

S204032

SUPREME COURT
FILED

IN THE SUPREME COURT
OF THE STATE OF CALIFORNIA

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ARSHAVIR ISKANIAN,

Deputy

Appellant,

vs.

CLS TRANSPORTATION LOS ANGELES, LLC, et al.,
Respondents,

After Decision By The Court Of Appeal,
Second Appellate District, Division Two
Case No. B235158

From the Superior Court for Los Angeles County
Assigned for All Purposes To Judge Robert Hess, Department 24
Case No. BC356521

**RESPONDENT'S OBJECTION TO APPELLANT'S REQUEST FOR
JUDICIAL NOTICE; APPENDIX OF EXHIBITS VOLUME III,
TAB 5**

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9 LUIS EARNSHAW,

10 Claimant

11 vs.

12 CLS TRANSPORTATION LOS ANGELES LLC,
13 et al.

14 Respondents.
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Arbitrator: Hon. Kevin Murphy

Case No. 74 160 223 12 AMCH

**RESPONDENTS' OPPOSITION TO
CLAIMANT LUIS EARNSHAW'S
MOTIONS FOR AN AWARD OF
ATTORNEYS' FEES AND COSTS**

Date: June 4, 2013

Time: 9:00 a.m.

Via Conference Call

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1 **I. INTRODUCTION.**

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3 This motion for fees and costs is a sad example of what is increasingly wrong with the
4 class action practice: it's all about the fees. It is particularly egregious here, where fees spent on
5 a *class action* that was *dismissed* are sought in an *individual* arbitration. "Class counsel,"
6 Initiative Law Group ("ILG"), purports to have spent nearly \$2 million on a class action against
7 Respondents, the fate of which is now before the California Supreme Court. Much of that
8 amount was spent on motions and appeals trying to avoid arbitration. Now, with exquisite irony,
9 they seek to collect all of those fees in the very arbitration proceedings they so expensively
10 sought to avoid. The attempt to collect over \$50,000 in fees for a nominal recovery of \$2,000 is
11 simply outrageous. The assertion that some "public benefit" has somehow been achieved by a
12 nominal individual settlement agreement is self-righteous nonsense. Respondents paid nuisance
13 value to Claimant, an individual who is not now a member of a class, who did not receive any of
14 the benefits he sought in the arbitration and who only, received compensation because
15 Respondents sought to curtail the disturbingly high expense of defending numerous individual
16 arbitrations. The arbitrator is being asked to award fees for time incurred in two pending court
17 cases over which the arbitrator has no jurisdiction as a matter of law. The law does not support
18 an award of fees, and, in any event, there is not sufficient evidence in the record on which an
19 award of fess in the case before the arbitrator can be granted.

20 This fee request on behalf of Luis Earnshaw is particularly outrageous because his case
21 had no value. It cannot be disputed that his potential claims were settled in a prior class action.
22 Earnshaw's declaration deceptively omits this fact. ILG misrepresented to the court, AAA, and
23 Judge Murphy that Earnshaw's case had merit. It is no wonder he accepted a \$2,000 settlement!
24 The settlement was procured through misrepresentation. The fee request should be denied.

25 **II. SUMMARY OF ARGUMENT.**

- 26 1. **The arbitrator lacks jurisdiction** to award fees incurred in the *Iskanian* and
27 *Kempler* litigations. *Iskanian* is currently pending in the California Supreme
28 Court; *Kempler* is still pending in the Los Angeles Superior Court. If fees are to

1 be awarded, the California state judge and justices presiding over those cases alone
2 have authority to award such fees. The arbitrator in this matter has no such
3 authority and is in no position to substitute his judgment for the judicial officers
4 hearing the matters as to whether fees are warranted. An “interim award” of
5 attorneys’ fees is not permitted. *Bell v. Farmers Ins.*, 87 Cal.App.4th 805 (2001).
6 ILG here seeks fees that are **duplicative** of the fees to be claimed in *Iskanian*.
7

8 2. **There is no contractual right to fees** under the language of either the Arbitration
9 Agreement or the §998 offer. Any fee award must be based on a statute.

10 3. **Claimant is not a “prevailing party”** under CCC §1033.5. A nuisance value
11 settlement under §998 does not qualify for fees under §1033.5. *See Chavez v. City*
12 *of Los Angeles*, 47 Cal.4th 970, 991 (2010) (California Supreme Court denies
13 request for \$870,000 fee award where recovery was only \$11,500.)
14

15 4. **ILG is not entitled to fees as a “private attorney general”** under CCP §1021.5.
16 No injunction has been sought; no “public benefit” has been achieved. The only
17 benefit is a \$2,000 nuisance payment to an ex-employee who only recently became
18 aware of this case. There is no evidence he was a “catalyst” for anything. Now
19 ILG disingenuously attempts to cash in on this trivial recovery.
20

21 5. **Claimant is not entitled to fees under the Labor Code.** There has been no
22 determination on the merits of the claim. Claimant is not a “prevailing” party
23 under Labor Code §225(e) or §218.5. Labor Code §1194(a) applies only to actions
24 filed in court. Claims for meal rest period violations do not entitle counsel to fees.
25 *See Kirby v. Immoos Fire Protection, Inc.*, 53 Cal.4th 1244 (2012).
26
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1 6. The claimed fees are entirely excessive and unnecessary, and have nothing to
2 do with the case before the arbitrator. At most, Claimants' counsel is only entitled
3 to \$1,125 in fees and costs per settling claimant.
4

5 **III. FACTUAL BACKGROUND**

6 **A. Claimant Was Always Able To File For Individual Arbitration; A Class
7 Action Was Unnecessary.**

8 The parties agree that this dispute is governed by the Arbitration Agreement (Motion p. 7,
9 Perez Decl., Ex. 5). The Arbitration Agreement provides for a neutral arbitrator, reasonable
10 discovery, a written award, and judicial review of the award. It also states that Respondents
11 would pay the arbitrator's fees, costs, and any expenses that were unique to arbitration. The
12 Agreement authorizes attorneys' fees and costs if the "statute or contract at issue in the dispute
13 authorizes the award of attorneys' fees and costs to the prevailing party." Further, the Arbitration
14 Agreement did not restrict or prohibit Claimant "from filing a charge or complaint with a federal,
15 state, or local administrative agency charged with investigating and/or prosecuting complaints
16 under any applicable federal, state or municipal law or regulation." (Perez Decl., Ex. 5.)

17 Claimant, thus, could have filed a demand for arbitration regarding his purported wage claims at
18 any time. He did not need to be included in a class action. He was not even aware of the class
19 action until, at the soonest, the time of certification; he did not participate in the proceeding in any
20 way. Claimant did not file his individual demand for arbitration until September 2011.

21 Alternatively, he could have filed a wage claim with the California Labor Commissioner's
22 Division of Labor Standards Enforcement ("DLSE").
23

24 **B. Claimant Could Also Have Filed With The Labor Commissioner.**

25 While ILG was litigating the *Iskanian v. CLS* class action, at least six of CLS'
26 former and existing employees pursued individual wage claims against CLS with the DLSE.
27 (Declaration of Yesenia Gallegos ("Gallegos Decl.") ¶¶ 11-16.) Those six individuals initiated
28

1 their individual claims with the DLSE *after* the *Iskanian* class action was certified. Those claims
2 were pursued by individuals who either expressly opted out of the *Iskanian* class action such as
3 Sarkis Ghazaryan and Robert Wood, or who remained class members but preferred to seek
4 prompt relief from the DLSE such as Benjamin Hill, Angel Del Cid, Joseph Skore, and Donald
5 Merriweather. All of them were individually represented by the same attorney, who was
6 undeterred from taking their individual cases despite the small monetary value of their alleged
7 wage claims. (*Id.*) Thus, Claimant could have pursued his claims with the DLSE years ago, with
8 or without an attorney.

9 **C. The *Iskanian* litigation: All Class Claims In That Matter Have Been**
10 **Dismissed and Are on Appeal with the California Supreme Court.**

11 On August 4, 2006, ILG filed *Iskanian v. CLS Transportation Los Angeles*, a purported
12 Class Action Complaint in the Superior Court for the County of Los Angeles (Case No.
13 BC356521) alleging various wage and hour claims. (Declaration of David F. Faustman
14 (“Faustman Decl.”) ¶ 2.) On March 17, 2007, the trial court granted Respondents’ motion to
15 dismiss class allegations and compel plaintiff to arbitrate his claims on an individual basis
16 pursuant to the parties’ Arbitration Agreement. The plaintiff appealed the order. While the
17 appeal was pending, the California Supreme Court decided *Gentry v. Superior Court* (2007) 42
18 Cal.4th 443, which held that class action waivers in arbitration agreements were unenforceable.
19 The *Iskanian* case was remanded, and Respondents were forced to litigate. Claimant was not
20 personally involved or formally represented by counsel in any of this litigation. (*Id.* ¶¶ 3-9.)

21 Meanwhile, on November 21, 2007, *Iskanian* filed a second complaint (Case No.
22 BC381065) against Respondents which alleged additional violations of the California Labor
23 Code. On August 28, 2008, *Iskanian*’s two complaints were consolidated. At this point,
24 Claimant still had no involvement in this litigation. (*Id.* ¶¶ 10-12.) There is no evidence in the
25 record that Claimant was even aware of the class action complaints.
26
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1 On August 24, 2009, the trial court granted ILG's motion for class certification. (*Id.* ¶ 13.)
2 There is no evidence in the record of when Claimant was informed. On April 27, 2011, in *AT&T*
3 *Mobility LLC v. Concepcion* (2011) 563 U.S. ___, 131 S.Ct. 1740 (*Concepcion*), the U.S.
4 Supreme Court held that class action waivers in arbitration agreements are enforceable under the
5 Federal Arbitration Act. On May 16, 2011, Respondents filed a Motion for Renewal of its Prior
6 Motion for an Order Compelling Arbitration and Dismissing Class Claims on the basis that the
7 class and representative action waiver in its Arbitration Agreement was valid pursuant to
8 *Concepcion*. (*Id.* ¶¶ 14-15.) On June 13, 2011, the trial court again granted Respondents' motion.
9 Specifically, the Court ordered that: "Because Plaintiff and Defendant both executed a valid and
10 enforceable arbitration agreement and class action waiver, Defendant's Motion for an Order
11 Compelling Arbitration, Dismissing Class Claims, and Staying the Action Pending the Outcome
12 of Arbitration is GRANTED. Plaintiff's class claims are hereby dismissed with prejudice, and
13 the remainder of the action is stayed pending the outcome of arbitration of Plaintiff's individual
14 claims." (*Id.* ¶ 15, Ex. B.) Plaintiff Iskanian appealed the trial court's decision, but the Court of
15 Appeal unanimously affirmed the trial court. The California Supreme Court granted review of
16 that order on September 19, 2011, where the case is now pending. (*Id.* ¶¶ 16-18.)

17
18
19 **D. Claimants Filed Demands For Arbitration.**

20 In September 2011, Claimant and 62 other former employees of Respondents filed
21 identical individual demands for arbitration with AAA. These individuals were all purportedly
22 members of the defunct class in *Iskanian*. They were represented by ILG. (Faustman Decl., ¶
23 19.) Respondents proposed that one retired judge arbitrate all 63 individual arbitrations for the
24 efficient and cost-effective resolution of the arbitrations. Claimant's counsel adamantly refused
25 to the appointment of one judge for all individual arbitrations, and demanded that 63 different
26 arbitrators be appointed for each individual arbitration, regardless of the cost, which would be
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28

1 borne by Respondents. (*Id.* ¶ 20, Ex. C.) Consequently, Respondents filed a Motion for
2 Consolidation of Arbitrations in October 2011, which requested the Court to appoint an arbitrator
3 and consolidate the 63 demands for arbitration before one arbitrator pursuant to the California
4 Arbitration Act and the Arbitration Agreement. (*Id.* ¶ 21.)

5
6 **E. The Kempler Litigation.**

7 As a preemptive tactic, Claimant's counsel then filed a completely unnecessary complaint
8 in the Superior Court of Los Angeles, *Kempler v. CLS Transportation, LLC* (Case No. BC
9 473931), for breach of contract, rescission, specific performance and declaratory relief. Claimant,
10 as well as the other individuals who filed arbitration demands, were named plaintiffs. They
11 falsely accused Respondents of breaching the terms of the Arbitration Agreement because of
12 Respondents action in petitioning the Court to appoint an arbitrator, and Respondents refusal to
13 accept Claimant's clear violation of Arbitration Agreement's process for selection of arbitrators.
14 (Perez Decl., Ex 15.) ILG then filed a preemptive, tactical Motion to Compel Specific
15 Performance. (Faustman Decl., ¶ 22.) During the hearing on Respondents' Motion for
16 Consolidation and the *Kempler* plaintiffs' Motion to Compel, Respondents unambiguously
17 indicated that they had "**no objection to arbitrating on an individual basis.**" (Faustman Decl., ¶
18 24.) Indeed, Respondents never objected to individual arbitration. Claimant has **no evidence**
19 otherwise. Respondents' actions were all appropriate and taken to enforce the terms of the
20 Arbitration Agreement. Claimant purposely evades the express language of the Arbitration
21 Agreement regarding the appointment of arbitrators, and intentionally obscured the difference
22 between consolidation and class procedures to suggest that Respondents were, in effect,
23 requesting class-wide arbitration by requesting consolidation. This argument was and is
24 intellectually dishonest, and Claimant's counsel expressly indicated that it would "not agree to
25 any consolidation, especially since [Respondents have] refused to allow us to proceed on any
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1 class-wide or representative basis.” (Faustman Decl., ¶ 25, Ex. D.) Respondents, however, were
2 merely following the express terms of the Arbitration Agreement. In any event, the Court granted
3 the unopposed motion for specific performance, and denied the motion for Consolidation, without
4 prejudice, because the Court did not believe that the parties were at an “impasse” regarding the
5 selection of arbitrators. (*Id.* ¶ 26, Ex. E.) Ultimately, however, in October 2012, the Court did
6 order that the parties select eight arbitrators to preside over the individual arbitrations. (*Id.* ¶¶ 28-
7 29.) Claimant’s individual case (along with seven others) was assigned to this arbitrator.

9 **F. ILG’s True Motives - - It’s All About The Fees.**

10 As set forth above, Respondents proposed that one retired judge arbitrate all 63
11 individual arbitrations for the efficient and cost-effective resolution of the arbitrations. Despite
12 months of meeting and conferring, Claimants’ counsel adamantly refused. (Faustman Decl., ¶ 20,
13 Ex. C.) AAA also refused to assist the parties in resolving this threshold procedural dispute
14 unless CLS tendered a non-refundable fee of 58,275.00 (\$925.00 per arbitration demand).
15 (Gallegos Decl., ¶ 22.) Claimants counsel, therefore, insisted that Respondents pay these hefty
16 administrative costs without any assurances that they would be willing to consolidate. (Gallegos
17 Decl., ¶ 20.) Claimants counsel also suggested that they would seek damages for “contempt of
18 court” and/or for “sanctions” if CLS did not make the non-refundable payment to AAA
19 immediately.

20 **1. Leveraging the Cost of Arbitration.**

21 It became palpably obvious that Claimants’ counsel was attempting to drive up costs for
22 CLS by demanding that it tender the non-refundable fee in the amount of \$58,275.00 as a tactic to
23 pressure CLS into settling the claims based on the settlement demand it received. (Gallegos
24 Decl., ¶ 23, Ex. P.) Claimants’ counsel made a settlement demand for an amount *greater than*
25 the settlement demand they made when the 63 Claimants were part of a certified class action
26 consisting of 183 class members. Claimants’ counsel rationale for the demand was only that CLS
27 could expect to spend substantially more if forced to arbitrate 63 individual (albeit identical)
28

1 matters before AAA. Although Respondents' counsel had invited the written settlement demand,
2 the demand effectively conveyed the message *settle or pay more money in arbitration fees*.

3 **2. ILG Demands "Class Wide Arbitrations.**

4 Tipping his hand as to the real motive in all of this, Claimants' counsel then
5 offered to drop their insistence on the exorbitant costs of 63 filing fees and 63 separate arbitrators
6 if only the Defense would agree to reinstate the entire class of approximately 200 persons
7 previously dismissed by the Court. Claimants' counsel stated, "**If you and your client are not**
8 **willing to participate in class wide arbitration, our clients will exercise their rights to have**
9 **their claims heard individually ...and select their own arbitrators" and "by agreeing to**
10 **class wide arbitration...your client would not have to pay the \$58,275 in filing fees...."**

11 (Faustman Decl. ¶ 25, Ex. D.) Thus, Claimants' counsel are not really concerned about the merits
12 of the 63 cases, or the efficient handling of those cases, but rather, how the specter of the cost of
13 those cases can be used to return Claimants' counsel to the promised land of a class action. The
14 attempt here to leverage the Respondents could not be more blatant.

15 This would not be the first time that Claimant's counsel used disingenuous tactics
16 in the class action setting. On November 2, 2012, in *Clarke v. First Transit, Inc.*, U.S. District
17 Court for the Central District of California, CV 07-06476 GAF (MANx), the court concluded that
18 Claimant's counsel (specifically ILG) violated the unambiguous terms of a protective order and
19 used confidential information to solicit clients for a wage and hour mass action lawsuit. The
20 Court issued sanctions against the firm. On September 14, 2012, in *Lofston v. Wells Fargo Home*
21 *Mortgage*, San Francisco Superior Court Case No. CGC-11-509502, the Court issued a temporary
22 restraining order in favor of an individual class member against his own Class Counsel, G. Arthur
23 Meneses and Monica Balderrama (two of Claimant's counsel here). That individual accused ILG
24 of settling mass actions without notifying or obtaining client consent.

25 **G. Claimant Accepted a 998 Offer.**

26 On December 21, 2012, Respondents made an offer to compromise pursuant to California
27 Code of Civil Procedure § 998 ("998 Offer" or "Settlement") to Claimant for the sum of \$2,000
28

1 without deductions. The Offer indicated that Claimant's counsel "may seek an award for their
2 fees from the assigned arbitrator," and that the Offer was "conditioned upon Claimant executing a
3 dismissal of the . . . matter with prejudice. Respondents make the Offer as a compromise, and
4 admit no liability in doing so. The dismissal with prejudice shall operate to release Respondents
5 from all liability to Claimant (including all liability for all potential remedies sought or which
6 could be sought by Claimant) for the claims alleged in this matter." (Perez Decl. Ex. 18)

7 Claimant accepted the Offer.

8 **H. Claimants' Declarations Are Suspect.**

9 The arbitrator should consider the suspect nature of the Claimant's declaration, and the
10 role Claimant's counsel played in drafting these declarations. *See Cal. Evidence Code* § 780(f).
11 ("the court or jury may consider in determining the credibility of a witness...existence or
12 nonexistence of a bias, interest, or other motive.") Earnshaw's declaration is quite suspicious.
13 The signature page ("p. 1") is separated from the substantive paragraphs and obviously faxed
14 separately. The declaration misrepresents the value of his case by omitting the *Prince* settlement
15 and by stating "I first learned of my rights...when I learned of the *Iskanian*...class action lawsuit.
16 ¶5). Then, in language obviously drafted by ILG, Earnshaw sanctimoniously opines about his
17 worthless case. "I believe that the work was justified because my attorneys were working to
18 protect my rights." Those "rights" amounted to \$0.

19
20 **I. The Specific Claim Has No Value.**

21 The value of Earnshaw's claims equals zero dollars. In other words, the claims asserted
22 by Earnshaw had no monetary value and were frivolously pursued because they were he had
23 already settled his wage claims in 2006.

24 Earnshaw worked for CLS for only seven weeks, and terminated in September 2005.
25 (Earnshaw Decl., ¶ 3.) What his declaration conveniently omits, is the fact that he had already
26 settled any wage claims he had against CLS in 2006. Earnshaw was a class member in another
27 class action against CLS entitled *Prince v. CLS*. (Gallegos Decl., ¶ 3, Ex. G.) That action settled
28

1 claims for meal period violations, rest period violations, overtime, among other things through
2 December 31, 2005. Thus, when Earnshaw filed his Demand for Arbitration with AAA (the
3 appropriate forum) on September 28, 2011, six years after his termination (Perez Decl., Ex. 15),
4 he had already settled his wage claims through his participation in the Prince class action
5 settlement.

6 Accordingly, Earnshaw's claims had no value and the section 998 settlement in this
7 matter was nothing more than a nuisance value settlement.

8
9 **IV. THE ARBITRATOR LACKS JURISDICTION OVER THE REQUESTED FEES.**

10 Claimant states **without authority** that he is entitled to fees generated in *Iskanian* and
11 *Kempler*. It is fundamental, however, that this arbitrator has no jurisdiction over active, pending
12 cases in other courts. *See Dream Theater, Inc. v. Dream Theater* (2004) 124 Cal.App.4th 547,
13 552 (“[A]rbitration is a matter of contract and a party cannot be required to submit to arbitration
14 any dispute which he has not agreed so to submit.”) The Arbitration Agreement here provides:

15 “Company and Employee shall each pay their own attorneys’ fees and costs
16 incurred in connection with the arbitration, and the arbitrator **will not have**
17 **authority** to award attorneys’ fees and costs unless a statute or contract **at issue in**
18 **the dispute** authorizes the award of attorneys’ fees and costs to the prevailing
19 party, in which case the arbitrator shall have the authority to make an award . . . to
20 the same extent available under applicable law. If there is a dispute as to whether
21 Company or Employee is the prevailing party **in the arbitration**, the arbitrator
22 will decide this issue.”

23 The Agreement only authorizes the arbitrator to determine attorneys’ fees as authorized by
24 statutes or contracts “at issue in the dispute” and only to the prevailing party “in the arbitration.”
25 (Perez Decl., Ex. 5) The Arbitrator has no authority to determine whether Claimant is a
26 prevailing party or if fees are warranted for work done in either *Iskanian* or *Kempler*. Even if the
27 arbitrator had such authority (which he does not), there is no logical reason why he should
28 substitute his judgment for that of the judicial officers before whom the *Iskanian* and *Kempler*
cases were litigated. If fees are to be eventually awarded in those cases, they can only be awarded

1 by judge presiding over these cases. Neither those courts nor the arbitrator may make an
2 “interim” award of fees. *Bell v. Farmers Ins.*, 87 Cal.App. 4th 805 (2001).

3 Claimant asserts that he is entitled to fees from those cases because “pre-complaint fees
4 are recoverable.” (Motion, p. 22) The cases cited by Claimant, however, are easily distinguished
5 because they **do not** involve recovery of time spent in pending litigation where fees may also be
6 recoverable. Further, a successful litigant who seeks to recover pre-complaint litigation expenses
7 bears a heavy burden of demonstrating how that activity contributed to the success of the
8 litigation. *Hogar v. Community Development Commission of the City of Escondido* (2007) 157
9 Cal.App.4th 1358, 1370. Claimant has not met this burden.

10 Claimant’s assertion that “[b]y the time arbitration started, the parties had already
11 substantially litigated their claims, exchanged almost all discovery, and even prepared for briefing
12 a summary judgment motion” is misleading. While the claims raised in *Iskanian* are similar to
13 those raised in Claimant’s arbitration, the issues in *Iskanian* were all subject to class treatment.
14 There was no discovery had on Claimant’s individual claims, and no judgment on the merits of
15 class claims, let alone Claimant’s individual claims. Claimant’s statement that “he did not file his
16 arbitration claim as a newly-incepting claim, but as a direct continuation of *Iskanian*” is patently
17 false. (Motion, p. 22:28-29:1) The court in *Iskanian* dismissed all class claims and directed only
18 the named plaintiff to individual arbitration. (Faustman Decl, ¶ 15.) Claimant has no current
19 relationship with *Iskanian*; he has opted out of that class. Claimant simply does not want to wait
20 for the results of the appeal. Claimant was not “transferred to a new forum in which to maintain
21 his claims,” nor was he “forced to engage in protracted litigation after being compelled to
22 arbitration just to get access to the arbitral forum.” (Motion, p. 23:3, 9-10). He could have filed
23 for arbitration at any time. Claimant’s Motion unfairly and incorrectly describes the current
24 action. Claimant agreed to individual arbitration of wage and hour claims long before *Iskanian*
25 was ever filed. Not only is it wholly unreasonable to consider the requested fees for Claimant’s
26 counsel in pending litigation not part of this arbitration, but it is also outside the jurisdiction of
27 this arbitrator.

28 The idea that Claimant “first pursued his claims as a member of the *Iskanian* class”

1 (Motion, p. 3) is nonsensical. “The structure of the class action does not allow absent class
2 members to become active parties since to the extent the absent class members are compelled to
3 participate in the trial of the lawsuit, the effectiveness of the class action device is destroyed.”
4 *Earley v. Superior Court* (2000) 79 Cal.App.4th 1420, 1434 (internal citations omitted). “The
5 very purpose of the class action is to relieve the absent members of the burden of participating in
6 the action.” *Id.* Claimant was not a named Plaintiff in *Iskanian*, nor was he even represented by
7 “Class Counsel” until the class was certified in *Iskanian* on August 29, 2009. Even then, he was
8 simply an absent class member. Regardless, the certified class was **dismissed with prejudice** on
9 June 13, 2011. ILG misrepresents this dismissal as compelling Respondent to arbitrate the
10 individual claims of each class member. (*See, e.g.*, Motion, p. 4:19-20 – “The court granted the
11 Motion for Renewal on June 14, 2011, compelling Claimant to arbitration on an individual, not
12 class-wide, basis.”; Motion, p. 15 – “CLS succeeded in obtaining an order forcing the *Iskanian*
13 class members to arbitration on an individual bases even though the parties had already litigated
14 for then-five years to the eve of trial.”) In reality, the Court’s Order on June 13 dismissed the
15 class claims and compelled arbitration of only the named “Plaintiff’s individual claims.” (Ex. B
16 to Faustman Decl.) The *Iskanian* plaintiff has appealed that Order, and if resolved in the named
17 plaintiff’s favor, it would effectively revive the class. Claimant, meanwhile, voluntarily chose to
18 pursue his individual claims against Respondents, despite this pending litigation which could
19 ultimately affect his rights. Claimant could have pursued his individual claims against
20 Respondents at any time, certainly well before *Iskanian* and *Kempler* were filed, as an individual
21 arbitration or by filing a claim directly with the DLSE.

22 Moreover, Claimant disingenuously states that, when he “decided to pursue his claims
23 individually, he was faced with five years of attorneys’ fees already incurred and the potential for
24 much more” (Motion, p. 13.) Claimant has no responsibility for attorneys’ fees incurred by
25 counsel in *Iskanian*. The risk of litigation in a class action is borne by the named plaintiffs alone,
26 not absent class members. *Van de Kamp v. Bank of America Nat’l Trust & Savings Assn.* (1988)
27 204 Cal.App.3d 819, 869 (“[T]he imposition of the cost burden on the entire class of plaintiffs (1)
28 increases the costs of the litigation and such costs may be prohibitive, and (2) is unfair to

1 unnamed plaintiffs who took no part in the litigation. . . . Those who choose to take the risks of
2 litigation should be the ones who bear the cost when they are unsuccessful, not those who did not
3 make the choice.”); *Earley, supra*, 79 Cal.App.4th at 1433 (The entire cost burden is “on the
4 named representative plaintiff(s) who has (have) chosen to instigate the action rather than on the
5 absent class members.”) This Motion is a dishonest attempt to recoup attorneys’ fees spent in an
6 entirely distinct action, in which Claimant has no current standing. If *Iskanian* is ever resolved in
7 the plaintiff’s favor, the resulting class may seek fees, if appropriate, in that court’s jurisdiction.
8 Those fees, of course, are **duplicative** of the fees being sought in this Motion. Right now, any
9 award of fees for time worked in *Iskanian* is premature and an improper attempt for a double
10 recovery of fees. See *Bell v. Farmers Ins. Exchange* (2001) 87 Cal.App.4th 805, 833 (Fee-
11 shifting statute in a wage case, Labor Code section 1194, does not authorize interim award of
12 attorneys’ fees). The fees sought from *Kempler* are similarly premature. There has been no
13 judgment in *Kempler* to allow an award of fees, and Claimant has made no effort to explain how
14 filing *Kempler* was necessary and reasonable to the instant arbitration. To the extent Claimant
15 desires to recoup attorneys’ fees spent in *Kempler*, he should petition that court.

16 *Iskanian* and *Kempler* are active cases, both pending before different courts of California,
17 in which there are **no** present judgments that would allow for an award of attorneys’ fees.
18 Claimant’s attempt to seek fees billed in those matters is a gross overreach and a disingenuous
19 attempt to recover fees now which could be denied or awarded in those separate civil actions.

20 **V. CLAIMANT IS NOT ENTITLED TO ATTORNEYS’ FEES AND COSTS.**

21 **A. Claimant Is Not Entitled To Attorney Fees Pursuant to Contract.**

22 Pursuant to the 998 Offer, “Claimant’s counsel may seek an award for their fees from the
23 assigned arbitrator.” (emphasis added) The language in the 998 Offer, however, does not entitle
24 Claimant to an award of attorneys’ fees and costs.

