

CALIFORNIA SUPERIOR COURT, COUNTY OF ALAMEDA

Leonardo Motta on behalf of himself, all others similarly situated, and on behalf of the general public, Plaintiff,
vs. Roadrunner Transportation Services, Inc. and Central Cal Transportation, LLC, Defendants
Case No. RG15770011

NOTICE OF CLASS ACTION SETTLEMENT

*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 by whether you act or don't act.*

TO: All persons who were employed by Defendants, Roadrunner Transportation Services, Inc. and Central Cal Transportation, LLC, as non-exempt drivers at any time in California from May 12, 2011, to February 1, 2018

The California Superior Court, County of Alameda has granted preliminary approval to a proposed settlement (“Settlement”) of the above-captioned action (“Class Action”). Because your rights may be affected by this Settlement, it is important that you read this Notice of Class Action Settlement (“Notice”) carefully.

The Court has certified the following class for settlement purposes (“Class” or “Class Members”):

All persons who were employed by Defendants, Roadrunner Transportation Services, Inc. and Central Cal Transportation, LLC, as non-exempt drivers at any time in California from May 12, 2011, to February 1, 2018.

The purpose of this Notice is to provide a brief description of the claims alleged in the Class Action, the key terms of the Settlement, and your rights and options with respect to the Settlement.

YOU MAY BE ENTITLED TO MONEY UNDER THE PROPOSED CLASS ACTION SETTLEMENT. PLEASE READ THIS NOTICE CAREFULLY; IT INFORMS YOU ABOUT YOUR LEGAL RIGHTS.

WHAT INFORMATION IS IN THIS NOTICE

1. Why Have I Received This Notice?..... Page 2
2. What Is This Case About? Page 2
3. Am I a Class Member? Page 2
4. How Does This Class Action Settlement Work? Page 2
5. Who Are the Attorneys Representing the Parties? Page 3
6. What Are My Options?..... Page 4
7. How Do I Opt Out or Exclude Myself From This Settlement? Page 4
8. How Do I Object to the Settlement? Page 4
9. How Does This Settlement Affect My Rights? Page 5
10. How Much Can I Expect to Receive From This Settlement?..... Page 6
11. How Will the Attorneys for the Class and the Class Representative Be Paid? Page 7

1. *Why Have I Received This Notice?*

Roadrunner Transportation Services, Inc. and Central Cal Transportation, LLC's (hereinafter referred to as "Defendants") records indicate that you may be a Class Member. The settlement will resolve all Class Members' Released Claims, as described below, from May 12, 2011, to February 1, 2018 (the "Class Period").

A Preliminary Approval Hearing was held on June 8, 2018, in the California Superior Court, County of San Diego. The Court conditionally certified the Class for settlement purposes only and directed that you receive this Notice.

The Court will hold a Final Fairness Hearing concerning the proposed settlement on October 26, 2018 at 10:00 a.m., before Judge Winifred Y. Smith, located at 1221 Oak Street, Oakland, California 94612, Department 21.

2. *What Is This Case About?*

The action entitled *Leonardo Motta on behalf of himself, all others similarly situated, and on behalf of the general public, Plaintiff, vs. Roadrunner Transportation Services, Inc. and Central Cal Transportation, LLC, Defendants*, was commenced on May 12, 2015 in the Alameda Superior Court (Case Number RG15770011). This action was brought against Defendants seeking damages, restitution, penalties, interests, costs and attorney's fees and other relief based on the following alleged causes of action: 1) wage theft/time shaving; 2) failure to pay compensation for all time worked; 3) failure to provide meal periods; 4) failure to authorize and permit rest periods; 5) knowing and intentional failure to comply with itemized employee wage statement provisions; 6) waiting time penalties; and 7) violation of the Unfair Competition Law. As part of preliminary approval, Plaintiff Motta amended his complaint to add in a cause of action under the Labor Code Private Attorneys General Act of 2004 ("PAGA").

The Court has not made any determination as to whether the claims advanced by the Plaintiff Motta have any merit. In other words, the Court has not determined whether any laws have been violated, nor has it decided in favor of Plaintiff Motta or Defendants; instead, both sides agreed to resolve the lawsuit with no decision or admission of who is right or wrong. By agreeing to resolve the lawsuit, all parties avoid the risks and cost of a trial. Defendants expressly denies that it did anything wrong or that it violated the law and further denies any liability whatsoever to Plaintiff Motta or to the Class.

3. *Am I A Class Member?*

You are a Class Member if you worked for Defendants as a non-exempt driver at any time from May 12, 2011, to February 1, 2018 (the "Class Period") in California.

