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8 Attorneys for Plaintiff,  
9 ERIC AYALA, and all others similarly situated  
10 (additional attorneys listed on next page)

11 **IN THE UNITED STATES DISTRICT COURT**  
12 **CENTRAL DISTRICT OF CALIFORNIA**

13 ERIC AYALA and ADRIAN  
14 AVILES, on behalf of themselves and  
15 all others similarly situated, and as  
16 “aggrieved employees” on behalf of  
17 other “aggrieved employees” under  
18 the Labor Code Private Attorneys  
19 General Act of 2004,

20 *Plaintiff(s),*

21 vs.

22 UPS SUPPLY CHAIN SOLUTIONS,  
23 INC., a Delaware corporation; UPS  
24 SUPPLY CHAIN SOLUTIONS  
25 GENERAL SERVICES, INC., a  
26 Delaware corporation; and DOES 1  
27 10, inclusive,

28 *Defendant(s).*

Case No.: 5:20-cv-00117-PSG-AFM

**DECLARATION OF KEVIN LEE  
WITH RESPECT TO SETTLEMENT  
NOTICE ADMINISTRATION**

**Date:** January 14, 2022

**Time:** 1:30 p.m.

**Courtroom:** 6A

**Judge:** Hon. Philip S. Gutierrez



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**ATTORNEYS FOR PLAINTIFF ADRIAN AVILES**

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**DECLARATION OF KEVIN LEE**

I, Kevin Lee, declare as follows:

1. I am a Case Manager at Phoenix Settlement Administrators (“Phoenix”), the Court-appointed Class Action Settlement Administrator for *Eric Ayala and Adrian Aviles v. UPS Supply Chain Solutions, Inc., et al.* I have personal knowledge of the facts stated herein and, if called upon to testify, I could and would testify competently to such facts.

2. Phoenix was selected by the Parties to provide notice of the Settlement and perform class administration duties in this action. Pursuant to the Joint Stipulation of Class Action Settlement (“Settlement” or “Settlement Agreement”) for this matter, Phoenix was responsible for (i) preparing, printing, and mailing the *Notice of Pendency of Class Action and Proposed Settlement*, and *Notice of Individual Settlement Award* (herein referred to collectively as the “Notice Packet”); (ii) responding to inquiries from Settlement Class Members; (iii) determining the validity of Requests for Exclusion as applicable; (iv) calculating the Net Settlement Amount and the Individual Settlement Awards to Settlement Class Members; (v) issuing the Individual Settlement Awards and distributing them to Participating Settlement Class Members; (vi) issuing the payment to Class Counsel for attorneys’ fees and costs, the Class Representatives’ Service Awards, and the employer/employee payroll taxes to the appropriate taxing authorities; and (vii) such other tasks as set forth in the Settlement Agreement, as the Parties mutually agree, or as the Court orders.

3. On September 24, 2021, Phoenix received a data file from Defense Counsel that contained names, last known mailing addresses, Social Security numbers, dates of termination of employment (if any), and number of workweeks worked by each Settlement Class Member (“Class Data”) during the periods from December 12, 2015 to August 1, 2021 (“Class Period”) and the period from December 12, 2018 to August 1, 2021 (“PAGA Settlement Period”). The final



1 mailing list contained two thousand one hundred (2,100) Settlement Class  
2 Members.

3 4. On October 8, 2021, Phoenix conducted a National Change of Address  
4 (“NCOA”) search in an attempt to update the class list of addresses as accurately as  
5 possible. A search of this database provides updated addresses for any individual  
6 who has moved in the previous four (4) years and notified the U.S. Postal Service  
7 of their change of address.

8 5. On October 8, 2021, Phoenix mailed the Notice Packet via U.S. first  
9 class mail, in English, to all two thousand one hundred (2,100) Settlement Class  
10 Members on the Class Data. A true and correct copy of the mailed Notice Packet is  
11 attached hereto as **Exhibit A**.

12 6. As of the date of this declaration, forty-six (46) Notice Packets have  
13 been returned to Phoenix. Six (6) were returned with a forwarding address, and were  
14 promptly re-mailed to the updated address affixed thereto. For the forty-one (41)  
15 Notice Packets returned from the Post Office without a forwarding address, Phoenix  
16 attempted to locate a current mailing address using TransUnion TLOxp, one of the  
17 most comprehensive address databases available for skip tracing. Of the forty-one  
18 (41) Notice Packets that were skip traced, forty-one (41) updated addresses were  
19 obtained and the Notice Packet was promptly re-mailed to those Class Members via  
20 first class mail.

