggrieved employees

**DEMAND FOR JURY TRIAL**

Plaintiffs demand a jury trial of all claims triable as of right by jury.

Dated: September 6, 2018

COHELAN KHOURY & SINGER

By: \_\_\_\_\_  
Kristina De La Rosa

Attorneys for Plaintiff Richard Snow, on behalf of himself and all others similarly situated and aggrieved employees

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*Snow vs. Watkins and Shepard Trucking, Inc., et al.*  
San Bernardino Superior Court, State of California  
Case No. CIVDS1823509

*A court authorized this Notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or don't act.*

**NOTICE OF CLASS ACTION SETTLEMENT**

To: Individuals currently or formerly employed by *Watkins and Shepard Trucking, Inc.* as drivers who are or were paid on a “piece rate” and/or a “rate-per-mile” basis for work performed for *Watkins and Shepard Trucking, Inc.* while working in the State of California from September 7, 2014 through March 2, 2020 (the “Class Period”), (“Class Members”, or the “Class”)

IF YOU ARE A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE A PAYMENT FROM THE CLASS ACTION SETTLEMENT DESCRIBED IN THIS NOTICE, **WITHOUT THE NEED TO RETURN A CLAIM FORM**, PROVIDED THE ADMINISTRATOR HAS A CURRENT MAILING ADDRESS ON FILE FOR YOU.

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING</b>	To receive your Settlement Payment check, you don't need to do anything. Your payment will be automatically mailed to you after the Court grants final approval to the Settlement.
<b>CHANGE CONTACT AND ADDRESS INFORMATION</b>	Update your personal information to ensure your Settlement Payment check is mailed to the correct address. You may use the enclosed Change of Address form enclosed with this Notice or mail to the Administrator at the address shown in Paragraph 22 of this Notice.
<b>EXCLUDE YOURSELF</b>	You may exclude yourself (“opt out”) of the Settlement if you do not wish to participate in the Settlement. If you exclude yourself, you will not receive any payment under the Settlement. This is the only option which allows you to keep open the possibility of pursuing claims (in your own lawsuit) against Watkins and Shepard Trucking, Inc. for the same wrongs alleged in this case.
<b>OBJECT</b>	Write to the Court if you think the Settlement is not fair. You may also ask to speak in Court about why you think the Settlement is not fair. <b>NOTE:</b> If you ask to exclude yourself from the Settlement, you cannot also object.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **WATKINS AND SHEPARD TRUCKING, INC. WILL NOT RETALIATE IN ANY MANNER AGAINST ANY CLASS MEMBER RELATED TO THIS ACTION.**

**WHAT THIS NOTICE CONTAINS**

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**BASIC INFORMATION****1. Why did I get this Notice?**

You received this Notice because Watkins and Shepard Trucking, Inc. (“W&S”)’s records identify you as one of the individuals it employed as drivers who were paid on a “piece-rate” and/or “rate-per-mile” basis for work performed in California sometime during the period from September 7, 2014 through March 2, 2020. This settlement expressly excludes any individuals who, as of <DATE OF PRELIMINARY APPROVAL>, have filed their own separate action as a named plaintiff alleging the same or similar claims being released by the settlement and/or who has previously released all claims against Defendant being settled and released by this Settlement Agreement.

The purpose of this Notice is to explain the Action, the Settlement, your legal rights, what benefits are available, who is eligible to receive a Settlement Payment, and how to get a Settlement Payment.

The Court in charge of the case is the Superior Court of California, County of San Bernardino; the case is known as the *Snow v. Watkins and Shepard Trucking, Inc.*, Court Case No. CIVDS1823509.

**2. What is this Action about?**

A lawsuit was on filed September 7, 2018 by Plaintiff Richard Snow and later amended by a consolidated Complaint which formally consolidated related actions. In this particular lawsuit, *Snow v. Watkins and Shepard Trucking, Inc.*, Plaintiff claimed that all drivers employed by W&S and who were paid on a “piece-rate” and/or “rate-per-mile basis” failed to receive all minimum, regular and overtime wages in violation of California Labor Code §§204, 226.2, 510, 1194, 1197.1, 1198 and failed to be provided compliant meal and rest periods or compensation in lieu thereof in violation of Labor Code §§ 226.7, 512(a), 1198. Plaintiff also seeks derivative claims for W&S’s failure to provide accurate and itemized wage statements in violation of Labor Code § 226, 226.3, 1174, 1198, 2699; W&S’ failure to provide all wages due at the time of separation from employment in violation of Labor Code §§201, 202, 203, 204, 256, 1198, 2699; and seeks recovery of civil penalties for violation of the Private Attorneys General Act of 2004 (California Labor Code §§ 2698, *et seq.*), based on the alleged Labor Code violations. Based on these allegations, Plaintiff also seeks recovery of damages for unfair business practices in violation of Business & Professions Code §§ 17200, *et seq.*, (“Action”).

W&S has denied all allegations in the Action and contends it has complied with California law at all times. The Settlement is not an admission of any wrongdoing by W&S or an indication that any law was violated.

**3. Who are the Parties in this Action?**

Plaintiff Richard Snow was employed by W&S as an OTR or LTL truck driver in Fontana, California from August 2015 to February 2018, when his employment ended.

Defendant Watkins and Shepard Trucking, Inc. is a Montana Corporation and was engaged in the business of hauling and delivery of freight throughout the United States, including the state of California.

**4. Why is this a class action?**

In a class action, one or more people called Class Representatives (in this case, Richard Snow) sue on behalf of themselves and other people who they allege have similar claims. The group of people with allegedly similar claims is called a “class.” Each person receiving this notice is a “Class Member” for purposes of this

Settlement. If a Court certifies (or approves) a class, that one court resolves the issues for all Class Members except for those who exclude themselves from the Class and this Settlement.

**5. Who are the attorneys for the Plaintiff and Class?**

**COHELAN KHOURY & SINGER**  
 Isam C. Khoury / Michael Singer  
 Diana M. Khoury / Kristina De La Rosa  
 605 “C” Street, Suite 200  
 San Diego, California 92101-5305  
 Telephone: (619) 595-3001

**LEBE LAW, APC**  
 Jonathan M. Lebe (SBN 284605)  
 777 S. Alameda Street, Second Floor  
 Los Angeles, CA 90021  
 Telephone: (213) 358-7046

If you have questions regarding this Settlement, you should contact Counsel for Plaintiff and the Class or the Administrator. Do NOT contact the attorneys for W&S, its attorneys, supervisors, or managers.

**6. Why is there a Settlement?**

The Settlement is a compromise. The two sides disagree on how much money, if any, might have been awarded if the lawsuit went to trial. The Court did not find that W&S violated the law, nor did it decide in favor of Plaintiff Richard Snow. W&S denies all allegations of wrongdoing. There was no trial. Instead, both sides agreed to a no-fault settlement of the Action (“Settlement”). That way, they avoid the cost and risks of a trial and Class Members will get compensation from the Settlement. Plaintiff Richard Snow, the appointed Class Representative, and his attorneys think the Settlement is best for all Class Members.

**THE TERMS OF THE SETTLEMENT**

**7. What is the Settlement Amount?**

The proposed Settlement provides for a maximum payment of \$2,700,000.00 to fully and finally resolve all claims in the Action (referred to as the “Gross Settlement Amount” or “GSA”). Out of this amount, Class Counsel will apply to the Court for: (1) attorneys’ fees of up to \$900,000.00 (33-1/3 % of the GSA); (2) litigation costs estimated to be \$25,000.00; (3) a Class Representative service payment of \$10,000.00 to Plaintiff Richard Snow for his work and effort in prosecuting the Action, for undertaking the risks of payment of costs in the event of an unsuccessful outcome, and a general release of all claims; (4) Administration expenses estimated to be approximately \$xx,xxx to the Settlement Administrator, and (5) a payment to the California Labor Workforce and Development Agency, under California Labor Code’s Private Attorneys General Act of 2004 (“PAGA”) in the sum of \$22,500.00 (75% of \$30,000 PAGA Penalty), with the remaining \$7,500.00 (25% of the \$30,000 PAGA Penalty) distributed to PAGA Members to cover the government’s share of all applicable civil penalties implicated or raised by the allegations of the Action. The exact amount of the attorneys’ fees and litigation costs, Class Representative service payment, and Administration expenses will be determined by the Court at a Final Approval hearing. It is presently estimated that the remaining portion of the Settlement, the “Net Settlement Amount” or “NSA,” will be \$x,xxx,xxx. The Net Settlement Amount will be apportioned and paid entirely to all Class Members who do not request to be excluded from (or “opt out” of) the Settlement. **A claim form is not required.** Any portion of the Net Settlement Amount that would otherwise be paid to Class Members who opt out of the Settlement will be redistributed and paid to the Class Members who participate in the Settlement. In other words, the entire amount of the Net Settlement Amount will be paid to Class Members who do not opt out of the Settlement.

