

**Amended Notice of Class Action Settlement**

Oscar I. Lopez Villareal, individually and on behalf of the putative class,  
Plaintiff,

v.

Deco Logistics, Inc. dba Container Connection; and DOES 1-50, Inclusive,  
Defendants.

Superior Court of the State of California, for the County of Riverside  
Case Number RIC2001519

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**ELIGIBLE CLASS MEMBERS ARE HEREBY NOTIFIED AS FOLLOWS:**

A proposed settlement (the “Settlement”) has been reached in the above-referenced action currently pending in the Superior Court of the State of California, County of Riverside. Because your rights may be affected by this Settlement, it is important that you read this Notice carefully.

As explained in more detail below, you do not need to take any action to participate in the Settlement and receive a check as your settlement payment, but you do have the option of requesting to be excluded from the Settlement, which is referred to as “opting out.” If you do not timely opt-out, you will receive settlement funds and be bound by the release of any claims described in this Notice.

**A. PURPOSE OF THIS NOTICE**

The Court has approved for settlement purposes only the following class (the “Class”): all truck drivers classified as independent contractors by Deco Logistics, Inc, dba Container Connection, Southern Counties Express, Inc., Universal Intermodal Services, Inc., Universal Capacity Solutions, LLC, UACL Logistics, LLC, Roadrunner Intermodal Services, LLC, Purchased Transportation Services, Inc., Morgan Southern, Inc., Wando Trucking, LLC, and Central Cal Transportation, LLC, who drove for Defendants in California at any time during the Class Period at any time during the time period of June 8, 2016 through August 31, 2022 (the “Class Period”).

You are getting this notice because Deco Logistics, Inc, dba Container Connection, Southern Counties Express, Inc., Universal Intermodal Services, Inc., Universal Capacity Solutions, LLC, UACL Logistics, LLC, Roadrunner Intermodal Services, LLC, Purchased Transportation Services, Inc., Morgan Southern, Inc., Wando Trucking, LLC, and Central Cal Transportation, LLC’s (collectively referred to as “Defendants”) records indicate that you are a Class Member, which means you drove as a truck driver classified as an independent contractor by Defendants during the Class Period (“Class Member”). This Notice is intended to inform you of the class action settlement and your options (participating or opting out). Individuals who do not opt out are referred to herein as a “Participating Class Member.” In addition, you may also be considered an aggrieved employee for purposes of Plaintiff’s claims under the Labor Code Private Attorneys General Act if you drove as a truck driver classified as an independent contractor by Defendants during the time period of June 8, 2019 through August 31, 2022.

**B. DESCRIPTION OF THE ACTION**

In his Third Amended Complaint for Damages, Plaintiff alleges (a) failure by Defendants to pay minimum wages, overtime wages, or any other wages due; (b) failure by Defendants to timely pay wages at termination; (c) failure by Defendants to provide meal or rest periods or to pay meal or rest period premiums; (d) failure by Defendants to provide compliant wage statements; (e) failure by Defendants to indemnify for expenditures or losses in discharge of duties; and (f) violations or breach of the California Labor Code during the Class Period from conduct alleged in the Class Action Complaint, including Labor Code sections 201, 202, 203, 204, 204b, 206, 210, 226, 226.2, 226.3, 226.7, 226.8, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802, and (g) violations of California’s Unfair Competition Law (“Class Action”). Plaintiff also pursues these claims under the Labor Code Private Attorneys General Act (“PAGA”). Plaintiff claims that Defendants owe the Class Members wages, penalties, repayment of amounts owed, damages, interest, plus attorneys’ fees and court costs. Defendants dispute these allegations and believe they complied with the law. The Class Action and PAGA Action are collectively referred to as the “Action.”

The Parties engaged in significant efforts to obtain the facts regarding the claims asserted, including the production and review of hundreds of pages of documents, the provision of data points for the class during the relevant period including the total number of current and former employee class members, workweeks worked, and average rate of pay, the provision and analysis of time and payroll records of Class Members. The Parties also engaged in a full day mediation session with a paid, professional mediator. The Parties disagree as to the probable outcome of the Action with respect to liability and damages if the Action were not settled. Each side recognizes that litigating is a risky and costly proposition and that each may not prevail on any or all of the claims.

This Settlement is the result of good-faith and arm’s-length negotiations between the Plaintiff and Defendants. Each side agrees that given the risks and expense associated with continued litigation, this Settlement is fair and appropriate under the circumstances, and is in the best interests of the Class Members.

Please be advised that the Court has not ruled on the merits of the Plaintiff's claims or Defendants' defenses (which means the Court has not made a determination of who is right or wrong). Rather, the Court has determined only that there is sufficient evidence to suggest that the proposed settlement might be fair, adequate, and reasonable, and that any final determination of those issues will be made at the final hearing.