21 7. As of the date of this declaration, no Notice Packets are considered  
22 undeliverable.

23 8. Phoenix has received zero (0) Requests for Exclusion. The deadline  
24 to request exclusion will be November 22, 2021.

25 9. Phoenix has received zero (0) Objections to the Settlement. The  
26 Objection deadline will be November 22, 2021.

27 10. No workweek disputes have been received to-date.

28 11. As of the date of this declaration, there are two thousand one hundred



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1 (2,100) Participating Settlement Class Members, representing 100% of the  
2 Settlement Class, who have not requested exclusion and have worked a collective  
3 total of one hundred sixty-one thousand eight hundred thirty (161,830) workweeks  
4 during the Class Period.

5 12. The Net Settlement Amount of \$928,371.60 available to pay  
6 Participating Settlement Class Members was determined by subtracting the  
7 requested Class Counsel attorneys' fees (\$600,000.00), requested Class Counsel  
8 costs (up to \$145,000.00), requested Class Representative Service Awards to  
9 Named Plaintiffs Ayala and Aviles for \$20,000 each (totaling \$40,000.00), total  
10 amount allocated to PAGA civil penalties (\$40,000.00), requested settlement  
11 administrator costs (\$19,000.00), and employer-side taxes (estimated at  
12 \$27,628.40) from the Gross Settlement Amount (\$1,800,000.00).

13 13. Based upon the calculations stipulated in the Settlement, the highest  
14 Individual Settlement Award to be paid is approximately \$1,692.33, the lowest  
15 Individual Settlement Award to be paid is approximately \$5.74, while the average  
16 Individual Settlement Award to be paid is approximately \$442.08. Plaintiff Ayala's  
17 estimated Individual Settlement Award to be paid is approximately \$382.79 and  
18 Plaintiff Aviles' estimated Individual Settlement Award to be paid is approximately  
19 \$252.85. All Individual Settlement Awards are subject to any and all legally  
20 mandated reductions and deductions on the one-fifth (20%) portion thereof  
21 considered wages.

22 14. Additionally, \$40,000.00 of the Gross Settlement Amount has been  
23 designated as the Private Attorneys General Act Allocation ("PAGA civil  
24 penalties"), of which 75%, or \$30,000.00, shall be paid to the Labor and Workforce  
25 Development Agency ("LWDA"), and 25%, or \$10,000.00, of which shall be paid  
26 to the PAGA Settlement Class Members who worked during the PAGA Settlement  
27 Period. There are one thousand six hundred thirty-four (1,634) PAGA Settlement  
28 Class Members who worked ninety-two thousand eight hundred sixty-five (92,865)



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1 pay periods during the PAGA Settlement Period. The average payment to these  
2 individuals is \$6.12.

3 15. Pursuant to the Settlement, the employer payroll taxes will be paid  
4 from the Gross Settlement Amount. As of this date, and utilizing the maximum tax  
5 rates, Phoenix estimates that the employer-side taxes should not exceed \$27,628.40.

6 16. Phoenix's costs associated with the administration of this matter are  
7 \$19,000.00. This includes all costs incurred to date, as well as estimated costs  
8 involved in completing the settlement distribution. A true and correct copy of the  
9 invoice from Phoenix is attached hereto as **Exhibit B**.

10  
11 I declare under penalty of perjury of the laws of the United States of  
12 America that the foregoing is true and correct.

13 Executed this 8<sup>th</sup> day of November 2021, at Orange, California.

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16 Kevin Lee

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## **Exhibit A**

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

ERIC AYALA and ADRIAN AVILES, on behalf of themselves and all others similarly situated,

Plaintiff(s),

vs.

UPS SUPPLY CHAIN SOLUTIONS, INC., a Delaware corporation; UPS SUPPLY CHAIN SOLUTIONS GENERAL SERVICES, INC., a Delaware corporation; and DOES 1-10, inclusive,

Defendant(s).

Case No. 5:20-cv-00117-PSG-AFM

**NOTICE OF PENDENCY OF CLASS ACTION AND PROPOSED SETTLEMENT**

**PLEASE READ THIS NOTICE CAREFULLY  
YOUR LEGAL RIGHTS MAY BE AFFECTED WHETHER YOU ACT OR NOT**

<b>SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:</b>	
<b>Do Nothing and Receive a Payment</b>	To receive a cash payment from the Settlement, you do <b>not</b> have to do anything. The estimated amount of your Individual Settlement Award is set forth on the accompanying Notice of Settlement Award.  After final approval by the Court, the payment will be mailed to you at the same address as this Notice. If your address has changed, please notify the Settlement Administrator as explained below. In exchange for the settlement payment, you will release claims against the Defendant as detailed below.
<b>Exclude Yourself</b>	To exclude yourself, you must send a written request for exclusion to the Settlement Administrator as provided below. If you request exclusion, you will retain your right to sue the Defendant. If you request exclusion, you will receive <b>no money from the Settlement</b> . However, if you are an PAGA Settlement Class Member who opts out, you will still be paid your allocation of the PAGA Payment and will remain bound by the release of the PAGA Released Claims regardless of whether you submit a request for exclusion.  Instructions are set forth below.
<b>Object</b>	Write to the Court about why you do not like the settlement or appear at the Final Approval Hearing to make an oral objection.  Directions are provided below.