25 Similarly, the Arbitration Agreement does not provide Claimant any greater right to
26 attorney fees than provided by the statutes underlying his claims. Claimant falsely asserts that the
27 Arbitration Agreement between Claimant and CLS “entitles the prevailing party to recover its
28

1 attorneys' fees and costs." (Motion, p. 7:16-17). This misconstrues the language of the
2 Arbitration Agreement. As discussed above, the Arbitration Agreement actually states that
3 "Company and Employee shall each pay their own attorneys' fees and costs incurred in
4 connection with the arbitration, and the arbitrator will not have authority to award attorneys' fees
5 and costs unless a statute or contract at issue in the dispute authorizes the award of attorneys' fees
6 and costs to the prevailing party." Thus, ILG has no entitlement to fees based on the Arbitration
7 Agreement itself. The Arbitration Agreement only allows Claimant to seek attorneys' fees and
8 costs if some other contract or statute at issue allows it. The arbitrator only has "authority" to
9 award fees only under a statute or contract "at issue in the dispute" before him or her.
10

11 Moreover, Civil Code section 1717, the statute which specifically provides attorney's and
12 costs to the prevailing party in contract actions, states that "where an action has been voluntarily
13 dismissed or dismissed pursuant to a settlement of the case, there shall be no prevailing party for
14 purposes of this section." Thus, Claimant is not entitled to attorneys' fees pursuant to any
15 contract between the parties.
16

17 **B. ILG Is Not Entitled To Fees Under Any Statute.**

18 **1. ILG Is Not Entitled To Attorneys' Fees As Costs Under §1033.5(a).**

19 Claimant asserts that he is entitled to attorneys' fees and costs as a matter of right under
20 Sections 1032 and 1033.5(a) of the California Code of Civil Procedure. Claimant, however, is
21 not the "prevailing party" entitled to such costs under Section 1032.
22

23 Under Section 1032, a "prevailing party" is defined as: "the party with a net monetary
24 recovery, a defendant in whose favor a dismissal is entered, a defendant where neither plaintiff
25 nor defendant obtains any relief, and a defendant as against those plaintiffs who do not recover
26 any relief against that defendant." Cal. Code Civ. Proc. 1032(a) (4). Claimant asserts that he is
27 the prevailing party because he "litigat[ed] this case to a successful settlement." (Motion, p. 7:8-
28

1 9) For purposes of an award of costs as a matter of right, however, it is actually Respondents who
2 “prevailed” because they are a defendant in whose favor a dismissal is entered. *Chinn v. KMR*
3 *Property Management* (2008) 166 Cal.App.4th 175, 191 (Defendants with a dismissal entered in
4 their favor following a \$10,000 settlement with plaintiff were the prevailing parties for the
5 purposes of an award of costs as a matter of right under section 1032.) It matters not that
6 Claimant received a monetary recovery because the Legislature “preclude[ed] consideration of
7 settlement proceeds as a ‘net monetary recovery’ when a dismissal is entered in favor of the
8 defendant.” *Id.* at 188. “Construing the term ‘net monetary recovery’ in context, we conclude
9 that the Legislature did not intend to include settlement proceeds received by the plaintiff in
10 exchange for a dismissal in favor of the defendant. . . . [The plaintiff] contends that the common
11 sense meaning of the isolated term ‘net monetary recovery’ includes settlement proceeds.
12 However, [the plaintiff’s] interpretation would lead to an absurd result, as both plaintiff and
13 defendants would be entitled to an award of costs as a matter of right.” *Id.* In any event,
14 Claimant would not be entitled to fees under 1033.5 because, as discussed below, he cannot
15 establish a contractual or statutory basis for fees. As the recipient of a nominal nuisance value
16 settlement, Claimant is not a “prevailing party.” Accordingly, Claimant is not entitled to
17 attorneys’ fees as costs under section 1033.5.
18
19
20

21 In any event, attorneys’ fees may not be recovered where the claimant achieves only a
22 nominal award. *Chavez v. City of Los Angeles*, 47 Cal.4th 970, 990-91 (2010). In 2010, the
23 California Supreme Court upheld a trial court’s outright denial of attorney’s fees to a plaintiff who
24 achieved limited success in a retaliation claim brought under the California Fair Employment and
25 Housing Act (FEHA), and ruled that the trial court had discretion to deny or limit the recovery of
26 attorney’s fees given the amount of the damages awarded to the plaintiff. There, the plaintiff, a
27 police officer, filed several lawsuits against his employer, the City of Los Angeles, arising from
28

1 various events during his employment. In the last of this series of lawsuits, Chavez sued the City
2 and his supervisors in state court, asserting claims for discrimination and harassment on the basis
3 of a perceived mental disability and retaliation in violation of FEHA. *Id.* at 977-80. A jury found
4 in favor of the City on the discrimination and harassment claims, but found that Chavez had been
5 retaliated against and awarded him \$11,500 in damages. *Id.* at 981. Despite the nominal
6 damages award, Chavez's attorneys filed a motion seeking recovery of attorney's fees and costs in
7 an amount exceeding \$870,000, which included a "2x" multiplier to the "lodestar." These were
8 fees that counsel generated litigating the case and two other related unsuccessful civil cases in a
9 span of five and on-half years. *Id.* at 981.

11 Relying on section 1033, the trial court denied the request for fees because the lawsuit was
12 not filed as a limited civil case. Chavez appealed, and the Court of Appeal reversed the decision
13 stating that section 1033 did not apply in FEHA cases. *Id.* at 981-82. The Supreme Court,
14 however, reinstated the trial court's ruling denying fees. *Id.* at 991. The Supreme Court reasoned
15 that section 1033 gives trial judges the discretion to limit or deny fee awards in FEHA actions, the
16 judgment of \$11,500 in favor of Chavez was "modest at best," and because the judge was
17 empowered to deny the award because the fee request appeared "unreasonably inflate." *Id.* at
18 990-91. In addition, the Supreme Court clarified that a trial court may deny all or part of the
19 plaintiff's claim for fees and costs if it concludes that the plaintiff's attorney had no reasonable
20 basis to anticipate a FEHA damages award in excess of the \$25,000 damages cap for a limited
21 civil case, and that the action could have been fairly and effectively litigated as a limited civil
22 case. *Id.* at 991.

25 Mirroring the gross overreaching of plaintiffs' counsel in *Chavez*, here too Claimant's
26 counsel seek to recover an apportioned amount of virtually \$2,000,000 in fees, spanning seven
27 years and including fees generated in two separate civil cases. Yet, as in *Chavez*, here,
28

1 Claimant's award of \$2,000 represents only a nuisance value resolution. Claimant's request for
2 fees is unreasonably inflated, and unwarranted given the modest result. Claimant's request for
3 fees should be denied outright or markedly reduced.

4
5 **2. Claimant Is Not Entitled to Fees Under the Private Attorney General
Fee Statute.**

6 Claimant contends that he is entitled to fees under Section 1021.5 for prevailing on his
7 "unfair competition, missed meal period, and missed rest period claims." (Motion, p. 8:12-13.)
8 Fees will only be awarded in a motion under Section 1021.5 when there is: (1) a successful party,
9 (2) in an action that has resulted in the enforcement of an important right affecting the public
10 interest, (3) if a significant benefit has been conferred on the general public or large class of
11 persons, and (4) the necessity and financial burden of private enforcement are such as to make the
12 award appropriate. *See Vasquez*, 45 Cal.4th 250-51. The statute is designed to recognize that
13 privately initiated lawsuits, while often essential to effectuate important public policies, will as a
14 practical matter frequently be infeasible without some mechanism authorizing courts to award
15 fees. *Id.* This is unnecessary in wage and hour actions, such as the instant arbitration, because
16 they already have mechanisms authorizing courts to award fees. *See, e.g.,* Labor Code §§ 1194,
17 218.5 & 226(e). A court has discretion to deny fees under Section 1021.5. Cal. Code Civ. Proc.
18 § 1021.5 ("Upon motion, a court *may* award attorneys' fees . . .") (emphasis added). In deciding
19 whether to award fees, a court "must realistically assess the litigation and determine from a
20 practical perspective, whether or not the action served to vindicate an important right so as to
21 justify an attorney fee award under a private attorney general theory." *Woodland Hills Residents*
22 *Assn., Inc. v. City Council* (1979) 23 Cal.3d 917, 938. Pursuant to these standards, Claimant's
23 request for attorneys' fees should be denied.

24
25
26
27 ///

28 ///

1 **a. Claimant was not a “successful party” under Section 1021.5**
2 **because he was not a “catalyst” for Respondents’ actions.**

3 Claimant argues that he is a successful party under Code of Civil Procedure section
4 1021.5 because he “conferred a benefit to the public by litigating claims that served as a catalyst
5 for CLS changing its employment practices” and “created a positive precedent for the settlement
6 value of their claims.” (Motion, p. 1). These unsupported statements do not make Claimant a
7 “successful party” under this statute. Under the catalyst theory, a plaintiff can recover fees under
8 1021.5 even when the litigation does not result in judicial resolution, if the plaintiff is the
9 “catalyst” in motivating a defendant to provide the **primary relief sought**. *Graham v.*
10 *Daimlerchrysler Corp.* (2005) 34 Cal.4th 553, 566-67. As a threshold matter, Claimant must
11 prove that: “(1) the lawsuit was a catalyst motivating the defendant to provide the primary relief
12 sought; (2) the lawsuit had merit and achieved its catalytic effect by threat of victory, not by dint
13 of nuisance and threat of expense; and (3) the plaintiffs reasonably attempted to settle the
14 litigation before filing the lawsuit.” *Vasquez, supra*, 45 Cal.4th at 253. Claimant cannot meet
15 any of these elements and therefore fails to show that he is a successful party entitled to fees
16 under Section 1021.5.

17
18
19 **(1) The 998 offer did not provide any relief sought by**
20 **Claimant and served only to lower defense costs.**

21 Claimant’s efforts were not the impetus for the 998 offers, nor did he obtain the primary
22 relief sought in his arbitration through his individual settlement. Respondents have always
23 maintained the position that the allegations made in Claimant’s arbitration lack merit. Indeed,
24 Respondents disclaim all liability in the 998 Offer. (“Respondents make the Offer as a
25 compromise, and admit no liability in doing so.”)

26 Here, Respondents faced 63 individual arbitrations that were filed on the same day. In an
27 attempt to lower the number of individual arbitrations and reduce the associated attorneys’ fees,
28

1 Defendant offered the individual claimants lump sum payments, of \$2,000 to dismiss their
2 arbitration demands and release all their claims. The sum offered in consideration of the release
3 agreements did not represent wages, nor was it calculated to compensate employees for the
4 specific claims in the lawsuits. Individual employees did not receive any of the relief sought by
5 Claimant's lawsuits, but rather were compensated for giving up the claims they might have
6 against Respondents.
7

8 In the arbitration demand, Claimant identified ten causes of action and specifically sought:
9 general unpaid wages at overtime wage rates, statutory wage penalties; waiting time penalties;
10 civil PAGA penalties; all actual, consequential and incidental losses and damages; liquidated
11 damages; arbitration costs; attorney's fees and costs; restitution of confiscated gratuities and
12 unpaid wages to "all aggrieved employees and class members"; interest, apportionment of a
13 receiver to receive, manage and distribute any and all funds disgorged from Respondents and
14 determined to have been wrongfully acquired by Defendants; and punitive/exemplary damages.
15 The accepted 998 offer did not provide any of this requested relief. Claimant accepted an offer of
16 \$2000, without payroll deductions and filed on a Form 1099, to give up his claims against
17 Respondents and dismiss his arbitration. It does not represent wages. Clearly, this was not
18 Claimant's objective when he filed an arbitration demand. Claimant's theory suggests that he
19 was a "catalyst" because the 998 offer was higher than his anticipated potential recovery.
20 (Motion, p. 9:7-8.) Claimant's purported calculation of his personal damages, however, is
21 completely unsupported by his declaration and belies the express requests for relief in his
22 arbitration demand and this Motion. Non-wage monetary compensation in exchange for a release
23 of claims against Defendant was not the relief sought by Claimant.
24

25
26 Further, even if CLS "changed policies being litigated in this action" (Motion, p. 11:18-
27 19), an allegation which it denies, this arbitration could not have been the "catalyst" for those
28

1 actions because by Claimant's own admission, the supposed "change" occurred prior to the date
2 this demand for arbitration was filed. (Motion, p. 11:18-20.) "When a lawsuit has been mooted
3 by a defendant's change in conduct . . . [a]t the very least, a plaintiff must establish the precise
4 factual/legal condition that it sought to change or affect" as a prerequisite for establishing the
5 catalytic effect of its lawsuit." *See Graham, supra*, 34 Cal.4th at 576 (internal citations omitted).
6 Claimant simply cannot show that his arbitration was successful in changing Respondents'
7 conduct or that Respondents provided the primary relief sought. Thus, he is not entitled to fees
8 under Section 1021.5. Further, the arbitrator has no jurisdiction over events that may have
9 happened years before the filing of the arbitration submission.
10

11 **(2) ILG did not attempt to settle Claimant's individual**
12 **claims prior to filing the demand for arbitration.**

13 Moreover, Claimant never attempted to settle his individual dispute with Respondents
14 before filing the arbitration. The requirement that a claimant must first reasonably attempt to
15 settle the matter short of litigation "is fully consistent with the basic objectives behind section
16 1021.5 and with one of its explicit requirements – the necessity of private enforcement of the
17 public interest. Awarding attorney fees for litigation when those rights could have been
18 vindicated by reasonable efforts short of litigation does not advance that objective and encourages
19 lawsuits that are more opportunistic than authentically for the public good." *Graham, supra*, 34
20 Cal.4th at p. 577.
21

22 Claimant does not address this issue because he cannot. Claimant never attempted to
23 settle with Respondents prior to filing his demand for arbitration. In fact, Claimant's counsel has
24 never offered to settle any of the individual cases. At the very least, a Claimant must "notify the
25 defendant of its grievances, and proposed remedies, and give the defendant the opportunity to
26 meet its demands within a reasonable time." *Graham, supra*, 34 Cal.4th at p. 577. Claimant
27 never attempted to settle this case prior to arbitration. His failure to do so undermines the
28

1 rationale behind this requirement, which is to discourage fee awards to attorneys who could have
2 vindicated the supposed rights of the public by reasonable efforts “short of litigation.” *Graham*,
3 34 Cal.4th at p. 577. He therefore fails to meet the threshold requirements of the “catalyst”
4 theory, and cannot recover attorneys’ fees under Section 1021.5.
5

6 **b. Claimant fails to meet the remaining elements required for a**
7 **fee award under Section 1021.5.**

8 **(1) Claimant’s action did not result in the enforcement of an**
9 **important right affecting the public interest.**

10 The arbitration here was not filed in the interest of the general public. In fact, by filing an
11 individual arbitration and accepting the 998 offer, Claimant has effectively opted-out of any
12 potential class in *Iskanian*. The instant arbitration demand was filed on behalf of an individual to
13 recover his own unpaid wages. Attorneys’ fees under 1021.5 are not available in litigation
14 seeking unpaid wages because the plaintiffs are “not disinterested citizens seeking to establish
15 new law on a question of public importance, they [are] simply seeking the wages due to them.”
16 *Kistler v. Redwoods Community College Dist.* (1993) 15 Cal. App.4th 1326, 1336-1337. *See also*
17 *Whitaker v. Countrywide Financial Corp.*, 2010 WL 4537098 (C.D. Cal. 2010) (The plaintiff’s
18 request for attorneys’ fees pursuant to 1021.5 in a wage and hour class action complaint was
19 stricken because the plaintiffs were motivated by their own pecuniary interests in bringing the
20 lawsuit and could not establish that they were motivated by a desire to pursue a public benefit.).
21

22 Claimant here is not a disinterested citizen. He is merely seeking the wages he believes he
23 is due. Being the alleged motivation for an individual 998 offer that did not provide the primary
24 relief sought by Claimant as consideration, and where Defendant disclaimed all liability, does not
25 enforce an important right affecting the public interest. Accordingly, fees should be denied.
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1 (2) No significant benefit was conferred on a large class of
2 persons.

3 The Legislature did not intend to authorize an award of attorney's fees under Section
4 1021.5 in every case involving a statutory violation. *Robinson v. City of Chowchilla* (2011) 202
5 Cal.App.4th 382, 397. "A trial court should determine the significance of the benefit, as well as
6 the size of the class receiving the benefit, from a realistic assessment, in light of all the pertinent
7 circumstances, of the gains which have resulted in a particular case." *Id.* (citing *Woodland Hills*
8 *Residents Assn, supra*, 23 Cal.3d at 939-40).

9 Claimant contends that his "individual claims" provided benefits to "other former class
10 members and to the public at large". (Motion, p. 11:12-22.) Specifically, he maintains:

11
12 "This litigation thus has conferred significant benefits to the general public by
13 forcing a large employer to comply with wage and hour laws and recompense its
14 employees for its failure to do so in the first instance. CLS's employee will
15 prospectively benefit from the fact that CLS has been held accountable to comply
16 with the state's wage and hour laws. Current employees also benefited once the
17 then-putative class action was filed because the litigation prompted CLS to pay
18 \$500 to 103 of its employee in order to settle their potential claims." (Motion, p.
19 12:14-20.)

20 Claimant's description, however, fails to account for the circumstances of this case. First,
21 this is not putative class "litigation;" it is an individual arbitration, filed on September 28, 2011.
22 The 998 Offer benefited Claimant alone. There is no class at issue in this arbitration (nor is there
23 even a certified class in *Iskanian*), and the monetary benefit received pursuant to the 998 offer
24 had no relation to the actual relief sought by Claimant or the fundamental purposes behind state
25 wage and hour laws. Indeed, Respondents disclaimed all liability in the settlement. The public
26 benefit promoted by California's wage and hour laws, as described by Claimant, was not
27 vindicated. Claimant received a lump sum of money, only \$2,000, for ***giving up his claims***
28 ***against Respondent and dismissing his individual arbitration.*** The requirement that a
significant benefit be conferred on a large class of persons is not satisfied simply because one

1 individual received some monetary gain. This action is distinct from *Iskanian*, which is currently
2 active, pending before the California Supreme Court, and in which those plaintiffs may be able to
3 seek fees at the conclusion of the matter. Claimant's attempt to blur the details of *Iskanian* with
4 the facts of this individual arbitration is disingenuous. Attorneys' fees should be denied.
5

6 **3. Claimant Is Not Entitled To An Award Of Fees Under Labor Code
7 Fee-Shifting Statutes.**

8 Claimant asserts that he is also entitled to fees under Labor Code section 218.5 for
9 prevailing on his claim of non-payment of wages upon termination, under Labor Code section
10 226(e) for prevailing on his claim of improper wage statements, and under Labor Code section
11 1194(a) for prevailing on his claim of failure to pay minimum wages and all overtime wages.
12 Claimant's argument that he "prevailed" lacks merit, and he cannot otherwise show how he is
13 entitled to fees under the statutes identified in the Motion.

14 **a. Claimant has not established his entitlement to fees under
15 Section 226(e).**

16 Claimant's argument for fees under the Labor Code fee shifting statutes assumes that each
17 statute is based on the "prevailing party" standard. This assumption is erroneous and detrimental
18 to Claimant's request for fees pursuant to Section 226(e). An employee is entitled to an award of
19 costs and reasonable attorneys' fees under section 226(e) only if the employee "suffered injury as
20 a result of a knowing and intentional failure by an employer to comply" with subdivision (a) of
21 Section 226 (specifying what information must be included in pay stubs). Cal. Labor Code §
22 226(e). Claimant has made no showing that he suffered such injury. There has been no
23 determination of the merits of this claim. In fact, Respondents specifically and expressly denied
24 all liability in the 998 Offer accepted by Claimant. Accordingly, Claimant has no entitlement to
25 fees under Section 226(e).
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1 Claimant's arguments fall short of establishing his status as a "prevailing party." First, as
2 mentioned above in footnote 1, Claimant's "anticipated recovery" is dubious. Second, the
3 comparison to the average DLSE award is completely arbitrary and has no value in helping to
4 determine whether this individual claimant prevailed on his individual claims. Further, the
5 Motion itself states that the average DLSE award was \$6,038 – three times the size of Claimant's
6 recovery here. Third, the fact that Respondents offered 61 individuals the same size award belies
7 his argument that this settlement was the result of his personal pursuit of his individual claims.
8 The cumulative value of the settlement offers in all 61 individual arbitrations is a non-sequitur.
9 Fourth, the "expansive changes in case law" did not force Claimant into the arbitral forum.
10 Claimant agreed to the arbitral forum when he signed the Arbitration Agreement. Claimant even
11 concedes that the changes in law actually favor Respondents (Motion, p. 10:8-9 – "Claimant lost
12 *Gentry's* protections of class procedures when the U.S. Supreme Court decided *Concepcion* in
13 April 2011.") He fails to acknowledge, however, that the change in legal authority had no
14 bearing on his ability to bring an individual arbitration demand or file a claim with the DLSE
15 (without the expense of attorneys) at any time. And fifth, there is no correlation between
16 Respondents' settlement offers to individuals in *Iskanian* and to the individuals who filed
17 separate, distinct settlement demands.
18

19
20 Respondents reiterate their argument above in Section II.C.1. This arbitration terminated
21 before any determination of its merits. The lump sum payment of \$2,000 by Respondents was
22 without any admission of liability and in exchange for the dismissal and release of all claims
23 raised in the arbitration. This does not favor Claimant. As such, the settlement is arguably more
24 beneficial to Respondents because, for nuisance value, the settlement disposed of an action
25 alleging that Respondents failed to pay minimum wages and overtime, failed to pay wages upon
26 termination, issued improper wage statements, did not comply with meal and rest break laws,
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1 improperly withheld wages, failed to indemnify business expenses, confiscated gratuities,
2 engaged in unfair competition, and failed to provide copies of employment records upon request.
3 The accepted 998 offer did not provide any of the relief requested by Claimant, which included,
4 among other damages: unpaid wages and overtime, waiting time penalties, wages for missed meal
5 and rest breaks, and punitive/exemplary damages. The settlement did not further any public
6 policy. The \$2000 does not represent wages, and by accepting this offer, Claimant has barred
7 himself from any recovery in *Iskanian* should that case ever be resolved in favor of a class.
8 Clearly, this was not Claimant's objective when he filed an arbitration demand. Claimant
9 summarily concludes that he has "exceeded" his litigation goals, but he has proffered no valid
10 argument to support this theory. Consequently, Claimant is not the prevailing party for purposes
11 of awarding attorney's fees under § 281.5.
12

13
14 **c. The Claim For Meal And Rest Breaks Does Not Provide For Fees.**

15 Claimant cannot as a matter of law, recover fees for litigating meal and rest breaks. The
16 California Supreme Court recently held that attorneys' fees are not available to a prevailing party
17 in a case involving violations of meal and rest periods. *Kirby v. Immoos Fire Protection, Inc.*, 53
18 Cal.4th 1244, 1248 (2012).

19 In *Kirby*, the plaintiff brought a claim for violations of Labor Code § 226.7 (alleged meal
20 and rest break violations), which was ultimately dismissed with prejudice after the parties entered
21 into a settlement agreement. *Kirby*, 53 Cal.4th at 1248. The *Kirby* court then had to determine
22 whether the defendants, who had prevailed on the § 226.7 claim, were entitled to attorneys' fees
23 under Labor Code section 218.5. *Id.* Section 218.5 requires courts to award attorneys' fees to the
24 prevailing party "in any action brought for the nonpayment of wages, fringe benefits, or health
25 and welfare or pension fund contributions." The Court concluded that a § 226.7 claim does not
26 constitute "an action brought for the nonpayment of wages"; thus, it does not trigger the fee-
27 shifting provision in § 218.5 *Id.* at 1255. The court observed that "§ 226.7 is not aimed at
28 protecting or providing employees' wages. Instead the statute is primarily concerned with

1 ensuring the health and welfare of employees by requiring that employers provide meal and rest
2 periods.” *Id.* The court distinguished its prior holding in *Murphy*, by noting that while this
3 remedy is a “wage” for purposes of determining what statute of limitations applies to a section
4 226.7 claim, an action under 226.7 seeks to cure a violation of meal and rest breaks; it is not an
5 action brought on account of nonpayment of wages. *Id.* at 1256. The court noted that “[t]he
6 words ‘nonpayment of wages’ in section 218.5, refers to an alleged legal violation, not a desired
7 remedy.” *Id.* Thus, a section 226.7 claim for an alleged failure to receive meal and/or rest
8 breaks is not a claim for which attorney’s fees can be awarded to a prevailing employee under
9 section 218.5. *Id.* at 1257.

10 Similarly, the Kirby Court concluded that a section 226.7 claim is not a claim for which
11 attorney's fees can be awarded to a prevailing employee under Labor Code section 1194. Section
12 1194 allows successful plaintiffs to recover attorney's fees in actions for the "legal minimum
13 wage or the legal overtime compensation." The Court rejected Kirby's argument that the required
14 payment for missed meal or rest periods is tantamount to a statutorily prescribed minimum wage.
15 *Id.* at 1254-55.

16 Recently served discovery responses by the Claimants reveal that the identical remedies
17 pursued by all 63 of the individuals who filed demands for arbitration, including those pending
18 before your honor, consist primarily of meal and rest period premiums under section 226.7.

19 For example, Claimant David Baranco recently served their verified responses to an
20 interrogatory propounded by CLS requesting that they identify the total dollar amount of damages
21 they seek in this action and how they calculated the amount. (Gallegos Decl., ¶ 26, Ex. Q.)
22 While there are some variations in the amount of damages sought by each Claimant because their
23 length of employment with CLS varied, each of their responses reveal that the *vast majority* of the
24 damages being sought represent meal and rest period penalties under section 226.7.

25 As a matter of law, therefore, Claimant is not entitled to attorneys’ fees under Labor Code
26 section 1194 or 218.5 merely because he pursued claims for meal and rest period violations under
27 section 226.7. To the extent any of the remaining claims provide for fees, they would need to be
28 apportioned *Graciano v. Robinson Ford Sales, Inc.*, 144 Cal.App.4th 140, 161 (2006) when a

1 cause of action for which attorneys' fees are provided by statute is joined with other causes of
2 action for which attorneys' fees are not permitted, the prevailing party may recover only on the
3 statutory cause[s] of action [the causes of action authorizing the fees]; *see e.g. Reynolds Metals*
4 *Co. v. Norman O. Alperson*, 25 Cal.3d 124, 129-130 (1979) (holding that litigant may not
5 increase his recovery of fees by joining a cause of action in which attorneys' fees are not
6 recoverable to one in which an award is proper).

7 **d. Claimant is not entitled to fees under Section 1194(a).**

8 Section 1194(a) provides that "any employee receiving less than the legal minimum wage
9 or the legal overtime compensation applicable to the employee is entitled to recover in a civil
10 action . . . reasonable attorney's fees, and costs of suit." Again, it has never been established,
11 however, that plaintiff received "less than the legal minimum wage or the legal overtime
12 compensation." Therefore, as is the case under Section 226(e), plaintiff has not established the
13 right to recover fees under Section 1194(a).

14 Further, the California Supreme Court has already rejected that claims for failure to
15 provide meal and rest breaks entitle the prevailing employee to attorneys' fees under section
16 1194. *Kirby v. Immoos Fire Protection, Inc.*, 53 Cal.4th 1244, 1254-55 (2012).

17 In addition, this statute has been interpreted to mean that attorneys' fees are recoverable
18 only in actions filed "in court." *Sampson v. Parking Serv. 2000 Com, Inc.* (2004) 117
19 Cal.App.4th 212, 223-24 (interpreting Section 1194(a) and holding that "even though the Labor
20 Code does not define "civil action," the context in which that phrase is used in that code
21 unambiguously refers to an action filed in court.") Accordingly, Claimant cannot recover
22 attorneys' fees or costs pursuant to Section 1194(a) because his claims are filed in the arbitration
23 forum, not in court.

24 **VI. EVEN IF RECOVERY WAS PERMITTED, THE REQUESTED ATTORNEYS'**
25 **FEES ARE EXCESSIVE AND UNREASONABLE.**

26 As set forth above, Claimant is not entitled to attorneys' fees. Even if he was, however,
27 the requested fees are impermissibly exorbitant. Claimant is not automatically entitled to all
28 hours claimed in the fee request. He must prove the hours sought were reasonable and necessary.

1 *El Escorial Owners' Assn. v. DLC Plastering, Inc.* (2007) 154 Cal.App.4th 1337, 1366. The
2 California Supreme Court has generally embraced the lodestar method for determining the
3 appropriate amount of fees to be awarded to a prevailing plaintiff. *Graham*, 34 Cal.4th at p. 579.
4 Under the lodestar method, a court assesses attorney fees by first determining the time spent and
5 the reasonable hourly compensation of each attorney.
6

7 ILG has not explained how any of the hours claimed were reasonable and necessary, and
8 for that reason alone, fees should be denied. In the event the Court should decide to award fees,
9 however, the Court must reset the lodestar, and thereafter adjust the lodestar downward given the
10 circumstances of this case.

11 **A. Claimant Does Not Meet His Burden To Show That The Fees Requested Are**
12 **Reasonable and Necessary.**

13 ILG has a burden to show that the time spent on litigation is reasonable and necessary. *El*
14 *Escorial Owners' Assn., supra*, 154 Cal.App.4th at 1366. ILG fails to meet this burden. “A trial
15 court may not rubber stamp a request for attorney’s fees, but must determine the number of hours
16 reasonably expended.” *Donahue v. Donahue* (2010) 182 Cal.App.4th 259, 271. The lodestar
17 figure must be based on the **“careful compilation of the time spent and reasonable hourly**
18 **compensation of each attorney involved in the presentation of the case.”** *Graham, supra*, 34
19 Cal.4th at p. 579; *see also Ackerman v. Western Elec. Co. Inc.* (9th Cir. 1998) 860 F.2d 1514 (The
20 plaintiff’s failure to present accurate time records can result in a denial of the request or a sharp
21 reduction in the fees awarded.). In referring to “reasonable” compensation, a court must
22 “carefully review attorney documentation of hours expended; padding in the form of inefficient or
23 duplicative efforts is not subject to compensation.” *Graham, supra*, 34 Cal.4th at p. 579;
24 *Harman v. City and County of San Francisco* (2006) 136 Cal.App.4th 1279, 1310 (A court must
25 exclude time that was not reasonably spent, i.e., time which would have been unreasonable to bill
26 to a client because it is excessive, duplicative or otherwise unnecessary.) “The evidence should
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1 allow the court to consider whether the case was overstaffed, how much time the attorneys spent
2 on particular claims, and whether the hours were reasonably expended.” *Donahue, supra*, 182
3 Cal.App.4th at 271. The Court’s calculation of the lodestar must encompass the actual hours
4 counsel devoted to the case, less those that result from inefficient or duplicative use of time for
5 which no recovery is warranted. *Serrano v. Priest* (1977) 20 Cal.3d 25, 48.