**8. How will the Settlement Payments be calculated?**



Class Members who worked at any time during the period from Class Period (as defined above), will receive a proportionate share of the Net Settlement Amount based on the number of Work Weeks worked at any time during the Class Period in relation to the aggregate number of Work Weeks worked by all Class Members during the Class Period.

**9. How much will my Settlement Payment be?**

The estimated amount of your Individual Settlement Payment is shown on the Employment Information Sheet, Page 10 of this Notice. It is based the number of Work Weeks you worked during the Class Period. The amount shown is an estimate. The actual amount you receive may be more or less than the estimated amount shown, depending on a number of factors including whether other Class Members request exclusion from the Settlement and how much the Court approves in attorneys' fees, litigation expenses, and other costs of suit.

**HOW TO GET A PAYMENT**

**10. How can I get my Settlement Payment?**

If you do nothing, once the Court approves the Settlement at a Final Approval hearing, your Individual Settlement Payment will be mailed to you automatically. You must, however, notify the Settlement Administrator of any change in your name and/or mailing address if the name and/or address to which this Notice was mailed is not correct. **It is your responsibility to keep the Administrator informed of any change in your mailing address. Your Individual Settlement Payment will be mailed to the last known address it has on file for you.** A Change of Address form and a preprinted return envelope are enclosed for your convenience. You may also call the Administrator at 1-xxx-xxx-xxxx.

**11. What do I do if I think my information and/or number of eligible Work Weeks are wrong?**

As a Class Member, your Individual Settlement Payment will be based on the number of Work Weeks you worked during the Class Period. The number of your Work Weeks is shown on the Employment Information Sheet and obtained from W&S's records. If you believe the information included in the Employment Information Sheet is not right, you may send a letter to the Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before xxxxxx, xx, 2021. You should include any documents or other information supporting your belief that the information provided in the Employment Information Sheet is not correct. The Administrator will resolve any dispute regarding the number of eligible weeks you worked based on W&S's records and any information you provide. The employment data supplied by W&S will be presumed correct unless you supply company records from W&S showing contrary information.

**12. When can I expect to receive my Settlement Payment?**

If you do not request to be excluded from the Settlement, your Individual Settlement Payment check will be mailed to you approximately 20 business days after the Court grants final approval of the Settlement, if there are no objections filed and no appeals are filed or pending. **Your Individual Settlement Payment check will be mailed to the address on file for you, which is the address to which this Notice was mailed.** Again, if this address is not right, or if you move after you receive this Notice, you must inform the Administrator of the correct mailing address. For your convenience, a Change of Address form and a pre-printed return envelope are enclosed. You may also call the Administrator at 1-xxx-xxx-xxxx.

Class Members receiving an Individual Settlement Payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any. If checks remain uncashed after 180 days of issuance, the Administrator will place a stop payment on all such checks and forward the sum represented by

these uncashed checks to the California's Secretary of State, Controller, Unclaimed Property Division for further handling on behalf of the Class Member.

**13. What am I giving up to get a payment?**

Unless you exclude yourself, you are staying in the Class, which means that you can't sue, continue to sue, or be part of any other Action against W&S concerning the legal issues in this Action. Specifically, you will be giving up or fully releasing and forever discharging Watkins and Shepard Trucking, Inc., and each of their respective affiliates, parent companies (including without limitation Schneider National, Inc. and Schneider National Carriers, Inc.), subsidiaries, shareholders, officers, officials, partners, directors, members, owners, servants, employees, employers, agents, contractors, attorneys, insurers, predecessors, representatives, accountants, executors, personal representatives, successors and assigns, past, present, and future, and each and all of their respective officers, partners, directors, members, owners, servants, agents, shareholders, employees, employers, agents, contractors, representatives, executors, personal representatives, accountants, insurers, attorneys, pension, profit sharing, retirement savings, health and welfare, and any other employee benefit plans of any nature and the respective trustees, administrators, sponsors, fiduciaries, successors, agents and employees of all such plans, predecessors, successors and assigns, past, present, and future, and all persons acting under, by, through, or in concert with any of them (collectively, the "Released Parties"), of and from: any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, damages, obligations or liabilities of any and every kind, contingent or accrued, that are, were or reasonably could have been asserted based on the facts and/or theories alleged in the Consolidated Complaint and/or in any other pleading filed in the Lawsuits or that will be filed pursuant to this Agreement, and all violations asserted in any notice sent to the LWDA pursuant to PAGA, whether or not referenced in any of those pleadings, based on the facts and/or theories alleged in the notices sent to the LWDA in connection with the Lawsuits, including but not limited to those that were, are or could be the basis of any of the claims (including without limitation under theories of successor liability, joint employer liability, agency and/or conspiracy) that the Released Parties failed to pay or underpaid wages of any type (including minimum, regular, overtime, double time, and terminal wages), failed to provide or pay for missed or non-compliant meal breaks, failed to provide or authorize and permit or pay for missed or non-compliant rest breaks, failed to furnish accurate itemized wage statements, failed to timely pay wages of any type, failed to reimburse employment-related expenses, violated the California Unfair Competition Law ("UCL"), violated any applicable state or federal Worker Adjustment and Retraining Act, violated the federal Fair Labor Standards Act ("FLSA"), and/or are subject to civil penalties under PAGA, based in whole or in part on any direct or imputed violation of any federal, state, local or administrative constitution, charter, law, rule, regulation or ordinance and whether for economic damages, noneconomic damages, restitution, statutory penalties, civil penalties, liquidated damages, punitive damages, interest, attorneys' fees, costs of suit or other monies, through March 2, 2020.

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

**14. How do I get out of the Settlement?**

If you wish to preserve the option to pursue your own separate lawsuit against W&S for the claims asserted in this Action, or if you otherwise wish not to participate in the Settlement for whatever reason, you should request to be excluded from the Settlement. To exclude yourself from the Settlement, you must submit a written statement requesting exclusion from the Settlement (also referred to in this Notice as "opting out").

Your request for exclusion must (a) state your name, address, telephone number and the last four (4) digits of the social security number; (b) a statement substantially similar to the following:

"I elect to opt-out of the *Snow v. Watkins and Shepard Trucking, Inc.* class action settlement. I understand that by doing so, I will not be able to participate in the settlement and will not receive a share of the settlement proceeds."

(c) be addressed to the Administrator and mailed to the Administrator's address shown in Paragraph 22; and (d) be signed by the Class Member. The request to opt out must be postmarked on or before **xxxxx, xx, 2021**.

**15. If I don't exclude myself from the Settlement, can I sue W&S for the same thing later?**

No. Unless you exclude yourself from this Action, you give up any right to sue W&S for the claims that this Settlement resolves. Individuals who already have a current lawsuit against W&S are not included in this Settlement. *If you have a potential claim against W&S which has not been filed, you must speak to your lawyer in that case immediately.* You must ask to exclude yourself from this Action to start your own lawsuit by returning the request for exclusion postmarked on or before **xxxxx, xx, 2021**.

**16. If I exclude myself, can I get money from this Settlement?**

No. If you exclude yourself, you will not receive an Individual Settlement Payment. The Individual Settlement Payment you would have been entitled to receive will be distributed to Participating Class Members who choose to remain in the Class and to participate. No portion of the Net Settlement Amount will go back to W&S as a result of any request by Class Members to be excluded from the Settlement.