**Why should you read this notice?**

The United States District Court for the Central District of California has granted preliminary approval of a proposed class action settlement (the "Settlement") in *Eric Ayala, et al. v. UPS Supply Chain Solutions, Inc., et al.*, United States District Court, Central District of California Case No. 5:20-cv-00117-PSG-AFM (the "Lawsuit"). Because your rights may be affected by the Settlement, it is important that you read this notice carefully.

The Court ordered that this Notice be sent to you because you may be entitled to money under the Settlement and because the Settlement affects your legal rights. For purposes of this Notice, rights of the following individuals may be impacted:



**“Settlement Class”:** All current and former non-exempt employees who worked for Defendant UPS Supply Chain Solutions, Inc. (“Defendant” or “SCS”) in California in the Class Period (defined as December 12, 2015 to August 1, 2021); and

**“PAGA Settlement Class Members”:** All members of the Settlement Class who were employed by Defendant in California during the PAGA Settlement Period (defined as December 12, 2018 through August 1, 2021).

The purpose of this notice is to provide you with a brief description of the Lawsuit, to inform you of the terms of the Settlement, to describe your rights in connection with the Settlement, and to explain what steps you may take to participate in, object to, or exclude yourself from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves the Settlement, you will be bound by the terms of the Settlement and any final judgment.

### ***What is this case about?***

In their operative Consolidated Class Action Complaint, Plaintiffs Eric Ayala and Adrian Aviles (collectively, “Plaintiffs” or “Class Representatives”), individually and on behalf of all Settlement Class Members, allege that SCS violated the California Labor Code and California Business and Professions Code on account of its alleged failure to, *inter alia*: (1) Provide meal and rest periods in violation of California Labor Code §§ 226.7, 512, and 1198; (2) Indemnify work expenses in violation of California Labor Code §§ 1198 and 2802; (3) Pay all wages for all hours worked at the correct rates of pay in violation of California Labor Code §§ 510, 1194, 1197, and 1198; (4) Provide proper wage statements in violation of California Labor Code §226; and (5) Timely pay final wages in violation of California Labor Code §§ 201-203. The Plaintiffs also allege in the Consolidated Class Action Complaint that, as a result of the alleged Labor Code violations, Defendant engaged in unfair business practices in violation of California’s Unfair Competition Act, Bus. & Prof. Code §17200 et seq., and is liable for civil penalties pursuant to the Private Attorneys General Act (“PAGA”).

SCS denies that it has done anything wrong. SCS further denies that it owes Settlement Class Members any wages, restitution, penalties, or other damages. Accordingly, the Settlement constitutes a compromise of disputed claims and should not be construed as an admission of liability on the part of SCS, which expressly denies all liability.

The Court has not ruled on the merits of Plaintiffs’ claims. However, to avoid additional expense, inconvenience, and interference with its business operations, the Parties have concluded that it is in their best interests and the interests of Settlement Class Members to settle the Lawsuit on the terms summarized in this Notice. After SCS provided relevant information to each Class Counsel, the Settlement was reached after mediation and arm’s-length negotiations between the parties.

The Class Representatives and their counsel—The Spivak Law Firm and Blumenthal Nordrehaug Bhowmik De Blouw LLP (collectively, “Class Counsel”)—support the Settlement. While Plaintiffs and Class Counsel believe that the claims alleged in this Lawsuit have merit, they also recognize that the risk and expense of continued litigation justify settlement. Based on the foregoing, Plaintiffs and Class Counsel believe the proposed settlement is fair, adequate, reasonable, and in the best interests of Settlement Class Members.

**If you are still employed by SCS, your decision about whether to participate in the Settlement will not affect your employment. California law and SCS’s policies strictly prohibit unlawful retaliation.** SCS will not take any adverse employment action against or otherwise target, retaliate, or discriminate against any Settlement Class Member because of the Settlement Class Member’s decision to either participate or not participate in the Settlement.