7 The “evidence” submitted in declarations of Claimant’s Counsel regarding attorneys’ fees
8 is insufficient. There is no description whatsoever of the work done by the attorneys on this
9 matter. The lack of detail in the declarations makes it impossible to determine if the time spent
10 on any given task was reasonable, duplicative or inefficient, or even legal or clerical in nature. It
11 is impossible to determine who did what work, and whether the partners, some who bill at the
12 extraordinary rates of \$665 and \$695 per hour, were doing work that a less costly associate or
13 paralegal could, and should have done. *See Harman, supra*, 36 Cal.App.4th at 1310 (Time which
14 is unreasonable to bill to a client because it is excessive, redundant or otherwise unnecessary
15 should be excluded from the lodestar.) Claimant makes no attempt to explain why the services of
16 17 attorneys were reasonable or necessary to the filing of this individual arbitration. The
18 “schedule of fees” in the declarations is worse than “block billed” entries, which are highly
19 disfavored by courts. *See, e.g., Bell v. Vista Unified School Dist.* (2000) 82 Cal.App.4th 672, 689
20 (When block billing is used, a trial court may “exercise its discretion in assigning a reasonable
21 percentage to the entries, or simply cast them aside.”); *see also Hensley v. Eckerhart* (1983) 461
22 U.S. 424, 433-434 (the party seeking fees should submit evidence supporting the hours worked;
23 where the documentation is inadequate, the court may reduce the award accordingly); *Grogg v.*
24 *General Motors Corp.* 612 F.Supp. 1375, 1382 (S.D.N.Y. 1985) (hours reduced by 50% for
25 inadequate time records and duplicative efforts). Claimant’s counsel failed to provide time
26 records or even a summary of their time devoted to this arbitration. The procedural history of this
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1 arbitration, *Kempler*, and *Iskanian* detailed in the Declaration of Raul Perez does not provide any
2 indication of the actual work produced by Claimant's counsel that was reasonable and necessary
3 for this individual arbitration. Claimant asserts that he does not seek fees for any part of the
4 *Iskanian* appeal, but two of the individuals listed in the Declaration of Raul Perez, Glenn Danas
5 and Katherine Kehr, who account for more than \$200,000 in fees, have worked primarily on the
6 *Iskanian* appeal. (Faustman Decl., ¶ 30.) It is simply unreasonable for Claimant to seek fees for
7 *Iskanian* and *Kempler* when he could have filed an individual demand for arbitration or a claim
8 with the DLSE at any time. Neither the Motion nor its supporting declarations ever state that the
9 time spent by Claimant's counsel was reasonable, necessary or non-duplicative; rather they
10 summarily conclude that they are entitled to fees. There is no showing of what specific hours
11 were incurred on this arbitration. Fees should be denied.
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14 Counsel's declarations do little to advance Claimant's position that the fees they request
15 are reasonable. Contrary to Claimant's contention, declarations of counsels' time are only
16 appropriate "in the absence of" time records. *Wershba v. Apple Computer Inc.* (2001) 91
17 Cal.App.4th 224, 230; *Sommers v. Erb* (1992) 2 Cal.App.4th 1644, 1651 (A declaration
18 estimating time was appropriate when due to the fee arrangement "there are no exact time sheets
19 for [plaintiff's counsel.]; *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1810 (finding
20 that estimates of time would allow the Court to properly calculate the lodestar when "the failure
21 to keep time records may make it difficult for [plaintiff's] counsel to submit precise figures.")
22 Claimant requests a significant award of fees without any description of what work was actually
23 done in this arbitration. Claimant's reliance on such declarations to support attorneys' fees is
24 insufficient and inadequate. Accordingly, fees should be denied, or at the very least, sharply
25 reduced. See *El Escorial Owners' Assn.*, *supra*, 154 Cal.App.4th at 1366-67.
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1 Further, as previously discussed, fees for work on *Iskanian* and *Kempler* are not
2 authorized. Claimant has no authority to recover the fees generated in *Iskanian* and *Kempler*. He
3 has no responsibility for attorneys' fees incurred by counsel in *Iskanian*. The class claims in
4 *Iskanian* were dismissed **with prejudice**. And Claimant has given up any entitlement to ever
5 becoming a part of a certified class in *Iskanian*, if the appeal is ever resolved in the plaintiff's
6 favor. ILG has deliberately distorted the facts to create the illusion that this individual arbitration
7 now exists only because of *Iskanian* and *Kempler*. This is demonstrably false, and is indicative of
8 counsel's deceitful attempt to recover attorneys' fees for litigation pending in state courts. Such a
9 motion is premature and made in the wrong forum. The Arbitration Agreement here only
10 authorizes the arbitrator to determine the prevailing party "in the arbitration." None of the time
11 spent in *Iskanian* or *Kempler* was necessary or reasonable to Claimant's arbitration of his
12 individual claims. Claimant has no entitlement to fees from either *Iskanian* or *Kempler*, and has
13 failed to detail the time spent on the arbitration.
14

15
16 **B. ILG Is Wrong On the Law.**

17 All the cases cited by Plaintiff to support the proposition that California courts may
18 approve attorney's fees without reviewing detailed timesheets are inapplicable and can be
19 distinguished. While Plaintiff relies on *Margolin v. Regional Planning Com.*, and *Glendora*
20 *Community Redevelopment Agency v. Demeter*, those courts were only willing to accept
21 declarations in place of records because billing records were unavailable. *Margolin v. Regional*
22 *Planning Com.*, 134 Cal. App. 3d 999, 1006 (Cal.App.2.Dist. 1982) (accepting a declaration for
23 the time worked for which no records were available after the attorney had already produced
24 extensive billing records); *Glendora Community Redevelopment Agency v. Demeter*, 155 Cal.
25 App. 3d 465, 470 (1984) (considering attorney testimony of time worked where attorney did not
26 keep any records). Plaintiff's reliance on *Martino v. Denevi*, is similarly misplaced. The Martino
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1 court noted in remanding attorney's fees issue that in absence of detailed time sheets testimony of
2 attorney is sufficient to award fees. *Martino v. Denevi*, 182 Cal. App. 3d 553, 559 (1986) (relying
3 on *Glendora* and *Margolin*). Plaintiff cannot rely on the cited cases as the Declaration of Raul
4 Perez indicates that Capstone Law kept billing records. Perez Decl. ¶ 2 ("Capstone's records
5 reflect..."). The Perez declaration alone is therefore insufficient to support an award of fees.
6

7 Plaintiff also cannot rely on *Chavez v. Netflix*, or *Wershaba v. Apple Computers* because
8 they were decided in the context of class action settlements and follow the same reasoning as the
9 above cases. Plaintiff also cites to *Dixon v. State Bar of California*, 39 Cal.3d 335 (1985),
10 however that case is irrelevant here except to the extent it was cited in *Martino v. Denevi* for the
11 proposition that the failure to keep books and other records could be the basis for a disciplinary
12 action. *Id.* 344. *Chavez v. Netflix*, 162 Cal. App. 4th 43 (2008) (finding fee agreed to by class
13 action parties reasonable); *Wershaba v. Apple Computers*, 91 Cal. App. 4th 224 (2001)(finding
14 mediator's award in class action settlement reasonable). In *Wershaba*, the court relied on three
15 cases - *Sommers v. Erb*, *Dunk v. Ford Motor Co.*, and *Nightengale v. Hyundai Motor America* - to
16 support its decision to accept declarations evidencing reasonable rate and hours and not requiring
17 production of bills. *Id.* 255. Those cases, like the cases above, are limited in application. *See*
18 *Sommers v. Erb*, 2 Cal. App. 4th 1644, 1651 (declaration okay because no billing records kept);
19 *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794 (1996) (remanded for insufficient evidence to
20 support award of fees), and *Nightengale v. Hyundai Motor America*, 31 Cal. App. 4th 99, 103
21 (1994) (fees supported by bills and time slips). The *Chavez* court relied on the reasoning of
22 *Wershaba* and is thus distinguishable for the same reasons. *Chavez*, at 64. As this case is not a
23 class action, and Plaintiff's counsel has admitted to keeping records, Plaintiff must produce its
24 billing records to support its request for fees.
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C. A Negative Multiplier Should Be Applied To Decrease The Lodestar.

1. Claimant's success was de minimis.

The extent of a plaintiff's success is a "crucial factor" in determining the amount of a prevailing party's attorney's fees. *Environmental Protection Info. Ctr. V. Dept. of Forestry & Fire Protection* (2010) 190 Cal.App.4th 217, 238. A reduced fee award is appropriate when a claimant achieves only limited success. *Solow v. County of San Mateo* (1989) 213 Cal.App.3d 231, 249. The practical success of this arbitration was de minimis at best. As discussed above, the individual settlement agreement did not obtain any of the relief sought by Claimant. Further, Claimant's counsel did not take any part in negotiating for the amount paid in settlement. Even his attempt to recoup fees from his "success" in *Iskanian* is absurd since the class claims were ultimately dismissed from the case.

2. Other factors demand a negative multiplier.

This arbitration did not involve novel or difficult claims. The wage and hour claims identified in the demand for arbitration are frequently raised in class actions against employers doing business in California. The Declarations of Raul Perez and Arthur Meneses both imply that they regularly handle wage and hour class action defense work, though neither the Declarations or the Motion explain how counsels' skill in presenting the claims in this arbitration contributed to Respondents' decision to make a 998 offer to Claimant. Further, the amount of fees requested is wholly disproportionate to the total amount of compensation that Claimant received from Respondents as consideration. Claimant is overreaching for a recovery of over \$50,000 in attorneys' fees on a \$2,000 settlement. *See Harman v. City and County of San Francisco* (2006) 136 Cal.App.4th 1279, 1312-14 (A court may consider the proportionality between the damages awarded and the attorney's fees requested.) Further, fees may be substantially reduced when, as

1 here, multiple counsel represent a party leading to duplication of effort. *See Escorial Owners'*
2 *Assn., supra*, 154 Cal.App.4th at 1366-67.

3 In *Harrington v. Payroll Entertainment Svcs., Inc.* (2008) 160 Cal.App.4th 589, a plaintiff
4 in a putative class action claim for unpaid overtime settled for \$10,500. As part of the settlement,
5 the defendant agreed that the plaintiff was the "prevailing party" for purposes of an award of
6 attorneys' fees. Plaintiff's counsel then sought a fee award of \$46,277. The trial court declined to
7 award any fees, but the appellate court reversed, awarding attorneys' fees of \$500. In doing so, it
8 found that "there is no way on earth this case justified the hours purportedly billed by [plaintiff's]
9 lawyers." *Id.* at 594-95. While each case is different, the following comparison is illustrative: In
10 *Harrington*, the plaintiff sought an attorneys' fees award four and a half times greater than the
11 settlement amount. Here, the plaintiff seeks an award 25 times greater than the settlement amount.
12 The amount of a fee award, if any, needs to reflect the nominal amount paid to resolve this matter
13 and what is reasonable in litigating a dispute of this size.

14 Accordingly, Respondents request a negative multiplier to the lodestar to account for: (1)
15 the lack of success in this matter; (2) Claimant's utter failure to show how any work other than
16 the filing of the individual arbitration demand contributed to Respondents' decision to extend the
17 998 Offer; (3) the disproportionate amount of fees requested in relation to the level of "success"
18 achieved; and (4) the substantial likelihood of duplication due to 17 attorneys being assigned to
19 this arbitration. Respondents believe that these circumstances alone are enough to deny the
20 request for fees. If, however, Claimant should be awarded fees, a negative multiplier must be
21 applied.

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1 **3. Counsel Is Potentially Entitled, At Most, Only To Those Fees Incurred**
 2 **In This Arbitration.**

3 According to Claimants' counsel's declaration, the arbitration demands were filed with
 4 AAA in September 2011. (Perez ¶ 47.) Eight arbitrators were finally chosen in November of
 5 2012. (Perez ¶ 64.)

6 The §998 offer of \$2,000 was made in December of 2012 (Perez ¶ 65), and accepted on
 7 January 24, 2013 (Perez ¶ 66). Thus, only time incurred prior to January 24th, and only
 8 specifically on this arbitration is even theoretically recoverable. The declarations make no
 9 effort to delineate the hours in this fashion. There is no showing of time interviewing claimant or
 10 reviewing his personnel and payroll records.

11 At most, Claimants' counsel spent 2 ½ hours of time and \$175 on each claimant prior to
 12 settlement:
 13

14	Prepare AAA arbitration demands	(÷ 63) .5 hour
15	Evaluate Arbitrators; Related Corres	(÷ 8) .5 hour
16	Prepare Arbitration Management Conf.	(÷ 8) .5 hour
17	Attend Arbitration Management Conf.	(÷ 8) .5 hour
18	Evaluate, Communicate, Accept §998 offer	<u>.5 hour</u>
19		2.5 hours
20		(x \$400/hr)
21		\$ 1,000.00
22		<u>+ 175 (filing fee)</u>
23		\$ 1,125.00
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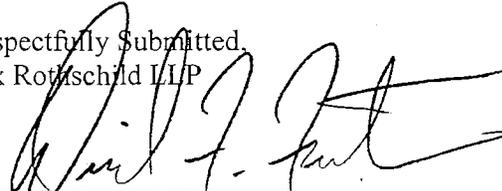
VII. CONCLUSION

Claimant fails to meet the standards for an award of fees pursuant to contract or statute.

Accordingly, Respondents respectfully request that Claimant's request for attorneys' fees be denied.

Dated: April 30, 2013

Respectfully Submitted,
Fox Rothschild LLP



David F. Faustman
Attorneys for Respondents

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6

7 Attorneys for Defendant,
CLS TRANSPORTATION LOS ANGELES LLC et al.

8 AMERICAN ARBITRATION ASSOCIATION

9 LUIS EARNSHAW,

10 Claimant,

11 vs.

12 CLS TRANSPORTATION LOS ANGELES LLC,
et al.

13 Respondents.
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Arbitrator: Hon. Kevin Murphy

Case No. 74 160 223 12 AMCH

**DECLARATION OF DAVID F.
FAUSTMAN, ESQ. IN SUPPORT OF
RESPONDENT'S OPPOSITION TO
CLAIMANT'S MOTION FOR AN
AWARD OF ATTORNEYS' FEES
AND COSTS**

[Filed Concurrently with: Respondent's
Opposition; and Declaration of Yesenia M.
Gallegos, Esq.]

Date: June 4, 2013

Time: 9:00 a.m.

Via Conference Call

1 I, David F. Faustman, declare as follows:

2 1. I am a Partner with the law firm of Fox Rothschild LLP, counsel of record for
3 Respondents in the above-captioned matter. I make this declaration in support of Respondent's
4 Opposition to Claimants' Motion for an Award of Attorneys' Fees and Costs. I make this
5 declaration of my own personal knowledge and if called as a witness to testify regarding matters
6 stated in this declaration I would and could testify competently thereto.

7 2. On August 4, 2006, Arshavir Iskanian ("Iskanian") filed a Class Action Complaint
8 (Case No. BC356521) against CLS Transportation Los Angeles, LLC and Does 1-10 in the Los
9 Angeles County Superior Court. The Complaint alleged six claims: (i) violation of Labor Code
10 sections 510 and 1198 (unpaid overtime); violation of Labor Code sections 201 and 202 (wages
11 not paid upon termination); (iii) violation of Labor Code section 226(a) (improper wage
12 statements); (iv) violation of Labor Code section 226.7 (missed rest breaks); (v) violation of
13 Labor Code section 512 and 226.7 (missed meal breaks); and (vi) violation of Business and
14 Professions Code section 17200 (unfair competition).

15 3. On February 7, 2007, Defendant filed a Motion for an Order Compelling
16 Arbitration, Dismissing the Class Claims, and Staying the Action Pending the Outcome of
17 Arbitration ("Motion to Compel Arbitration").

18 4. On about March 13, 2007, the trial court issued an order granting Empire/CLS's
19 motion.

20 5. On May 14, 2007, Plaintiff appealed the trial court's Order.

21 6. Meanwhile, on August 30, 2007, the California Supreme Court issued *Gentry v.*
22 *Superior Ct.* (2007) 42 Cal.4th 443 ("*Gentry*").

23 7. In response, on May 27, 2008, the Court of Appeal for the State of California,
24 Second Appellate District, Division Two, issued an order, directing the trial court to reconsider its
25 March 13, 2007 Order in light of *Gentry*.

26 8. Empire/CLS was forced to withdraw its motion to compel because the Court of
27 Appeal rendered an Order effectively stating that *Gentry* governed, and that class action waivers
28 were unconscionable. It appeared futile to litigate the issue further.

1 9. As far as I know, the Claimants Frank Dubuy, Wayne Ikner, James Denison, Jiro
2 Fumoto, Daniel Rogers Millington, Jr., Robert Olmedo, Luis Earnshaw, and Scott Sullivan were
3 not personally involved or formally represented by Iskanian's counsel in any of this litigation.

4 10. On November 21, 2007, Iskanian filed a second Complaint pursuant to the Private
5 Attorney General Act ("PAGA") (Case No. BC381065) against CLS Transportation Los Angeles,
6 LLC, CLS Worldwide Services, LLC, Empire International, LTD, GTS Holdings, Inc. and Does
7 1 through 10. The Complaint alleged the same claims as Case No. BC356521 less the unfair
8 competition claim. It also added two new claims: violation of Labor Code section 221 and 2802
9 (improper withholding of wages and non-indemnification of business expenses); and violation of
10 Labor Code 351 (confiscation of gratuities).

11 11. On August 28, 2008, the court consolidated both of Iskanian's Complaints (case
12 no. BC356521 and case No. BC381065).

13 12. On September 12, 2008, Iskanian filed a Consolidated First Amended Complaint
14 ("FAC") pursuant to PAGA (Case Nos. BC356521 & BC381065) against CLS Transportation
15 Los Angeles, LLC, CLS Worldwide Services, LLC, Empire International, LTD, GTS Holdings,
16 Inc. and Does 1 through 10. The Complaint alleged six claims: (i) violation of Labor Code
17 sections 510 and 1198 (unpaid overtime); violation of Labor Code sections 201 and 202 (wages
18 not paid upon termination); (iii) violation of Labor Code section 226(a) (improper wage
19 statements); (iv) violation of Labor Code section 226.7 (missed rest breaks); (v) violation of
20 Labor Code section 512 and 226.7 (missed meal breaks); and (vi) violation of Labor Code section
21 221 and 2802 (improper withholding of wages and non-indemnification of business expenses.
22 The FAC remained the operable Complaint in the Iskanian class action. (A true and correct copy
23 of Iskanian's Consolidated FAC is attached hereto and incorporated herein as **Exhibit "A."**)

24 13. On August 24, 2009, the Court partially granted class representative Iskanian's
25 motion for class certification by certifying five subclasses, consisting of 182 class members.
26 Iskanian sought to represent a class of former and current limousine drivers who worked for
27 Empire/CLS between January 1, 2005 and August 24, 2009, for purported wage and hour
28 violations.

1 14. On May 16, 2011, Empire/CLS filed a Motion for Renewal of its Prior Motion For
2 an Order Compelling Arbitration, Dismissing Class Claims, and Staying the Action Pending the
3 Outcome of Arbitration. The Motion was based on new law rendered in *AT&T Mobility v.*
4 *Concepcion*, 563 U.S. __ (April 27, 2011).

5 15. On June 13, 2011, the Court granted Empire/CLS' Motion for Renewal of its Prior
6 Motion For an Order Compelling Arbitration, Dismissing Class Claims, and Staying the Action
7 Pending the Outcome of Arbitration. The Court granted the Motion based on new law rendered
8 in *AT&T Mobility v. Concepcion*, 563 U.S. __ (April 27, 2011). (A true and correct copy the
9 Court's Order is attached hereto and incorporated herein as **Exhibit "B."**)

10 16. On August 12, 2011, Iskanian filed a Notice of Appeal.

11 17. On June 4, 2012, the California Court of Appeal unanimously affirmed the trial
12 court's ruling.

13 18. The California Supreme court granted review of the appellate court decision on
14 September 19, 2011, where the case is now pending.

15 19. On September 28, 2011, Iskanian's counsel, Initiative Legal Group ("ILG"), filed
16 63 individual demands for arbitration almost entirely on behalf of former class members.

17 20. In light of the fact that the 63 demands for arbitration were identical and gave rise
18 to identical procedural, legal and factual issues, between August 2, 2011 and September 16, 2011,
19 I met and conferred with Claimants' counsel and suggested that the parties consolidate the
20 demands for arbitration before a single arbitrator for efficiency and in order to address
21 preliminary and procedural issues before reaching the merits of each individual's claims.
22 Claimants' counsel refused. (True and correct copies of correspondence between Claimants'
23 counsel's office and my office regarding consolidation and the appointment of an arbitrator are
24 attached hereto and incorporated herein as **Exhibit "C."**)

25 21. On October 27, 2011, Respondents filed a Motion for Consolidation of
26 Arbitrations which requested the Court to appoint an arbitrator and consolidate the 63 demands
27 for arbitration before one arbitrator pursuant to the California Arbitration Act and the Arbitration
28 Agreement.

1 22. On November 18, 2011, the 63 Claimants filed a complaint in the Superior Court
2 of Los Angeles, Kempler v. CLS Transportation, LLC (Case No. BC 473931), for breach of
3 contract, rescission, specific performance and declaratory relief (the “Kempler action”).
4 Claimant, as well as the other individuals who filed arbitration demands, were named plaintiffs.
5 They falsely accused Respondents of breaching the terms of the Arbitration Agreement because
6 of Respondents action in petitioning the Court to appoint an arbitrator, and Respondents refusal to
7 accept Claimant’s clear violation of Arbitration Agreement’s process for selection of arbitrators.

8 23. Also in late November 2011, Claimants filed a Motion to Compel Specific
9 Performance in the Kempler action.

10 24. On February 7, 2012, the Court held a hearing on the Claimants’ Motion to
11 Compel Specific Performance and Respondents’ Motion for Consolidation. During the hearing, I
12 unambiguously indicated that Respondents had “no objection to arbitrating on an individual
13 basis.” I advised the Court that Respondents never objected to individual arbitration.

14 25. In March 2012, Claimant purposely evaded the express language of the Arbitration
15 Agreement regarding the appointment of arbitrators, and intentionally obscured the difference
16 between consolidation and class procedures to suggest that Respondents were, in effect,
17 requesting class-wide arbitration by requesting consolidation. This argument was and is
18 intellectually dishonest, and Claimant’s counsel expressly indicated that unless Respondents were
19 “willing to participate in class-wide arbitration,” Claimants would have their “claims heard
20 individually ... and [] select their own arbitrators.” (A true and correct copies Claimants’
21 communications are attached hereto and incorporated herein as **Exhibit “D.”**)

22 26. At the hearing of February 7, 2012, the Court granted the unopposed motion for
23 specific performance, and denied the motion for Consolidation, without prejudice, because the
24 Court did not believe that the parties were at an “impasse” regarding the selection of arbitrators.
25 (A true and correct copy the Court’s Order is attached hereto and incorporated herein as **Exhibit**
26 **“E.”**)

27 27. On or about July 25, 2012, Respondents filed a Motion for Appointment of
28 Arbitrators. Claimants opposed that Motion.

EXHIBIT A

1 Mark Yablonovich (SBN 186670)

Marc Primo (SBN 216796)

2 Matthew T. Theriault (SBN 244037)

Dina S. Livhits (SBN 245646)

3 Lory N. Ishii (SBN 242243)

INITIATIVE LEGAL GROUP, LLP

4 1800 Century Park East, 2nd Floor

5 Los Angeles, California 90067

Telephone: (310) 556-5637

6 Facsimile: (310) 861-9051

7 Attorneys for Plaintiff ARSHAVIR ISKANIAN
and for Class Members

8

9

SUPERIOR COURT OF THE STATE OF CALIFORNIA

10

FOR THE COUNTY OF LOS ANGELES

11

12 ARSHAVIR ISKANIAN, individually, and on
behalf of other members of the general public
similarly situated,

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14 Plaintiffs,

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vs.

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CLS TRANSPORTATION LOS ANGELES
LLC, a Delaware corporation; CLS
17 WORLDWIDE SERVICES, LLC, a Delaware
corporation; EMPIRE INTERNATIONAL,
18 LTD, a New Jersey Corporation; GTS
19 HOLDINGS, INC, a Delaware corporation
and DOES 1 through 10, inclusive,

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21 Defendants.

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Case Number: BC 356521; ordered
Consolidated with BC381065

**CLASS ACTION AND LABOR CODE
PRIVATE ATTORNEYS GENERAL
ENFORCEMENT ACTION**

Consolidated First Amended Complaint for:

(1) Violation of California Labor Code §§ 510
and 1198 (Unpaid Overtime);

(2) Violation of California Labor Code §§ 201
and 202 (Wages Not Paid Upon Termination);

(3) Violation of California Labor Code § 226(a)
(Improper Wage Statements);

(4) Violation of California Labor Code § 226.7
(Missed Rest Breaks);

(5) Violation of California Labor Code §§ 512
and 226.7 (Missed Meal Breaks);

(6) Violation of California Labor Code §§ 221
and 2800 (Improper Withholding of Wages and
Non-Indemnification of Business Expenses);

Consolidated First Amended Complaint

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(7) Violation of California Labor Code § 351
(Confiscation of Gratuities); and

(8) Violation of California Business &
Professions Code § 17200, et seq.

Jury Trial Demanded

Plaintiff, individually and on behalf of all other members of the public similarly situated,
alleges as follows:

PRELIMINARY STATEMENT

This Consolidated First Amended Complaint ("Complaint") is filed pursuant to the
Order of this Court (ordered during a Status Conference on August 28, 2008) and presents claims
brought against CLS TRANSPORTATION LOS ANGELES, LLC; CLS WORLDWIDE
SERVICES, LLC; EMPIRE INTERNATIONAL, LTD; and GTS HOLDINGS, INC. (as defined
below) in two separate cases deemed related and filed in this Court, case Nos. BC356521 (lead
case) and BC381065 (related case).

JURISDICTION AND VENUE

1) This class action is brought pursuant to California Code of Civil Procedure § 382. The
monetary damages and restitution sought by Plaintiff exceed the minimal jurisdiction limits of the
Superior Court and will be established according to proof at trial. The amount in controversy for
each class representative, including claims for compensatory damages and pro rata share of
attorney fees, is less than \$75,000.

2) This Court has jurisdiction over this action pursuant to the California Constitution,
Article VI, § 10, which grants the Superior Court "original jurisdiction in all causes except those
given by statute to other courts." The statutes under which this action is brought do not specify
any other basis for jurisdiction.

3) This Court has jurisdiction over all Defendants because, upon information and belief,
each party is either a citizen of California, has sufficient minimum contacts in California, or
otherwise intentionally avails itself of the California market so as to render the exercise of

1 jurisdiction over it by the California courts consistent with traditional notions of fair play and
2 substantial justice.

3 4) Venue is proper in this Court because, upon information and belief, one or more of the
4 named Defendants reside, transact business, or have offices in this county and the acts and
5 omissions alleged herein took place in this county.

6 THE PARTIES

7 5) Plaintiff ARSHAVIR ISKANIAN (hereinafter "Plaintiff") is a resident Los Angeles
8 County, of in the state of California.

9 6) Defendant CLS Transportation Los Angeles LLC (hereinafter "CLS" or "Defendant")
10 was and is, upon information and belief, a corporation doing business within the state of
11 Delaware, and at all times hereinafter mentioned, is an employer whose employees are engaged
12 throughout this county, the state of California, or the various states of the United States of
13 America.

14 7) Defendant CLS WORLDWIDE SERVICES, LLC, (hereinafter "Defendants") was and
15 is, upon information and belief, a Delaware limited liability corporation doing business within the
16 state of California, and at all times hereinafter mentioned, is an employer whose employees are
17 engaged throughout this county, the state of California, or the various states of the United States of
18 America. CLS Worldwide Services, LLC, appears to be the same company as CLS Transportation
19 Los Angeles, LLC.

20 8) Defendant EMPIRE INTERNATIONAL, LTD, (hereinafter "Defendants") was and is,
21 upon information and belief, a New Jersey corporation doing business within the state of
22 California, and at all times hereinafter mentioned, is an employer whose employees are engaged
23 throughout this county, the state of California, or the various states of the United States of
24 America.

25 9) Defendant GTS HOLDINGS, INC, (hereinafter "Defendants") was and is, upon
26 information and belief, a Delaware corporation doing business within state of California, and at all
27 times hereinafter mentioned, is an employer whose employees are engaged throughout this county,
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1 the state of California, or the various states of the United States of America. In February of 2005,
2 Empire International, Ltd. and CLS Worldwide Services, LLC, combined their two assets forming
3 GTS Holdings, Inc.

4 10) Plaintiff is unaware of the true names or capacities of the Defendants sued herein under
5 the fictitious names DOES 1-10, but prays for leave to amend and serve such fictitiously named
6 Defendants pursuant to California Code of Civil Procedure § 474 once their names and capacities
7 become known.

8 11) Plaintiff is informed and believes, and thereon alleges, that Does 1-10 are the partners,
9 agents, owners, shareholders, managers or employees of Defendant, and were acting on behalf of
10 Defendant.