**OBJECTING TO THE SETTLEMENT**

**17. How do I tell the Court that I don't like the Settlement?**

If you don't think the Settlement is fair, you may object to the Settlement and tell the Court your reasons for disagreeing with the Settlement. This is the process by which you can tell the Court if you think the Settlement as a whole is unfair. If you think that your Individual Settlement Payment was miscalculated, or the information shown in the Employment Information Sheet is wrong, please use the process set forth in Paragraph 11 above. If you submit an objection, the Court will consider your views. To object, you must send a letter stating that you object to the proposed Settlement. Written objections must be signed by the Class Member and must: (1) state the objecting Class Member's name, address, and telephone number; (2) state the case name and number as follows: *Snow v. Watkins and Shepard Trucking, Inc.*, Case No. CIVDS1823509; (3) describe in clear and concise terms, the basis for each objection; (4) be dated, and if the Class Member intends to use any document(s) to support an objection, copies of the document(s) should be included with the written objection at the time of submission. If the Class Member intends to be present at the time of the Final Approval Hearing to discuss the written objections, he or she should indicate that fact in the objection letter. The objection letter must be mailed to the Administrator at the address shown below:

*Snow v. Watkins and Shepard Trucking Inc. Class Action Settlement*  
 Administrator  
 c/o **xxxxx,**  
**xxxxxx**  
**xxxx, CA xxxx**  
**1-xxx-xxx-xxxx**

You may appear in person at the time of the Final Approval Hearing to speak with the Court and discuss your objection. See Paragraphs 20 and 21.

**18. What's the difference between objecting and requesting to be excluded from the case?**

Objecting is simply telling the Court you don't like something about the Settlement. You may object only if you stay in the Class. Requesting to be excluded from the Class is telling the Court that you don't want to be part of

the Class. If you choose not to be a part of the Class, you have no basis to object because the case no longer affects you.

If you remain in the Class and object to any of the terms of the Settlement, the Court will consider your written objection when deciding whether to grant final approval to the Settlement. You do not need to appear to discuss the objection.

### THE COURT'S FINAL FAIRNESS HEARING

**19. When and where will the Court decide whether to approve the settlement?**

The Court will hold a Final Approval Hearing in Courtroom S-26, of the Superior Court of California, County of San Bernardino located at 247 West Third Street, San Bernardino, California 92415 on **xxx, xx, 2021** at **8:30** a.m. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative service payment, and the Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has filed a written objection will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval hearing.

**20. Do I have to come to the hearing?**

No. Class Counsel will answer any questions the Court may have. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection as shown in Paragraph 17, the Court will consider it. If you plan to attend, your written objection letter should include reference to your intention to appear at the Final Approval Hearing. You may also hire and pay your own lawyer to attend if you so desire; see Paragraph 21.

**21. May I appear and speak at the hearing?**

If you have submitted a written objection, you may also personally appear at the Final Approval hearing to discuss your objection.

### GETTING MORE INFORMATION

**22. Who can I contact if I have questions about the Settlement?**

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Class and Representative Action Settlement and Release on file with the Court and contained on this website : **\_\_\_\_\_**. You may view all of the Court's files at the courthouse. The San Bernardino Superior Court of the State of California is located at 247 West Third Street, San Bernardino, California 92415. Subject to ongoing COVID-19 related closures, you may be able to view the Court's files any time Monday through Friday, between the hours of 9:00 a.m. and 4:00 p.m., excluding Court holidays. The case name and case number are *Snow v. Watkins and Shepard Trucking, Inc.*, Case No. CIVDS1823509. You may also contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also contact the court-appointed Administrator, **xxxxxxx.**, by calling toll free **1-xxx-xxx-xxxx**, or you can write to *Snow v. Watkins and Shepard Trucking, Inc* Class Action Administrator at the following address:

*Snow v. Watkins and Shepard Trucking, Inc. Class Action Settlement  
Administrator  
c/o xxxxx administrator  
xxxx  
xxx, CA xxxxx  
1-xxx-xxx-xxxx*

**. PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR ANY OF THE W&S' MANAGERS, SUPERVISORS, OR ITS ATTORNEYS ABOUT THIS SETTLEMENT.**

**ADDITIONAL IMPORTANT INFORMATION**

- A. **W&S** will not retaliate in any manner whatsoever against any Class Member who stays in the Class and receives a Settlement Payment or who requests to be excluded from the Settlement.
- B. **It is your responsibility to ensure that the Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Individual Settlement Payment will be mailed.
- C. **Settlement Payment checks must be cashed soon after receipt.** Monies represented by checks which remain uncashed after 180 days of the date of issuance will be voided, and handled as described in Paragraph 12, above. If your check is lost or misplaced, you should immediately contact the Administrator immediately to request a replacement.

Snow v. Watkins and Shepard Trucking, Inc.  
San Bernardino Superior Court, State of California  
Case No. CVIDS1823509

**EMPLOYMENT INFORMATION SHEET**

Class Member’s Address on File with the Administrator:

Name: <<First Name>> <<Last Name>>

Address: <<Address 1>>

City, State, Zip Code: <<City>>, <<State>> <<Zip>>

Watkins and Shepard Trucking, Inc.’s records reflect that you are/were employed as an hourly paid, non-exempt California employee sometime during the Class Period, from September 7, 2014 through March 2, 2020 and shows the following:

- You have <<workweeks>> Work Weeks worked during the Class Period, (September 7, 2014 through March 2, 2020).

Based on the number of Work Weeks shown above (obtained from W&S’ records), it is estimated you will receive an estimated \$<<Est. Settlement Amt.>>, less applicable payroll taxes. The amount shown is an estimate. The actual amount you receive may be more or less than the estimated amount shown, depending on a number of factors.

**You do not have to take any action to receive your Settlement Payment. It will be mailed to you at the address shown above. If your address has changed, or is different than the address shown above, you must return the enclosed Change of Address form to notify the Administrator your Settlement Payment must be mailed to a different address than shown above. You may also contact the Administrator by calling toll-free 1-xxx-xxx-xxxx.**

Again, Settlement Payment checks will be voided 180 days after issuance and forwarded to the Unclaimed Property Division of the State of California’s Controller’s Department. It is highly recommended that after receipt of your Settlement Payment check, you immediately deposit or cash it.

*Ortega et al. v. Watkins and Shepard Trucking, Inc., et al.*  
San Bernardino Superior Court, State of California  
Case No. CIVDS1826457

*A court authorized this Notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or don't act.*

**NOTICE OF CLASS ACTION SETTLEMENT**

To: Individuals who are or have been employed by Watkins and Shepard Trucking, Inc. in the State of California as non-exempt, hourly, non-piece-rate-paid warehouse workers, lead warehouse workers, forklift operators, freight handlers, loaders, unloaders and exempt or non-exempt hourly-paid drivers from October 10, 2014 through March 2, 2020 (the “Class Period”), (“Class Members”, or the “Class”)

IF YOU ARE A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE A PAYMENT FROM THE CLASS ACTION SETTLEMENT DESCRIBED IN THIS NOTICE, **WITHOUT THE NEED TO RETURN A CLAIM FORM**, PROVIDED THE ADMINISTRATOR HAS A CURRENT MAILING ADDRESS ON FILE FOR YOU.

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING</b>	To receive your Settlement Payment check, you don't need to do anything. Your payment will be automatically mailed to you after the Court grants final approval to the Settlement.
<b>CHANGE CONTACT AND ADDRESS INFORMATION</b>	Update your personal information to ensure your Settlement Payment check is mailed to the correct address. You may use the enclosed Change of Address form enclosed with this Notice or mail to the Administrator at the address shown in Paragraph 22 of this Notice.
<b>EXCLUDE YOURSELF</b>	You may exclude yourself (“opt out”) of the Settlement if you do not wish to participate in the Settlement. If you exclude yourself, you will not receive any payment under the Settlement. This is the only option which allows you to keep open the possibility of pursuing claims (in your own lawsuit) against Watkins and Shepard Trucking, Inc. for the same wrongs alleged in this case.
<b>OBJECT</b>	Write to the Court if you think the Settlement is not fair. You may also ask to speak in Court about why you think the Settlement is not fair. <b>NOTE:</b> If you ask to exclude yourself from the Settlement, you cannot also object.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **WATKINS AND SHEPARD TRUCKING, INC. WILL NOT RETALIATE IN ANY MANNER AGAINST ANY CLASS MEMBER RELATED TO THIS ACTION.**

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**BASIC INFORMATION**

**1. Why did I get this Notice?**

You received this Notice because Watkins and Shepard Trucking, Inc. (“W&S” or “Defendant”)’s records identify you as an individual who was employed by Defendant in the State of California as a non-exempt, hourly, non-piece-rate-paid employees, including warehouse workers, lead warehouse workers, forklift operators, freight handlers, loaders, unloaders, clerical and office workers and/or exempt or non-exempt hourly-paid driver who worked at any point from October 10, 2014 through March 2, 2020. This settlement expressly excludes any individuals who, as of <DATE OF PRELIMINARY APPROVAL>, have filed their own separate action as a named plaintiff alleging the same or similar claims being released by the settlement and/or who has previously released all claims against Defendant being settled and released by this Settlement Agreement.