4. *How Does This Class Action Settlement Work?*

Plaintiff Motta brings this action behalf of himself and all other similarly situated employees who were employed by Defendants as non-exempt drivers in California at any time during the Class Period. Plaintiff Motta and these other current and former employees comprise a "Class" and are "Class Members." The settlement of this Action resolves the Released Claims of all Class Members, except for those who exclude themselves from the Class by requesting to be excluded in the manner set forth below.

Plaintiff Motta and Class Counsel believe the settlement is fair and reasonable. The Court must also review the terms of the settlement and determine if it is fair and reasonable to the Class. The Court file has the settlement documents, which explain the settlement in greater detail. If you would like copies of the settlement documents, you can contact Plaintiff Motta's counsel, whose contact information is below, and they will provide you with a copy free of charge.

The pleadings and other records in this litigation, including the Settlement Agreement, may be examined online on the Alameda County Superior Court's website, known as 'DomainWeb,' at:

<https://publicrecords.alameda.courts.ca.gov/PRS/>

After arriving at the website, click the 'Search By Case Number' link, then enter RG15770011 as the case number and click 'SEARCH.' Images of every document filed in the case may be viewed through the 'Register of Actions' at a minimal charge.

You may also view images of every document filed in the case free of charge by using one of the computer terminal kiosks available at each court location that has a facility for civil filings.

PLEASE DO NOT TELEPHONE THE COURT OR DEFENDANTS' COUNSEL FOR INFORMATION REGARDING THIS SETTLEMENT OR THE CLAIM PROCESS!

5. Who Are the Attorneys Representing the Parties?

Attorneys for Plaintiff and the Class	Attorneys for Defendant
THE TURLEY & MARA LAW FIRM, APLC William Turley David Mara Jill Vecchi 7428 Trade Street San Diego, CA 92121 Telephone: (619) 234-2833 Facsimile: (619) 234-4048	SCOPELITIS, GARVIN, LIGHT, HANSON & FEARY, LLP Adam Smedstad 30 West Monroe Street, Suite 600 Chicago, IL 60603 Telephone: (312) 255-7200 Facsimile: (312) 422-1224 Jack Finklea 10 West Market Street, Suite 1500 Indianapolis, IN 46204 Telephone: (317) 637-1777 Facsimile: (317) 687-2414

The Court has decided that The Turley & Mara Law Firm, APLC are qualified to represent you and all other Class Members simultaneously.

You do not need to hire your own attorney because Class Counsel is working on your behalf. But, if you want your own attorney, you may hire one at your own cost.

6. *What Are My Options?*

The purpose of this Notice is to inform you of the proposed settlement and of your options. Each option has its consequences, which you should understand before making your decision. Your rights regarding each option, and the steps you must take to select each option, are summarized below and explained in more detail in this Notice.

Important Note: Defendants will not retaliate against you in any way for either participating or not participating in this Settlement.

- **DO NOTHING:** If you do nothing and the Court grants final approval of the Settlement, you **will** become part of this lawsuit and may receive a payment from the Settlement. You **will** be bound to the release of the Released Claims as defined in the Settlement Agreement and the Final Judgment. You **will** also give up your right to pursue the Released Claims as defined in Section No. 9 below.
- **OPT OUT:** If you **do not** want to participate as a Class Member, you may “opt out,” which will remove you from the Class and this Action. If the Court grants final approval of the settlement, you **will not** receive an Individual Settlement Share payment and you will not give up the right to sue Defendants and the Released Parties for the Released Claims as defined in Section No. 9 below.
- **OBJECT:** You may file a legal objection to the proposed settlement. If you would like to object, you may not opt out of this case.

The procedures for opting out and objecting are set forth below in the sections entitled “How Do I Opt Out or Exclude Myself From This Settlement” and “How Do I Object To The Settlement?”

7. *How Do I Opt Out Or Exclude Myself From This Settlement?*

If you do not want to take part in the Settlement, you must mail a written Request for Exclusion to the Settlement Administrator. The written request for exclusion must: (a) state your name, address, and telephone number; (b) state your intention to exclude yourself from or opt-out of the Settlement; (c) be addressed to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863; (d) be signed by you or your lawful representative; and (e) be postmarked no later than September 4, 2018.

The Final Judgment entered, following approval of the Settlement by the Court, will bind all Class Members who do not request exclusion from the Settlement.