11 12) Plaintiff is informed and believes, and thereon alleges, that each and all of the acts and
12 omissions alleged herein was performed by, or is attributable to, Defendant and DOES 1-10
13 (collectively "Defendants"), each acting as the agent for the other, with legal authority to act on
14 the other's behalf. The acts of any and all Defendants were in accordance with, and represent the
15 official policy of, Defendant.

16 13) At all times herein mentioned, Defendants, and each of them, ratified each and every
17 act or omission complained of herein. At all times herein mentioned, Defendants, and each of
18 them, aided and abetted the acts and omissions of each and all the other Defendants in proximately
19 causing the damages herein alleged.

20 14) Plaintiff is informed and believes, and thereon alleges, that each of said Defendants is
21 in some manner intentionally, negligently, or otherwise responsible for the acts, omissions,
22 occurrences, and transactions alleged herein.

23 CLASS ACTION ALLEGATIONS

24 15) Plaintiff brings this action on his own behalf, as well as on behalf of each and all other
25 persons similarly situated, and thus, seeks class certification under California Code of Civil
26 Procedure § 382.

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1 16) All claims alleged herein arise under California law for which Plaintiff seeks relief
2 authorized by California law.

3 17) The proposed class is comprised of and defined as:
4 (Sept. 12 All persons who have been employed by Defendants in the state of California
5 2004) within four years prior to the filing of this complaint until resolution of this lawsuit
6 who held the positions of driver or similar titles or titles with similar job duties.

7 18) There is a well defined community of interest in the litigation and the class is easily
8 ascertainable:

9 a. Numerosity: The members of the class (and each subclass, if any) are so numerous
10 that joinder of all members would be unfeasible and impractical. The membership of the entire
11 class is unknown to Plaintiff at this time, however, the class is estimated to be greater than one
12 hundred (100) individuals and the identity of such membership is readily ascertainable by
13 inspection of Defendants' employment records.

14 b. Typicality: Plaintiff is qualified to, and will, fairly and adequately protect the
15 interests of each class member with whom he has a well defined community of interest, and
16 Plaintiff's claims (or defenses, if any) are typical of all class members' as demonstrated herein.

17 c. Adequacy: Plaintiff is qualified to, and will, fairly and adequately, protect the
18 interests of each class member with whom she has a well-defined community of interest and
19 typicality of claims, as demonstrated herein. Plaintiff acknowledges that he has an obligation to
20 make known to the Court any relationship, conflicts or differences with any class member.
21 Plaintiff's attorneys and the proposed class counsel are versed in the rules governing class action
22 discovery, certification, and settlement. Plaintiff has incurred, and throughout the duration of this
23 action, will continue to incur costs and attorney's fees that have been, are, and will be necessarily
24 expended for the prosecution of this action for the substantial benefit of each class member.

25 d. Superiority: The nature of this action makes the use of class action adjudication
26 superior to other methods. Class action will achieve economies of time, effort and expense as
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1 compared to separate lawsuits, and will avoid inconsistent outcomes because the same issues can
2 be adjudicated in the same manner and at the same time for the entire class.

3 e. Public Policy Considerations: Employers of the state violate employment and labor
4 laws every day. Current employees are often afraid to assert their rights out of fear of direct or
5 indirect retaliation. Former employees are fearful of bringing actions because they believe their
6 former employers may damage their future endeavors through negative references and/or other
7 means. Class actions provide the class members who are not named in the complaint with a type
8 of anonymity that allows for the vindication of their rights at the same time as their privacy is
9 protected.

10 19) There are common questions of law and fact as to the class (and each subclass, if any)
11 that predominate over questions affecting only individual members, including but not limited to:

12 a. Whether Defendants required Plaintiff and the other class members to work over
13 eight hours per day or over forty hours per week and failed to pay legally required premium
14 overtime compensation to the Plaintiff and the other class members;

15 b. Whether Defendants' failure to pay wages, without abatement or reduction, in
16 accordance with the California Labor Code, was willful;

17 c. Whether Defendants complied with wage reporting as required by the California
18 Labor Code; including but not limited to Section 226;

19 d. Whether Defendants failed to provide rest breaks;

20 e. Whether Defendants failed to provide meal breaks;

21 f. Whether Defendants improperly withheld the wages and failed to indemnify the
22 business expenses of their employees;

23 g. Whether Defendants improperly confiscated gratuities given to their employees;

24 h. Whether Defendants' conduct was willful or reckless;

25 i. Whether Defendants engaged in unfair business practices in violation of California
26 Business & Professions Code § 17200, et seq.; and

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1 j. The appropriate amount of damages, restitution, or monetary penalties resulting
2 from Defendants' violations of California law.

3 **FACTUAL ALLEGATIONS**

4 20) At all times set forth, CLS employed Plaintiff and other persons in the capacity of
5 driver and other similar positions.

6 21) Plaintiff intends to seek penalties for violations of the California Labor Code, which
7 are recoverable under California Labor Code §§ 2699 et seq. Plaintiff is seeking penalties on
8 behalf of the State of California of which 75% will be kept by the state, while 25% will be
9 available to aggrieved employees. Plaintiff is alleging PAGA penalties from March 8, 2004 to the
10 date of the resolution of this lawsuit.

11 22) Defendants employed Plaintiff as a driver from on or about the summer of 2003 to on
12 or about August 4, 2005.

13 23) Defendants continue to employ drivers within California.

14 24) Plaintiff is informed and believes, and thereon alleges, that at all times herein
15 mentioned, Defendants were advised by skilled lawyers and other professionals, employees and
16 advisors knowledgeable about California labor and wage law and employment and personnel
17 practices, and about the requirements of California law.

18 25) Plaintiff is informed and believes, and thereon alleges that Defendants knew or should
19 have known that Plaintiff and other class members or aggrieved employees were entitled to
20 receive premium wages for overtime compensation and that they were not receiving premium
21 wages for overtime compensation.

22 26) Plaintiff and other class members or aggrieved employees were not properly paid
23 overtime based upon their regular rate of pay, but instead based upon their base rate of pay.

24 27) Plaintiff is informed and believes, and thereon alleges that Defendants knew or should
25 have known that Plaintiff and other class members or aggrieved employees were entitled to
26 receive all the wages owed to them upon discharge.

27 28) Plaintiff is informed and believes, and thereon alleges that Defendants knew or should
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1 have known that Plaintiff and other class members or aggrieved employees were entitled to
2 receive complete and accurate wage statements in accordance with California law.

3 29) Plaintiff is informed and believes, and thereon alleges that Defendants knew or should
4 have known that Plaintiff and other class members or aggrieved employees were entitled to
5 receive all meal periods or payment of one hour of pay at their regular rate of pay when they did
6 not receive a timely uninterrupted meal period.

7 30) Plaintiff is informed and believes, and thereon alleges that Defendants knew or should
8 have known that Plaintiff and other class members or aggrieved employees were entitled to
9 receive all rest periods or payment of one hour of pay at their regular rate of pay when a rest
10 period was missed.

11 31) Plaintiff is informed and believes, and thereon alleges that Defendants knew or should
12 have known that Plaintiff and other class members or aggrieved employees were entitled to
13 receive full reimbursement for all business-related expenses and costs they incurred during the
14 course and scope of their employment, and that they did not receive full reimbursement of
15 applicable business-related expenses and costs they incurred.

16 32) Plaintiff is informed and believes, and thereon alleges, that at all times herein
17 mentioned, Defendants knew or should have known that they had a duty to compensate Plaintiff
18 and other class members or aggrieved employees, and that Defendants had the financial ability to
19 pay such compensation, but willfully, knowingly and intentionally failed to do so, and falsely
20 represented to Plaintiff and other aggrieved employees that they were properly denied wages, all
21 in order to increase Defendants' profits.

22 33) At all times herein set forth, the California Labor Code § 2699 was applicable to
23 Plaintiff's employment by Defendants.

24 34) At all times herein set forth, California Labor Code § 2699, "The Labor Code Private
25 Attorney General Act" (hereinafter "PAGA"), provides that for any provision of law under the
26 Labor Code that provides for a civil penalty to be assessed and collected by the Labor and
27 Workforce Development Agency for violation of the Labor Code, may, as an alternative, be

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1 recovered through a civil action brought by an aggrieved employee on behalf of himself and other
2 current or former employees pursuant to procedures outlines in California Labor Code § 2699.3.

3 35) Pursuant to California Labor Code § 2699, a civil action under PAGA may be brought
4 by an "aggrieved employee," who is any person that was employed by the alleged violator and
5 against whom one or more of the alleged violations was committed.

6 36) Plaintiff was employed by the Defendants and the alleged violations were committed
7 against him during his time of employment and is therefore, an aggrieved employee.

8 37) Pursuant to California Labor Code §§ 2699.3 and 2699.5 an aggrieved employee,
9 including Plaintiff, may as a matter of right amend an existing complaint to add a cause of action
10 arising under Labor Code § 2699 only after the following requirements have been met:

11 a. The aggrieved employee shall give written notice (hereinafter "Notice") by
12 certified mail to the Labor and Workforce Development Agency (hereinafter
13 "Agency") and the employer of the specific provisions of the Labor Code alleged to
14 have been violated, including the facts and theories to support the alleged violation.

15 b. The Agency shall notify the employer and the aggrieved employee by certified mail
16 that it does not intend to investigate the alleged violation within thirty (30) calendar
17 days of the postmark date of the Notice. Upon receipt of the Notice or if no Notice is
18 provided within thirty-three (33) calendar days of the postmark date of the Notice, the
19 aggrieved employee may amend an existing complaint within sixty days of receiving
20 the Notice that the Agency does not intend to investigate the alleged violation, to add a
21 cause of action pursuant to Labor Code § 2699 to recover civil penalties in addition to
22 any other penalties that the employee may be entitled to.

23 38) Plaintiff provided written notice by certified mail to the Agency and the Defendant of
24 the specific provisions of the Labor Code alleged to have been violated on August 4, 2006,
25 including the facts and theories to support the alleged violations.

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1 39) The Agency notified Defendant and Plaintiff by certified mail on September 13, 2006,
2 that it did not intend to investigate the alleged violation within thirty (30) calendar days of the
3 postmark date of the Notice. See Exhibit "A."

4 40) Plaintiff has, therefore, satisfied the requirements of California Labor Code § 2699.3
5 and may amend his existing complaint and recover civil penalties, in addition to other remedies,
6 for violations of California Labor Code §§ 201, 202, 203, 204, 221, 226(a), 226.7(a), 351, 510,
7 512, 1194, 1198; and 2802.

8 **FIRST CAUSE OF ACTION**

9 **Violation of California Labor Code §§ 510 and 1198**

10 **(Against all Defendants)**

11 41) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material
12 allegations set out in paragraphs 1 through 40.

13 42) At all times herein set forth, California Labor Code § 1198 provides that it is unlawful
14 to employ persons for longer than the hours set by the Industrial Welfare Commission (hereinafter
15 "IWC").

16 43) At all times herein set forth, the IWC Wage Order applicable to Plaintiff's and the
17 other class members' and aggrieved employees' employment by Defendants has provided that
18 employees working for more than eight hours in a day, or more than forty hours in a workweek,
19 are entitled to payment at the rate of time-and-one-half for all hours worked in excess of eight
20 hours in a day or more than forty hours in a work week. An employee who works more than
21 twelve hours in a day is entitled to overtime compensation at a rate of two times his or her regular
22 rate of pay.

23 44) California Labor Code § 510 codifies the right to overtime compensation at one-and-
24 one-half the regular hourly rate for hours worked in excess of eight hours in a day or forty hours in
25 a week or for the first eight hours worked on the seventh day of work, and to overtime
26 compensation at twice the regular hourly rate for hours worked in excess of twelve hours in a day
27 or in excess of eight hours in a day on the seventh day of work.

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1 45) During the relevant time period, Plaintiff and the other members of the class and
2 aggrieved employees consistently worked in excess of eight hours in a day or forty hours in a
3 week.

4 46) During the relevant time period, Defendants failed to pay all premium overtime wages
5 owed to Plaintiff and the other members of the class and aggrieved employees.

6 47) During the relevant time period, Plaintiff and other class members and aggrieved
7 employees regularly performed non-exempt work in excess of fifty percent (50%) of the time, and
8 was thus subject to the overtime requirements of California law.

9 48) Defendants' failure to pay Plaintiff and other class members and aggrieved employees
10 the unpaid balance of premium overtime compensation, as required by California state law,
11 violates the provisions of California Labor Code §§ 510 and 1198, and is therefore unlawful.

12 49) Pursuant to California Labor Code § 1194, Plaintiff and other class members and
13 aggrieved employees are entitled to recover their unpaid overtime compensation, as well as
14 interest, costs and attorney's fees.

15 50) Pursuant to the civil penalties provided for in California Labor Code § 2699(f) and (g),
16 the State of California, Plaintiff and other aggrieved employees are entitled to recover civil
17 penalties of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial
18 violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each
19 subsequent violation, plus costs and attorneys' fees for violation of California Labor Code §§ 510,
20 1194 and 1198.

21 **SECOND CAUSE OF ACTION**

22 **Violation of California Labor Code §§ 201 and 202**

23 **(Against all Defendants)**

24 51) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material
25 allegations set out in paragraphs 1 through 50.

26 52) At all times herein set forth, California Labor Code § 218 authorizes employees to sue
27 directly for any wages or penalties due to them under the Labor Code.

28

1 53) At all times herein set forth, California Labor Code §§ 201 and 202 provide that if an
2 employer discharges an employee, the wages earned and unpaid at the time of discharge are due
3 and payable immediately, and that if an employee voluntarily leaves his or her employment, his or
4 her wages shall become due and payable not later than seventy-two hours thereafter, unless the
5 employee has given seventy-two hours previous notice of his or her intention to quit, in which
6 case the employee is entitled to his or her wages at the time of quitting.

7 54) During the relevant time period, Defendants failed to pay Plaintiff and those class
8 members and aggrieved employees who are no longer employed by Defendants their wages,
9 earned and unpaid, either at the time of discharge, or within seventy-two hours of their leaving
10 Defendants' employ.

11 55) Defendants' failure to pay Plaintiff and those class members and aggrieved employees
12 who are no longer employed by Defendants their wages earned and unpaid at the time of
13 discharge, or within seventy-two hours of their leaving Defendants' employ, is in violation of
14 California Labor Code §§ 201 and 202.

15 56) California Labor Code §203 provides that if an employer willfully fails to pay wages
16 owed, in accordance with §§ 201 and 202, then the wages of the employee shall continue as a
17 penalty from the due date, and at the same rate until paid or until an action is commenced; but the
18 wages shall not continue for more than thirty days.

19 57) Plaintiff and other class members and aggrieved employees are entitled to recover from
20 Defendants the statutory penalty for each day they were not paid at their regular hourly rate of pay,
21 up to a thirty (30) day maximum pursuant to California Labor Code § 203.

22 58) Pursuant to California Labor Code § 2699(f) and (g), the State of California, Plaintiff
23 and the other class members are entitled to recover civil penalties in the amount of one hundred
24 dollars (\$100) for each aggrieved employee per pay period for the initial violation and two
25 hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation,
26 plus costs and attorney's fees, for violations of the Labor Code §§ 201 and 202.

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THIRD CAUSE OF ACTION

Violation of California Labor Code § 226(a)

(Against all Defendants)

59) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material allegations set out in paragraphs 1 through 58.

60) Defendants have intentionally failed to provide employees with complete and accurate wage statements that include, among other things, the employer name, the inclusive dates of the pay period, the applicable rate paid to employees, failure to include the employee's social security number, and the actual number of hours worked by Plaintiff and the other class members or aggrieved employees.

61) Plaintiff and the other class members or aggrieved employees have suffered injury or infringement of their legal right to receive statutorily correct wage statements, showing all nine itemized pieces of information, as mandated by California Labor Code § 226 (a).

62) Plaintiff and the other members of the class and aggrieved employees are entitled to recover from Defendants the greater of their actual damages caused by Defendants' failure to comply with California Labor Code § 226(a) or an aggregate penalty not exceeding four thousand dollars, and an award of costs and reasonable attorney's fees pursuant to California Labor Code §§ 226(e) and 226.3.

63) Pursuant to California Labor Code § 2699(f) and (g), the State of California, Plaintiff and the other class members are entitled to recover civil penalties in the amount of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent violation, plus costs and attorney's fees, for violations of the Labor Code § 226 (a).

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FOURTH CAUSE OF ACTION

Violation of California Labor Code § 226.7

(Against all Defendants)

64) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material allegations set out in paragraphs 1 through 63.

65) At all times herein set forth, California Labor Code § 218 authorizes employees to sue directly for any wages or penalty due to them under the California Labor Code.

66) At all times herein set forth, California Labor Code § 226.7(a) provides that no employer shall require an employee to work during any rest period mandated by an applicable order of the California Industrial Welfare Commission.

67) During the relevant time period, the Defendants required the Plaintiff and other members and aggrieved employees of the class to work during rest periods and failed to compensate Plaintiff and members of the class for work performed during rest periods.

68) At all material times set forth herein, Defendants required Plaintiff and the other aggrieved employees and aggrieved employees to work in excess of four (4) hours without providing a ten (10) minute rest period.

69) At all material times set forth herein, Defendants required Plaintiff and the other class members and aggrieved employees to work an additional four (4) hours without providing a second ten (10) minute rest period.

70) Defendants' conduct violates applicable orders of the California Industrial Wage Commission, and California Labor Code §§ 226.7(a).

71) Pursuant to California Labor Code § 226.7(b), Plaintiff and other members of the class are aggrieved employees are entitled to recover from Defendants one additional hour of pay at the employee's regular rate of compensation for each work day that a rest period was not provided.

72) Pursuant to the civil penalties provided for in California Labor Code § 2699(f) and (g), the State of California, Plaintiff and other aggrieved employees are entitled to recover civil penalties of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial

1 violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each
2 subsequent violation, plus costs and attorneys' fees for violation of California Labor Code §
3 226.7(a).

4 **FIFTH CAUSE OF ACTION**

5 **Violation of California Labor Code §§ 226.7 and 512**

6 **(Against All Defendants)**

7 73) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material
8 allegations set out in paragraphs 1 through 72.

9 74) At all times herein set forth, California Labor Code § 218 authorizes employees to sue
10 directly for any wages or penalty due to them under the California Labor Code.

11 75) At all times herein set forth, California Labor Code § 226.7(a) provides that no
12 employer shall require an employee to work during any meal period mandated by an applicable
13 order of the California Industrial Welfare Commission.

14 76) At all times herein set forth, California Labor Code § 512(a) provides that an employer
15 may not employ an employee for a work period of more than five hours per day without providing
16 the employee with a meal period of not less than thirty minutes, except that if the total work period
17 per day of the employee is not more than six hours the meal period may be waived by mutual
18 consent of both the employer and the employee.

19 77) At all times herein set forth California Labor Code § 512(a) further provides that an
20 employer may not employ an employee for a work period of more than ten hours per day without
21 providing the employee with a second meal period of not less than thirty minutes, except that if
22 the total hours worked is no more than twelve the second meal period may be waived by mutual
23 consent of the employer and the employee only if the first meal period was not waived.

24 78) During the relevant time period, Plaintiff and other class members and aggrieved
25 employees who were scheduled to work for a period of time in excess of six hours were required
26 to work for periods longer than five hours without a meal period of not less than thirty minutes.

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1 79) During the relevant time period, Plaintiff and other members of the class and aggrieved
2 employees who were scheduled to work in excess of ten hours but not longer than twelve hours,
3 and who did not waive their legally-mandated meal periods by mutual consent were required to
4 work in excess of ten hours without receiving a second meal period of not less than thirty minutes.

5 80) During the relevant time period, Plaintiff and other members of the class and aggrieved
6 employees who were scheduled to work in excess of twelve hours were required to work in excess
7 of ten hours without receiving a second meal period of not less than thirty minutes.

8 81) During the relevant time period, the Defendants required the Plaintiff and other
9 members of the class and aggrieved employees to work during meal periods and failed to
10 compensate Plaintiff and members of the class and aggrieved employees for work performed
11 during meal periods.

12 82) Defendants' conduct violates applicable orders of the California Industrial Wage
13 Commission, and California Labor Code §§ 226.7(a) and 512(a).

14 83) Pursuant to California Labor Code § 226.7(b), Plaintiff and other members of the class
15 and aggrieved employees are entitled to recover from Defendants one additional hour of pay at the
16 employee's regular rate of compensation for each work day that the meal period was not provided.

17 84) Pursuant to the civil penalties provided for in California Labor Code § 2699(f) and (g),
18 the State of California, Plaintiff and the other aggrieved employees are entitled to recover civil
19 penalties of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial
20 violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each
21 subsequent violation, plus costs and attorneys' fees for violation of California Labor Code §§
22 226.7(a) and 512(a).

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SIXTH CAUSE OF ACTION

Violation of California Labor Code §§ 221 and 2802

(Against All Defendants)

85) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material allegations set out in paragraphs 1 through 84.

86) At all times herein set forth, California Labor Code § 221 provides that it shall be unlawful for any employer to collect or receive from an employee any part of wages previously paid by the employer to the employee.

87) At all times herein set forth, California Labor Code § 2802 provides further that an employer shall indemnify his or her employee for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer, even though unlawful, unless the employee, at the time of obeying the directions, believed them to be unlawful.

88) At all material times set forth herein, Defendants required Plaintiff and the other class members and aggrieved employees to contribute to Defendants' costs of doing business, including, but not limited to, deducting from wages or otherwise requiring employees to pay for the costs of uniforms required for all drivers and did not indemnify or reimburse employees for these necessary business expenditures required in the discharge of his or her duties of employment.

89) Defendants' conduct violates California Labor Code §§ 221 and 2802.

90) Pursuant to California Labor Code § 225.5, in addition to, and entirely independent and apart from, any other penalty provided in article 1 of the Labor Code, every person who unlawfully withholds wages due any employee in violation of Section 221 shall be subject to a civil penalty as follows: (a) for any initial violation, one hundred dollars (\$100) for each failure to pay each employee; and (b) for each subsequent violation, or any willful or intentional violation, two hundred dollars (\$200) for each failure to pay each employee, plus 25 percent of the amount unlawfully withheld. The penalty shall be recovered by the Labor Commissioner as part of the

1 hearing held to recover unpaid wages and penalties or in an independent civil action. The action
2 shall be brought in the name of the people of the State of California and the Labor Commissioner
3 and attorneys thereof may proceed and act for and on behalf of the people in bringing the action.
4 Twelve and one-half percent of the penalty recovered shall be paid into a fund within the Labor
5 and Workforce Development Agency dedicated to educating employers about state labor laws, and
6 the remainder shall be paid into the State Treasury to the credit of the General Fund.

7 91) Pursuant to the civil penalties provided for in California Labor Code § 2699(f) and (g),
8 the State of California, Plaintiff and other aggrieved employees are entitled to recover civil
9 penalties of one hundred dollars (\$100) for each aggrieved employee per pay period for the initial
10 violation and two hundred dollars (\$200) for each aggrieved employee per pay period for each
11 subsequent violation, plus costs and attorneys' fees for violation of California Labor Code §§ 221
12 and 2802.

13 **SEVENTH CAUSE OF ACTION**

14 **Violation of California Labor Code § 351**

15 **(Against all Defendants)**

16 92) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material
17 allegations set out in paragraphs 1 through 91.

18 93) At all times herein set forth, California Labor Code § 351 provides that no employer or
19 agent shall collect, take, or receive any gratuity or a part thereof that is paid, given to, or left for an
20 employee by a patron, or deduct any amount from wages due an employee on account of a
21 gratuity, or require an employee to credit the amount, or any part thereof, of a gratuity against and
22 as a part of the wages due the employee from the employer. Every gratuity is declared to be the
23 sole property of the employee or employees to whom it was paid, given, or left for. An employer
24 that permits patrons to pay gratuities by credit card shall pay the employees the full amount of the
25 gratuity that the portion indicated on the credit card slip, without any deductions for any credit
26 card payment processing fees or costs that may be charged to the employer by the credit card
27 company. Payment of gratuities made by patrons using credit cards shall be made to the
28

1 employees not later than the next regular payday following the date the patron authorized the
2 credit card payment.

3 94) During the relevant time period, Defendants collected, took, or received gratuity
4 payments given to Plaintiff and the other class members and aggrieved employees without
5 crediting the amount or any part of it to the employees. Further, Defendants failed to make
6 gratuity payments made by patrons using credit cards payable to Plaintiff, the other class members
7 and aggrieved employees by the next regular payday following the date the patron authorized the
8 credit card payments.

9 95) Defendants' conduct violates California Labor Code § 351.

10 96) Pursuant to California Labor Code § 354, any employer who violates any provision of
11 this article is guilty of a misdemeanor, punishable by a fine not exceeding one thousand dollars
12 (\$1,000) or by imprisonment for not exceeding 60 days, or both.

13 97) Pursuant to the civil penalties provided for in California Labor Code § 2699(f) and (g),
14 the State of California, Plaintiff and other class members and aggrieved employees are entitled to
15 recover civil penalties of one hundred dollars (\$100) for each aggrieved employee per pay period
16 for the initial violation and two hundred dollars (\$200) for each aggrieved employee per pay
17 period for each subsequent violation, plus costs and attorneys' fees for violation of California
18 Labor Code § 351.

19 **EIGHTH CAUSE OF ACTION**

20 **Violation of California Business & Professions Code § 17200 et seq.**

21 **(Against all Defendants)**

22 98) Plaintiff incorporates by reference and re-alleges as if fully stated herein the material
23 allegations set out in paragraphs 1 through 97.

24 99) Defendants' conduct, as alleged in this complaint, has been, and continues to be,
25 unfair, unlawful, and harmful to the Plaintiff, the other members of the class, and the general
26 public. Plaintiff seeks to enforce important rights affecting the public interest within the meaning
27 of Code of Civil Procedure § 1021.5.

28

1 100) Defendants' activities as alleged herein are violations of California law, and constitute
2 unlawful business acts and practices in violation of California Business & Professions Code §
3 17200, et seq.

4 101) Plaintiff and the putative Class members have been personally aggrieved by
5 Defendants' unlawful business acts and practices alleged herein by the loss of money or property.

6 102) Pursuant to California Business & Professions Code § 17200, et seq., Plaintiff and the
7 putative Class members are entitled to restitution of the wages withheld and retained by
8 Defendants during a period that commences four years prior to the filing of this complaint; a
9 permanent injunction requiring Defendants to pay all outstanding wages due to class members; an
10 award of attorneys' fees pursuant to California Code of Civil Procedure § 1021.5 and other
11 applicable law; and an award of costs.

12 103) A violation of California Business & Professions Code § 17200, et seq. may be
13 predicated on the violation of any state or federal law. In the instant case, Defendants' policy and
14 practice of requiring drivers, including Plaintiffs, to work in excess of eight hours in a day or forty
15 hours per week without paying them overtime compensation violates California Labor Code §§
16 1198 and 510. In addition, Defendants' policy and practice of requiring drivers, including
17 Plaintiffs, to work without being paid any compensation violates California Labor Code § 1194.

18 **REQUEST FOR JURY TRIAL**

19 Plaintiff requests a trial by jury.

20 **PRAYER FOR RELIEF**

21 Plaintiff, and on behalf of all others similarly situated, prays for relief and judgment
22 against Defendants, jointly and severally, as follows:

23 **Class Certification**

- 24 1. That this action be certified as a class action;
- 25 2. That Plaintiff be appointed as the representative of the Class; and
- 26 3. That counsel for Plaintiff be appointed as Class counsel.

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As to the First Cause of Action

- 4. For general unpaid wages at overtime wage rates and such general and special damages as may be appropriate;
- 5. For pre-judgment interest on any unpaid overtime compensation from the date such amounts were due;
- 6. For reasonable attorney's fees and for costs of suit incurred herein pursuant to California Labor Code § 1194(a);
- 7. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount of \$100 dollars for each violation per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees for violation of California Labor Code §§ 510, 1194 and 1198; and
- 8. For such other and further relief as the Court may deem equitable and appropriate.

As to the Second Cause of Action

- 9. For all actual, consequential and incidental losses and damages, according to proof;
- 10. For statutory penalties pursuant to California Labor Code § 203 for Plaintiff and all other class members who have left Defendants' employ;
- 11. For costs of suit incurred herein;
- 12. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount of \$100 dollars for each violation per pay period for the initial violation and \$200 for each aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees for violation of California Labor Code §§ 201, 202 and 203; and
- 13. For such other and further relief as the Court may deem equitable and appropriate.

As to the Third Cause of Action

- 14. For all actual, consequential and incidental losses and damages, according to proof;
- 15. For statutory penalties pursuant to California Labor Code § 226(e) and 226.3;
- 16. For reasonable costs and attorney's fees pursuant to California Labor Code § 226(e);

1 17. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount
2 of \$100 dollars for each violation per pay period for the initial violation and \$200 for each
3 aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees
4 for violation of California Labor Code § 226(a); and

5 18. For such other and further relief as the Court may deem equitable and appropriate.

6 As to the Fourth Cause of Action

7 19. For all actual, consequential, and incidental losses and damages, according to proof;

8 20. For statutory penalties pursuant to California Labor Code § 226.7(b);

9 21. For costs of suit incurred herein;

10 22. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount
11 of \$100 dollars for each violation per pay period for the initial violation and \$200 for each
12 aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees
13 for violation of California Labor Code § 226.7(a); and

14 23. For such other and further relief as the Court may deem appropriate.

15 As to the Fifth Cause of Action

16 24. For all actual, consequential, and incidental losses and damages, according to proof;

17 25. For statutory penalties pursuant to California Labor Code § 226.7(b);

18 26. For costs of suit incurred herein;

19 27. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount
20 of \$100 dollars for each violation per pay period for the initial violation and \$200 for each
21 aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees
22 for violation of California Labor Code §§ 226.7(a) and 512; and

23 28. For such other and further relief as the Court may deem appropriate.