The attorneys for the Class ("Class Counsel") are:

Kevin Mahoney  
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Berkeh Alemzadeh  
balem@mahoney-law.net  
Mahoney Law Group, P.C.  
249 E. Ocean Boulevard, Suite 814  
Long Beach, California 90802  
Phone: 562.590.5550

The attorneys for Defendants are:

Victor Cosentino  
victor.cosentino@larsongaston.com  
LARSON & GATSON, LLP  
200 South Los Robles Avenue, Suite 530  
Pasadena, California 91101

On March 15, 2023, the Court granted preliminary approval of this proposed Settlement of the Action. The Court will decide whether to give final approval to the proposed Settlement at a hearing scheduled for July 3, 2023 ("Final Approval Hearing"). See below for details.

### **C. SUMMARY OF TERMS OF THE PROPOSED SETTLEMENT**

Subject to the Court's approval, the terms of the Settlement are as follows:

1. The settlement amount is six million two hundred thousand dollars (\$6,200,000.00) (the "Settlement Amount" also referred to as the "Gross Fund Value") from which Defendants would pay: (a) a minimum of four million fifty thousand three hundred thirty-three dollars and thirty-four cents (\$4,050,333.34) for payment to Participating Class Members and of the four million fifty thousand three hundred thirty-three dollars and thirty-four cents (\$4,050,333.34), twelve thousand five hundred dollars (\$12,500.00) will be for payment to the PAGA Group Members. Ten percent (10%) of the Individual Settlement Payment shall for tax purposes be deemed wages subject to Form W-2 reporting, and ninety percent (90%) shall for tax purposes be deemed non-wages interest, reimbursement, and penalties. The PAGA Payment shall be for tax purposes shall be deemed non-wage civil penalties and not subject to taxes; (b) a maximum of two million sixty-six thousand six hundred sixty-six dollars and sixty-six cents (\$2,066,666.66) (1/3<sup>rd</sup> of the Settlement Amount) for the payment of Class Counsel's Attorney Fees; (c) a maximum of nine thousand dollars twenty thousand dollars (\$20,000.00) for the payment of Class Counsel's Costs; (d) thirty-seven thousand five hundred dollars (\$37,500.00) to the State of California for its share of the Settlement Amount allocated for settlement of the PAGA claims; (e) a maximum of seven thousand five hundred dollars (\$7,500.00) for the payment of a Class Representative Service Payment to the named Plaintiff; and (f) a maximum of twenty one thousand (\$21,000.00) for Settlement Administration Costs. The Settlement Amount shall not include employer payroll taxes due upon payment of the ten percent (10%) allocated to wages payable to Settlement Class Members; employer payroll taxes are to be paid in addition to the Settlement Amount. In the event that the maximum sums stated in subsections (b)-(f) are not approved and awarded by the Court, the unapproved and awarded sums shall be added to the Class Recovery (subsection (a)). The amount set forth above in subsection (a) is referred to herein as the "Class Recovery."

2. The Class Recovery will be allocated among Class Members who do not opt-out of this Settlement (or "Participating Class Member(s)") based upon calculations made using Defendants records. Specifically, a Participating Class Member's share of the Net Settlement will be calculated by dividing the number of workweeks that each Participating Class Member worked within the Class Period by the total workweeks that all Participating Class Members worked within the Class Period, and multiplying that fraction by the Class Recovery to determine that Participating Class Member's total personal recovery. As noted, ten percent (10%) of each Individual Participating Class Member's Total Recovery shall for tax purposes be designated as wages and shall be reported using a Form W-2, and ninety percent (90%) of each Individual Participating Class Member's Total Recovery shall for tax purposes be designated as non-wages and interest and shall be reported using a Form 1099.

3. Based on the foregoing methodology, the amount recovered by a Participating Class Member will vary from an estimated \$25.72 to \$8,435.85. The estimated amount you will receive under this settlement is \$ \_\_\_\_\_. PLEASE NOTE that your Final Individual Settlement Share may be more or less than the average stated above based on the number of workweeks you worked and after accounting for all sums payable from the Settlement Amount.