8. *How Do I Object To The Settlement?*

If you are a Class Member who does not opt out of the Settlement, you may object to the Settlement, personally or through an attorney, by submitting your objection in writing. You may also appear at the Final Approval Hearing, either in person or through an attorney at your own expense, provided you notify the Court of your intent to do so. All written objections, supporting papers and/or notices of intent to appear at the Final Approval Hearing must (a) clearly identify the case name and number (*Motta v. Roadrunner Transportation Services, Inc*, Case Number RG15770011), (b) be submitted to the Court either by mailing the to: Clerk of Court, Superior Court of California, County of Alameda, Rene C. Davidson Alameda County Courthouse, 1225 Fallon Street, Oakland, California 94612, or by filing in person at any location of the Superior Court, County of Alameda that includes a facility for

civil filings, (c) also be mailed to the law firms identified above and (d) be filed or postmarked on or before September 4, 2018. The objection will not be valid if it objects only to the appropriateness of the Action or its merits.

If the Court rejects the objection will receive an Individual Settlement Share payment and will be bound by the terms of the Settlement.

9. How Does This Settlement Affect My Rights? What are the Released Claims?

If the proposed settlement is approved by the Court, a Final Judgment will be entered by the Court. All Class Members who do not opt out of the Settlement will be bound by the Court's Final Judgment and will release Defendant and the Released Parties¹ from the Released Claims. The full and detailed Release of Claims by Participating California Class Members is contained in the Settlement Agreement, which can be found at <http://phoenixclassaction.com/motta-vs-roadrunner/> or on the Court's Domainweb website (instructions on accessing this site are provided in Section 11 of this Notice). The claims released under this Settlement are paraphrased as follows:

Putative class members who **do not** opt out of the settlement will release any and all claims, including all federal, state or local claims for wages and related penalties actually alleged in this lawsuit for the period of time from May 12, 2011, to February 1, 2018 including but not limited to: (1) Defendants' alleged failure to pay drivers at least minimum wage for all straight time hours they worked in violation of California law, this includes time for "non-productive time" and rest and recovery periods as well as any other claims for alleged "wage theft/time shaving"; (2) Defendants' alleged failure to pay drivers overtime compensation for overtime hours worked in violation of California law; (3) Defendants' alleged failure to provide meal periods to drivers in compliance with California, or provide drivers with compensation in lieu of lawful meal periods, in violation of California Labor Code sections 226.7 and 512 and the applicable Industrial Welfare Commission Wage Order; (4) Defendants' alleged failure to authorize and permit rest periods lawful rest periods to drivers, or provide compensation in lieu of lawful rest periods, in violation of California Labor Code section 226.7 and the applicable Industrial Welfare Commission Wage Order; (5) Defendants' alleged failure to provide itemized employee wage statements to drivers in violation of California Labor Code sections 226, 1174, and 1175 and the applicable Industrial Welfare Commission Wage Order; (6) Defendants' alleged failure to timely pay wages due to drivers at termination of their employment, in violation of California Labor Code sections 201-203 and 205; (7) Defendants' alleged engagement in unlawful business practices, including all related claims for restitution and other equitable relief under California Business and Professions Code section 17200, *et seq.*; (8) liability for any other remedies, penalties, and interest under California Labor Code sections 201, 202, 203, 205, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1197.1, PAGA, and the applicable Industrial Welfare Commission Wage Order; and (9) all related claims, interest, attorneys' fees and/or costs of suit. Under the release, the right of the LWDA to investigate the released PAGA claims is not released but Released Claims do include any claims for penalties by a Class Member as a result of any such LWDA investigation, and Class Members are waiving their right to act as a private attorney general as to the Released Claims. The Release of Claims extends May 12, 2011, to February 1, 2018.

¹ "Released Parties" means Defendants and its past, present and/or future, direct and/or indirect, officers, directors, employees, representatives, administrators, attorneys, agents, parent companies, subsidiaries and affiliated corporations and entities, consultants, shareholders, joint ventures, predecessors, successors, and/or assigns.

10. *How Much Can I Expect to Receive From This Settlement?*

The total maximum amount that Defendants could be required to pay under this Agreement shall be \$700,000.00 (“Gross Settlement Amount” or “GSA”).

The “Net Settlement Amount” or “NSA” means the portion of the Gross Settlement Amount, available for distribution to Class Members after the deduction of (1) the Class Representative Enhancement to Plaintiff in an amount up to \$7,500, for prosecution of the Action, risks undertaken for the payment of attorneys’ fees and costs, and a general release of all claims; (2) the Settlement Administration Costs to the Settlement Administrator in an amount estimated not to exceed \$15,000; (3) a payment of \$15,000 (75% of \$20,000 allocated to the Labor Code Private Attorneys General Act of 2004 claims) to the California Labor Workforce Development Agency (“LWDA”); and (4) payment to Class Counsel in an amount not to exceed \$233,310 (one third of the Gross Settlement Amount) for attorneys’ fees and an amount not to exceed \$30,000 for litigation costs. All of these payments are subject to court approval.