24 As to the Sixth Cause of Action

25 29. For all actual, consequential and incidental losses and damages, according to proof;

26 30. For costs of suit incurred herein;

27 31. For civil penalties pursuant to California Labor Code § 225.5;

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1 32. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount
2 of \$100 dollars for each violation per pay period for the initial violation and \$200 for each
3 aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees
4 for violation of California Labor Code §§ 221 and 2802; and

5 33. For such other and further relief as the Court may deem appropriate.

6 As to the Seventh Cause of Action

7 34. For all actual, consequential and incidental losses and damages, according to proof;

8 35. For restitution of confiscated gratuities to all aggrieved employees and class members
9 and prejudgment interest from the day such amounts were due and payable;

10 36. For costs of suit incurred herein;

11 37. For civil penalties pursuant to California Labor Code § 2699(f) and (g) in the amount
12 of \$100 dollars for each violation per pay period for the initial violation and \$200 for each
13 aggrieved employee per pay period for each subsequent violation, plus costs and attorneys' fees
14 for violation of California Labor Code § 351; and

15 38. For other such and further relief as the Court may deem appropriate.

16 As to the Eighth Cause of Action

17 39. For disgorgement of any and all "unpaid wages" and incidental losses, according to
18 proof;

19 40. For restitution of "unpaid wages" to all class members and prejudgment interest from
20 the day such amounts were due and payable;

21 41. For the appointment of a receiver to receive, manage and distribute any and all funds
22 disgorged from Defendants and determined to have been wrongfully acquired by Defendants as a
23 result of violations of California Business & Professions Code § 17200 et seq.;

24 42. For reasonable attorney's fees that Plaintiff and other members of the class are entitled
25 to recover under California Code of Civil Procedure § 1021.5;

26 43. For costs of suit incurred herein; and

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44. For such other and further relief as the Court may deem equitable and appropriate.

Dated: September 12, 2008

Respectfully submitted,
INITIATIVE LEGAL GROUP, LLP

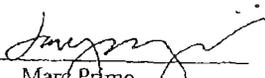
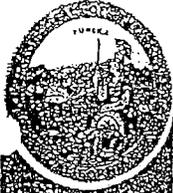
By: 
Marc Primo
Matthew T. Theriault
Lory N. Ishii
Dina S. Livhits
Attorneys for Plaintiffs

EXHIBIT A



C A L I F O R N I A
Labor & Workforce Development Agency

September 13, 2006

Shawn Westrick
Initiative Legal Group, LLP
1875 Century Park East, Suite 1800
Los Angeles, CA 90067

David Seelinger
Agent for Service of Process for
CLS Transportation Los Angeles, LLC
600 Allied Way
El Segundo, CA 90245

Re: LWDA No: 1528
Employer: CLS Transportation Los Angeles, LLC
Employee: Mr. Iskanian

Dear Employer and Representative of the Employee:

This is to inform you that the Labor and Workforce Development Agency (LWDA) received your notice of alleged Labor Code violations pursuant to Labor Code Section 2699, postmarked August 04, 2006 and after review, does not intend to investigate the allegations.

As a reminder to you, the provisions of Labor Code Section 2699(i) provides that "...civil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the LWDA for enforcement of labor laws and education of employers and employees about their rights and responsibilities under this code". Labor Code Section 2699(l) specifies "[T]he superior court shall review and approve any penalties sought as part of a proposed settlement agreement pursuant to this part".

Consequently you must advise us of the results of the litigation, and forward a copy of the court judgment or the court-approved settlement agreement.

Sincerely,

Richard L. Rice

Richard L. Rice
Undersecretary

Employment
Development
Department

Employment
Training
Panel

1 PROOF OF SERVICE

2
3 STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

4 I am employed in the County of Los Angeles. I declare that I am over the age of eighteen (18)
5 and not a party to this action. My business address is: Initiative Legal Group LLP, 1800 Century Park
East, 2nd Floor, Los Angeles, California 90067.

6 On September 12, 2008, I served the within document(s) described below as:

7 **FIRST AMENDED COMPLAINT**

8 on the interested parties in this action by placing true copies thereon enclosed in sealed envelopes
9 address as follows:

10 David Faustman, Esq.
11 Javier C. Rivera, Esq.
12 Lorinda Franco, Esq.
13 FOX ROTHSCHILD LLP
1801 Century Park East, Suite 1420
Los Angeles, CA 90067
Fax: 310-843-9910

14 () MAIL: I deposited such envelope in the mail at Los Angeles, California. The envelopes were
15 mailed with postage thereon fully prepaid.

16 ~~()~~ PERSONAL: I caused such envelope to be delivered by hand to the individuals at the
addresses listed.

17 () OVERNIGHT COURIER: I caused the above-referenced document(s) to be delivered to
an overnight courier service (FedEx), for delivery to the above addressee(s).

18 () FACSIMILE: I caused the above-referenced document(s) to be transmitted to the above-
named person at the telephone numbers above.

19 (X) (STATE) I declare under penalty of perjury under the laws of the State of California that the
above is true and correct.

20
21 EXECUTED this document on September 12, 2008, at Los Angeles, California.

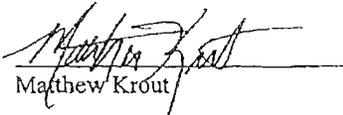
22 
23 Matthew Krout

EXHIBIT B

COPY

1 DAVID F. FAUSTMAN, SBN 081862
YESENIA GALLEGOS, SBN 231852
2 NAMAL MUNAWEERA, SBN 247373
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3 1800 Century Park East, Suite 300
Los Angeles, California 90067-3005
4 Tel 310.598-4150 / Fax 310.556-9828
Email: dfaustman@foxrothschild.com
5 Email: nmunaweera@foxrothschild.com

ORIGINAL FILED

JUN 13 2011

**LOS ANGELES
SUPERIOR COURT**

6 LEO V. LEYVA, NJ Bar No. 39645 (Admitted *Pro Hac Vice*)
COLE, SCHOTZ, MEISEL, FORMAN & LEONARD, PA
7 Court Plaza North, 25 Main Street
Hackensack, NJ 07602-0800
8 Telephone: (201) 525-6294
Facsimile: (201) 678-6294

9 Attorneys for Defendant
10 CLS TRANSPORTATION LOS ANGELES LLC

11
12 SUPERIOR COURT OF THE STATE OF CALIFORNIA
13 IN AND FOR THE COUNTY OF LOS ANGELES

14 ARSHAVIR ISKANIAN, individually, and on
behalf of other members of the general public
similarly situated,

15 Plaintiff,

16 vs.

17 CLS TRANSPORTATION LOS ANGELES
18 LLC, a Delaware corporation; Defendant
WORLDWIDE SERVICES, LLC, a Delaware
19 corporation; EMPIRE INTERNATIONAL,
LTD., a New Jersey Corporation; GTS
20 HOLDINGS, INC., a Delaware corporation
and DOES 1 through 10, inclusive,

21 Defendants.
22

CASE NO. BC356521
[Ordered Consolidated w/ BC381065]

Judge: Hon. Robert L. Hess

**[PROPOSED] ORDER GRANTING
DEFENDANT'S MOTION FOR
RENEWAL OF ITS PRIOR MOTION
FOR ORDER COMPELLING
ARBITRATION, DISMISSING CLASS
CLAIMS, AND STAYING ACTION
PENDING THE OUTCOME OF
ARBITRATION**

Date: June 13, 2011
Time: 8:30 a.m.
Dept.: 24

Complaint Filed: August 4, 2006
Class Certified: August 24, 2009
Post-Mediation Conf.: May 2, 2011
Trial Date: None

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Defendant CLS Transportation Los Angeles LLC's ("CLS" or Defendant") Motion for Renewal of Its Prior Motion for an Order Compelling Arbitration, Dismissing the Class Claims, and Staying the Action Pending the Outcome of Arbitration, came on for hearing on June 13, 2011, at 8:30 a.m. before this Court in Department 24, the Honorable Robert L. Hess presiding. David F. Faustman appeared on behalf of Defendant, and Gene Williams appeared on behalf of Plaintiff Arshavir Iskanian and all class members ("Plaintiffs").

After full consideration of the evidence, memorandum of points and authorities, declarations and exhibits submitted by each party, as well as counsels' oral arguments, IT IS HEREBY ORDERED THAT:

1. Based on new law rendered in *AT&T Mobility v. Conception* (April 27, 2011) 563 U.S. ___ (2011), Defendant's Motion for Renewal of Its Prior Motion for an Order Compelling Arbitration, Dismissing the Class Claims, and Staying the Action Pending the Outcome of Arbitration is GRANTED.

2. Because Plaintiff and Defendant both executed a valid an enforceable arbitration agreement and class action waiver, Defendant's Motion for an Order Compelling Arbitration, Dismissing the Class Claims, and Staying the Action Pending the Outcome of Arbitration is GRANTED.

3. Plaintiff's class claims are hereby dismissed with prejudice, and the remainder of the action is stayed pending the outcome of arbitration of Plaintiff's individual claims.

Dated: 6/13, 2011

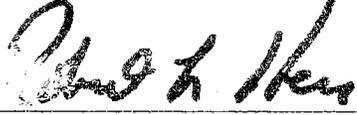

HON. ROBERT L. HESS

EXHIBIT C

From: Faustman, David

Sent: Friday, September 16, 2011 2:39 PM

To: 'Raul Perez'

Cc: Gallegos, Yesenia M.

Raul: We think it is unreasonable to demand a separate arbitrator for each of your purported claimants, and to be required to engage arbitrators before we have any indication that the individuals are actually willing to show up for a deposition or hearing. We think it is particularly unreasonable to demand 50+ arbitrators to each separately decide the threshold issues of (1) your entitlement to files without authorization and (2) the personal liability of Mr. Seelinger. We should discuss this (I will be in LA next Thurs afternoon), and perhaps consider agreeing to take some of these issues back to Judge Hess. Also, we still would appreciate some explanation of your basis for naming Mr. Seelinger personally, particularly in light of the obvious statute of limitations issues. Finally, I'm not sure what your are asking for as "proof or assurance". --DFF

David F. Faustman
Attorney at Law
Fox Rothschild LLP
415-364-5550

From: Raul Perez [mailto:rperez@initiativelegal.com]

Sent: Thursday, September 08, 2011 6:56 PM

To: Faustman, David

Cc: Gallegos, Yesenia M.

Subject: Re: Settlement Offer

We will start giving you deposition dates once an arbitrator is appointed for each case & ground rules set.

The failure to provide our client's files is now part of the individual claims that should be decided by the arbitrator assigned to each case.

Give me proof or assurance that cls/empire can satisfy all judgments because you previously represented to gene cls was broke.

Best, Raul

On Sep 8, 2011, at 4:27 PM, "Faustman, David" <DFaustman@foxrothschild.com> wrote:

Raul,

(1) We are not suggesting a class or representative action. These are individual cases.

(2) Are you proposing that we use 50+ different arbitrators?

(3) You have not responded to my proposal to use one arbitrator (e.g., Judge Romero) to decide threshold issues such as your entitlement to the personnel files.

(4) Another threshold issue for one arbitrator would be whether there is any basis to name Mr. Seelinger

personally. Please explain your basis for naming him.

(5) You have not responded to our request for deposition dates for the claimants. Please do so at your earliest convenience.

David F. Faustman
Attorney at Law
Fox Rothschild LLP
415-364-5550

From: Raul Perez [mailto:rperez@initiativelegal.com]
Sent: Thursday, September 08, 2011 2:48 PM
To: Faustman, David
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

These are individual cases and we have requested different arbitrators per case, or b case, or basically that the rules be complied with re ranking and striking arbitrators for each case. We will not agree that one arbitrator can handle all the cases. You and your client did not want a class or representative action.

Best,
Raul Perez
ILG-Attorney at Law
1800 Century Park East
2nd Floor
Los Angeles, CA 90067
(310) 556-4881

"Faustman, David" wrote:

Raul: We haven't heard back from you on this. We are agreeable to using Judge Romero as an arbitrator. We also need deposition dates for the individual claimants. --DFF

David F. Faustman
Attorney at Law
Fox Rothschild LLP
415-364-5550

From: Faustman, David
Sent: Wednesday, August 31, 2011 12:35 PM
To: 'Raul Perez'
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

We have never asked for privileged communications, just your confirmation that the offer was communicated. We will accept your representation that, as of August 31, all 50+ of the individuals at issue were presented with, and rejected, our offer to settle for [REDACTED] exclusive of fees. We will hold you to that representation in the future. We, of course, intend to comply with the obligations of the arbitration agreement. Perhaps we should engage an arbitrator to decide the threshold issue of whether you are entitled to the personnel files without providing authorizations. Also, we may want to take a one hour deposition of each of the individuals; please let us know their availability in the next several weeks. --DFF

David F. Faustman
Attorney at Law
Fox Rothschild LLP
415-364-5550

From: Raul Perez [mailto:rperez@initiativelegal.com]
Sent: Wednesday, August 31, 2011 12:02 PM
To: Faustman, David
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

Again, your offer was not accepted by our clients, and of course it was communicated to them. We will not disclose any privileged communications with our clients. Your client has been sued for failing to produce their personnel records, which we believe was a tactic to cause further delay in their ability to prosecute their claims against your client. This issue ultimately will need to be addressed by the arbitrator since we are seeking penalties on behalf of our clients.

Best,

RP

From: Faustman, David [mailto:DFaustman@foxrothschild.com]
Sent: Wednesday, August 31, 2011 11:20 AM
To: Raul Perez
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

I was not aware that our offer has been "previously rejected". Please confirm that the offer of [REDACTED] was specifically communicated to each of the people you now purport to represent individually. Also, as I have said before, we will be happy to produce personnel files upon receipt of an authorization to do so by any individual employee. It seems to me we should resolve these two issues before we get into the logistics of arbitration. --DFF

David F. Faustman
Attorney at Law
Fox Rothschild LLP

10/17/2011

415-364-5550

From: Raul Perez [mailto:rperez@initiativelegal.com]
Sent: Wednesday, August 31, 2011 10:57 AM
To: Faustman, David
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

Your offer was not accepted by any of our clients. You received the demand for arbitration, and proceedings have commenced. Please advise if your client intends to comply with its obligations under the arbitration provision. You will also be receiving demands from additional clients, as well as a request for their personnel files. Please note we will be amending the demand to include a claim for your client's failure to produce their personnel files and records within the time period required by the Labor Code. Please let us know if you want to schedule a time to discuss logistics and appointment of arbitrators. We also are open to discussing resolution but we trust you will stop making the same offer that has been previously rejected by our clients.

Best.

RP

From: Faustman, David [mailto:DFaustman@foxrothschild.com]
Sent: Wednesday, August 31, 2011 10:51 AM
To: Raul Perez
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

Raul: We're still waiting for your response to our settlement proposal. Have any of the former drivers agreed to our offer? --DFF

David F. Faustman

Attorney at Law

Fox Rothschild LLP

415-364-5550

From: Faustman, David
Sent: Friday, August 19, 2011 12:58 PM
To: 'Raul Perez'
Cc: Gallegos, Yesenia M.
Subject: RE: Settlement Offer

We're in receipt of your Aug 18 letter in which you identify four new claimants. We will also need authorization from them personally in order to release their files. Finally, please confirm that you have communicated to them, and the others, our offer to settle their claims for [REDACTED] net). --DFF

David F. Faustman

Attorney at Law

Fox Rothschild LLP

415-364-5550

From: Faustman, David
Sent: Wednesday, August 17, 2011 12:52 PM
To: 'Raul Perez'
Subject: RE: Settlement Offer

I need to talk with the client, but I'm inclined to say that the [REDACTED] is net to the driver and exclusive of fees. We might be able to agree on a number for the fees depending upon how many drivers take the deal. Otherwise, I'd be inclined to have your fee petition heard by the judge rather than having to engage an arbitrator. What do you think? --DFF

David F. Faustman

Attorney at Law

Fox Rothschild LLP

415-364-5550

From: Raul Perez [mailto:rperez@initiativelegal.com]
Sent: Tuesday, August 16, 2011 6:24 PM
To: Faustman, David
Subject: Settlement Offer

Is your [REDACTED] per client offer inclusive of attorneys' fees/costs or exclusive? Would you stipulate to submitting a fee motion to the arbitrator?

Raul Perez ▫ Initiative Legal Group APC

1800 Century Park East • 2nd Floor • Los Angeles, CA 90067 • 310.556.4881 direct • 310.861.9051 facsimile

RPerez@InitiativeLegal.com • www.InitiativeLegal.com

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From: Faustman, David
Sent: Tuesday, August 02, 2011 3:43 PM
To: 'Raul Perez'
Cc: Suzy Lee; Melissa Grant; Samuel Levy; Frank Gatto; Art Meneses
Subject: RE: Demand For Arbitration-- CLS/Empire

Please assume that Fox Rothschild represents the suggested defendants. (I do not see, however, any good faith theory under which you can name Mr. Seelinger personally.) Are these 32 people you purport to represent members of the erstwhile class? Are they proposing to opt out of the appeal? Are you proposing to consolidate the matters in front of one arbitrator? Are you seeking to initiate settlement discussions? Please let me know. In the meantime you may forward any demand letters to my Los Angeles office, and we will respond accordingly. Regards. --DFF

David F. Faustman
 Attorney at Law
 Fox Rothschild LLP
 415-364-5550

From: Raul Perez [mailto:rperez@initiativelegal.com]
Sent: Tuesday, August 02, 2011 2:46 PM
To: Faustman, David
Cc: Suzy Lee; Melissa Grant; Samuel Levy; Frank Gatto; Art Meneses
Subject: Demand For Arbitration-- CLS/Empire

Our firm, Initiative Legal Group, represents 32 former and current employees of CLS/Empire (the "Company") who have retained us to prosecute their claims for various Labor Code violations against the Company. We will be seeking damages for, *inter alia*, 1) failure to pay overtime compensation; 2) failure to pay minimum wages; 3) failure to provide meal and rest periods; 4) failure to pay wages upon termination; 5) improper wage statements; 6) confiscation of gratuities; 7) failure to reimburse business expenses; and 8) violation of Business & Professions Code Section 17200, et seq. We will also be seeking penalties under the Labor Code, including, without limitation, the Private Attorneys General Act. We intend to file the claims with ADR, which is one of the arbitration forums authorized by the company's arbitration agreement. As you know, the company is responsible for paying all of the arbitrator's fees and costs in connection with the 32 actions that will be filed.

Our clients will be naming the following parties as defendants: 1) CLS Transportation of Los Angeles, LLC; 2) CLS Worldwide Services LLC; 3) Empire International, LTD; 4) Empire/CLS Worldwide Chauffered Services; 5) GTS Holdings; and 6) David Seelinger. Please advise by the end of the business day, Thursday, August 4, 2011, whether your firm

10/27/2011

represents all of these related entities and individuals in connection with this dispute. If we do not hear from you by August 4, 2011, we will assume you do not represent the named defendants, and will serve the demand for arbitration directly on the companies and Mr. Seelinger.

As a courtesy notice, we also plan to file an additional 50 demands for arbitration for other former and current employees of CLS/Empire who want their claims for Labor Code violations handled by ILG. We will notify you in the future of the forum that our clients select for the next phase of arbitration.

Additionally, ILG will be expanding the scope of the litigation to include aggrieved employees on a national scale. Please also advise by this Thursday whether your firm is national counsel for the Company for wage and hour/FLSA claims, and whether your firm will be handling arbitrations across the country. If we do not hear from you by this Thursday, we will again assume you are not national counsel.

Nothing above shall constitute a waiver of any rights of appeal in the state action filed by Arshavir Iskanian and still pending before Judge Hess of the Los Angeles Superior Court; all rights expressly reserved.

We are available anytime this week if you want to discuss the above. Emails in the past have not been productive so we encourage you to call us or we can meet in person since we are in the same building.

Best,

Raul Perez • Initiative Legal Group APC

1800 Century Park East • 2nd Floor • Los Angeles, CA 90067 • 310.556.4881 direct • 310.861.9051 facsimile

RPerez@InitiativeLegal.com • www.InitiativeLegal.com

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10/27/2011

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EXHIBIT D



RAUL PEREZ
310.556.5637 Main
RPerez@InitiativeLegal.com

March 5, 2012

VIA PERSONAL DELIVERY

David Faustman
Fox Rothschild LLP
1800 Century Park East, Suite 300
Los Angeles, CA 90067-3905

Subject: CLS/Demands for Arbitration

Dear Mr. Faustman:

In response to your March 2, 2012 letter seeking an "efficient" way to handle the 63 individual arbitrations, plaintiffs have repeatedly offered class-wide arbitration. This option provides the efficiency your client seeks, including minimizing the costs associated with arbitration and the time it takes to resolve the claims.

If you and your client are not willing to participate in class-wide arbitration, our clients will exercise their rights to have their claims heard individually – as you and your client specifically requested on and obtained June 13, 2011 – and to select their own arbitrators. Our firm is prepared to try our clients' claims on individual bases. Further, contrary to your contention, Judge Hess unequivocally ordered Defendant to comply with the terms of the arbitration agreement and pay the required administrative fees demanded by AAA. If Defendant refuses to comply with this order by March 12, 2012, we are left with no other option but to initiate contempt proceedings. We hope that this will not be necessary.

Sincerely,

Raul Perez

 INITIATIVE LEGAL GROUP APC

RAUL PEREZ
310.556.5637 Main
RPerez@initiaivellegal.com

March 12, 2012

VIA PERSONAL DELIVERY

David Faustman
FOX ROTHSCHILD LLP
1800 Century Park East, Suite 300
Los Angeles, CA 90067-3005

Re: *Kempler, et al v. Empire/CLS*

Dear Mr. Faustman:

This is in response to your March 6, 2012 letter. The class in any class-wide arbitration should include the 182 employees of the previously certified class in the *Iskanian* case. The 63 individuals who filed Demands for Arbitration are obviously included in the foregoing proposed class. This option is the most prudent because if Mr. Iskanian prevails in his appeal, we will continue to prosecute his claims as a representative action. Accordingly, including all 182 employees in the class-wide arbitration will provide the efficiency and finality your client presumably seeks. Enclosed is a proposed Stipulation regarding such a class wide arbitration for you and your client to consider.

By agreeing to class wide arbitration with AAA, it is our understanding your client would not have to pay the \$58,275.00 in filing fees, but rather a reduced fee for class-wide arbitration. If you reject class-wide arbitration, then your client must tender filing fees of \$58,275.00 by today, Monday, March 12, 2012. AAA affirmed in its letter of March 8, 2012 that this filing fee must be paid whether these cases are heard by one arbitrator or 63 arbitrators. We are available today to discuss the attached proposal.

Best,



Raul Perez

EXHIBIT E

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 02/07/12				DEPT. 24
HONORABLE Robert L. Hess	JUDGE	G. Charles		DEPUTY CLERK
HONORABLE	JUDGE PRO TEM			ELECTRONIC RECORDING MONITOR
B. Bell	C/A	Deputy Sheriff	C. Crawley	Reporter
8:33 am	BC356521	Plaintiff	Raul Perez	(x)
	ARSHAVIR ISKANIAN	Counsel	Ryan Wu	(x)
	VS	Defendant	Glenn Danas	(x)
	CLS TRANSPORTATION LOS ANGELES	Counsel	David Faustman	(x)
	R/T BC381065; BC473931			

NATURE OF PROCEEDINGS:

MOTION TO CONSOLIDATE AND ARBITRATION AND CLAFIFICATION OF ORDER.

The cause is called for hearing.

The motion to compel specific performance of the arbitration agreement is granted. The motion to consolidate the arbitrations is denied without prejudice to renewal in arbitration. The agreement is governed by the FAA agreement.

The application for barring individuals from asserting claims which were barred by the statute of limitations is withdrawn be defendant. That application should be presented to the arbitrator in the first instance.

Paragraph 16(d) of the agreement provides that arbitrators will be selected from one of four specified providers. Plaintiff's have chosen ADR Services, which has a selection procedure for arbitrators. The Court is not persuaded that selection of arbitrators has proceeded to impasse, and therefore declined to select an arbitrator for any purpose.

The Court has an impression that to some extent the issues presented here are the result of posturing by one or bioth parties. The Court further has the impression that neither side wishes to maximize the duration, complexity or exposure of tha arbitration process. The Court suggests that a meet and confer

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

DATE: 02/07/12

DEPT. 24

HONORABLE Robert L. Hess

JUDGE G. Charles

DEPUTY CLERK

HONORABLE

JUDGE PRO TEM

ELECTRONIC RECORDING MONITOR

B. Bell

C/A

Deputy Sheriff

C. Crawley

Reporter

8:33 am

BC356521

Plaintiff	Raul Perez	(x)
Counsel	Ryan Wu	(x)
	Glenn Danas	(x)
Defendant		
Counsel	David Faustman	(x)

ARSHAVIR ISKANIAN

VS

CLS TRANSPORTATION LOS ANGELES

R/T BC381065; BC473931

NATURE OF PROCEEDINGS:

between the parties, perhaps with the assistance of the first arbitrator selected, could result in agreement with respect to the procedures to be followed which are based on practical realities.

1 DAVID F. FAUSTMAN, SBN 081862
JEFFREY D. POLSKY, SBN 120975
2 YESENIA GALLEGOS, SBN 231852
FOX ROTHSCHILD LLP
1800 Century Park East, Suite 300
3 Los Angeles, California 90067-3005
Tel 310.598-4150 / Fax 310.556-9828
4 Email: dfaustman@foxrothschild.com
jpolsky@foxrothschild.com
5 ygallegos@foxrothschild.com

6 Attorneys for Respondents
7 CLS TRANSPORTATION LOS ANGELES LLC et al.

8 AMERICAN ARBITRATION ASSOCIATION

9
10 LUIS EARNSHAW,

11 Claimant

12 vs.

13 CLS TRANSPORTATION LOS ANGELES
LLC, et al.

14 Respondents.
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Arbitrator: Hon. Kevin Murphy

Case No. 74 160 223 12 AMCH

**DECLARATION OF YESENIA M.
GALLEGOS IN SUPPORT OF
RESPONDENTS' OPPOSITION TO
CLAIMANT'S MOTION FOR AN
AWARD OF ATTORNEYS' FEES AND
COSTS**

**[FILED CONCURRENTLY WITH:
RESPONDENTS' OPPOSITION TO
CLAIMANT'S MOTION FOR
ATTORNEY'S FEE AND COSTS;
DECLARATION OF DAVID FAUSTMAN]**

Date: June 4, 2013

Time: 9:00 a.m.

Via Conference Call

1 I, Yesenia M. Gallegos, declare as follows:

2 1. I am a partner with the law firm of Fox Rothschild LLP, counsel of record for
3 Respondents in the above-captioned matter. I make this declaration in support of Respondents'
4 Opposition to Claimants' Motion for Attorneys' Fees. I make this declaration of my own
5 personal knowledge and if called as a witness to testify regarding matters stated in this
6 declaration I could and would testify competently thereto.

7 2. On May 2, 2002, Ronald Prince filed a wage and hour class action against CLS
8 Transportation Los Angeles ("CLS" or "Respondents") in Los Angeles County Superior Court,
9 Case No. BC273239. A true and correct copy of the Prince Complaint is attached hereto and
10 incorporated herein as **Exhibit F**.

11 3. In 2006, the parties to the Prince class action reached a class wide settlement. A
12 true and correct copy of the "Terms of Class Action Settlement as the Basis for Court
13 Approval" is attached hereto and incorporated herein as **Exhibit G** ("Prince Settlement Term
14 Sheet"). The Prince Settlement Term Sheet attached an Exhibit called "Final Class List," which
15 contained a list identifying by name all of the class members whose wage claims were settled in
16 the Prince class action. The claims of the class members were settled for the period of May 2,
17 1998 to December 31, 2005.

18 4. On December 19, 2006, the court issued an order granting Ronald Prince's
19 Motion for Final Approval of Class Action Settlement. A true and correct copy of the Court's
20 Order of December 19, 2006 is attached hereto and incorporated herein as **Exhibit H**. This
21 Order approved the Prince class action settlement and resolved the claims of those employees
22 identified in the Prince "Final Class List" attached to Exhibit G.

23 5. On August 4, 2006, Arshavir Iskanian, a former employee of Respondents, filed
24 a class action lawsuit against Respondents in the Los Angeles Superior Court, entitled *Iskanian*
25 *v. CLS Transportation Los Angeles LLC*, Case No. BC356521 (hereinafter "Iskanian class
26 action").

27 6. In about May and June 2009, Respondents settled the claims of over 100 putative
28 class members of the Iskanian class action before the Iskanian class action was certified.

1 7. On August 24, 2009, the Court partially granted class representative Iskanian's
2 motion for class certification by certifying five subclasses, consisting of 182 class members.
3 Iskanian sought to represent a class of former and current limousine drivers who worked for
4 Empire/CLS between January 1, 2005 and August 24, 2009, for purported wage and hour
5 violations.

6 8. Between early September and continuing through the middle of November of
7 2009, I worked with Respondents' Human Resources Manager to create a list of all of the
8 employees who had been employed as limousine drivers for CLS during the Iskanian class
9 period, from January 1, 2005 to August 24, 2009, in order to develop a "class list."

10 9. In creating the Iskanian class list, I excluded those 118 individuals who worked
11 for Respondents during the class period, but chose to enter into individual settlements with CLS
12 in May or June 2009.