**Who are the Attorneys?**

<p>Attorneys for the Plaintiffs / Settlement Class Members:</p> <p>Attorneys for Plaintiff Eric Ayala/Settlement Class Members:</p> <p><b>THE SPIVAK LAW FIRM</b>  David G. Spivak  david@spivaklaw.com  16530 Ventura Blvd., Suite 203  Encino, CA 91436  Toll free: (877) 203-9010  Telephone: (213) 725-9094  Facsimile: (213) 634-2485</p> <p>Attorneys for Plaintiff Adrian Aviles/Settlement Class Members:</p> <p><b>BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP</b>  Norman B. Blumenthal  norm@bamlawca.com  Kyle R. Nordrehaug  kyle@bamlawca.com  2255 Calle Clara  La Jolla, CA 92037  Telephone: (858) 551-1223  Facsimile: (858) 551-1232</p>	<p>Attorneys for Defendant UPS Supply Chain Solutions, Inc.:</p> <p><b>GBG LLP</b>  Elizabeth (Lisa) A. Brown  lisabrown@gbgllp.com  Jen Svanfeldt  jensvanfeldt@gbgllp.com  Carlos I. Martinez-Garcia  carlosmartinez@gbgllp.com  633 West 5th Street, Suite 3330  Los Angeles, California 90071  Tel: (213) 358-2810  Fax: (213) 995-6382</p>
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**What are the terms of the Settlement?**

On **August 24, 2021**, the Court preliminarily certified the Settlement Class for settlement purposes only. The precise definition of the class approved for settlement can be found above and in the Settlement Agreement. Settlement Class Members who do not opt out of the Settlement pursuant to the procedures set forth in this Notice will be bound by the Settlement and will release their claims against SCS as described below. PAGA Settlement Class Members will be bound by the Settlement with respect to the PAGA claim regardless of whether they opt out of the Settlement.

SCS has agreed to pay \$1,800,000.00 (the “Gross Settlement Amount”) to fully resolve all claims in the Lawsuit, including payments to Settlement Class Members, settlement administration costs, attorneys’ fees and expenses, Class Representatives’ Service Awards, and payment to the Labor & Workforce Development Agency (“LWDA”). As part of the Settlement, SCS has also agreed to a change in practices to install time capturing systems in the locations where non-exempt employees undergo security checks.

The following deductions from the Gross Settlement Amount will be requested by the parties:

Settlement Administration Costs. The Court has approved Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, (800) 523-5773 to act as the “Settlement Administrator,” who is sending this Notice to you and will perform many other duties relating to the Settlement. The Court has approved setting aside up to \$30,000 from the Gross Settlement Amount to pay the Settlement administration costs.

Attorneys’ Fees and Expenses. Class Counsel have been prosecuting the Lawsuit on behalf of the Settlement Class Members on a contingency fee basis (that is, without being paid any money to date) and have been paying all litigation costs and expenses. The Court will determine the actual amount awarded to Class Counsel as attorneys’ fees, which will be paid from the Gross Settlement Amount. Settlement Class Members are not personally responsible for any of Class Counsel’s attorneys’ fees or expenses. Class Counsel will ask for fees of up to one-third of the Gross Settlement Amount, which is estimated to be \$600,000, as reasonable compensation for the work Class Counsel performed and will continue to perform in this Lawsuit through Settlement finalization. Class Counsel also will ask for reimbursement of up to \$145,000 for verified costs Class Counsel incurred in connection with the Lawsuit.

Service Awards to Class Representatives. Class Counsel will ask the Court to award each Plaintiff a service award in the amount of \$20,000 for a total of \$40,000 to compensate them for their services and extra work provided on behalf of the Settlement Class Members.

LWDA Payment. Class Counsel will ask the Court to approve a payment in the total amount of \$40,000 as civil penalties, payable pursuant to PAGA. Per Labor Code § 2699(i), seventy-five percent (75%) of such penalties, or Thirty Thousand Dollars (\$30,000) will be payable to the Labor & Workforce Development Agency (“LWDA”), and the remaining twenty-five percent (25%), or Ten Thousand Dollars (\$10,000), will be payable to PAGA Settlement Class Members as the “PAGA Amount,” which PAGA Amount will be distributed as described below.

Calculation of Individual Settlement Class Members’ Settlement Award. After deducting the Court-approved amounts above, the balance of the Gross Settlement Amount will form the Net Settlement Amount (“NSA”), which will be distributed to all Settlement Class Members who do not submit a valid and timely Request for Exclusion (described below).