The purpose of this Notice is to explain the Action, the Settlement, your legal rights, what benefits are available, who is eligible to receive a Settlement Payment, and how to get a Settlement Payment.

The Court in charge of the case is the Superior Court of California, County of San Bernardino; the case is known as the *Ortega v. Watkins and Shepard Trucking, Inc.*, Court Case No. CIVDS1826457.

**2. What is this Action about?**

A lawsuit was on filed October 14, 2018 by Plaintiff Allan Ortega and later amended by a consolidated Complaint which formally consolidated related actions. In this particular lawsuit, *Ortega v. Watkins and Shepard Trucking, Inc.*, Plaintiff claimed that all non-exempt, hourly, non-piece-rate-paid warehouse workers, lead warehouse workers, forklift operators, freight handlers, loaders, unloaders and exempt or non-exempt hourly-paid drivers employed by W&S failed to receive all minimum, regular and overtime wages in violation of California Labor Code §§204, 510, 1194, 1197, 1197.1, 1198 and failed to be provided compliant meal and rest periods or compensation in lieu thereof in violation of Labor Code §§ 226.7, 512(a), 1198. Plaintiff also seeks derivative claims for W&S’s failure to provide accurate and itemized wage statements in violation of Labor Code § 226, 226.3, 1174, 1198, 2699; W&S’ failure to provide all wages due at the time of separation from employment in violation of Labor Code §§201, 202, 203, 204, 256, 1198, 2699; and seeks recovery of civil penalties for violation of the Private Attorneys General Act of 2004 (California Labor Code §§ 2698, *et seq.*), based on the alleged Labor Code violations. Based on these allegations, Plaintiff also seeks recovery of damages for unfair business practices in violation of Business & Professions Code §§ 17200, *et seq.*, (“Action”).

W&S has denied all allegations in the Action and contends it has complied with California law at all times. The Settlement is not an admission of any wrongdoing by W&S or an indication that any law was violated.

**3. Who are the Parties in this Action?**

Plaintiff Allan Ortega was employed by W&S as a non-exempt or hourly paid warehouse worker from May 2015 to September 2016, when his employment ended.

Defendant Watkins and Shepard Trucking, Inc. is a Montana Corporation and was engaged in the business of hauling and delivery of freight throughout the United States, including the state of California.

**4. Why is this a class action?**

In a class action, one or more people called Class Representatives (in this case, Allan Ortega) sue on behalf of themselves and other people who they allege have similar claims. The group of people with allegedly similar claims is called a “class.” Each person receiving this notice is a “Class Member” for purposes of this Settlement. If a Court certifies (or approves) a class, that one court resolves the issues for all Class Members except for those who exclude themselves from the Class and this Settlement.

**5. Who are the attorneys for the Plaintiff and Class?**

MARA LAW FIRM PC  
 DAVID MARA, Esq.  
 dmara@maralawfirm.com  
 MATTHEW CRAWFORD, Esq.  
 mcrawford@maralawfirm.com  
 2650 Camino Del Rio North, Suite 205  
 San Diego, CA 92108  
 Telephone 619.234.2833

If you have questions regarding this Settlement, you should contact Counsel for Plaintiff and the Class or the Administrator. Do NOT contact the attorneys for W&S, its attorneys, supervisors, or managers.

**6. Why is there a Settlement?**

The Settlement is a compromise. The two sides disagree on how much money, if any, might have been awarded if the lawsuit went to trial. The Court did not find that W&S violated the law, nor did it decide in favor of Plaintiff Allan Ortega. W&S denies all allegations of wrongdoing. There was no trial. Instead, both sides agreed to a no-fault settlement of the Action (“Settlement”). That way, they avoid the cost and risks of a trial and Class Members will get compensation from the Settlement. Plaintiff Allan Ortega, the appointed Class Representative, and his attorneys think the Settlement is best for all Class Members.

**THE TERMS OF THE SETTLEMENT**

**7. What is the Settlement Amount?**

The proposed Settlement provides for a maximum payment of \$1,250,000.00 to fully and finally resolve all claims in the Action (referred to as the “Gross Settlement Amount” or “GSA”). Out of this amount, Class Counsel will apply to the Court for: (1) attorneys’ fees of up to \$416,666.66 (33-1/3 % of the GSA); (2) litigation costs estimated to be \$25,000.00; (3) a Class Representative service payment of \$10,000.00 to Plaintiff Allan Ortega for his work and effort in prosecuting the Action, for undertaking the risks of payment of costs in the event of an unsuccessful outcome, and a general release of all claims; (4) Administration expenses estimated to be approximately \$xx,xxx, to the Settlement Administrator, and (5) a payment to the California Labor Workforce and Development Agency, under California Labor Code’s Private Attorneys General Act of 2004 (“PAGA”) in the sum of \$48,750.00 (75% of \$65,000.00 PAGA Penalty), with the remaining \$16,250.00 (25% of the \$65,000.00 PAGA Penalty) distributed to PAGA Members to cover the government’s share of all applicable civil penalties implicated or raised by the allegations of the Action. The exact amount of the attorneys’ fees and litigation costs, Class Representative service payment, and Administration expenses will be determined by the Court at a Final Approval hearing. It is presently estimated that the remaining portion of the Settlement, the “Net Settlement Amount” or “NSA,” will be \$xxx,xxx,xx. The Net Settlement Amount will be apportioned and paid entirely to all Class Members who do not request to be excluded from (or “opt out” of) the Settlement. **A claim form is not required.** Any portion of the Net Settlement Amount that would otherwise be paid to Class Members who opt out of the Settlement will be redistributed and paid to the Class Members who participate in the Settlement. In other words, the entire amount of the Net Settlement Amount will be paid to Class Members who do not opt out of the Settlement.

**8. How will the Settlement Payments be calculated?**

Class Members who worked at any time during the Class Period (as defined above), will receive a proportionate share of the Net Settlement Amount based on the number of Work Weeks worked at any time during the Class Period in relation to the aggregate number of Work Weeks worked by all Class Members during the Class Period.

**9. How much will my Settlement Payment be?**

The estimated amount of your Individual Settlement Payment is shown on the Employment Information Sheet, Page 10 of this Notice. It is based the number of Work Weeks you worked during the Class Period. The amount shown is an estimate. The actual amount you receive may be more or less than the estimated amount shown, depending on a number of factors including whether other Class Members request exclusion from the Settlement and how much the Court approves in attorneys' fees, litigation expenses, and other costs of suit.

**HOW TO GET A PAYMENT****10. How can I get my Settlement Payment?**

If you do nothing, once the Court approves the Settlement at a Final Approval hearing, your Individual Settlement Payment will be mailed to you automatically. You must, however, notify the Settlement Administrator of any change in your name and/or mailing address if the name and/or address to which this Notice was mailed is not correct. **It is your responsibility to keep the Administrator informed of any change in your mailing address. Your Individual Settlement Payment will be mailed to the last known address it has on file for you.** A Change of Address form and a preprinted return envelope are enclosed for your convenience. You may also call the Administrator at 1-xxx-xxx-xxxx.

**11. What do I do if I think my information and/or number of eligible Work Weeks are wrong?**

As a Class Member, your Individual Settlement Payment will be based on the number of Work Weeks you worked during the Class Period. The number of your Work Weeks is shown on the Employment Information Sheet and obtained from W&S's records. If you believe the information included in the Employment Information Sheet is not right, you may send a letter to the Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before xxxxxx, xx, 2021. You should include any documents or other information supporting your belief that the information provided in the Employment Information Sheet is not correct. The Administrator will resolve any dispute regarding the number of eligible weeks you worked based on W&S's records and any information you provide. The employment data supplied by W&S will be presumed correct unless you supply company records from W&S showing contrary information.

**12. When can I expect to receive my Settlement Payment?**

If you do not request to be excluded from the Settlement, your Individual Settlement Payment check will be mailed to you approximately 20 business days after the Court grants final approval of the Settlement, if there are no objections filed and no appeals are filed or pending. **Your Individual Settlement Payment check will be mailed to the address on file for you, which is the address to which this Notice was mailed.** Again, if this address is not right, or if you move after you receive this Notice, you must inform the Administrator of the correct mailing address. For your convenience, a Change of Address form and a pre-printed return envelope are enclosed. You may also call the Administrator at 1-xxx-xxx-xxxx.