13 10. In November 2009, I sent the class list to class counsel, Initiative Legal Group
14 ("ILG"). Subsequently, on or about December 10, 2009, Iskanian's counsel, Orlando Arellano
15 of ILG, forwarded the class list to case manager, Michael Bui of Simpluris, Inc., the third party
16 administrator in the Iskanian class action. A true and correct copy of the Iskanian class list
17 identifying the 182 class members in the Iskanian class action is attached hereto and
18 incorporated herein as **Exhibit I**.

19 11. On or about October 28, 2009, Benjamin Hill filed wage claims with the
20 Division of Labor Standards and Enforcement ("DLSE") against Respondents. Mr. Hill was
21 represented by Jennifer Hart, Esq. True and correct copies of Mr. Hill's Complaint and the
22 DLSE's Notice of Hearing are attached hereto and incorporated herein as **Exhibit J**.

23 12. On or before November 2, 2010, Sarkis Ghazaryan filed wage claims with the
24 DLSE against Respondents. Mr. Ghazaryan was represented by Ms. Hart. A true and correct
25 copy of the DLSE's Notice of Hearing is attached hereto and incorporated herein as **Exhibit**
26 **K**. Mr. Ghazaryan effectively opted out of the Iskanian Class Action in about June of 2009,
27 when he signed a settlement agreement and release before the Iskanian Class Action was
28 certified.

1 13. On or before November 2, 2010, Robert Wood filed wage claims with the
2 DLSE. Mr. Wood was represented by Ms. Hart. A true and correct copy of the DLSE's Notice
3 of Hearing is attached hereto and incorporated herein as **Exhibit L**.

4 14. On or about July 30, 2010, Angel Del Cid filed a wage claim with the DLSE
5 against Respondents. Mr. Del Cid was represented by Ms. Hart. True and correct copies of Mr.
6 Del Cid's Complaint and the DLSE's Notice of Hearing are attached hereto and incorporated
7 herein as **Exhibit M**. At the time, Mr. Del Cid was a class member in the Iskanian Class
8 Action.

9 15. On or before November 2, 2010, Donald Merriweather filed a wage claim with
10 the DLSE against Respondents. Mr. Merriweather was represented by Ms. Hart. A true
11 and correct copy of the DLSE's Notice of Hearing is attached hereto and incorporated herein as
12 **Exhibit N**. At the time, Mr. Merriweather was a class member in the Iskanian Class Action.

13 16. On or before November 2, 2010, Joseph Skore filed a wage claim with the DLSE
14 against Respondents. Mr. Skore was represented by Ms. Hart. A true and correct copy of the
15 DLSE's Notice of Hearing is attached hereto and incorporated herein as **Exhibit O**. At the
16 time, Mr. Skore was a class member in the Iskanian Class Action.

17 17. On June 13, 2011, the Court granted Empire/CLS' Motion for Renewal of its
18 Prior Motion For an Order Compelling Arbitration, Dismissing Class Claims, and Staying the
19 Action Pending the Outcome of Arbitration. The Court granted the Motion based on new law
20 rendered
21 in *AT&T Mobility v. Concepcion*, 563 U.S. __ (April 27, 2011).

22 18. Iskanian appealed, but on June 4, 2012, the California Court of Appeal
23 unanimously affirmed the trial court's ruling.

24 19. On September 28, 2011, ILG filed 63 individual demands for arbitration with the
25 American Arbitration Association ("AAA") almost entirely on behalf of former class members.
26 Among those 63 individuals that filed demands for arbitration were Claimants Frank Dubuy,
27 Wayne Ikner, James Denison, Jiro Fumoto, Daniel Rogers Millington, Jr., Robert Olmedo, Luis
28 Earnshaw, and Scott Sullivan.

1 20. On October 12, 2011, I spoke with Raul Perez of ILG, counsel for Iskanian.
2 Iskanian's counsel claimed that if Respondents refused to move forward with the 63 individual
3 arbitrations before 63 individually appointed arbitrators through AAA, and failed to pay AAA's
4 non-refundable fee in the amount of \$58,275.00, his office would file a motion for contempt of
5 court and/or sanctions. I advised him that Respondents preferred to consolidate the arbitrations,
6 that the non-refundable fee was excessive, and that it was money that could be used to resolve
7 the case if his office made a reasonable settlement demand.

8 21. In the same conversation on October 12, 2011, I suggested to Perez that the
9 parties explore a settlement and recommended that his office send me a written settlement
10 demand.

11 22. Subsequently, on October 12, 2011, Patrick Tatum of AAA office in Fresno,
12 California, called me and advised me that AAA could not address Respondents' procedural
13 concerns (whether 63 demands for arbitration should be consolidated, whether the new claims
14 and the claims against David Seelinger were time-barred, among other things). Mr. Tatum
15 explained that in order to address Respondents' preliminary concerns, Respondents' would need
16 to tender the non-refundable fee in the amount of \$58,275.00, \$925.00 per individual, so that
17 AAA could assign arbitrators to each case, at which time Respondents could raise the
18 preliminary issues to the assigned arbitrators. Mr. Tatum also advised me that Iskanian's
19 counsel insisted on arbitrating the 63 individual claims with 63 separately appointed arbitrators
20 and was not amenable to any alternatives.

21 23. During the afternoon of October 12, 2011, Mr. Perez sent me correspondence
22 containing a settlement demand on behalf of the 63 individuals seeking to arbitrate their claims,
23 claiming that the arbitrations would cost over \$1 million. (A true and correct, but redacted
24 version, of the settlement correspondence is attached hereto and incorporated herein as **Exhibit**
25 **P.**)

26 24. Respondents did not accept the settlement demand because the amount
27 demanded was *greater than* the global settlement demand ILG made to settle the Iskanian class
28 action in 2009, when the 63 individuals were still part of the Iskanian class action consisting of

1 183 class members.

2 25. On February 28, 2013, Respondents served all 63 claimants with special
3 interrogatories. The special interrogatories required each Claimant to identify the total dollar
4 amount of damages that each of them sought, as well as a description of how the damages were
5 calculated.

6 26. On April 10, 2013, those Claimants who had not accepted Respondents'
7 settlement offers given under California Code of Civil Procedure section 998 as of that date,
8 produced their verified responses to Respondents' Special Interrogatories. (True and correct
9 copies of five of those documents are attached as **Exhibit Q.**)

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

12 Executed April 30, 2013, at Los Angeles, California.

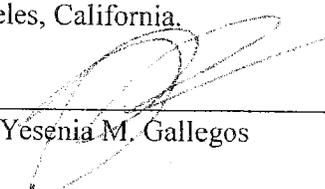
13
14 
15 _____
16 Yesenia M. Gallegos
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EXHIBIT F

1 Harvey C. Berger (SBN 102973)
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14 LAW OFFICES OF DAVID W. AFFELD
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19 Attorneys for Plaintiffs RONALD FRINCE,
20 THOMASINA LAWRENCE, and MICHAEL L. GLEATON,
21 individually, and on behalf of all other
22 similarly situated current and former employees
23 of Defendants in the State of California

24 SUPERIOR COURT OF THE STATE OF CALIFORNIA
25 IN AND FOR THE COUNTY OF LOS ANGELES
26 CENTRAL DISTRICT

27 ~~THOMASINA LAWRENCE and MICHAEL L.~~

28 GLEATON, individually, and on behalf of
all other similarly situated current and
former employees of Defendants in the
State of California.

Plaintiffs,

v.
29 CLS TRANSPORTATION INC.
30 California corporation, CHARLES
31 HORKY, an individual, MARCY HORKY,
32 an individual, and DOES et al. in 100
inclusive,

Defendants.

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LOS ANGELES
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FILED
LOS ANGELES SUPERIOR COURT

MAY 02 2002

JOHN A. CLARKE, CLERK
C. L. Clarke
BY S. H. SOLEMAN, DEPUTY

Case assigned to
Judge *Anthony Mohr*

Case No. BC 273239

PLAINTIFFS' CLASS ACTION
COMPLAINT FOR DAMAGES

[UNPAID MINIMUM WAGE; FAILURE
TO PAY OVERTIME COMPENSATION;
FAILURE TO COMPENSATE FOR ALL
HOURS WORKED; FAILURE TO
PROVIDE MEAL AND REST PERIODS;
FAILURE TO INDEMNIFY; FAILURE
TO REIMBURSE FOR EXPENSES;
IMPROPER EMPLOYER
DEDUCTIONS FROM WAGES; AND
VIOLATION OF BUSINESS AND
PROFESSIONS CODE SECTION
17200]

DEMAND FOR JURY TRIAL

1 Named Plaintiffs RONALD PRINCE, THOMASINA LAWRENCE, and MICHAEL L.
2 GLEATON, individually, and on behalf of all other similarly situated current and former
3 employees of Defendants in the State of California (hereinafter, collectively referred to as
4 "Plaintiffs"), allege as follows:

5 I. JURISDICTION

6 1. This Court is the proper Court, and this action is properly filed in the County of
7 Los Angeles, City of Los Angeles, and in this, the Central District, because: Defendants'
8 obligations and liabilities arise in the County of Los Angeles; Defendants maintain offices and
9 transact business in the County of Los Angeles; work was performed by Plaintiffs (and
10 specifically by RONALD PRINCE, THOMASINA LAWRENCE, and MICHAEL L. GLEATON)
11 and made the subject of this action in the County of Los Angeles; and Rule 15.1 of the Los
12 Angeles Superior Court Local Rules requires all class actions to be filed in the Central District.

13 II. FACTUAL ALLEGATIONS

14 2. Plaintiffs bring this Class Action against Defendants CLS TRANSPORTATION,
15 INC., CHARLES HORKY, MARCY HORKY, and DOES 1 - 100 (hereinafter, collectively
16 referred to as "Defendants") to recover, among other claims, compensation for unpaid and
17 illegally calculated minimum wages, unpaid and illegally calculated overtime wages, unpaid
18 and illegally calculated hours worked, unpaid and/or un-taken meal and rest periods, illegal
19 deductions from wages, unreimbursed business expenses, withholding of gratuities, damages
20 for improperly itemized wage statements, wages owed upon termination (hereinafter,
21 collectively referred to as "illegal payroll practices and policies"), interest, penalties, waiting
22 time penalties, attorneys' fees, costs, expenses, nominal, compensatory, punitive and
23 exemplary damages, and restitutionary and injunctive relief. Plaintiffs reserve the right to
24 name additional class representatives.

25 3. Plaintiffs are current and former non-exempt employees of CLS
26 TRANSPORTATION, INC. ("CLS") in Los Angeles, California. CLS provides chauffeur-driven
27 transportation throughout Southern California. Plaintiffs currently work, or have worked in the
28 past, in the position of "Driver/Chauffeur" for a period of time within the four (4) years

1 preceding the filing of this action. Plaintiffs were, for a period of time within the four (4) years
2 preceding the filing of this action, improperly denied earned wages under various illegal payroll
3 practices and policies.

4 4. Plaintiffs are informed and believe, and thereon allege that Defendant CLS
5 TRANSPORTATION, INC. is, and at all times relevant hereto was, a corporation organized
6 and existing under and by virtue of the laws of the State of California, and is/was qualified to
7 transact and conduct business in the State of California, and did transact and conduct
8 business in the State of California, and is thus subject to the jurisdiction of the State of
9 California. Specifically, CLS TRANSPORTATION, INC. maintains offices, operates
10 businesses, employs persons, conducts business in, and illegally pays employees by illegal
11 payroll practices and policies throughout the State of California, including the County of Los
12 Angeles.

13 5. Plaintiffs are informed and believe, and thereon allege, that at all relevant times
14 herein CHARLES HORKY, MARCY HORKY, and DOES 1 - 50, are individuals who are/were
15 citizens and residents of the County of Los Angeles, State of California. Plaintiffs are further
16 informed and believe, and thereon allege, that at all relevant times herein CHARLES HORKY,
17 MARCY HORKY, and DOES 1 - 50 owned, controlled, or managed the corporate Defendants
18 and/or directly or indirectly exercised operational control over the wages, hours, and working
19 conditions of Plaintiffs. As such, CHARLES HORKY, MARCY HORKY, and DOES 1 - 50 are
20 "employers" as a matter of law for purposes of imposing personal liability for the Labor Code
21 violations alleged herein, pursuant to California wage and hour laws and applicable Wage
22 Orders of the Industrial Welfare Commission.

23 6. Plaintiffs are informed and believe, and thereon allege that Defendants DOES
24 1 - 50 are, and at all times relevant hereto were, persons, corporations or other business
25 entities organized and existing under and by virtue of the laws of the State of California, and
26 are/were qualified to transact and conduct business in the State of California, and did transact
27 and conduct business in the State of California, and are thus subject to the jurisdiction of the
28 State of California. Specifically, DOES 1 - 50 maintain offices, operate businesses, employ

1 persons, conduct business in, and illegally pay employees by illegal payroll practices and
2 policies throughout the State of California, including the County of Los Angeles.

3 7. Plaintiffs are informed and believe, and thereon allege that at all relevant times
4 herein DOES 1 - 100 are/were the officers, owners, executives, directors, partners, or
5 shareholders of CLS TRANSPORTATION, INC. and of one another, who were acting on
6 behalf of CLS TRANSPORTATION, INC. and each other in the establishment of, ratification
7 of, and/or execution of the aforementioned illegal payroll practices and policies. Plaintiffs are
8 further informed and believe, and thereon allege that at all times relevant hereto DOES 1 - 100
9 have held ownership, officer, director and/or executive positions with CLS
10 TRANSPORTATION, INC. and with one another, which included decision-making
11 responsibility for, and establishment and execution of, illegal payroll practices and policies for
12 CLS TRANSPORTATION, INC. and each other, and are, therefore, liable on the causes of
13 action alleged herein pursuant to California wage and hour laws. Plaintiffs are further informed
14 and believe and thereon allege that CLS TRANSPORTATION, INC. and DOES 1 - 100 are
15 Plaintiffs' joint employers by virtue of a joint enterprise; Plaintiffs perform, and have performed,
16 services for each and every of Defendants, and to the mutual benefit of all Defendants, and
17 all Defendants share control of Plaintiffs as employees, either directly or indirectly, and the
18 manner in which Defendants' business is conducted.

19 8. Plaintiffs are informed and believe and thereon allege that there exists such a
20 unity of interest and ownership between CLS TRANSPORTATION, INC., CHARLES HORKY,
21 MARCY HORKY, and DOES 1 - 100 that the individuality and separateness of those
22 Defendants have ceased to exist. The business affairs of CLS TRANSPORTATION, INC.,
23 CHARLES HORKY, MARCY HORKY, and DOES 1 - 100 are, and at all times relevant hereto
24 were, so mixed and intermingled that the same cannot reasonably be segregated, and the
25 same are in inextricable confusion. CLS TRANSPORTATION, INC. is, and at all times
26 relevant hereto was, used by CHARLES HORKY, MARCY HORKY, and each of the DOES
27 1 - 100 as mere shells and conduit for the conduct of certain of Defendants' affairs. The
28 recognition of the separate existence of CLS TRANSPORTATION, INC., CHARLES HORKY,

1 MARCY HORKY, and DOES 1 - 100 would not promote justice, in that it would permit
2 Defendants to insulate themselves from liability to Plaintiffs. Accordingly, CLS
3 TRANSPORTATION, INC., CHARLES HORKY, MARCY HORKY, and DOES 1 - 100
4 constitute the alter egos of each other, and the fiction of their separate existence must be
5 disregarded at law and in equity, because such disregard is necessary to avoid fraud and
6 injustice to Plaintiffs herein.

7 9. Plaintiffs are informed and believe and thereon allege (unless otherwise alleged
8 in this Complaint), that at all relevant times herein, CLS TRANSPORTATION, INC., CHARLES
9 HORKY, MARCY HORKY, and some of DOES 1 - 100 were the agents, employees and/or
10 servants, masters or employers of the remaining DOES 1- 100, and in doing the things herein
11 alleged, were acting within the course and scope of such agency or employment, and with the
12 approval and ratification of each of the other Defendants.

13 10. The true names and capacities, whether individual, corporate, associate, or
14 otherwise, of DOES 1 - 100, inclusive, are unknown to Plaintiffs, who therefore sue the DOE
15 Defendants by fictitious names. Plaintiffs will amend this Complaint to show their true names
16 and capacities when they have been ascertained.

17 11. At all relevant times alleged herein Plaintiffs were employed by Defendants
18 under an employment agreement that was partly written, partly oral, and partly implied. In
19 perpetrating the acts and omissions alleged herein, Defendants, and each of them, acted
20 pursuant to and in furtherance of a policy and practice of not paying Plaintiffs proper minimum
21 wages, overtime wages, and wages for all hours worked, not providing meal and rest periods,
22 not accurately recording hours worked, not reimbursing Plaintiffs for business expenses,
23 illegally deducting wages, withholding of gratuities, not providing properly itemized wage
24 statements, and failing to pay all wages owed at the time of termination, all in violation of
25 California Industrial Welfare Commission Orders 9-90, 9-98, 9-2000, and 9-2001, as contained
26 in the California Code of Regulations, Title 8, Chapter 5, section 11090, and California Labor
27 Code §§ 200, 201, 203, 221, 223, 226, 226.7, 351, 500, 510, 512, 1194, 1197, 1198, and
28 2802.

1 unnamed Class Representatives) are typical of the class because
2 Defendants subjected all of their Drivers/Chauffeurs to similar and/or
3 identical violations of the California Industrial Welfare Commission Wage
4 Orders, the California Labor Code, and the California Business and
5 Professions Code (which prohibits unfair and unlawful business practices
6 arising from such violations).

7 d. Each of the Named Plaintiffs (and as yet other unnamed Class
8 Representatives) are able to fairly and adequately protect the interests
9 of all members of the class because it is in their best interests to
10 prosecute the claims alleged herein to obtain full compensation due to
11 them for all services rendered and hours worked.

12 **IV. PLAINTIFFS' CAUSES OF ACTION**

13 **FIRST CAUSE OF ACTION:**

14 **FAILURE TO PAY OVERTIME COMPENSATION**

15 **UNDER THE LAWS OF THE STATE OF CALIFORNIA**

16 **BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA**

17 **(Against All Defendants)**

18 15. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully
19 herein, the allegations contained in Paragraphs 1 through 14. This cause of action is plead
20 against all Defendants.

21 16. From January 1, 1998 until December 31, 1999, pursuant to California Industrial
22 Welfare Commission Order 9-98, California Code of Regulations, Title 8, Chapter 5, section
23 11090, and Labor Code §§ 200, 223, 226, 1194, and 1198, Defendants were required to
24 compensate Plaintiffs with premium pay for all overtime work performed, for hours worked in
25 excess of forty (40) hours per week, and after the first eight (8) hours on the seventh (7th)
26 consecutive day of any work week.

27 17. On and after January 1, 2000, pursuant to Labor Code §§ 200, 223, 226, 500,
28 510, 1194, and 1198, and Industrial Welfare Commission Orders 9-2000 and 9-2001,

1 California Code of Regulations, Title 8, Chapter 5, section 11090, Defendants were required
2 to compensate Plaintiffs with premium pay for all overtime work performed, for hours worked
3 in excess of eight (8) hours per day and/or forty (40) hours per week and for the first eight (8)
4 hours on the seventh (7th) consecutive day of any work week, and double time after twelve
5 (12) hours in any single workday and/or after eight (8) hours on the seventh (7th) consecutive
6 day of any work week. Pursuant to Labor Code § 351, Defendants were not permitted to take,
7 collect, receive, or credit against wages owed any gratuities that Plaintiffs were paid by
8 customers.

9 18. Plaintiffs were non-exempt employees entitled to the protections of Industrial
10 Welfare Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California Code of Regulations,
11 Title 8, section 11090, and Labor Code §§ 200, 223, 226, 351, 500, 510, 1194, and 1198.
12 During the course of each Plaintiffs' employment, Defendants failed to compensate each
13 Plaintiff for overtime hours worked with premium overtime pay as required under the
14 aforementioned California labor laws and regulations.

15 19. For the three (3) years preceding the filing of this action, Defendants failed to
16 compensate Plaintiffs for all hours worked by not compensating them for actual work
17 performed, including but not limited to premium overtime wages. Defendants established
18 policies, *inter alia*, wherein: Plaintiffs, as non-exempt employees, perform(ed) work during
19 overtime hours but were not paid premium overtime pay as required by California law;
20 Defendants failed to compensate employees for overtime based on "total remuneration" for
21 the workweek; Defendants did not accurately record hours worked; Defendants failed to
22 properly itemize hours worked and wages earned; Defendants failed to pay employees the
23 wages they were promised for performance of certain work and/or hours of work; Defendants
24 illegally deducted earnings from Plaintiffs' wages; Defendants illegally withheld gratuities from
25 employees, and other reasons to be discovered. Two of many examples include a
26 requirement that Drivers/Chauffeurs arrive for a pickup at least thirty minutes before the
27 scheduled time, but such time would not be considered hours worked, and driving time and/or
28 waiting time after a drop off and before the next pickup would not be considered hours worked.

1 Such acts were committed willfully, maliciously, oppressively, and fraudulently, with a
2 conscious disregard for Plaintiffs' rights and Defendants' obligations under California wage
3 and hour laws, and which deprived Plaintiffs of their property and legal rights.

4 20. In violation of state law, Defendants have knowingly and willfully refused to
5 perform their obligations to compensate Plaintiffs properly for all wages earned and all hours
6 worked. As a direct result, Plaintiffs have suffered, and continue to suffer, substantial losses
7 related to the use and enjoyment of such wages, lost interest on such wages, and expenses
8 and attorneys' fees in seeking to compel Defendants to fully perform their obligation under
9 state law, all to their respective damage in amounts according to proof at time of trial, but in
10 amounts in excess of the minimum jurisdiction of this Court. Plaintiffs are thus entitled to
11 recover nominal, actual and compensatory damages in amounts according to proof at time of
12 trial, but in amounts in excess of the minimum jurisdiction of this Court.

13 21. As a proximate result of the aforementioned violations, Plaintiffs have been
14 damaged in an amount according to proof at time of trial, but in an amount in excess of the
15 minimum jurisdiction of this Court.

16 22. Defendants' conduct described herein violates the provisions of the
17 aforementioned wage orders, as well as Labor Code §§ 200, 201, 223, 226, 351, 500, 510,
18 1194, and 1198. Under the aforementioned wage orders, statutes, and regulations, Plaintiffs
19 are entitled to premium pay for overtime work performed during the three (3) years preceding
20 the filing of this Complaint, based on appropriate calculations of the "total remuneration" for
21 each workweek, and the corresponding number of hours worked each day and/or workweek.
22 Therefore, pursuant to applicable Industrial Welfare Commission Wage Orders and Labor
23 Code §§ 200, 201, 203, 218.6, 223, 226, 351, 510, 558, 1194, and 1198, Plaintiffs are entitled
24 to recover the unpaid balance of overtime compensation Defendants owe Plaintiffs, plus
25 interest, penalties, waiting time penalties, attorneys' fees, costs of suit, expenses, nominal,
26 compensatory, punitive and exemplary damages.

27 23. Defendants have applied the foregoing policies and practices, including their
28 failure to pay wages and overtime in accordance with California law, to certain of Plaintiffs who

1 are still employed by Defendants. Such employees have been injured and damaged, and are
2 threatened with further injury and damage, by Defendants' unlawful actions as alleged.
3 Certain current employee-Plaintiffs of Defendants are thus threatened with immediate
4 irreparable harm by the continuation of Defendants' unlawful actions as heretofore alleged,
5 and have no complete adequate remedy at law. Therefore, Plaintiffs request the Court enter
6 an order reflecting appropriate injunctive relief to prevent Defendants from committing such
7 acts in the future.

8 24. WHEREFORE, Plaintiffs request relief as herein provided.

9 **SECOND CAUSE OF ACTION:**

10 **FAILURE TO COMPENSATE FOR ALL HOURS WORKED**
11 **UNDER THE LAWS OF THE STATE OF CALIFORNIA**
12 **BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA**
13 **(Against All Defendants)**

14 25. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully
15 herein, the allegations contained in Paragraphs 1 through 24. This cause of action is plead
16 against all Defendants.

17 26. At all times relevant herein, Defendants were required to compensate their non-
18 exempt employees for all hours worked upon reporting for work at the appointed time stated
19 by the employer, pursuant to California Industrial Welfare Commission Orders 9-90, 9-98, 9-
20 2000, and 9-2001, California Code of Regulations, Title 8, Chapter 5, section 11090, and
21 Labor Code §§ 200, 223, 226, 500, 510, 558, 1194, 1197, and 1198. During the course of
22 each Plaintiffs' employment, Defendants failed to compensate each Plaintiff for all hours
23 worked as required under California labor laws and regulations.

24 27. For the three (3) years preceding the filing of this action, Defendants failed to
25 compensate Plaintiffs for all hours worked by not compensating them for actual work
26 performed, and Plaintiffs were not paid premium overtime pay as required by California law.
27 Defendants established policies, *inter alia*, wherein: Plaintiffs, as non-exempt employees,
28 perform(ed) work during overtime hours but were not paid premium overtime pay as required

1 by California law; Defendants failed to compensate employees for overtime based on "total
2 remuneration" for the workweek; Defendants did not accurately record hours worked;
3 Defendants failed to properly itemize hours worked and wages earned; Defendants failed to
4 pay employees the wages they were promised for performance of certain work and/or hours
5 of work; Defendants improperly refused to reimburse Plaintiffs for expenses incurred in the
6 course and scope of employment; Defendants made improper deductions from wages;
7 Defendant withheld gratuities from employees; Defendants did not provide Plaintiffs with all
8 required meal and rest periods; and other reasons to be discovered. Just two of many
9 examples include a requirement that Drivers/Chauffeurs arrive for a pickup at least thirty
10 minutes before the scheduled time, but such time would not be considered hours worked, and
11 driving time and/or waiting time after a drop off and before the next pickup would not be
12 considered hours worked. Such acts were committed willfully, maliciously, oppressively, and
13 fraudulently, with a conscious disregard for Plaintiffs' rights and Defendants' obligations under
14 California wage and hour laws, and which deprived Plaintiffs of their property and legal rights.

15 28. In violation of state law, Defendants have knowingly and willfully refused to
16 perform their obligations to compensate Plaintiffs properly for all wages earned and all hours
17 worked and all expenses incurred. As a direct result, Plaintiffs have suffered, and continue
18 to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on
19 such wages, and expenses and attorneys' fees in seeking to compel Defendants to fully
20 perform their obligation under state law, all to their respective damage in amounts according
21 to proof at time of trial, but in amounts in excess of the minimum jurisdiction of this Court.
22 Plaintiffs are thus entitled to recover nominal, actual and compensatory damages in amounts
23 according to proof at time of trial, but in amounts in excess of the minimum jurisdiction of this
24 Court.

25 29. As a proximate result of the aforementioned violations, Plaintiffs have been
26 damaged in an amount according to proof at time of trial, but in an amount in excess of the
27 minimum jurisdiction of this Court.

28 30. Defendants' conduct described herein violates the aforementioned wage orders,

1 as well as Labor Code §§ 200, 201, 221, 223, 226, 351, 500, 510, 558, 1194, 1197, 1198, and
2 2802. Under the aforementioned wage orders and regulations, Plaintiffs are entitled to recover
3 compensation for all hours worked, but not paid, for the three (3) years preceding the filing of
4 this Complaint, plus reasonable attorneys' fees and costs of suit pursuant to Labor Code §§
5 1194 and 2802, and penalties pursuant to Labor Code §§ 203 and 226. Therefore, pursuant
6 to applicable Industrial Welfare Commission Wage Orders and Labor Code §§ 200, 201, 203,
7 218.6, 226, 351, 510, 558, 1194, 1198, and 2802, Plaintiffs are entitled to recover the unpaid
8 balance of overtime compensation Defendants owe Plaintiffs, plus interest, penalties, waiting
9 time penalties, attorneys' fees, costs of suit, expenses, nominal, compensatory, punitive and
10 exemplary damages.

11 31. Defendants have applied the foregoing policies and practices, including their
12 failure to pay all earned wages and make all legal reimbursements in accordance with
13 California law, to certain of Plaintiffs who are still employed by Defendants. Such employees
14 have been injured and damaged, and are threatened with further injury and damage, by
15 Defendants' unlawful actions as heretofore alleged. Certain current employee-Plaintiffs of
16 Defendants are thus threatened with immediate irreparable harm by the continuation of
17 Defendants' unlawful actions as heretofore alleged, and have no complete adequate remedy
18 at law. Therefore, Plaintiffs request the Court enter an order reflecting appropriate injunctive
19 relief to prevent Defendants from committing such acts in the future.

20 32. WHEREFORE, Plaintiffs request relief as herein provided.

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THIRD CAUSE OF ACTION:
FAILURE TO INDEMNIFY, FAILURE TO REIMBURSE FOR EXPENSES,
AND UNLAWFUL DEDUCTIONS FROM WAGES
UNDER THE LAWS OF THE STATE OF CALIFORNIA
BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA
(Against All Defendants)

33. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully herein, the allegations contained in Paragraphs 1 through 32. This cause of action is plead against all Defendants.

34. Pursuant to California Industrial Welfare Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California Code of Regulations, Title 8, Chapter 5, section 11090, and Labor Code §§ 200, 221, 223, 226, 500, 510, 1194, 1198, and 2802, at all times relevant herein Defendants were required to indemnify and reimburse Plaintiffs for all reasonable and necessary expenditures and losses incurred in the course and scope of employment, and not to make deductions or set-offs from earned wages, for items including but not limited to expenses incurred in the performance of their duties, accidents and/or damages caused while discharging their duties, and providing and maintaining tools and equipment such as pagers.