The NSA is estimated at approximately \$945,000.00, to be shared among an estimated 2,100 Settlement Class Members. The NSA will be divided as follows: each Settlement Class Member who does not submit a valid and timely Request for Exclusion, as defined in the Settlement Agreement (“Participating Settlement Class Members”) shall receive a proportionate settlement share based upon the workweeks employed by Defendant during the Class Period, the numerator of which is the Settlement Class Member’s workweeks during the Class Period and the denominator of which is the total workweeks worked by all Participating Settlement Class Members who worked during the Class Period (“Individual Settlement Award”).

In addition, the PAGA Amount will be allocated as follows: Each PAGA Settlement Class Member shall receive a portion of the PAGA Amount proportionate to the number of workweeks worked during the PAGA Settlement Period, as defined in the Settlement Agreement, the numerator of which is the PAGA Settlement Class Member’s gross number of workweeks worked during the PAGA Settlement Period and the denominator of which is the total number of workweeks worked by all PAGA Settlement Class Members during the PAGA Settlement Period.

Payments to Settlement Class Members. If the Court grants final approval of the Settlement, Individual Settlement Awards will be mailed to all Participating Settlement Class Members, and PAGA Amounts will be mailed to all PAGA Settlement Class Members regardless of whether they submit a Request for Exclusion.

Payment by SCS of Gross Settlement Amount. The Gross Settlement Amount shall be paid by SCS as follows: The Gross Settlement Amount shall be deposited with the Settlement Administrator within thirty (30) calendar days of the Effective Date (which, for this purpose, shall be defined as the later of (1) date on which the Court enters an Order granting Final Approval of the Settlement Agreement or, (2) the later of: (i) the last date on which any appeal might be filed (i.e., no later than 60 calendar days following entry of judgment) or (ii) the successful resolution of any appeal(s), including expiration of any time to seek reconsideration or further review.

Within ten (10) business days following SCS’s deposit of the Gross Settlement Amount with the Settlement Administrator, the Settlement Administrator will calculate Individual Settlement Awards and provide the same to the Parties’ counsel for review and approval. Within five (5) business days of approval by the Parties’ counsel, the Settlement Administrator will prepare and mail Individual Settlement Awards, less applicable taxes and withholdings, to participating Settlement Class Members and PAGA Settlement Class Members. The Settlement Administrator shall simultaneously pay the withholdings to the applicable authorities with the necessary reports, submitting copies to Defendant’s counsel.

Allocation and Taxes. For tax purposes, each Individual Settlement Award shall be allocated as follows: eighty percent (80%) as penalties and interest; and twenty percent (20%) as wages. The Settlement Administrator will be responsible for issuing to participating Settlement Class Members IRS Forms W-2 for amounts deemed “wages” and IRS Forms 1099 for the amounts allocated as penalties and interest. Notwithstanding the treatment of the payments to each Settlement Class Member above, none of the payments called for by this Settlement Agreement, including the wage portion, are to be treated as earnings, wages, pay or compensation for any purpose of any applicable benefit or retirement plan, unless required by such plans.

Release. If the Court approves the Settlement, the following releases will be in effect:

**Release of Class Claims:** All Participating Settlement Class Members (as defined in the Settlement Agreement) will release all claims, demands, rights, liabilities and causes of action pled in the operative Consolidated Class Action Complaint, or which could have been pled or could arise out of the facts pled in the operative Consolidated Class Action Complaint based on the facts alleged, arising between December 12, 2015 and September 1, 2021 (the “Released Class Claims”). The Released Class Claims include claims for: (a) failure to provide meal and rest periods; (b) failure to indemnify expenses; (c) failure to pay all wages at the correct rates of pay; (d) failure to provide proper wage statements; (e) waiting time penalties; and (f) all claims for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above.

**Release of PAGA Claims:** Separate and apart from the Released Claims specified above, all PAGA Settlement Class Members will release all claims under PAGA as alleged in the Consolidated Class Action Complaint and/or any notices submitted by the Plaintiffs to the LWDA, to the extent that such claims were or could have been pled or could arise out of the facts pled in the Consolidated Class Action Complaint that arose between December 12, 2018 and September 1, 2021 (“PAGA Released Claims”). PAGA Released Claims include claims for civil penalties for alleged (a) failure to provide meal and rest periods; (b) failure to indemnify expenses; (c) failure to pay all wages at the correct rates of pay; (d) failure to provide proper wage statements; and (e) untimely wages. PAGA Settlement Class Members will receive their respective share of the PAGA Payments and will release all PAGA Released Claims regardless of whether or not they submit a valid and timely Request for Exclusion.