Class Members receiving an Individual Settlement Payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any. If checks remain uncashed after 180 days of issuance, the Administrator will place a stop payment on all such checks and forward the sum represented by these uncashed checks to the California's Secretary of State, Controller, Unclaimed Property Division for further handling on behalf of the Class Member.

**13. What am I giving up to get a payment?**

Unless you exclude yourself, you are staying in the Class, which means that you can't sue, continue to sue, or be part of any other Action against W&S concerning the legal issues in this Action. Specifically, you will be giving up or fully releasing and forever discharging Watkins and Shepard Trucking, Inc., and each of their respective affiliates, parent companies (including without limitation Schneider National, Inc. and Schneider National Carriers, Inc.), subsidiaries, shareholders, officers, officials, partners, directors, members, owners, servants, employees, employers, agents, contractors, attorneys, insurers, predecessors, representatives, accountants, executors, personal representatives, successors and assigns, past, present, and future, and each and all of their respective officers, partners, directors, members, owners, servants, agents, shareholders, employees, employers, agents, contractors, representatives, executors, personal representatives, accountants, insurers, attorneys, pension, profit sharing, retirement savings, health and welfare, and any other employee benefit plans of any nature and the respective trustees, administrators, sponsors, fiduciaries, successors, agents and employees of all such plans, predecessors, successors and assigns, past, present, and future, and all persons acting under, by, through, or in concert with any of them (collectively, the "Released Parties"), of and from: any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, damages, obligations or liabilities of any and every kind, contingent or accrued, that are, were or reasonably could have been asserted based on the facts and/or theories alleged in the Consolidated Complaint and/or in any other pleading filed in the Lawsuits or that will be filed pursuant to this Agreement, and all violations asserted in any notice sent to the LWDA pursuant to PAGA, whether or not referenced in any of those pleadings, based on the facts and/or theories alleged in the notices sent to the LWDA in connection with the Lawsuits, including but not limited to those that were, are or could be the basis of any of the claims (including without limitation under theories of successor liability, joint employer liability, agency and/or conspiracy) that the Released Parties failed to pay or underpaid wages of any type (including minimum, regular, overtime, double time, and terminal wages), failed to provide or pay for missed or non-compliant meal breaks, failed to provide or authorize and permit or pay for missed or non-compliant rest breaks, failed to furnish accurate itemized wage statements, failed to timely pay wages of any type, failed to reimburse employment-related expenses, violated the California Unfair Competition Law ("UCL"), violated any applicable state or federal Worker Adjustment and Retraining Act, violated the federal Fair Labor Standards Act ("FLSA"), and/or are subject to civil penalties under PAGA, based in whole or in part on any direct or imputed violation of any federal, state, local or administrative constitution, charter, law, rule, regulation or ordinance and whether for economic damages, noneconomic damages, restitution, statutory penalties, civil penalties, liquidated damages, punitive damages, interest, attorneys' fees, costs of suit or other monies, through March 2, 2020.

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

**14. How do I get out of the Settlement?**

If you wish to preserve the option to pursue your own separate lawsuit against W&S for the claims asserted in this Action, or if you otherwise wish not to participate in the Settlement for whatever reason, you should request to be excluded from the Settlement. To exclude yourself from the Settlement, you must submit a written statement requesting exclusion from the Settlement (also referred to in this Notice as "opting out").

Your request for exclusion must (a) state your name, address, telephone number and the last four (4) digits of the social security number; (b) a statement substantially similar to the following:

“I elect to opt-out of the *Ortega v. Watkins and Shepard Trucking, Inc.* class action settlement. I understand that by doing so, I will not be able to participate in the settlement and will not receive a share of the settlement proceeds.”

(c) be addressed to the Administrator and mailed to the Administrator’s address shown in Paragraph 22; and (d) be signed by the Class Member. The request to opt out must be postmarked on or before **xxxxxx, xx, 2021**.

**15. If I don’t exclude myself from the Settlement, can I sue W&S for the same thing later?**

No. Unless you exclude yourself from this Action, you give up any right to sue W&S for the claims that this Settlement resolves. Individuals who already have a current lawsuit against W&S are not included in this Settlement. ***If you have a potential claim against W&S which has not been filed, you must speak to your lawyer in that case immediately.*** You must ask to exclude yourself from this Action to start your own lawsuit by returning the request for exclusion postmarked on or before **xxxxxx, xx, 2021**.

**16. If I exclude myself, can I get money from this Settlement?**

No. If you exclude yourself, you will not receive an Individual Settlement Payment. The Individual Settlement Payment you would have been entitled to receive will be distributed to Participating Class Members who choose to remain in the Class and to participate. No portion of the Net Settlement Amount will go back to W&S as a result of any request by Class Members to be excluded from the Settlement.

**OBJECTING TO THE SETTLEMENT**

**17. How do I tell the Court that I don’t like the Settlement?**

If you don’t think the Settlement is fair, you may object to the Settlement and tell the Court your reasons for disagreeing with the Settlement. This is the process by which you can tell the Court if you think the Settlement as a whole is unfair. If you think that your Individual Settlement Payment was miscalculated, or the information shown in the Employment Information Sheet is wrong, please use the process set forth in Paragraph 11 above. If you submit an objection, the Court will consider your views. To object, you must send a letter stating that you object to the proposed Settlement. Written objections must be signed by the Class Member and must: (1) state the objecting Class Member’s name, address, and telephone number; (2) state the case name and number as follows: *Ortega v. Watkins and Shepard Trucking, Inc.*, Case No. CIVDS1826457; (3) describe in clear and concise terms, the basis for each objection; (4) be dated, and if the Class Member intends to use any document(s) to support an objection, copies of the document(s) should be included with the written objection at the time of submission. If the Class Member intends to be present at the time of the Final Approval Hearing to discuss the written objections, he or she should indicate that fact in the objection letter. The objection letter must be mailed to the Administrator at the address shown below:

*Ortega v. Watkins and Shepard, Trucking Inc. Class Action  
Settlement Administrator  
c/o xxxxx.,  
xxxxxx  
xxxx, CA xxxx  
1-xxx-xxx-xxxx*

You may appear in person at the time of the Final Approval Hearing to speak with the Court and discuss your objection. See Paragraphs 20 and 21.

**18. What’s the difference between objecting and requesting to be excluded from the case?**

Objecting is simply telling the Court you don't like something about the Settlement. You may object only if you stay in the Class. Requesting to be excluded from the Class is telling the Court that you don't want to be part of the Class. If you choose not to be a part of the Class, you have no basis to object because the case no longer affects you.

If you remain in the Class and object to any of the terms of the Settlement, the Court will consider your written objection when deciding whether to grant final approval to the Settlement. You do not need to appear to discuss the objection.

## THE COURT'S FINAL FAIRNESS HEARING

### 19. When and where will the Court decide whether to approve the settlement?

The Court will hold a Final Approval Hearing in Courtroom S-26, of the Superior Court of California, County of San Bernardino located at 247 West Third Street, San Bernardino, California 92415 on xxx, xx, 2021 at 8:30 a.m. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative service payment, and the Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has filed a written objection will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval hearing.

### 20. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection as shown in Paragraph 17, the Court will consider it. If you plan to attend, your written objection letter should include reference to your intention to appear at the Final Approval Hearing. You may also hire and pay your own lawyer to attend if you so desire; see Paragraph 21.

### 21. May I appear and speak at the hearing?

If you have submitted a written objection, you may also personally appear at the Final Approval hearing to discuss your objection.

## GETTING MORE INFORMATION

### 22. Who can I contact if I have questions about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Class and Representative Action Settlement and Release on file with the Court and contained on this website : . You may view all of the Court's files at the courthouse. The San Bernardino Superior Court of the State of California is located at 247 West Third Street, San Bernardino, California 92415. Subject to ongoing COVID-19 related closures, you may be able to view the Court's files any time Monday through Friday, between the hours of 9:00 a.m. and 4:00 p.m., excluding Court holidays. The case name and case number are *Ortega v. Watkins and Shepard Trucking, Inc.*, Case No. CIVDS1826457. You may also contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also

contact the court-appointed Administrator, [REDACTED], by calling toll free 1-[REDACTED], or you can write to *Ortega v. Watkins and Shepard Trucking, Inc* Class Action Administrator at the following address:

*Ortega v. Watkins and Shepard Trucking, Inc. Class Action Settlement  
Administrator  
c/o [REDACTED] administrator  
[REDACTED]  
[REDACTED], CA [REDACTED]  
1-[REDACTED]*

**. PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR ANY OF THE W&S’ MANAGERS, SUPERVISORS, OR ITS ATTORNEYS ABOUT THIS SETTLEMENT.**

**ADDITIONAL IMPORTANT INFORMATION**

A. **W&S** will not retaliate in any manner whatsoever against any Class Member who stays in the Class and receives a Settlement Payment or who requests to be excluded from the Settlement.