35. For the three (3) years preceding the filing of this action, Plaintiffs have been required to, among other items: purchase pagers as a condition of, and in the discharge of their employment duties, without reimbursement, and pay a deposit for accidents and/or damages resulting from the direct discharge of their duties. Defendants have failed to fully and reasonably indemnify and reimburse Plaintiffs for such items, and have made illegal deductions from earned wages for such items, all in violation of the aforementioned California labor laws and regulations. Such acts were committed willfully, maliciously, oppressively, and fraudulently, with a conscious disregard for Plaintiffs' rights and Defendants' obligations under California wage and hour laws, and which deprived Plaintiffs of their property and legal rights.

36. In violation of state law, Defendants have knowingly and willfully refused to perform their obligations to compensate Plaintiffs properly for all wages earned and all hours

1 worked and all expenses incurred. As a direct result, Plaintiffs have suffered, and continue
2 to suffer, substantial losses related to the use and enjoyment of such wages, lost interest on
3 such wages, and expenses and attorneys' fees in seeking to compel Defendants to fully
4 perform their obligation under state law, all to their respective damage in amounts according
5 to proof at time of trial, but in amounts in excess of the minimum jurisdiction of this Court.
6 Plaintiffs are thus entitled to recover nominal, actual and compensatory damages in amounts
7 according to proof at time of trial, but in amounts in excess of the minimum jurisdiction of this
8 Court.

9 37. As a proximate result of the aforementioned violations, Plaintiffs have been
10 damaged in an amount according to proof at time of trial, but in an amount in excess of the
11 minimum jurisdiction of this Court.

12 38. Defendants' conduct described herein violates the aforementioned wage orders,
13 as well as Labor Code §§ 200, 201, 221, 223, 226, 500, 510, 1194, 1198, and 2802. Under
14 the aforementioned wage orders and regulations, Plaintiffs are entitled to recover
15 compensation, reimbursement, and/or indemnification for all expenditures, losses, deductions
16 and/or set-offs from wages for the three (3) years preceding the filing of this Complaint, plus
17 reasonable attorneys' fees and costs of suit pursuant to Labor Code § 2802, and penalties
18 pursuant to Labor Code §§ 203 and 226. Therefore, pursuant to applicable Industrial Welfare
19 Commission Wage Orders and Labor Code §§ 200, 201, 203, 218.6, 226, 510, 558, 1194,
20 1198, and 2802, Plaintiffs are entitled to recover the unpaid balance of compensation,
21 reimbursement, and/or indemnification Defendants owe Plaintiffs, plus interest, penalties,
22 waiting time penalties, attorneys' fees, costs of suit, expenses, nominal, compensatory,
23 punitive and exemplary damages.

24 39. Defendants have applied the foregoing policies and practices, including their
25 failure to properly indemnify and reimburse employees in accordance with California law, to
26 certain of Plaintiffs who are still employed by Defendants. Such employees have been injured
27 and damaged, and are threatened with further injury and damage, by Defendants' unlawful
28 actions as heretofore alleged. Certain current employee-Plaintiffs of Defendants are thus

1 threatened with immediate irreparable harm by the continuation of Defendants' unlawful
2 actions as heretofore alleged, and have no complete adequate remedy at law. Therefore,
3 Plaintiffs request the Court enter an order reflecting appropriate injunctive relief to prevent
4 Defendants from committing such acts in the future.

5 40. WHEREFORE, Plaintiffs request relief as herein provided.

6 **FOURTH CAUSE OF ACTION:**

7 **FAILURE TO PROVIDE REQUIRED MEAL AND REST PERIODS**

8 **UNDER THE LAWS OF THE STATE OF CALIFORNIA**

9 **BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA**

10 **(Against All Defendants)**

11 41. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully
12 herein, the allegations contained in Paragraphs 1 through 40. This cause of action is plead
13 against all Defendants.

14 42. At all times relevant herein, Defendants were required to provide Plaintiffs with
15 certain meal and/or rest periods during the course of each Plaintiff's work shift and/or work
16 day, pursuant to California Industrial Welfare Commission Orders 9-90, 9-98, 9-2000, and 9-
17 2001, California Code of Regulations, Title 8, Chapter 5, section 11090, and Labor Code §§
18 200, 226, 226.7, 500, 510, 512, and 1198.

19 43. For the three (3) years preceding the filing of this action, Defendants failed to
20 provide Plaintiffs with certain meal and/or rest periods, in whole or in part, during the course
21 of each Plaintiff's work shift and/or work day. Such acts were committed willfully, maliciously,
22 oppressively, and fraudulently, with a conscious disregard for Plaintiffs' rights and Defendants'
23 obligations under California wage and hour laws, and which deprived Plaintiffs of their property
24 and legal rights.

25 44. In violation of state law, Defendants have knowingly and willfully refused to
26 perform their obligations to provide Plaintiffs with certain meal and/or rest periods, in whole
27 or in part, during the course of each Plaintiff's work shift and/or work day. As a direct result,
28 Plaintiffs have suffered, and continue to suffer, substantial losses related to the use and

1 enjoyment of such hours worked and wages, lost interest on such wages, and expenses and
2 attorney's fees in seeking to compel Defendants to fully perform their obligation under state
3 law, all to their respective damage in amounts according to proof at time of trial, but in
4 amounts in excess of the minimum jurisdiction of this Court. Plaintiffs are thus entitled to
5 recover nominal, actual and compensatory damages in amounts according to proof at time of
6 trial, but in amounts in excess of the minimum jurisdiction of this Court.

7 45. As a proximate result of the aforementioned violations, Plaintiffs have been
8 damaged in an amount according to proof at time of trial, but in an amount in excess of the
9 minimum jurisdiction of this Court.

10 46. Defendants' conduct described herein violates California Industrial Welfare
11 Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California Code of Regulations, Title 8,
12 Chapter 5, section 11090, other applicable Industrial Welfare Commission Orders, and Labor
13 Code §§ 200, 226.7, 500, 510, 512, and 1198. Under the aforementioned wage orders and
14 regulations, Plaintiffs are entitled to recover compensation and penalties, to the extent
15 provided under pertinent California wage and hour laws and regulations, including but not
16 limited to Industrial Welfare Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California
17 Code of Regulations, Title 8, Chapter 5, section 11090, and Labor Code §§ 226.7 and 512,
18 for all unpaid and un-taken meal and rest periods for the three (3) years preceding the filing
19 of this Complaint. Therefore, pursuant to applicable Industrial Welfare Commission Wage
20 Orders and Labor Code §§ 200, 201, 203, 218.6, 226.7, 510, 558, and 1198, Plaintiffs are
21 entitled to recover compensation and penalties to the extent provided for under California law,
22 for all unpaid and un-taken meal and rest periods for the three (3) years preceding the filing
23 of this Complaint, plus interest.

24 47. Defendants have applied the foregoing policies and practices, including their
25 failure to provide and/or pay for Plaintiffs' unpaid and un-taken meal and rest periods in
26 accordance with California law, to certain of Plaintiffs who are still employed by Defendants.
27 Such employees have been injured and damaged, and are threatened with further injury and
28 damage, by Defendants' unlawful actions as heretofore alleged. Certain current employee-

1 Plaintiffs of Defendants are thus threatened with immediate irreparable harm by the
2 continuation of Defendants' unlawful actions as heretofore alleged, and have no complete
3 adequate remedy at law. Therefore, Plaintiffs request the Court enter an order reflecting
4 appropriate injunctive relief to prevent Defendants from committing such acts in the future.

5 48. WHEREFORE, Plaintiffs request relief as herein provided.

6 **FIFTH CAUSE OF ACTION:**

7 **FAILURE TO PROVIDE PROPERLY ITEMIZED WAGE STATEMENTS**

8 **UNDER THE LAWS OF THE STATE OF CALIFORNIA**

9 **BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA**

10 **(Against All Defendants)**

11 49. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully
12 herein, the allegations contained in Paragraphs 1 through 48. This cause of action is plead
13 against all Defendants.

14 50. At all times relevant herein, Defendants were required to provide Plaintiffs with
15 itemized wage statements at each pay period, pursuant to California Industrial Welfare
16 Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California Code of Regulations, Title 8,
17 Chapter 5, section 11090, and Labor Code §§ 200 and 226. Pursuant to the Labor Code §
18 351, Defendants were not permitted to take, collect, receive, or credit against wages owed any
19 gratuities that Plaintiffs that employees earned.

20 51. For the three (3) years preceding the filing of this action, Defendants failed to
21 provide Plaintiffs with itemized wage statements, in whole or in part, at each Plaintiffs' pay
22 period detailing items including, but not limited to, gross wages earned, total hours worked,
23 all deductions, net wages and applicable rates of pay in effect during the pay period. Such
24 acts were committed willfully, maliciously, oppressively, and fraudulently, with a conscious
25 disregard for Plaintiffs' rights and Defendants' obligations under California wage and hour
26 laws, and which deprived Plaintiffs of their property and legal rights.

27 52. In violation of state law, Defendants have knowingly and willfully refused to
28 perform their obligations to provide Plaintiffs with correctly itemized wage statements, in whole

1 or in part, at each pay period. As a direct result, Plaintiffs have suffered, and continue to
2 suffer, substantial losses related to the use and enjoyment of such hours worked and wages,
3 lost interest on such wages, and expenses and attorneys' fees in seeking to compel
4 Defendants to fully perform their obligation under state law, all to their respective damage in
5 amounts according to proof at time of trial, but in amounts in excess of the minimum
6 jurisdiction of this Court. Plaintiffs are thus entitled to recover nominal, actual and
7 compensatory damages in amounts according to proof at time of trial, but in amounts in
8 excess of the minimum jurisdiction of this Court.

9 53. As a proximate result of the aforementioned violations, Plaintiffs have been
10 damaged in an amount according to proof at time of trial, but in an amount in excess of the
11 minimum jurisdiction of this Court.

12 54. Defendants' conduct described herein violates California Industrial Welfare
13 Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California Code of Regulations, Title 8,
14 Chapter 5, section 11090, and Labor Code §§ 200 and 226. Under the aforementioned wage
15 orders and regulations, Plaintiffs are entitled to recover compensation and penalties, to the
16 extent provided under pertinent California wage and hour laws and regulations, including but
17 not limited to Industrial Welfare Commission Orders 9-90, 9-98, 9-2000, and 9-2001, California
18 Code of Regulations, Title 8, Chapter 5, section 11090, and Labor Code §§ 226 and 512, for
19 all improperly itemized wage statements for the three (3) years preceding the filing of this
20 Complaint. Therefore, pursuant to applicable Industrial Welfare Commission Wage Orders
21 and Labor Code §§ 200, 201, 203, 218.6, 226, 510, 558, and 1198, Plaintiffs are entitled to
22 recover compensation and penalties to the extent provided for under California law, for all
23 improperly itemized wage statements for the three (3) years preceding the filing of this
24 Complaint.

25 55. Defendants have applied the foregoing policies and practices, including their
26 failure to properly provide itemized wage statements in accordance with California law, to
27 certain of Plaintiffs who are still employed by Defendants. Such employees have been injured
28 and damaged, and are threatened with further injury and damage, by Defendants' unlawful

1 actions as heretofore alleged. Certain current employee-Plaintiffs of Defendants are thus
2 threatened with immediate irreparable harm by the continuation of Defendants' unlawful
3 actions as heretofore alleged, and have no complete adequate remedy at law. Therefore,
4 Plaintiffs request the Court enter an order reflecting appropriate injunctive relief to prevent
5 Defendants from committing such acts in the future.

6 56. WHEREFORE, Plaintiffs request relief as herein provided.

7 **SIXTH CAUSE OF ACTION:**

8 **FAILURE TO PAY WAGES UPON DISCHARGE**

9 **UNDER THE LAWS OF THE STATE OF CALIFORNIA**

10 **BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA**

11 **(Against All Defendants)**

12 57. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully
13 herein, the allegations contained in Paragraphs 1 through 56. This cause of action is plead
14 against all Defendants.

15 58. Pursuant to California Labor Code § 201, and for each Plaintiff who is a former
16 employee of Defendants, Defendants were required to pay each former employee-Plaintiff all
17 earned wages upon their respective termination dates. At the time of each former employee-
18 Plaintiffs' respective termination dates, each former employee-Plaintiff had unpaid wages. In
19 violation of Labor Code § 201, Defendants willfully failed to pay each former employee Plaintiff
20 any of the amount of wages due and owing him or her, in amounts to be proven at the time
21 of trial, but in excess of the minimum jurisdiction of this Court.

22 59. Defendants' failure to pay former employee-Plaintiffs the respective wages due
23 and owing them was willful.

24 60. Defendants' willful failure to pay former employee-Plaintiffs the wages due and
25 owing each of them constitutes violations of Labor Code §§ 201 and 203, which provide that
26 an employee's wages will continue as a penalty up to thirty (30) days from the time the wages
27 were due at termination. Therefore, former employee-Plaintiffs are each entitled to waiting-
28 time penalties pursuant to Labor Code § 203.

1 61. Pursuant to Labor Code §§ 218.6 and 1194, former employee-Plaintiffs are also
2 each entitled to an award of reasonable attorneys' fees, expenses, and costs incurred in this
3 action.

4 62. Defendants have applied the foregoing policies and practices, including their
5 failure to properly pay each former employee-Plaintiff all earned wages at the time of
6 termination in accordance California law, to certain of Plaintiffs who have been terminated.
7 Former employee-Plaintiffs have been injured and damaged, and currently employed Plaintiffs
8 are threatened with injury and damage if the failure to pay all earned wages at discharge
9 persists under Defendants' unlawful actions as heretofore alleged. Certain current employee-
10 Plaintiffs of Defendants are thus threatened with immediate irreparable harm by the
11 continuation of Defendants' unlawful actions as heretofore alleged, and have no complete
12 adequate remedy at law. Therefore, Plaintiffs request the Court enter an order reflecting
13 appropriate injunctive relief to prevent Defendants from committing such acts in the future.

14 63. WHEREFORE, Plaintiffs request relief as herein provided.

15 SEVENTH CAUSE OF ACTION:

16 UNFAIR BUSINESS PRACTICES IN VIOLATION OF
17 CALIFORNIA BUSINESS AND PROFESSIONS CODE SECTION 17200
18 BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA
19 (Against All Defendants)

20 64. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully
21 herein, the allegations contained in Paragraphs 1 through 63. This cause of action is plead
22 against all Defendants.

23 65. Defendants engage in business practices, offer their goods and services for sale,
24 and advertise their goods and services within the jurisdiction of the State of California. As
25 such, Defendants have a duty to comply with the provisions of the Unfair Business Practices
26 Act as set forth in Business & Professions Code sections 17200, *et seq.*, which Act prohibits,
27 *inter alia*, unlawful, unfair, and/or fraudulent business acts or practices and unfair, deceptive,
28 untrue, or misleading advertising by any person, firm, corporation, or association within the

1 jurisdiction of the State of California.

2 66. By violating the foregoing statutes, regulations, and orders governing wage and
3 hour issues in California, and by failing to take appropriate measures to address these
4 violations, Defendants' acts constitute unfair business practices under Business and
5 Professions Code section 17200, *et. seq.* Defendants' violations of California wage and hour
6 laws constitutes a business practice because it was done repeatedly over a significant period
7 of time throughout the State of California, and in a systematic manner to the detriment of
8 Plaintiffs.

9 67. As a direct, foreseeable, and proximate result of Defendants' acts and omissions
10 alleged herein, for the four (4) years preceding the filing of this action Plaintiffs have suffered
11 damages, and Defendants have also been unjustly enriched as a result of unfair competition.
12 Plaintiffs, therefore request damages and/or restitution of all monies and profits to be
13 disgorged from Defendants in an amount according to proof at time of trial, but in excess of
14 the minimum jurisdiction of this Court.

15 68. Defendants have applied the foregoing unfair business policies and practices,
16 including their failure to pay wages and overtime, their unlawful deductions from pay and
17 illegal withholding of reimbursements, their failure to properly itemize wage statements, and
18 their failure to provide and/or pay for Plaintiffs' unpaid and un-taken meal and rest periods in
19 accordance California law, among other items, to certain of Plaintiffs who are still employed
20 by Defendants. Such employees have been injured and damaged, and are threatened with
21 further injury and damage, by Defendants' unlawful actions as heretofore alleged. Certain
22 current employee-Plaintiffs of Defendants are thus threatened with immediate irreparable harm
23 by the continuation of Defendants' unlawful actions as heretofore alleged, and have no
24 complete adequate remedy at law. Therefore, Plaintiffs request the Court enter an order
25 reflecting appropriate injunctive relief to prevent Defendants from committing such acts in the
26 future.

27 69. WHEREFORE, Plaintiffs request relief as herein provided.

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EIGHTH CAUSE OF ACTION:
UNLAWFUL BUSINESS PRACTICES IN VIOLATION OF
CALIFORNIA BUSINESS AND PROFESSIONS CODE SECTION 17200
BY PLAINTIFFS EMPLOYED IN THE STATE OF CALIFORNIA
(Against All Defendants)

70. Plaintiffs hereby reallege, and incorporate by reference as though set forth fully herein, the allegations contained in Paragraphs 1 through 69. This cause of action is plead against all Defendants.

71. Defendants engage in business practices, offer their goods and services for sale, and advertise their goods and services within the jurisdiction of the State of California. As such, Defendants have a duty to comply with the provisions of the Unfair Business Practices Act as set forth in Business & Professions Code sections 17200, *et seq.*, which Act prohibits, *inter alia*, unlawful, unfair, and/or fraudulent business acts or practices and unfair, deceptive, untrue, or misleading advertising by any person, firm, corporation, or association within the jurisdiction of the State of California.

72. By violating the foregoing statutes, regulations, and orders governing wage and hour issues in California, and by failing to take appropriate measures to address these violations, Defendants' acts constitute unlawful business practices under Business and Professions Code section 17200, *et seq.* Defendants' violations of California wage and hour laws constitutes a business practice because it was done repeatedly over a significant period of time throughout the State of California, and in a systematic manner to the detriment of Plaintiffs.

73. As a direct, foreseeable, and proximate result of Defendants' acts and omissions alleged herein, for the four (4) years preceding the filing of this action Plaintiffs have suffered damages, and Defendants have also been unjustly enriched as a result of unfair competition. Plaintiffs, therefore request damages and/or restitution of all monies and profits to be disgorged from Defendants in an amount according to proof at time of trial, but in excess of the minimum jurisdiction of this Court.

1 74. Defendants have applied the foregoing unlawful business policies and practices,
2 including their failure to pay wages and overtime, their unlawful deductions from pay and
3 illegal withholding of reimbursements, their failure to properly itemize wage statements, and
4 their failure to provide and/or pay for Plaintiffs' unpaid and un-taken meal and rest periods in
5 accordance California law, among other items, to certain of Plaintiffs who are still employed
6 by Defendants. Such employees have been injured and damaged, and are threatened with
7 further injury and damage, by Defendants' unlawful actions as heretofore alleged. Certain
8 current employee-Plaintiffs of Defendants are thus threatened with immediate irreparable harm
9 by the continuation of Defendants' unlawful actions as heretofore alleged, and have no
10 complete adequate remedy at law. Therefore, Plaintiffs request the Court enter an order
11 reflecting appropriate injunctive relief to prevent Defendants from committing such acts in the
12 future.

13 75. WHEREFORE, Plaintiffs request relief as herein provided.

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V. PRAYER FOR RELIEF

16 WHEREFORE, Plaintiffs pray for judgment as follows:

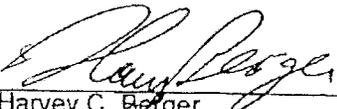
- 17 1. For nominal damages;
- 18 2. For actual and compensatory damages;
- 19 3. For restitution of all monies and wages due to Plaintiffs;
- 20 4. For disgorged profits from the unfair and unlawful business practices of
21 Defendants;
- 22 5. For interest accrued to date;
- 23 6. For interest pursuant to Labor Code §§ 218.6 and 1194;
- 24 7. For penalties pursuant to Labor Code §§ 203, 226, 226.7, and 558, and
25 applicable Industrial Welfare Commission Wage Orders;
- 26 8. For punitive and exemplary damages;
- 27 9. For costs of suit and expenses incurred herein pursuant to Labor Code §§ 226
28 and 1194;

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- 10. For reasonable attorneys' fees pursuant to Labor Code §§ 226 and 1194;
- 11. For appropriate injunctive relief;
- 12. For appropriate equitable relief; and
- 13. For all such other and further relief that the Court may deem just and proper.

Dated: 4/30/02

POPE & BERGER

By: 
 Harvey C. Berger
 Attorneys for Plaintiffs RONALD PRINCE,
 THOMASINA LAWRENCE, and MICHAEL L.
 GLEATON, individually, and on behalf of all
 other similarly situated current and former
 employees of Defendants in the State of
 California

DEMAND FOR JURY TRIAL

Named Plaintiffs, individually, and on behalf of all other similarly situated current and former employees of Defendants in the State of California, hereby demand a jury trial.

Dated: 4/30/02

POPE & BERGER

By: 
 Harvey C. Berger
 Attorneys for Plaintiffs RONALD PRINCE,
 THOMASINA LAWRENCE, and MICHAEL L.
 GLEATON, individually, and on behalf of all
 other similarly situated current and former
 employees of Defendants in the State of
 California

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, state number, and address):
Harvey C. Berger
POPE & BERGER
550 West C Street, Suite 1600
San Diego, CA 92101
TELEPHONE NO.: (619) 595-1366 FAX NO.: (619) 595-1313
ATTORNEY FOR (Name): RONALD PRINCE, THOMASINA LAWRENCE, MICHAEL L. GLEATON

SBN 102973

FOR COURT USE ONLY

FILED
LOS ANGELES SUPERIOR COURT
MAY 03 2002
JOHN A. CLARKE, CLERK
BY C. L. COLEMAN, DEPUTY

INSERT NAME OF COURT, JUDICIAL DISTRICT, AND BRANCH COURT, IF ANY:
SUPERIOR COURT IN AND FOR CALIFORNIA
CENTRAL DISTRICT - LOS ANGELES
CASE NAME: PRINCE, et al. v. CLS TRANSPORTATION, et

CIVIL CASE COVER SHEET
 Limited Unlimited

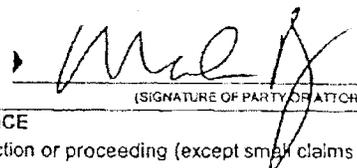
Complex Case Designation
 Counter Joinder
Filed with first appearance by defendant
(Cal. Rules of Court, rule 1811)

CASE NUMBER:
ASSIGNED JUDGE: C 273239

Please complete all five (5) items below.

1. Check one box below for the case type that best describes this case:
- | | | |
|--|--|---|
| <input type="checkbox"/> Auto Tort
<input type="checkbox"/> Auto (22) | <input checked="" type="checkbox"/> Other employment (15) | <input type="checkbox"/> Writ of mandate (02) |
| <input type="checkbox"/> Other PI/PD/WD (Personal Injury/Property Damage/Wrongful Death) Tort
<input type="checkbox"/> Asbestos (04)
<input type="checkbox"/> Product liability (24)
<input type="checkbox"/> Medical malpractice (45)
<input type="checkbox"/> Other PI/PD/WD (23) | <input type="checkbox"/> Contract
<input type="checkbox"/> Breach of contract/warranty (06)
<input type="checkbox"/> Collections (e.g., money owed, open book accounts) (09)
<input type="checkbox"/> Insurance coverage (18)
<input type="checkbox"/> Other contract (37) | <input type="checkbox"/> Other judicial review (39)
<input type="checkbox"/> Provisionally Complex Civil Litigation (Cal. Rules of Court, rules 1800-1812)
<input type="checkbox"/> Antitrust/Trade regulation (03)
<input type="checkbox"/> Construction defect (10)
<input type="checkbox"/> Claims involving mass tort (40)
<input type="checkbox"/> Securities litigation (28)
<input type="checkbox"/> Toxic tort/Environmental (30) |
| <input type="checkbox"/> Non-PI/PD/WD (Other) Tort
<input type="checkbox"/> Business tort/unfair business practice (07)
<input type="checkbox"/> Civil rights (e.g., discrimination, false arrest) (08)
<input type="checkbox"/> Defamation (e.g., slander, libel) (13)
<input type="checkbox"/> Fraud (15)
<input type="checkbox"/> Intellectual property (19)
<input type="checkbox"/> Professional negligence (e.g., legal malpractice) (25)
<input type="checkbox"/> Other non-PI/PD/WD tort (35) | <input type="checkbox"/> Real Property
<input type="checkbox"/> Eminent domain/Inverse condemnation (14)
<input type="checkbox"/> Wrongful eviction (33)
<input type="checkbox"/> Other real property (e.g., quiet title) (26) | <input type="checkbox"/> Insurance coverage claims arising from the above listed provisionally complex case types (41)
<input type="checkbox"/> Enforcement of Judgment
<input type="checkbox"/> Enforcement of judgment (e.g., sister state, foreign, out-of-county abstracts) (20) |
| <input type="checkbox"/> Employment
<input type="checkbox"/> Wrongful termination (36) | <input type="checkbox"/> Unlawful Detainer
<input type="checkbox"/> Commercial (31)
<input type="checkbox"/> Residential (32)
<input type="checkbox"/> Drugs (38) | <input type="checkbox"/> Miscellaneous Civil Complaint
<input type="checkbox"/> RICO (27)
<input type="checkbox"/> Other complaint (not specified above) (42) |
| | <input type="checkbox"/> Judicial Review
<input type="checkbox"/> Asset forfeiture (05)
<input type="checkbox"/> Petition re: arbitration award (11) | <input type="checkbox"/> Miscellaneous Civil Petition
<input type="checkbox"/> Partnership and corporate governance (21)
<input type="checkbox"/> Other petition (not specified above) (43) |

2. This case is is not complex under rule 1800 of the California Rules of Court. If case is complex, mark the factors requiring exceptional judicial management:
- | | |
|---|--|
| a. <input type="checkbox"/> Large number of separately represented parties | d. <input checked="" type="checkbox"/> Large number of witnesses |
| b. <input checked="" type="checkbox"/> Extensive motion practice raising difficult or novel issues that will be time-consuming to resolve | e. <input type="checkbox"/> Coordination and related actions pending in one or more courts in other counties, states or countries, or in a federal court |
| c. <input checked="" type="checkbox"/> Substantial amount of documentary evidence | f. <input type="checkbox"/> Substantial post-disposition judicial disposition |
3. Type of remedies sought (check all that apply):
a. monetary b. nonmonetary; declaratory or injunctive relief c. punitive
4. Number of causes of action (specify): Eight (8)
5. This case is is not a class action suit.
- Date: May 1, 2002

A. Mark Pope (SBN 77798) for Harvey C. Berger. 
(TYPE OR PRINT NAME) (SIGNATURE OF PARTY OR ATTORNEY FOR PARTY)

NOTICE

- Plaintiff must file this cover sheet with the first paper filed in the action or proceeding (except small claims cases or cases filed under the Probate, Family, or Welfare and Institutions Code). (Cal. Rules of Court, rule 982.2.)
- File this cover sheet in addition to any cover sheet required by local court rule.
- If this case is complex under rule 1800 et seq. of the California Rules of Court, you must serve a copy of this cover sheet on all other parties to the action or proceeding.
- Unless this a complex case, this cover sheet shall be used for statistical purposes only.

SHORT TITLE:

PRINCE, et al. v. CLS TRANSPORTATION, et

CASE NUMBER

BC273239

CIVIL CASE COVER SHEET ADDENDUM
 CERTIFICATE OF GROUNDS FOR ASSIGNMENT TO COURT LOCATION

This form is required in all new civil case filings in the Los Angeles Superior Court

- I. Check the types of hearing and fill in the estimated length of hearing expected for this case:
 JURY TRIAL? YES CLASS ACTION? YES LIMITED CASE? YES TIME ESTIMATED FOR TRIAL 10 HOURS/ DAYS.
- II. Select the correct district and courthouse location (4 steps):
 1 After first completing the Civil Case Cover Sheet Form, find the main civil case cover sheet heading for your case in the left margin below, and, to the right in Column 1, the Civil Case Cover Sheet case type you selected.
 2 Check one Superior Court type of action in Column 2 which best describes the nature of this case.
 3 In Column 3, circle the reason for the court location choice that applies to the type of action you have checked.

Applicable Reasons for Choosing Court Location (See Column 3 below)

1. Class Actions must be filed in County Courthouse, Central District
 2. May be filed in Central (Other county tort, or not PI/PD-Gen. Juris)
 3. Location where cause of action arose.
 4. Location where injury, death or damage occurred.
 5. Location where performance required or defendant resides.
 6. Location of property or permanently garaged vehicle.
 7. Location where petitioner resides.
 8. Location where defendant/respondent functions wholly.
 9. Location where one or more of the parties reside.
 10. Location of Labor Commissioner Office.
4. Fill in the information requested on page 4 in item III; complete item IV. Sign the certificate.

-1- Civil Case Cover Sheet Category No.	-2- Type of Action (Check only one)	-3- Applicable Reasons - See Above
Auto (22)	<input type="checkbox"/> A7100 Motor Vehicle - Personal Injury/Property Dam./Wrongful Death Is this an uninsured motorist case? <input type="checkbox"/> Yes <input type="checkbox"/> No	1., 2., 4.
Asbestos (04)	<input type="checkbox"/> A6070 Asbestos Property Damage <input type="checkbox"/> A7221 Asbestosis - Personal Injury/Wrongful Death	2. 2.
Product Liability (24)	<input type="checkbox"/> A7260 Product Liability (not asbestos or toxic/environmental)	1., 2., 3., 4., 8.
Medical Malpractice (45)	<input type="checkbox"/> A7210 Medical Malpractice - Physicians & Surgeons <input type="checkbox"/> A7240 Other Professional Health Care Malpractice	1., 2., 4. 1., 2., 4.
Other PI/PD/W/D (23)	<input type="checkbox"/> A7250 Premises Liability (e.g., slip and fall) <input type="checkbox"/> A7230 Intentional PI/PD/W/D (e.g., assault, vandalism, etc.) <input type="checkbox"/> A7220 Other Personal Injury/Property Dam./Wrongful Death	1., 2., 4. 1., 2., 4. 1., 2., 4.
Business Tort (07)	<input type="checkbox"/> A6029 Other Commercial/Business Tort (not fraud/breach of contract)	1., 2., 3.
Civil Rights (08)	<input type="checkbox"/> A6005 Civil Rights	1., 2., 3.
Defamation (13)	<input type="checkbox"/> A6010 Defamation (slander/libel)	1., 2., 3.
Fraud (16)	<input type="checkbox"/> A6013 Fraud (no contract)	1., 2., 3.
Intellectual Property (19)	<input type="checkbox"/> A6016 Intellectual Property	2., 3.
Prof. Negligence (25)	<input type="checkbox"/> A6017 Legal Malpractice <input type="checkbox"/> A6050 Other Professional Malpractice (not medical or legal)	1., 2., 3. 1., 2., 3.