Conditions of Settlement. The Settlement is conditioned upon the Court entering an order at or following the Final Approval Hearing finally approving the Settlement as fair, reasonable, adequate and in the best interests of the Settlement Class, and the entry of Judgment.

#### ***How can I claim money from the Settlement?***

Do Nothing. If you do nothing, you will be entitled to your share of the Settlement based on the proportionate number of workweeks you worked during the Class Period (as explained above), and as stated in the accompanying Notice of Settlement Award. You also will be bound by the Settlement, including the release of claims stated above.

#### ***What other options do I have?***

Dispute Information in Notice of Settlement Award. Your award is based on the proportionate number of workweeks you worked during the relevant period (as explained above). The information contained in SCS’s records regarding all of these factors, along with your estimated award, is listed on the accompanying Notice of Settlement Award. If you disagree with the information in your Notice of Settlement Award, you may submit a dispute, along with any supporting documentation, in accordance with the procedures stated in the Notice of Settlement Award. Any disputes, along with supporting documentation, must be postmarked no later than November 22, 2021. **DO NOT SEND ORIGINALS; DOCUMENTATION SENT TO THE SETTLEMENT ADMINISTRATOR WILL NOT BE RETURNED OR PRESERVED.**

The Parties and the Settlement Administrator will evaluate the evidence submitted and discuss in good faith how to resolve any disputes submitted by Settlement Class Members. The Settlement Administrator’s decision regarding any dispute will be final.

Exclude Yourself from the Settlement. If you **do not** wish to take part in the Settlement, you may exclude yourself by sending to the Settlement Administrator a written Request for Exclusion, which must: 1) contain the name, address, telephone number and the last four digits of the Social Security number of the Settlement Class Member; 2) contain a statement that the Settlement Class Member wishes to be excluded from the Settlement; 3) be signed by the Settlement Class Member; and 4) be postmarked by November 22, 2021.

Send the Request for Exclusion directly to the Settlement Administrator at Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863. Any person who files a timely Request for Exclusion from the Settlement shall, upon receipt by the Settlement Administrator, no longer be a Settlement Class Member, shall be barred from participating in any portion of the Settlement, and shall receive no benefits from the Settlement other than the PAGA Amount, which shall be distributed regardless of any submission of Request for Exclusion. **Do not submit both a Dispute and a Request for Exclusion.** If you do, the Request for Exclusion will be invalid, you will be included in the Settlement Class, and you will be bound by the terms of the Settlement. Likewise, **do not submit both a Dispute and an Objection.** If you submit both and your objection is rejected by the Court, the Dispute will be invalid and you will receive the Individual Settlement Award as determined by the Settlement Administrator from Defendant’s records.

Objecting to the Settlement. You also have the right to object to the terms of the Settlement. However, if the Court rejects your objection, you will still be bound by the terms of the Settlement. If you wish to object to the Settlement, or any portion of it, you must mail a written objection to the Settlement Administrator. Your written objection must: (1) contain the objecting Settlement Class Member’s full name and current address, as well as contact information for any attorney representing the objecting Settlement Class Member for purposes of the objection; (2) include all objections and the factual and legal bases for same; (3) include any and all supporting papers, briefs, written evidence, declarations, and/or other evidence; and (4) be postmarked no later than November 22, 2021. Alternatively, members of the Settlement Class who do not request exclusion may also orally object to the Settlement at the Final Approval Hearing.

If you choose to object to the Settlement, you may also appear at the Final Approval Hearing scheduled for January 14, 2022 at 1:30 p.m. in Courtroom 6A of the United States District Court, Central District of California, located at First Street Courthouse, 350 West 1st Street, 6th Floor, Los Angeles, California 90012. You have the right to appear either in person or through your own attorney at this hearing. Any attorney who intends to represent an individual objecting to the Settlement must file a notice of appearance with the Court and serve counsel for all parties on or before November 22, 2021. All objections or other correspondence must state the name and number of the case, which is: *Eric Ayala, et al. v. UPS Supply Chain Solutions, Inc., et al., United States District Court, Central District of California* Case No. 5:20-cv-00117-PSG-AFM.

If you object to the Settlement, you will remain a member of the Settlement Class, and if the Court approves the Settlement, you will be bound by the terms of the Settlement in the same way as Settlement Class Members who do not object.