B. **It is your responsibility to ensure that the Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Individual Settlement Payment will be mailed.

C. **Settlement Payment checks must be cashed soon after receipt.** Monies represented by checks which remain uncashed after 180 days of the date of issuance will be voided, and handled as described in Paragraph 12, above. If your check is lost or misplaced, you should immediately contact the Administrator immediately to request a replacement.

Ortega v. Watkins and Shepard Trucking, Inc.  
San Bernardino Superior Court, State of California  
Case No. CVIDS1826457

**EMPLOYMENT INFORMATION SHEET**

Class Member’s Address on File with the Administrator:

Name: <<First Name>> <<Last Name>>

Address: <<Address 1>>

City, State, Zip Code: <<City>>, <<State>> <<Zip>>

Watkins and Shepard Trucking, Inc.’s records reflect that you are/were employed as an hourly paid, non-exempt California employee sometime during the Class Period, from October 10, 2014 through March 2, 2020 and shows the following:

- You have <<workweeks>> Work Weeks worked during the Class Period, (October 10, 2014 through March 2, 2020).

Based on the number of Work Weeks shown above (obtained from W&S’ records), it is estimated you will receive an estimated \$<<Est. Settlement Amt.>>, less applicable payroll taxes. The amount shown is an estimate. The actual amount you receive may be more or less than the estimated amount shown, depending on a number of factors.

**You do not have to take any action to receive your Settlement Payment. It will be mailed to you at the address shown above. If your address has changed, or is different than the address shown above, you must return the enclosed Change of Address form to notify the Administrator your Settlement Payment must be mailed to a different address than shown above. You may also contact the Administrator by calling toll-free 1-xxx-xxx-xxxx.**

Again, Settlement Payment checks will be voided 180 days after issuance and forwarded to the Unclaimed Property Division of the State of California’s Controller’s Department. It is highly recommended that after receipt of your Settlement Payment check, you immediately deposit or cash it.



*Germany et al. v. Watkins and Shepard Trucking, Inc., et al.*  
San Bernardino Superior Court, State of California  
Case No. CIVDS1929857

*A court authorized this Notice. This is not a solicitation.  
This is not a lawsuit against you and you are not being sued.  
However, your legal rights are affected whether you act or don't act.*

**NOTICE OF CLASS ACTION SETTLEMENT**

To: Individuals who were employed by Defendant in the State of California who were terminated or “laid off” from employment pursuant to a reduction in force process under the California or Federal WARN Acts on or within thirty (30) days of August 23, 2019 (the “Class Period”), (“Class Members”, or the “Class”)

IF YOU ARE A CLASS MEMBER, YOU ARE ELIGIBLE TO RECEIVE A PAYMENT FROM THE CLASS ACTION SETTLEMENT DESCRIBED IN THIS NOTICE, **WITHOUT THE NEED TO RETURN A CLAIM FORM**, PROVIDED THE ADMINISTRATOR HAS A CURRENT MAILING ADDRESS ON FILE FOR YOU.

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT</b>	
<b>DO NOTHING</b>	To receive your Settlement Payment check, you don't need to do anything. Your payment will be automatically mailed to you after the Court grants final approval to the Settlement.
<b>CHANGE CONTACT AND ADDRESS INFORMATION</b>	Update your personal information to ensure your Settlement Payment check is mailed to the correct address. You may use the enclosed Change of Address form enclosed with this Notice or mail to the Administrator at the address shown in Paragraph 22 of this Notice.
<b>EXCLUDE YOURSELF</b>	You may exclude yourself (“opt out”) of the Settlement if you do not wish to participate in the Settlement. If you exclude yourself, you will not receive any payment under the Settlement. This is the only option which allows you to keep open the possibility of pursuing claims (in your own lawsuit) against Watkins and Shepard Trucking, Inc. for the same wrongs alleged in this case.
<b>OBJECT</b>	Write to the Court if you think the Settlement is not fair. You may also ask to speak in Court about why you think the Settlement is not fair. <b>NOTE:</b> If you ask to exclude yourself from the Settlement, you cannot also object.

- **YOUR RIGHTS AND OPTIONS – AND THE DEADLINES TO EXERCISE THEM – ARE EXPLAINED IN THIS NOTICE.**
- **WATKINS AND SHEPARD TRUCKING, INC. WILL NOT RETALIATE IN ANY MANNER AGAINST ANY CLASS MEMBER RELATED TO THIS ACTION.**

**WHAT THIS NOTICE CONTAINS**

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**1. Why did I get this Notice?**

You received this Notice because Watkins and Shepard Trucking, Inc. (“W&S” or “Defendant”)’s records identify you as an individual who was employed by Defendant in the State of California who was terminated or “laid off” by Defendant from employment pursuant to a reduction in force process under the California or Federal WARN Acts on or within thirty (30) days of August 23, 2019 and who did not sign a severance or release agreement with Defendant. This settlement also expressly excludes any individuals who, as of **<DATE OF PRELIMINARY APPROVAL>**, have filed their own separate action as a named plaintiff alleging the same or similar claims being released by the settlement and/or who has previously released all claims against Defendant being settled and released by this Settlement Agreement.

The purpose of this Notice is to explain the Action, the Settlement, your legal rights, what benefits are available, who is eligible to receive a Settlement Payment, and how to get a Settlement Payment.

The Court in charge of the case is the Superior Court of California, County of San Bernardino; the case is known as the *Germany v. Watkins and Shepard Trucking, Inc.*, Court Case No. CIVDS1929857.

**2. What is this Action about?**

A lawsuit was on filed October 17, 2019 by Plaintiff Willie Germany and later amended by a consolidated Complaint which formally consolidated related actions. In this particular lawsuit, *Germany v. Watkins and Shepard Trucking, Inc.*, Plaintiff claimed that all employees who were terminated or “laid off” from employment pursuant to a reduction in force process on or within thirty (30) days of August 23, 2019 did not receive the lawful notice prior to the layoff in violation of the California Worker Adjustment and Retraining Notification Act (“California WARN Act”), California Labor Code §§ 1400 et seq. and the Federal Worker Adjustment and Retraining Notification Act (29 U.S.C. §§ 2101 et seq.) (“Federal WARN Act” (both acts collectively referred to herein as the “WARN Act”).

W&S has denied all allegations in the Action and contends it has complied with California law at all times. The Settlement is not an admission of any wrongdoing by W&S or an indication that any law was violated.

**3. Who are the Parties in this Action?**

Plaintiff Willie Germany was employed by W&S and was terminated or “laid off” as part of a reduction in force process on or within thirty (30) days of August 23, 2019.

Defendant Watkins and Shepard Trucking, Inc. is a Montana Corporation and was engaged in the business of hauling and delivery of freight throughout the United States, including the state of California.

**4. Why is this a class action?**

In a class action, one or more people called Class Representatives (in this case, Willie Germany) sue on behalf of themselves and other people who they allege have similar claims. The group of people with allegedly similar claims is called a “class.” Each person receiving this notice is a “Class Member” for purposes of this Settlement. If a Court certifies (or approves) a class, that one court resolves the issues for all Class Members except for those who exclude themselves from the Class and this Settlement.

5. **Who are the attorneys for the Plaintiff and Class?**

**KINGSLEY & KINGSLEY, APC**  
 ERIC B. KINGSLEY, Esq.)  
 eric@kingsleykingsley.com  
 LIANE KATZENSTEIN LY, Esq.  
 liane@kingsleykingsley.com  
 ARI J. STILLER, Esq.  
 ari@kingsleykingsley.com  
 16133 Ventura Blvd., Suite 1200  
 Encino, CA 91436  
 (818) 990-8300

If you have questions regarding this Settlement, you should contact Counsel for Plaintiff and the Class or the Administrator. Do NOT contact the attorneys for W&S, its attorneys, supervisors, or managers.