4. **PAGA Payment:** The PAGA Payment consists of a total of fifty thousand dollars (\$50,000.00) of the Gross Fund Value. Of the PAGA Payment, Seventy-Five percent, (75%) or thirty-seven thousand five hundred dollars (\$37,500.00) shall be paid to the Labor and Workforce Development Agency, and the remaining twelve twenty-five percent, (25%) or twelve thousand five hundred dollars (\$12,500.00) will be distributed to members of the Class who are eligible for PAGA penalties ("PAGA Group Members"). Each PAGA Group Member that worked for Defendants from June 8, 2019, through August 31, 2022 (the "PAGA Period") will receive a portion of the twelve thousand five hundred dollars (\$12,500.00). Each PAGA Group Member's individual Payment will be calculated based on the total number of weekly pay periods he or she worked during the PAGA Period. To establish the workweek value, the Settlement Administrator will first determine the total number of weekly pay periods worked by all PAGA Group Members during the PAGA Period. Twenty-five percent (25%) of the PAGA Payment will then be divided by the total number of weekly pay periods worked by PAGA Group Members during the PAGA Period to determine the weekly pay period value. The portion of the PAGA Payment paid to PAGA Group Members represents the portion of civil penalties awarded directly under PAGA, and shall be considered one hundred percent (100%) penalties. PAGA Group Members will not be required to submit a claim form in order to be issued a check for their share of this PAGA Payment. PAGA Group Members cannot object nor opt out of the PAGA Settlement. The estimated amount you will receive under this portion of the settlement is \$\_\_\_\_\_.

5. **Release by Participating Class Members:** Each Class Member who does not request exclusion from the Settlement in accordance with Paragraph E below consents to the following release ("Release"):

I, and all persons purporting to act on my behalf or purporting to assert a claim under or through on my behalf, including but not limited to, my dependents, spouses, heirs and assigns, beneficiaries, devisees, legatees, executors, administrators, trustees, conservators, guardians, representatives, agents, and successors-in-interest, whether individual, class, representative, legal, equitable, direct or indirect, or any other type or in any other capacity ("Releasing Party"), hereby fully, forever, irrevocably, and unconditionally release and discharge Deco Logistics, Inc, dba Container Connection, Southern Counties Express, Inc., Universal Intermodal Services, Inc., Universal Capacity Solutions, LLC, UACL Logistics, LLC, Roadrunner Intermodal Services, LLC, Purchased Transportation Services, Inc., Morgan Southern, Inc., Wando Trucking, LLC, and Central Cal Transportation, LLC, and each and any of their past, present, and future officers, directors, employees, and/or agents (collectively referred to as the "Released Parties"), from the claims that are alleged in the Class Action or the claims that could have been alleged in the Class Action based on the same facts alleged in the Class Action, including claims for (a) failure by Defendants to pay minimum wages, overtime wages, or any other wages due; (b) failure by Defendants to timely pay wages at termination; (c) failure by Defendants to provide meal or rest periods or to pay meal or rest period premiums; (d) failure by Defendants to provide compliant wage statements; (e) failure by Defendants to indemnify for expenditures or losses in discharge of duties; (f) violations or breach of the California Labor Code during the Class Period from conduct alleged in the Class Action Complaint, including Labor Code sections 201, 202, 203, 204, 204b, 206, 210, 226, 226.2, 226.3, 226.7, 226.8, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 2800, and 2802; and (g) rights or claims for unfair business practices in violation of California Business & Professions Code § 17200 *et seq.* Notwithstanding the above, the Releasing Party understands and agree that the release in this Settlement does not apply to (i) those rights that as a matter of law cannot be released and/or waived, including, but not limited to, workers' compensation claims; (ii) rights or claims that may arise after the close of the Class Period; and (iii) rights or claims regarding enforcement of this Settlement. No release in this Settlement shall become effective until the Gross Fund Value is fully funded.

6. **Release by the state of California and Plaintiff:** Upon the date the Court entering an order granting final approval of the Settlement and Defendants fully fund the Gross Fund Value, Plaintiff and Plaintiff on behalf of the State of California fully and forever, irrevocably and unconditionally release and discharge the Released Parties from the any rights, statutory damages, civil penalties, interest, attorneys' fees, costs, liabilities, expenses, and losses based solely upon the facts as alleged in Plaintiff's letter to the state of California and as alleged in the Action including claims for (a) failure by Defendants to pay minimum wages, overtime wages, or any other wages due; (b) failure by Defendants to timely pay wages at termination; (c) failure by Defendants to provide meal or rest periods or to pay meal or rest period premiums; (d) failure by Defendants to provide compliant wage statements; (e) failure by Defendants to indemnify for expenditures or losses in discharge of duties; and (f) violations or breach of the California Labor Code during the PAGA Period (June 8, 2019 through August 31, 2022). Plaintiff and Plaintiff on behalf of the State of California agrees not to sue or otherwise make a claim against any of the Released Parties for any of the PAGA Released Claims. Any member of the Class that opts-out of this settlement will still receive a PAGA Payment.

#### **D. TO PARTICIPATE IN THE SETTLEMENT**

**To participate in the Settlement, you do not need to take any further action.** Upon final approval from the Court, you will receive a settlement check for an amount as described in paragraph C, above.