***What is the next step?***

The Court will hold a Final Approval Hearing on the adequacy, reasonableness, and fairness of the Settlement on January 14, 2022 at 1:30 p.m., in Courtroom 6A of the United States District Court, Central District of California, located at First Street Courthouse, 350 West 1st Street, 6th Floor, Los Angeles, California 90012. The Court also will be asked to rule on Class Counsel's request for attorneys' fees and reimbursement of documented costs and expenses and the Service Award to each Class Representative. The Final Approval Hearing may be postponed without further notice to Settlement Class Members. **You are not required to attend the Final Approval Hearing, although any Settlement Class Member is welcome to attend the hearing.**

***How can I get additional information?***

This Notice is only a summary of the Lawsuit and the Settlement. For more information, you may inspect the Court's files and the Settlement Agreement at the Archives and Records Center, 225 East Temple Street, Suite TS-134, Los Angeles, CA 90012, during regular court hours. You may also contact Settlement Administrator or Class Counsel using the contact information listed above for more information. The Settlement Agreement, the motion for final approval, the motion for attorneys' fees and costs, and the Court's Orders are posted on the Settlement Administrator's website at: [www.phoenixclassaction.com/ayala-ups](http://www.phoenixclassaction.com/ayala-ups).

**PLEASE DO NOT CALL OR WRITE THE COURT, SCS, OR ITS ATTORNEYS FOR INFORMATION ABOUT THIS SETTLEMENT OR THE SETTLEMENT PROCESS**

***REMINDER AS TO TIME LIMITS***

The deadline for submitting any Disputes, Requests for Exclusion, or Objections is **November 22, 2021**. These deadlines will be strictly enforced.

**ADDRESS CHANGES**

**If you move, you must send the Settlement Administrator your new address; otherwise, you may never receive your settlement payment. It is your responsibility to keep a current address on file with the Settlement Administrator. To update your mailing address, please contact the Settlement Administrator at (800) 523-5773.**

**BY ORDER OF THE COURT ENTERED ON AUGUST 24, 2021.**

**NOTICE OF INDIVIDUAL SETTLEMENT AWARD**

*ERIC AYALA AND ADRIAN AVILES VS. UPS SUPPLY CHAIN SOLUTIONS, INC. ET AL.*

UNITED STATES DISTRICT COURT - CENTRAL DISTRICT OF CALIFORNIA, CASE NO. 5:20-CV-00117-PSG-AFM

Please complete, sign, date and return this form to Phoenix Settlement Administrators, P.O. Box 7208, Orange, CA 92863, **ONLY IF** (1) your personal contact information has changed, and/or (2) you wish to dispute any of the items listed in Section (III), below. It is your responsibility to keep a current address on file with the Settlement Administrator.

**(I) Please type or print your name:**

\_\_\_\_\_

(First, Middle, Last)

**(II) Please type or print the following identifying information if your contact information has changed:**

\_\_\_\_\_

Former Names (if any)

\_\_\_\_\_

New Street Address

\_\_\_\_\_

City

State

Zip Code

**(III) Information Used to Calculate Your Individual Settlement Award:**

According to UPS Supply Chain Solutions, Inc.'s ("SCS") records, you were employed for a total of «Total\_Pay\_Periods» workweeks by UPS in one of the following subclasses:

**"Settlement Class":** All current and former non-exempt employees who worked for Defendant UPS Supply Chain Solutions, Inc. ("Defendant" or "SCS") in California during the Class Period (defined as the time period of December 12, 2015 through August 1, 2021); and

**"PAGA Settlement Class":** All members of the Settlement Class who were employed by Defendant in California during the PAGA Settlement Period (defined as the time period of December 12, 2018 through August 1, 2021).

**Based on the above, your Individual Settlement Award is estimated to be «Est\_Set\_Amt».**

**(IV) Dispute of Calculation: If you disagree with the information contained in Section (III) above, please explain why in the space provided below and include copies of any supporting documentation with this form:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

If you dispute the above information from SCS's records, SCS's records will control unless you are able to provide documentation that establishes that SCS's records are mistaken. If there is a dispute about whether SCS's information or yours is accurate, and the dispute cannot be resolved informally, the dispute will be resolved by the Parties and the Settlement Administrator as described in the "Notice of Class Action Settlement" that accompanies this Form. Any unresolved disputes will be submitted to the Court for a final determination.