6. **Why is there a Settlement?**

The Settlement is a compromise. The two sides disagree on how much money, if any, might have been awarded if the lawsuit went to trial. The Court did not find that W&S violated the law, nor did it decide in favor of Plaintiff Willie Germany. W&S denies all allegations of wrongdoing. There was no trial. Instead, both sides agreed to a no-fault settlement of the Action (“Settlement”). That way, they avoid the cost and risks of a trial and Class Members will get compensation from the Settlement. Plaintiff Willie Germany, the appointed Class Representative, and his attorneys think the Settlement is best for all Class Members.

**THE TERMS OF THE SETTLEMENT**

7. **What is the Settlement Amount?**

The proposed Settlement provides for a maximum payment of \$145,000.00 to fully and finally resolve all claims in the Action (referred to as the “Gross Settlement Amount” or “GSA”). Out of this amount, Class Counsel will apply to the Court for: (1) attorneys’ fees of up to \$48,333.33 (33-1/3 % of the GSA); (2) litigation costs estimated to be \$7,000.00; (3) a Class Representative service payment of \$7,500.00 to Plaintiff Willie Germany for his work and effort in prosecuting the Action, for undertaking the risks of payment of costs in the event of an unsuccessful outcome, and a general release of all claims; (4) Administration expenses estimated to be approximately \$xx,xxx to the Settlement Administrator, and (5) a payment to the California Labor Workforce and Development Agency, under California Labor Code’s Private Attorneys General Act of 2004 (“PAGA”) in the sum of \$2,250.00 (75% of \$3,000.00 PAGA Penalty), with the remaining \$7,500.00 (25% of the \$3,000.00 PAGA Penalty) distributed to PAGA Members to cover the government’s share of all applicable civil penalties implicated or raised by the allegations of the Action. The exact amount of the attorneys’ fees and litigation costs, Class Representative service payment, and Administration expenses will be determined by the Court at a Final Approval hearing. It is presently estimated that the remaining portion of the Settlement, the “Net Settlement Amount” or “NSA,” will be \$xxx,xxx,xx. The Net Settlement Amount will be apportioned and paid entirely to all Class Members who do not request to be excluded from (or “opt out” of) the Settlement. **A claim form is not required.** Any portion of the Net Settlement Amount that would otherwise be paid to Class Members who opt out of the Settlement will be redistributed and paid to the Class Members who participate in the Settlement. In other words, the entire amount of the Net Settlement Amount will be paid to Class Members who do not opt out of the Settlement.

8. **How will the Settlement Payments be calculated?**

Class Members who were terminated or “laid off” from employment pursuant to a reduction in force process under the California or Federal WARN Acts on or within thirty (30) days of August 23, 2019 and who did not sign a severance or release agreement with Defendant will be allocated a share of the Germany NSF on a per capita basis based on the total number of Class Members. The share of the Germany NSF for each Class Member shall be calculated by dividing the Germany NSF by the total number of participating Class Members.

**9. How much will my Settlement Payment be?**

The estimated amount of your Individual Settlement Payment is shown on the Employment Information Sheet, Page 10 of this Notice. It is based a per capita basis based on the total number of class members. The amount shown is an estimate. The actual amount you receive may be more or less than the estimated amount shown, depending on a number of factors including whether other Class Members request exclusion from the Settlement and how much the Court approves in attorneys’ fees, litigation expenses, and other costs of suit.

**HOW TO GET A PAYMENT**

**10. How can I get my Settlement Payment?**

If you do nothing, once the Court approves the Settlement at a Final Approval hearing, your Individual Settlement Payment will be mailed to you automatically. You must, however, notify the Settlement Administrator of any change in your name and/or mailing address if the name and/or address to which this Notice was mailed is not correct. **It is your responsibility to keep the Administrator informed of any change in your mailing address. Your Individual Settlement Payment will be mailed to the last known address it has on file for you.** A Change of Address form and a preprinted return envelope are enclosed for your convenience. You may also call the Administrator at 1-xxx-xxx-xxxx.

**11. What do I do if I think my information is wrong?**

As a Class Member, your Individual Settlement Payment will be based on a per capita basis based on the total number of class members. The share of the Germany NSF for each member of the Germany Settlement Class shall be calculated by dividing the Germany NSF by the total number of members of the Germany Participating Class Members. Your estimated Individual Settlement Payment is stated on the Employment Information Sheet. If you believe the information included in the Employment Information Sheet is not right, you may send a letter to the Administrator indicating what you believe to be the correct information. Your letter must be postmarked on or before xxxxxx, xx, 2021. You should include any documents or other information supporting your belief that the information provided in the Employment Information Sheet is not correct. The Administrator will resolve any dispute based on W&S’s records and any information you provide. The employment data supplied by W&S will be presumed correct unless you supply company records from W&S showing contrary information.

**12. When can I expect to receive my Settlement Payment?**

If you do not request to be excluded from the Settlement, your Individual Settlement Payment check will be mailed to you approximately 20 business days after the Court grants final approval of the Settlement, if there are no objections filed and no appeals are filed or pending. **Your Individual Settlement Payment check will be mailed to the address on file for you, which is the address to which this Notice was mailed.** Again, if this address is not right, or if you move after you receive this Notice, you must inform the Administrator of the correct mailing address. For your convenience, a Change of Address form and a pre-printed return envelope are enclosed. You may also call the Administrator at 1-xxx-xxx-xxxx.

Class Members receiving an Individual Settlement Payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any. If checks remain uncashed after 180 days of issuance, the Administrator will place a stop payment on all such checks and forward the sum represented by these uncashed checks to the California's Secretary of State, Controller, Unclaimed Property Division for further handling on behalf of the Class Member.

**13. What am I giving up to get a payment?**

Unless you exclude yourself, you are staying in the Class, which means that you can't sue, continue to sue, or be part of any other Action against W&S concerning the legal issues in this Action. Specifically, you will be giving up or fully releasing and forever discharging Watkins and Shepard Trucking, Inc., and each of their respective affiliates, parent companies (including without limitation Schneider National, Inc. and Schneider National Carriers, Inc.), subsidiaries, shareholders, officers, officials, partners, directors, members, owners, servants, employees, employers, agents, contractors, attorneys, insurers, predecessors, representatives, accountants, executors, personal representatives, successors and assigns, past, present, and future, and each and all of their respective officers, partners, directors, members, owners, servants, agents, shareholders, employees, employers, agents, contractors, representatives, executors, personal representatives, accountants, insurers, attorneys, pension, profit sharing, retirement savings, health and welfare, and any other employee benefit plans of any nature and the respective trustees, administrators, sponsors, fiduciaries, successors, agents and employees of all such plans, predecessors, successors and assigns, past, present, and future, and all persons acting under, by, through, or in concert with any of them (collectively, the "Released Parties"), of and from: any and all allegations, claims, debts, rights, demands, charges, complaints, actions, causes of action, guarantees, costs, expenses, attorneys' fees, damages, obligations or liabilities of any and every kind, contingent or accrued, that are, were or reasonably could have been asserted based on the facts and/or theories alleged in the Consolidated Complaint and/or in any other pleading filed in the Lawsuits or that will be filed pursuant to this Agreement, and all violations asserted in any notice sent to the LWDA pursuant to PAGA, whether or not referenced in any of those pleadings, based on the facts and/or theories alleged in the notices sent to the LWDA in connection with the Lawsuits, including but not limited to those that were, are or could be the basis of any of the claims (including without limitation under theories of successor liability, joint employer liability, agency and/or conspiracy) that the Released Parties failed to pay or underpaid wages of any type (including minimum, regular, overtime, double time, and terminal wages), failed to provide or pay for missed or non-compliant meal breaks, failed to provide or authorize and permit or pay for missed or non-compliant rest breaks, failed to furnish accurate itemized wage statements, failed to timely pay wages of any type, failed to reimburse employment-related expenses, violated the California Unfair Competition Law ("UCL"), violated any applicable state or federal Worker Adjustment and Retraining Act, violated the federal Fair Labor Standards Act ("FLSA"), and/or are subject to civil penalties under PAGA, based in whole or in part on any direct or imputed violation of any federal, state, local or administrative constitution, charter, law, rule, regulation or ordinance and whether for economic damages, noneconomic damages, restitution, statutory penalties, civil penalties, liquidated damages, punitive damages, interest, attorneys' fees, costs of suit or other monies, through March 2, 2020.