#### **E. TO OPT-OUT OF THE SETTLEMENT**

If you do not want to participate in the Settlement, you must complete and mail the enclosed Opt-Out Form to the Settlement Administrator. In order to be valid, your completed Opt-Out Form must be received by the Settlement Administrator with a postmark date on or before June 5, 2023, at the following address: P.O. Box 7208, Orange, CA 92863. If you properly submit a timely Opt-Out Form, you will not be eligible to receive any of the benefits under the Settlement. You will, however, retain whatever legal rights you may have against Defendants with regard to the claims set forth in the Release above.

## **F. TO OBJECT TO THE SETTLEMENT**

If you do not request exclusion from the Settlement but believe the proposed Settlement is unfair or inadequate in any respect including but not limited to attorney fees and costs, you may object to the Settlement by completing the Objection Form that is included with this Notice and mailing a copy of your written objection to the Settlement Administrator at the address listed at the end of this paragraph. You must complete the Objection Form by stating the grounds of your objection to the settlement, signing and dating the form, printing your name, providing your full address, and mailing it to the Settlement Administrator via U.S. First Class Mail to the following address: P.O. Box 7208, Orange, CA 92863.

You are also entitled to enter an appearance in this action through an attorney, at your own expense, if you so desire.

You cannot ask the Court to order a larger settlement; the Court can only approve or deny the settlement. If the Court denies approval, no settlement payments will be sent out and the lawsuit will continue. If that is what you want to happen, you must object.

Any Class Member who does not object in the manner described above shall be deemed to have waived any objections, and shall forever be foreclosed from objecting to the fairness or adequacy of the proposed Settlement, the payment of attorneys' fees, litigation costs, the Class Representative Enhancement Payments, and any and all other aspects of the Settlement.

## **G. TAXES**

For tax reporting purposes, any payments made to Participating Class Members (excluding Class Representative Enhancement Payments) shall be allocated as follows: (a) ten percent (10%) as wages; and (b) ninety percent (90%) as non-wages (penalty, reimbursements, and interest). All non-wages will be reported using an IRS Form 1099. If you have any questions regarding the tax treatment of any payments pursuant to the Settlement, you should consult your own tax advisor at your own expense. Defendants make no representation as to the tax treatment or legal effect of the payments called for hereunder, and cannot and do not provide you tax advice in this regard. The portion of the PAGA Payment paid to PAGA Group Members represents the portion of civil penalties awarded directly under PAGA, and shall be considered one hundred percent (100%) penalties and reported using an IRS Form 1099.

## **H. FINAL APPROVAL HEARING ON PROPOSED SETTLEMENT**

The Court will hold a Final Approval Hearing on the fairness and adequacy of the proposed Settlement, the plan of distribution, Class Counsel's request for attorneys' fees and costs, the administrative costs, and the Class Representative Enhancement Payments on July 3, 2023 at 8:30 a.m. in Department 1 of the Superior Court of the State of California, County of Riverside, located at 4050 Main Street, Riverside 92501.

## **I. ADDITIONAL INFORMATION**

It is important for the Parties to have your current address in order to be able to send you other mailings regarding the Action. You should contact the Settlement Administrator to report any change of your address after you receive this Notice.

This Notice only summarizes the Action, the Settlement, and other related matters. *Please do not contact the Court or the Court Clerk about this notice.* For additional information, you may review the Settlement Agreement, containing the complete terms of the proposed Settlement, which is on file with the Court and attached to the Declaration of Kevin Mahoney in Support of Motion for Preliminary Approval of Class Action Settlement filed on February 17, 2023 and available to be inspected at any time during regular business hours at the Clerk's Office at the Riverside Superior Court – Riverside Historic Courthouse located at 4050 Main Street, Riverside, California 92501. You may also review the pleadings, records, and other papers on file in this lawsuit online at <https://www.riverside.courts.ca.gov/publicaccess.shtml>, or at the office of the clerk of the Superior Court of California, County of Riverside, located at 4050 Main Street, Riverside 92501. You may also contact the Settlement Administrator at:

Phoenix Class Action Administration Solutions  
P.O. Box 7208  
Orange, CA 92863  
<https://www.phoenixclassaction.com/villareal-v-deco-logistics/>  
Telephone: (800) 523-5773

***PLEASE DO NOT CALL OR WRITE THE COURT ABOUT THIS NOTICE.***

***THIS NOTICE IS NOT A RECOMMENDATION BY THE COURT AS TO ANY ACTION YOU SHOULD OR SHOULD NOT TAKE.***

***\*\*\*THIS IS NOT AN ADVERTISEMENT FROM A LAWYER\*\*\****