**ANY DISPUTES, ALONG WITH ANY SUPPORTING DOCUMENTATION, MUST BE POSTMARKED  
NO LATER THAN NOVEMBER 22, 2021.**

## **Exhibit B**



**PHOENIX**

CLASS ACTION ADMINISTRATION SOLUTIONS

**CASE ASSUMPTIONS**

Class Members	2100
Opt Out Rate	0%
Opt Outs Received	0
Total Class Claimants	2100
Subtotal Admin Only	<b>\$19,790.00</b>
<b>TOTAL COSTS</b>	<b>\$19,000.00</b>

**November 8, 2021**

**Case: Ayala v. UPS Supply Chain Solutions, Inc., et al.**

<b>Case &amp; Database Setup / Toll Free Setup &amp; Call Center / NCOA (USPS)</b>			
<b>Administrative Tasks:</b>	<b>Rate</b>	<b>Hours/Units</b>	<b>Line Item Estimate</b>
Programming Manager	\$100.00	3	\$300.00
Programming Database & Setup	\$100.00	3	\$300.00
Toll Free Setup*	\$140.00	1	\$140.00
Call Center & Long Distance	\$2.00	275	\$550.00
NCOA (USPS)	\$0.15	2100	\$315.00
Settlement-Specific Website	\$500.00	1	500.00
		<b>Total</b>	<b>\$2,105.00</b>

<b>Data Merger &amp; Scrub / Notice Packet, Opt-Out Form &amp; Postage /Translation</b>			
<b>Project Action</b>	<b>Rate</b>	<b>Hours/Units</b>	<b>Line Item Estimate</b>
Notice Packet Formatting	\$105.00	3	\$315.00
Data Merge & Duplication Scrub	\$0.15	2,100	\$315.00
Notice Packet & Opt-Out Form	\$0.95	2,100	\$1,995.00
Postage (up to 1 oz.)	\$0.70	2,100	\$1,470.00
Language Translation	\$1,200.00	1	\$1,200.00
		<b>Total</b>	<b>\$5,295.00</b>

<b>Skip Tracing &amp; Remailing Notice Packets / Tracking &amp; Programming Undeliverables</b>			
<b>Project Action:</b>	<b>Rate</b>	<b>Hours/Units</b>	<b>Line Item Estimate</b>
Case Associate	\$55.00	4	\$220.00
Skip Tracing Undeliverables	\$1.00	100	\$100.00
Remail Notice Packets	\$0.95	100	\$95.00
Postage (estimated for future)	\$0.60	100	\$60.00
Programing Undeliverables	\$50.00	1	\$50.00
		<b>Total</b>	<b>\$525.00</b>

<b>Database Programming / Processing Opt-Outs, Deficiencies or Disputes</b>			
<b>Project Action:</b>	<b>Rate</b>	<b>Hours/Units</b>	<b>Line Item Estimate</b>
Programming Claims Database	\$150.00	3	\$450.00
Non Opt-Out Processing	\$200.00	2	\$400.00
Case Associate	\$55.00	3	\$165.00
Opt-Outs/Deficiency/Dispute Letters	\$5.00	0	\$0.00
Case Manager	\$85.00	3	\$255.00
		<b>Total</b>	<b>\$1,270.00</b>



# 6676

<b>Calculation &amp; Disbursement Programming/ Create &amp; Manage QSF/ Mail Checks</b>			
<b>Project Action:</b>	<b>Rate</b>	<b>Hours/Units</b>	<b>Line Item Estimate</b>
Programming Calculations	\$115.00	3	\$345.00
Disbursement Review	\$100.00	3	\$300.00
Programming Manager	\$95.00	2	\$190.00
QSF Fees, Bank Account & EIN	\$95.00	3	\$285.00
Check Run Setup & Printing	\$100.00	4	\$400.00
Mail Class Checks, W2 and 1099 *	\$1.00	2,100	\$2,100.00
Estimated Postage Checks, W2 and 1099	\$0.65	2,100	\$1,365.00
		<b>Total</b>	<b>\$4,985.00</b>

\* Checks are printed on 8.5 x 11 in. sheets with W2/1099 Tax Filing

<b>Tax Reporting &amp; Reconciliation / Re-Issuance of Checks / Conclusion Reports and Declarations</b>			
<b>Project Action:</b>	<b>Rate</b>	<b>Hours/Units</b>	<b>Line Item Estimate</b>
Case Supervisor	\$100.00	3	\$300.00
Remail Undeliverable Checks (Postage Included)	\$1.50	100	\$150.00
Case Associate	\$55.00	4	\$220.00
Reconcile Uncashed Checks	\$85.00	3	\$255.00
Conclusion Reports	\$115.00	5	\$575.00
Case Manager Conclusion	\$85.00	3	\$255.00
Final Reporting & Declarations	\$115.00	3	\$345.00
Uncashed Check Notice Postcard (Postage Included)	\$1.50	40	\$60.00
Uncashed Check QSF Tax Filing	\$150.00	3	\$450.00
IRS & QSF Annual Tax Reporting * (State Tax Reporting Included)	\$1,000.00	3	\$3,000.00
		<b>Total</b>	<b>\$5,610.00</b>

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

**Total: \$19,790.00**