**EXCLUDING YOURSELF FROM THE SETTLEMENT**

**14. How do I get out of the Settlement?**

If you wish to preserve the option to pursue your own separate lawsuit against W&S for the claims asserted in this Action, or if you otherwise wish not to participate in the Settlement for whatever reason, you should request to be excluded from the Settlement. To exclude yourself from the Settlement, you must submit a written statement requesting exclusion from the Settlement (also referred to in this Notice as "opting out").

Your request for exclusion must (a) state your name, address, telephone number and the last four (4) digits of the social security number; (b) a statement substantially similar to the following:

“I elect to opt-out of the *Germany\_v. Watkins and Shepard Trucking, Inc.* class action settlement. I understand that by doing so, I will not be able to participate in the settlement and will not receive a share of the settlement proceeds.”

(c) be addressed to the Administrator and mailed to the Administrator’s address shown in Paragraph 22; and (d) be signed by the Class Member. The request to opt out must be postmarked on or before **xxxxxx, xx, 2021**.

**15. If I don’t exclude myself from the Settlement, can I sue W&S for the same thing later?**

No. Unless you exclude yourself from this Action, you give up any right to sue W&S for the claims that this Settlement resolves. Individuals who already have a current lawsuit against W&S are not included in this Settlement. ***If you have a potential claim against W&S which has not been filed, you must speak to your lawyer in that case immediately.*** You must ask to exclude yourself from this Action to start your own lawsuit by returning the request for exclusion postmarked on or before **xxxxxx, xx, 2021**.

**16. If I exclude myself, can I get money from this Settlement?**

No. If you exclude yourself, you will not receive an Individual Settlement Payment. The Individual Settlement Payment you would have been entitled to receive will be distributed to Participating Class Members who choose to remain in the Class and to participate. No portion of the Net Settlement Amount will go back to W&S as a result of any request by Class Members to be excluded from the Settlement.

**OBJECTING TO THE SETTLEMENT**

**17. How do I tell the Court that I don’t like the Settlement?**

If you don’t think the Settlement is fair, you may object to the Settlement and tell the Court your reasons for disagreeing with the Settlement. This is the process by which you can tell the Court if you think the Settlement as a whole is unfair. If you think that your Individual Settlement Payment was miscalculated, or the information shown in the Employment Information Sheet is wrong, please use the process set forth in Paragraph 11 above. If you submit an objection, the Court will consider your views. To object, you must send a letter stating that you object to the proposed Settlement. Written objections must be signed by the Class Member and must: (1) state the objecting Class Member’s name, address, and telephone number; (2) state the case name and number as follows: *Germany v. Watkins and Shepard Trucking, Inc.*, Case No. CIVDS1929857; (3) describe in clear and concise terms, the basis for each objection; (4) be dated, and if the Class Member intends to use any document(s) to support an objection, copies of the document(s) should be included with the written objection at the time of submission. If the Class Member intends to be present at the time of the Final Approval Hearing to discuss the written objections, he or should indicate that fact in the objection letter. The objection letter must be mailed to the Administer at the address shown below:

*Germany v. Watkins and Shepard Trucking, Inc. Class Action  
Settlement Administrator  
c/o xxxxx.,  
xxxxxx  
xxxx, CA xxxx  
1-xxx-xxx-xxxx*

You may appear in person at the time of the Final Approval Hearing to speak with the Court and discuss your objection. See Paragraphs 20 and 21.

**18. What’s the difference between objecting and requesting to be excluded from the case?**

Objecting is simply telling the Court you don't like something about the Settlement. You may object only if you stay in the Class. Requesting to be excluded from the Class is telling the Court that you don't want to be part of the Class. If you choose not to be a part of the Class, you have no basis to object because the case no longer affects you.

If you remain in the Class and object to any of the terms of the Settlement, the Court will consider your written objection when deciding whether to grant final approval to the Settlement. You do not need to appear to discuss the objection.

### THE COURT'S FINAL FAIRNESS HEARING

**19. When and where will the Court decide whether to approve the settlement?**

The Court will hold a Final Approval Hearing in Courtroom S-26, of the Superior Court of California, County of San Bernardino located at 247 West Third Street, San Bernardino, California 92415 on xxx, xx, 2021 at 8:30 a.m. At this hearing, the Court will determine whether the Settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, the Class Representative service payment, and the Administrator's fees and expenses.

The Court may reschedule the Final Approval hearing without further notice to Class Members. However, any Class Member who has filed a written objection will be notified by Class Counsel of any rescheduling of the date and time of the Final Approval hearing.

**20. Do I have to come to the hearing?**

No. Class Counsel will answer any questions the Court may have. If you send an objection, you don't have to come to Court to talk about it. As long as you mailed your written objection as shown in Paragraph 17, the Court will consider it. If you plan to attend, your written objection letter should include reference to your intention to appear at the Final Approval Hearing. You may also hire and pay your own lawyer to attend if you so desire; see Paragraph 21.

**21. May I appear and speak at the hearing?**

If you have submitted a written objection, you may also personally appear at the Final Approval hearing to discuss your objection.

### GETTING MORE INFORMATION

**22. Who can I contact if I have questions about the Settlement?**

This Notice summarizes the proposed Settlement. More details are in the Stipulation of Class and Representative Action Settlement and Release on file with the Court and contained on this website : . You may view all of the Court's files at the courthouse. The San Bernardino Superior Court of the State of California is located at 247 West Third Street, San Bernardino, California 92415. Subject to ongoing COVID-19 related closures, you may be able to view the Court's files any time Monday through Friday, between the hours of 9:00 a.m. and 4:00 p.m., excluding Court holidays. The case name and case number are *Germany v. Watkins and Shepard Trucking, Inc.*, Case No. CIVDS1929857. You may also contact Class Counsel at the contact information listed above in Paragraph 5 if you have any questions about the Settlement. You may also



contact the court-appointed Administrator, [REDACTED], by calling toll free 1-[REDACTED], or you can write to *Germany v. Watkins and Shepard Trucking, Inc* Class Action Administrator at the following address:

*Germany v. Watkins and Shepard Trucking, Inc. Class Action Settlement  
Administrator  
c/o [REDACTED] administrator  
[REDACTED]  
[REDACTED], CA [REDACTED]  
1-[REDACTED]*

**. PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, OR ANY OF THE W&S’ MANAGERS, SUPERVISORS, OR ITS ATTORNEYS ABOUT THIS SETTLEMENT.**

**ADDITIONAL IMPORTANT INFORMATION**

A. **W&S** will not retaliate in any manner whatsoever against any Class Member who stays in the Class and receives a Settlement Payment or who requests to be excluded from the Settlement.

B. **It is your responsibility to ensure that the Administrator** has your current mailing address and telephone number on file, as this will be the address to which your Individual Settlement Payment will be mailed.

C. **Settlement Payment checks must be cashed soon after receipt.** Monies represented by checks which remain uncashed after 180 days of the date of issuance will be voided, and handled as described in Paragraph 12, above. If your check is lost or misplaced, you should immediately contact the Administrator immediately to request a replacement.

Germany v. Watkins and Shepard Trucking, Inc.  
San Bernardino Superior Court, State of California  
Case No. CVIDS1929857

**EMPLOYMENT INFORMATION SHEET**

Class Member’s Address on File with the Administrator:

Name: <<First Name>> <<Last Name>>

Address: <<Address 1>>

City, State, Zip Code: <<City>>, <<State>> <<Zip>>

Watkins and Shepard Trucking, Inc.’s records reflect that you are/were employed as an hourly paid, non-exempt California employee sometime during the Class Period, from October 10, 2014 through March 2, 2020 and shows the following:

- You have <<workweeks>> Work Weeks worked during the Class Period, (October 10, 2014 through March 2, 2020).

Based on the number of Work Weeks shown above (obtained from W&S’ records), it is estimated you will receive an estimated \$<<Est. Settlement Amt.>>, less applicable payroll taxes. The amount shown is an estimate. The actual amount you receive may be more or less than the estimated amount shown, depending on a number of factors.

**You do not have to take any action to receive your Settlement Payment. It will be mailed to you at the address shown above. If your address has changed, or is different than the address shown above, you must return the enclosed Change of Address form to notify the Administrator your Settlement Payment must be mailed to a different address than shown above. You may also contact the Administrator by calling toll-free 1-xxx-xxx-xxxx.**

Again, Settlement Payment checks will be voided 180 days after issuance and forwarded to the Unclaimed Property Division of the State of California’s Controller’s Department. It is highly recommended that after receipt of your Settlement Payment check, you immediately deposit or cash it.