After deducting the above-referenced items, the remaining Net Settlement Amount, will be proportionately distributed amongst all Class Members who have not opted out. The Settlement Administrator will assign to each Participating Class Member² a “Settlement Ratio,” which shall be a fractional number comprised of (i) the number of weeks he or she worked based on the Class data provided by Defendants, divided by (ii) the total number of weeks worked by all Participating Class Members based on the same Class data, which is then multiplied by the Net Settlement Amount. One day worked in a given week will be credited as a week for purposes of this calculation. Therefore, the value of each Class Member’s Individual Settlement Share ties directly to the amount of weeks that he or she worked.

Although your exact share of the Net Settlement Amount cannot be precisely calculated until after the time during which individuals may object or seek exclusion from the Settlement concludes, based upon the calculation above, your approximate share of the Net Settlement Amount, is as follows: \$____, less taxes. This is based on the Class Data which shows you worked _____ workweeks during the Class Period.

If you disagree with the number of workweeks stated in this Notice, you may provide documentation and/or an explanation to show contrary information to the Settlement Administrator at P.O. Box 7208, Orange, CA 92863. You must postmark this information by September 4, 2018. The Settlement Administrator will consult with the Parties to determine whether an adjustment about the number of workweeks worked is warranted. The Settlement Administrator shall determine the eligibility for, and the amounts of, any Individual Settlement Payments under the terms of the settlement. The Settlement Administrator’s determination of the eligibility for and the amount of any Individual Settlement Payment shall be binding on the Class Member and the Parties.

Thirty-three and one-third percent (33.3%) of each Individual Settlement Share is intended to settle each Class Member’s claims for unpaid wages (the “Wage Portion”). The Wage Portion will be reduced by applicable payroll tax withholdings and deductions. Defendants’ share of legally required payroll taxes for the Wage Portion will be calculated by the Settlement Administrator and paid out of the Net Settlement Amount. The Settlement Administrator will issue an IRS Form W-2 to each Participating Class Member with respect to the Wage Portion of his/her Individual Settlement Share.

Sixty-six and two-thirds percent (66.7%) of the Individual Settlement Share is intended to settle each Class Member’s claims for interest and penalties (“Non-Wage Portion”). The Non-Wage Portion will not be reduced

² A Participating Class Member is a Class Member who does not exclude themselves from the Settlement.

by payroll tax withholding and deductions. The Settlement Administrator will issue to each Participating Class Member an IRS Form 1099 with respect to the Non-Wage Portion of his/her Individual Settlement Share.

It is strongly recommended that upon receipt of your Individual Settlement Share check, you immediately cash it or cash it before the 180-day void date shown on each check. If any checks remain uncashed or not deposited by the expiration of the 180-day period, the Settlement Administrator will, within two hundred (200) calendar days after the checks are mailed, pay 25% of any uncashed check funds to the State Treasury for deposit in the Trial Court Improvement and Modernization Fund, and the remaining 75% of the uncashed check funds to the State Treasury for deposit into the Equal Access Fund of the Judicial Branch pursuant to Code of Civil Procedure section 384(b)(3)(A)-(C). The Settlement Administrator will not issue 1099 or W-2 forms to Participating Class Members who do not cash their Individual Settlement Share checks.

11. *How Will the Attorneys for the Class and the Class Representative Be Paid?*

The attorneys for Plaintiff and the Class will be paid from the Gross Settlement Amount. Subject to Court approval, the attorneys for Plaintiff and the Class shall be paid an amount not to exceed one third of the Gross Settlement Amount (\$233,310) for attorney fees and \$30,000 for litigation costs.

Defendants have paid all of its own attorneys' fees and costs.

Plaintiff Motta will also be paid, subject to Court approval, an amount not to exceed \$7,500, as an enhancement for the initiation of and prosecution of this case, the risks undertaken for the payment of costs in the event this case had been lost, and a general release of all claims.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact Class Counsel listed above, or the Settlement Administrator at the telephone number listed below, toll free. Please refer to the Roadrunner Central Cal class action Settlement. You can also access case documents free of charge by visiting a website set up and maintained by the Settlement Administrator by visiting <http://phoenixclassaction.com/motta-vs-roadrunner/>.

This Notice does not contain all of the terms of the proposed settlement or all of the details of these proceedings. For more detailed information, you may refer to the underlying documents and papers on file with the Court at 1221 Oak Street, Oakland, California 94612 or obtain them for a nominal fee by visiting the Alameda Superior Court website by visiting publicrecords.alameda.courts.ca.gov and inputting the case number RG15770011. You may also contact Plaintiff's counsel, whose contact information is above, and they will provide you with a copy of the settlement documents or case documents free of charge.

PLEASE DO NOT TELEPHONE THE COURT OR COURT'S CLERK FOR INFORMATION ABOUT THIS SETTLEMENT.