SHORT TITLE

PRINCE, et al. v. CLS TRANSPORTATION, et

CASE NUMBER

-1- Civil Case Cover Sheet Category No.	-2- Type of Action (Check only one)	-3- Applicable Reasons - See Above
Other Non-PI/PD/AWD Tort (35)	<input type="checkbox"/> A6025 Other Intentional Tort Complaint (not PIWD/PD) <input type="checkbox"/> A6026 Other Tort Complaint Case (not Intentional or PIWD/PD)	1., 2., 3. 1., 2., 3.
Wrongful Termination (35)	<input type="checkbox"/> A6037 Wrongful Termination	1., 2., 3.
Other Employment (15)	<input checked="" type="checkbox"/> A6024 Other Employment Complaint Case <input type="checkbox"/> A6109 Labor Commissioner Appeals	1., 2., 3. 10.
Breach of Contract/ Warranty (06) (not insurance)	<input type="checkbox"/> A6004 Breach of Rental/Lease Contract (not UD or wrongful eviction) <input type="checkbox"/> A6008 Contract/Warranty Breach-Seller Plaintiff (no fraud/negligence) <input type="checkbox"/> A6019 Negligent Breach of Contract/Warranty (no fraud) <input type="checkbox"/> A6028 Other Breach of Contract/Warranty (not fraud or negligence)	2., 5. 2., 5. 1., 2., 5. 1., 2., 5.
Collections (09)	<input type="checkbox"/> A6002 Collections Case-Seller Plaintiff <input type="checkbox"/> A6012 Other Promissory Note/Collections Case	2., 5., 6. 2., 5.
Insurance Coverage (18)	<input type="checkbox"/> A6015 Insurance Coverage (not complex)	1., 2., 5., 8.
Other Contract (37)	<input type="checkbox"/> A6009 Contractual Fraud <input type="checkbox"/> A6031 Tortious Interference <input type="checkbox"/> A6027 Other Contract Dispute (not breach/insurance/fraud/negligence)	1., 2., 3., 5. 1., 2., 3., 5. 1., 2., 3., 8.
Emnt Dom/Inv. Cond. (14)	<input type="checkbox"/> A7300 Eminent Domain/Condemnation Number of Parcels	2.
Wrongful Eviction (33)	<input type="checkbox"/> A6023 Wrongful Eviction Case	2., 6.
Other Real Property (26)	<input type="checkbox"/> A6018 Mortgage Foreclosure <input type="checkbox"/> A6032 Quiet Title <input type="checkbox"/> A6060 Other Real Property (not em. domain, landlord/tenant, foreclosure)	2., 6. 2., 6. 2., 6.
Unlawful Det- Comm (31)	<input type="checkbox"/> A6021 Unlawful Detainer-Commercial (not drugs or wrongful eviction)	2., 6.
Unlawful Det-Resid (32)	<input type="checkbox"/> A6020 Unlawful Detainer-Residential (not drugs or wrongful eviction)	2., 6.
Unlawful Det-Drugs (38)	<input type="checkbox"/> A6022 Unlawful Detainer-Drugs	2., 6.
Asset Forfeiture (05)	<input type="checkbox"/> A6108 Asset Forfeiture Case	2., 6.
Petition re Arbitration Award (11)	<input type="checkbox"/> A6115 Petition to Compel/Confirm Arbitration	2., 5.

SHORT TITLE PRINCE, et al. v. CLS TRANSPORTATION, et	CASE NUMBER
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- 1 - Civil Case Cover Sheet Category No.	- 2 - Type of Action (Check only one)	- 3 - Applicable Reasons - See Above
Writ of Mandate (02)	<input type="checkbox"/> A6151 Writ - Administrative Mandamus <input type="checkbox"/> A6152 Writ - Mandamus on Limited Court Case Matter <input type="checkbox"/> A6153 Writ - Other Limited Court Case Review	2., 8. 2. 2.
Oth. Jud. Review (39)	<input type="checkbox"/> A6150 Other Writ/Judicial Review	2., 8.
Antitrust/Trade Reg. (03)	<input type="checkbox"/> A6003 Antitrust/Trade Regulation	1., 2., 8.
Cnstrction Defect (10)	<input type="checkbox"/> A6007 Construction defect	1., 2., 3.
Cim. Inv Mass Tort (40)	<input type="checkbox"/> A6006 Claims Involving Mass Tort	1., 2., 8.
Securitles Litig. (28)	<input type="checkbox"/> A6035 Securitles Litigation Case	1., 2., 8.
Tox. Tort/Envronm (30)	<input type="checkbox"/> A6036 Toxic Tort/Environmental	1., 2., 3., 8.
Ins Coverage Clms from Complex Case (41)	<input type="checkbox"/> A6014 Insurance Coverage/Subrogation (complex case only)	1., 2., 5., 8.
Enforcement of Judgment (20)	<input type="checkbox"/> A6141 Sister State Judgment <input type="checkbox"/> A6160 Abstract of Judgment <input type="checkbox"/> A6107 Confession of Judgment (non-domestic relations) <input type="checkbox"/> A6140 Administrative Agency Award (not unpaid taxes) <input type="checkbox"/> A6114 Petition/Certificate for Entry of Judgment on Unpaid Tax <input type="checkbox"/> A6112 Other Enforcement of Judgment Case	2., 9. 2., 6. 2., 9. 2., 8. 2., 8. 2., 8., 9.
RICO (27)	<input type="checkbox"/> A6033 Racketeering Case	1., 2., 8.
Other Complaints (Not Specified Above) (42)	<input type="checkbox"/> A6030 Declaratory Relief Only <input type="checkbox"/> A6040 Injunctive Relief Only (not domestic/harassment) <input type="checkbox"/> A6011 Other Commercial Complaint Case (non-tort/non-complex) <input type="checkbox"/> A6000 Other Civil Complaint (non-tort/non-complex)	1., 2., 8. 2., 8. 1., 2., 8. 1., 2., 8.
Prtnrshp/Corp. Gov. (21)	<input type="checkbox"/> A6113 Partnership and Corporate Governance Case	2., 8.
Other Petitions (Not Specified Above) (43)	<input type="checkbox"/> A6121 Civil/Workplace Harassment <input type="checkbox"/> A6190 Election Contest <input type="checkbox"/> A6110 Petition for Change of Name <input type="checkbox"/> A6170 Petition for Relief from Late Claim Law <input type="checkbox"/> A6100 Other Civil Petition	2., 3., 9. 2. 2., 7. 2., 3., 4., 8. 2., 9.

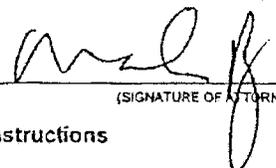
SHORT TITLE: PRINCE, et al. v. CLS TRANSPORTATION, et	CASE NUMBER
---	-------------

- 4 -

III. Choose the courthouse: Enter the address of the accident, party residence or place of business, performance, or other circumstance you have circled in Column 3 as the proper reason for filing in the court location you selected.

REASON: CHECK THE NUMBER YOU CIRCLED IN → WHICH APPLIES IN THIS CASE			ADDRESS:
<input checked="" type="checkbox"/> 1. <input type="checkbox"/> 2. <input type="checkbox"/> 3. <input type="checkbox"/> 4. <input type="checkbox"/> 5. <input type="checkbox"/> 6. <input type="checkbox"/> 7. <input type="checkbox"/> 8. <input type="checkbox"/> 9. <input type="checkbox"/> 10.	6029 W. Slauson Avenue		
CITY: Culver City	STATE: California	ZIP CODE: 90230	

IV. Certificate/Declaration of Assignment: The undersigned hereby certifies and declares that the above entitled matter is properly filed for assignment to the County courthouse in the CENTRAL District of the Los Angeles Superior Court under Section 392 et seq., Code of Civil Procedure and Rule 2(b), (c) and (d) of this court for the reason checked above. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and this declaration was executed on May 1, 2002 at San Diego California.
(DATE) (CITY)

A. Mark Pope (SBN 77798) for Harvey C. Berger 
(SIGNATURE OF ATTORNEY/FILING PARTY)

New Civil Case Filing Instructions

This addendum form is required so that the court can assign your case to the correct courthouse location in the proper district for filing and hearing. It satisfies the requirement for a certificate as to reasons for authorizing filing in the courthouse location, as set forth in Los Angeles Superior Court Local Rule 2.0. It must be completed and submitted to the court along with the Civil Case Cover Sheet and the original Complaint or Petition in ALL civil cases filed in any district (including the Central District) of the Los Angeles County Superior Court. Copies of the cover sheet and this addendum must be served along with the summons and complaint, or other initiating pleading in the case.

PLEASE HAVE THE FOLLOWING DOCUMENTS COMPLETED AND READY TO BE FILED IN ORDER TO PROPERLY COMMENCE YOUR NEW COURT CASE:

1. Original Complaint or Petition.
2. If filing a Complaint, a completed Summons form for issuance by the Clerk (Summons forms available at the Forms Counter).
3. Civil Case Cover Sheet form required by California Rule of Court 982.2(b)(1), completely filled out (Cover Sheet forms available at the Forms Counter).
4. This "Addendum to Civil Case Cover Sheet" form (Superior Court Form Number 982.2(b)(1)A, revised 7/99), completely filled out and submitted with the Civil Case Cover Sheet.*
5. Payment in full of the filing fee or an Order of the Court waiving payment of filing fees in forma pauperis (fee waiver application forms available at the Filing Window).
6. In case of a plaintiff or petitioner who is a minor under 18 years of age, an Order of the Court appointing an adult as a guardian ad litem to act on behalf of the minor (Guardian ad Litem Application and Order forms available at the Forms Counter).
7. Additional copies of documents presented for endorsement by the Clerk and return to you.

*With the exception of limited civil cases and any civil cases concerning personal injury (including wrongful death) and property damage occurring in this County, Labor Commissioner Appeals, and those types of actions required to be filed in the Central District by Local Rule 2(b), all civil actions may be optionally filed either in the Central District or in whichever other court location the rule would allow them to be filed. When a party elects to file a general or unlimited jurisdiction civil action in Central District which would also be eligible for filing in one or more of the other court locations, this form must still be submitted with location and assignment information completed.

EXHIBIT G

**TERMS OF CLASS ACTION SETTLEMENT
AS THE BASIS FOR COURT APPROVAL**

I. GENERAL RECITALS

A. The Litigation

THESE "TERMS OF CLASS ACTION SETTLEMENT AS THE BASIS FOR COURT APPROVAL" (hereinafter, referred to as the "Settlement") are agreed to as effective June 12, 2006, in the following case:

Ronald Prince, Thomasina Lawrence, and Michael L. Gleaton, individually, and on behalf of all other similarly situated current and former employees of Defendants in the State of California, Plaintiffs, v. CLS Transportation, Inc., a California corporation; Charles Horky, an individual; CLS Worldwide Services, LLC, a Delaware business entity; CLS Transportation San Francisco, LLC, a Delaware business entity; CLS Transportation Los Angeles, LLC, a Delaware business entity; and Does 1 through 100 inclusive, Defendants, in the Superior Court of the State of California, County of Los Angeles, Case No. BC 273239, Department 37, The Honorable Joanne O'Donnell, Judge Presiding, [Original Complaint filed May 02, 2002] (hereinafter, referred to as the "Class Action").

B. The Parties

This Settlement is entered into by and between the following named parties to the Class Action:

The Class Representatives for the Plaintiff-Class: Ronald Prince, Thomasina Lawrence, and Michael L. Gleaton (hereinafter, collectively referred to as the "Class Representatives");

and the Defendants, CLS Transportation, Inc., CLS Worldwide Services, LLC, CLS Transportation San Francisco, LLC, and CLS Transportation Los Angeles, LLC (hereinafter, collectively referred to as the "Defendants");

together, hereinafter, collectively referred to as the "Parties").

EX 2-A ✓

This Settlement is also by and between, and is also for the benefit of the approximately Four Hundred Sixty-Two (462) specifically identifiable individuals designated as "Class Members" in the Class Action for the purposes of this Settlement (the phrase "Class Members" as used herein is also deemed to include the Class Representatives).

This Settlement is further executed by counsel for the Class Representatives (*Pope, Berger & Williams, LLP, Law Office of David A. Mallen, and Law Offices of David W. Affeld* – hereinafter, collectively referred to as "Class Counsel"), as fiduciaries for, and on behalf of, the Class Members.

C. The Claims

This Settlement contemplates, as detailed below, that Defendants will pay certain compensation to the Class Members, to settle the Class Members' claims in the Class Action, for the period of May 02, 1998, through December 31, 2005 (hereinafter referred to as the "Class Period"), for each and all of the claims and causes of action listed in Plaintiffs' First Amended Complaint, which is the operative pleading in the Class Action; this includes Plaintiffs' claims for:

unpaid overtime wages owed; unpaid hours worked; indemnification, business expenses, and unlawful deductions; meal and rest periods; itemized wage statements; wages owed at termination to former employees; unfair and unlawful business practices; injunctive and declaratory relief; and claims for recovery of interest, penalties, attorneys' fees, costs, and litigation expenses arising from and related to the foregoing claims (hereinafter, collectively referred to as the "Class Claims").

Defendants have filed Answers to Plaintiffs' First Amended Complaint on file in the Class Action, generally and specifically denying the allegations contained therein, and denying that they have, individually or jointly, in whole or in part, any liability for the Class Action and the Class Claims. The Parties conducted discovery, investigated the Class Claims, and performed legal analyses regarding the Class Claims. Defendants continue to deny all allegations raised by the Complaint, and further deny that this matter is appropriate for class treatment. Plaintiffs believe their claims to be meritorious, but also consider this Settlement to be beneficial. The Parties now desire to terminate said controversy and settle their respective differences, controversies and misunderstandings, and seek Court approval of this Settlement to terminate and resolve the Class Action between the Class Members and the

Defendants.¹

II. SPECIFIC TERMS OF THE SETTLEMENT

1. In order to effectuate the purposes of this Settlement, the Parties hereby agree as follows, and propose for approval, the following specific terms and conditions.

2. For the purposes of effectuating the Settlement, and in order to obtain the Court's preliminary and final approval of the Settlement, Defendants will stipulate to conditional certification of the Class Action which will become final upon the Court's final approval of this Settlement, and will not – directly or indirectly – oppose Class Counsel's efforts to obtain the Court's preliminary and final approval of the Settlement, nor oppose the terms of the Settlement itself, so long as Class Counsel's efforts to obtain the Court's preliminary and final approval of the Settlement are consistent with this Settlement.

3. The Settlement contains the following essential terms:

A. Defendants will pay a fixed sum total of ONE MILLION DOLLARS (\$1,000,000.00) to fund the Settlement for the benefit of the Class Members (the "Settlement Proceeds"), in two (2) installments, as follows:

(1) TWO HUNDRED FIFTY THOUSAND DOLLARS

¹ Counsel for the Parties have met and conferred, and exchanged data in an attempt to create a complete list of all Class Members (hereinafter, referred to as the "Class List"); that is, the full name (first, last, and middle name or initial), current or last known address, location of work, employment status, and all dates of employment within the Class Period of each individual (1) who was a Driver/Chauffeur for Defendants in California within the Class Period, but (2) who has not voluntarily signed (a) an individual settlement agreement relating to Class Claims, and/or (b) an individual agreement to arbitrate Class Claims with Defendants. As of July 26, 2006, Class Counsel had created and updated such a Class List based on Defendants' data, and with Defendants' review and corrections to the Class List. A copy of the Class List is attached as Exhibit "1" hereto. Class Counsel intends to offer that Class List to the Court at the time of preliminary approval for certification with respect to this Settlement; if further revisions warrant changes thereto before it is presented to the Court for approval, Class Counsel will so advise Defendants. Defendants are also obligated to continue to make reasonable efforts to supply any missing Class Member information to Class Counsel, as may be needed in the course of the claims and/or approval process; Class Counsel and/or the Claims Administrator may request further assistance of Defendants with regard to Class Member data, and Defendants agree to cooperate with any such reasonable requests for Class Member biographical data to the extent needed in support of the claims and/or approval processes, which may include, but is not limited to, individual's social security numbers and telephone numbers.

(\$250,000.00) payable within seven (7) business days following the date on which the Court enters an Order granting Preliminary Approval of the Settlement; in the event that this seventh day due date falls before August 31, 2006, then the payment shall be due on Thursday, August 31, 2006. Such payment shall be made by wire transfer to a settlement fund account designated and maintained by the third-party claims administrator appointed by the Court at the time of preliminary approval. The wire transfer payment must be received by 4:00 p.m. Pacific Standard Time on the due date. Such funds paid by Defendants are subject to full reimbursement if final approval is not granted by the Court, except for actual costs of administration incurred at the time when final approval is not granted.

(2) SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) payable within seven (7) business days following the date on which the Court enters an Order granting Final Approval of the Settlement; in the event that this seventh day due date falls before Thursday, December 21, 2006, then the payment shall be due on December 21, 2006. Such payment shall be made by wire transfer to a settlement fund account designated and maintained by the third-party claims administrator appointed by the Court at the time of preliminary approval. The wire transfer payment must be received by 4:00 p.m. Pacific Standard Time on the due date.

B. The Class Representatives and Class Counsel will recommend to the Court, and request Court approval, for allocation of the Settlement Proceeds. This will include, among other items:

(1) Distribution of funds to Class Members who make valid and timely claims following a reasonable claims period (in accordance with requirements to be set by the Court at the time of preliminary approval), based on the specific Class Claims; i.e., W-2 wages, 1099 income, etc.;

(2) Fee Enhancements to the Class Representatives of up to Twenty Thousand Dollars (\$20,000.00) each, in addition to their respective claim shares received as Class Members, for their representation of Class Members in the Class Action. A 1099 shall be issued by the claims administrator to each Class Representative for any fee enhancements awarded. The Class Representatives are solely responsible for the tax consequences of this payment, and shall indemnify Defendants should any taxing agency attempt to hold Defendants liable for any funds with respect to this payment;

(3) Attorneys fees to Class Counsel, not to exceed one-third (1/3) of the total Settlement Proceeds. (Class Counsel will make a request for a specific amount at the time of preliminary approval.) The amount awarded by the Court shall be inclusive of all past work, and all future work to effectuate this Settlement, up the final hearing and any necessary appeal, and claims administration. A 1099 shall be issued by the claims administrator to Class Counsel for the full amount of their attorneys fees. Class Counsel are solely responsible for the tax consequences of this payment, and shall indemnify Defendants should any taxing agency attempt to hold Defendants liable for any funds with respect to this payment;

(4) Reimbursement of costs actually incurred by Class Counsel;

(5) And costs of administration actually incurred by the third-party claims administrator appointed by the Court.

Defendants specifically agree not to contest – directly or indirectly – any portion of the above Class Representatives' and Class Counsels' proposal to the Court for allocation of the Settlement Proceeds.

C. It is specifically understood that this is a "no reversion" settlement; that is, Defendants will pay the amount as stated in Paragraphs 3(A)(1) & (2), above, without condition and without reimbursement of any amounts to Defendants (except as contemplated in Paragraph 3(1), below, in the event that final approval is not granted). All interest which accrues in the settlement fund account designated and maintained by the third-party claims administrator appointed by the Court shall remain as part of the Settlement Proceeds, without refund to Defendants, and without any credit towards the obligation Defendants have to fund the Settlement Proceeds as stated in Paragraphs 3(A)(1) & (2), above.

In granting approval of the Settlement, should the Court alter or modify any portion of the Class Representatives' and Class Counsels' proposal for allocation of the Settlement Proceeds, it shall in no way affect, modify, change, or alter Defendants' obligations for making the payment as stated in Paragraphs 3(A)(1) & (2), above. Further, in the event that any Class Member does not claim issued settlement proceeds, or otherwise receive his/her share of settlement monies, the Class Representatives and Class Counsel will apply to the Court for an equitable redistribution of the proceeds among remaining Class Members, or other appropriate disposal of the remaining monies; in such event, it is specifically understood and

agreed that any such monies will not be reverted to Defendants, and further that Defendants will make no request for such reversion.

D. The Class Representatives and Class Counsel will timely seek preliminary approval and final approval of the Settlement, as directed by the Court. At the time of preliminary approval, Class Counsel will offer a three-part proposed "Notice Packet" for approval, as part of the notice and claims process to Class Members, to include a sample Notice of Pendency, a Claim Form, and Instructions thereto (copies of which are attached as Exhibits "2" through "4" hereto); if further revisions are needed to such documents before they are presented to the Court for approval, Class Counsel will so advise Defendants.

Administration of the Settlement will be conducted by the third-party claims administrator appointed by the Court, with oversight by Class Counsel. At the time of preliminary approval, Class Counsel will propose to the Court that *Rosenthal & Company* be designated the third-party claims administrator. Defendants specifically agree not to contest – directly or indirectly – Class Counsel's proposal to the Court in this regard.

Class Counsel and the claims administrator will be solely responsible for locating Class Members, and will be responsible for verifying and obtaining updated addresses information. Class Counsel and the claims administrator will be solely responsible, under Court supervision, for administration of the Settlement, including, but not limited to: seeking preliminary and final approval; providing notice to Class Members; collecting claims; determining claim shares; and distributing settlement proceeds (including making appropriate withholding for payroll taxes – including but not limited to federal and state income tax, social security, medicare, and/or state disability insurance as required by law – on W-2 wage payments made to Class Members for the amounts to be paid as W-2 wages, and issuing year-end tax statements regarding characterization of all settlement payments made to Class Members).

Defendants have no duties, rights, or responsibilities with regard to administration. Further, all costs of administration will be borne out of the Settlement Proceeds; Defendants have no separate obligation to fund costs of administration. In addition, the employer's share of payroll taxes on any amounts paid as W-2 wages to Class Members will be borne out of the Settlement Proceeds; Defendants have no separate obligation to pay the employer's share of payroll taxes on such amounts.

E. In the event the amounts required to be paid under Paragraphs 3(A)(1) & (2), above, are not tendered by the appointed dates and times, interest will be added, as follows, after written notice to Defendants and a right to cure for three (3) business days following receipt of such notice. If not cured within three (3) business days following receipt of such notice, then beginning on the calendar day following the due date, interest shall begin to accrue on a daily basis at the rate of ten percent (10%) per year on the amount of the payment that is owed, until it is paid. If ten (10) calendar days after the date a particular missed payment was originally due and notice to cure has been sent, Defendants have not paid the payment owed, plus all of the accrued interest owed, it shall be considered a material breach of the Settlement.

In the case of a material breach of the Settlement, due to non-payment, or for any other reason, Class Counsel may seek to cancel, rescind, and unwind the Settlement, including any preliminary and/or final approval thereof. Class Counsel may also apply to the Court for issuance of an appropriate additional monetary penalty – including, but not limited to attorneys’ fees and costs related to such an application – whether or not the particular default has been cured by the time the matter is before the Court.

F. Defendants will not, in any way, make any efforts to dissuade Class Members from making claims, or otherwise participating in the Settlement. As to any of the Class Members who are current employees of Defendants, Defendants (including Defendants’ owners, management, supervisors, etc.) will refrain from discouraging participation in the Settlement and claims process with such employees, and will refrain from discouraging claims or threatening retaliation for such employees’ participation in the Settlement. As to any inquiries by current or former employee Class Members, Defendants will instruct its management and supervisory employees to generally state as follows:

“The company has agreed to settle claims relating to issues of how certain employees were compensated between May of 1998 and December of 2005. These claims are disputed, and the settlement does not mean that the company has admitted it has done anything improper. If you have any questions about the nature of the case or the settlement process, you should call the lawyers who are responsible for handling the settlement, at 619-595-1285.”

G. Defendants specifically agree that this Settlement will be subject to a “blind” claims process. This means that Class Members will be told that if they make

claims, their identities would only be known to the third-party claims administrator appointed by the Court, and Class Counsel. Only if a Class Member makes a separate claim against Defendants for damages that are part of the Class Claims, will Defendants have the right to find out, for defense of the claim, if that particular Class Member had already participated in this Settlement (or failed to timely opt out).

The Parties also agree not to make or issue any statements that would tend to disparage the other, related to the Class Action or the settlement thereof. Further, in the event a prospective employer contacts Defendants regarding the employment history of any of the Class Representatives, Defendants shall respond truthfully to such inquiries, only verifying dates of employment and positions held, or in accordance with regular company policy, and not discuss or mention the Class Representatives' claims against Defendants.

Further, the Class Representatives and Class Counsel agree to keep this Settlement confidential prior to the time of Class Counsel's filing of a preliminary approval motion, and shall not before that time reveal it, or any of its terms to anyone except for spouses, attorneys, tax advisors, *Rosenthal & Company*, and experts. If asked about the status of the Class Action or any dispute related to the First Amended Complaint before a preliminary approval motion is filed, the Class Representatives and Class Counsel may only generally say that a possible settlement of the action is being presented to the Court for approval. Class Counsel further agree that they will not issue any press releases about the Class Action or this Settlement, and will not make any statements to the press concerning the Class Action or this Settlement beyond the information generally contained in papers and pleadings filed with the Court. If a final Judgment is entered, Class Counsel may only report the name of the Plaintiffs in the case and general terms of the settlement on their web-sites – without any mention of the Defendants specifically by name, but are permitted to describe that the nature of the case was against a limousine business – and agree not to seek to publish details with any media outlet. If contacted by any media outlet either before preliminary approval or after a final Judgment is entered, Class Counsel will only report the information generally contained in papers and pleadings filed with the Court and will then refer the media outlet to the appropriate court files or records.

H. The parties consent to the Superior Court of the State of California, County of Los Angeles, Case No. BC 273239, Department 37, The Honorable Joanne O'Donnell, Judge Presiding (or other Judge as may in the future be assigned the case) to retain jurisdiction over the Class Action and this Settlement, in order to enforce its terms, and to resolve any dispute regarding this Settlement. At the time the Court

enters an order of final approval of the Settlement, Class Counsel will ask the Court to "make and enter Judgment" as to the finality of the Settlement in accordance with California Rules of Court, Rule 1859(h); such Judgment will be requested in order to dispose of the Class Action, including the Class Claims as to all Class Members who do not timely request exclusion from the Settlement.

I. Unless an appeal is filed appealing the Judgment referenced in Paragraph 3(H), above, the Judgment shall be considered final sixty-one (61) days after entry of Judgment.² If an appeal is filed, the Judgment shall not be considered final until the appeal is either dismissed or there is final affirmance on appeal of the Judgment, expiration of the time for filing a petition for a writ of certiorari to review the Judgment, or if certiorari is granted, final affirmance of the Judgment following review pursuant to the grant of certiorari. If an appeal is filed, during the pendency of the appeal there shall be no distribution or refund of the Settlement Proceeds as described in Paragraph 3(A) above, until the appeal is resolved; however, Defendants will still be obligated to make the payments described in Paragraph 3(A) above. If an appeal is filed, the Claims Administrator shall maintain the Settlement Proceeds in an interest-bearing account. If an appeal does not unwind, reverse, or otherwise require the trial court to abandon the Settlement, once the Judgment becomes final, Defendants shall not be entitled to any refund of the Settlement Proceeds as described in Paragraph 3(A) above.

No distributions of the Settlement Proceeds shall be made to Class Counsel, the Class Representatives, or any Class Member until the Judgment referenced in Paragraph 3(H), above, has become final. However, following preliminary approval, and pending final approval, the Court-appointed claims administrator and Class Counsel are authorized to expend up to Fifty Thousand Dollars (\$50,000.00) in actual costs related solely to the administration of the Settlement from the first installment payment made by Defendants ("Initial Administrative Costs"). In the event final approval is not granted by the Court, or the Judgment does not become final, all amounts including all accrued interest (other than those Initial Administrative Costs expended up to the date on which final approval is sought, and any costs the Court orders be expended to notify Class Members that the Settlement has not been approved), are fully refundable to Defendants and shall be immediately returned to Defendants which release shall not be opposed by Plaintiffs or Class Counsel.

² Any proceedings, order, or appeal, or petition for a writ of certiorari that pertains solely to the administration of the Settlement Proceeds, or any portion thereof, and/or application for attorneys' fees, costs or expenses, shall not in any way delay or preclude the Judgment from becoming final.

3. In the event that more than twenty-five percent (25%) of the Class Members elect to affirmatively request exclusion – or “opt out” – of the Settlement, Defendants shall have the option to void the Settlement. The date by which Defendants must exercise their option to void the Settlement expires on the twentieth (20th) calendar day following the date on which Defendants receive notice from Class Counsel of the triggering event giving rise to the option to void. In the event the Settlement is voided under this Paragraph and the Settlement is not finally approved by the Court, Defendants will be entitled to immediate reimbursement of all Settlement Proceeds, and all accrued interest from the interest-bearing settlement fund account designated and maintained by the third-party claims administrator, except for actual costs of administration incurred at the time when the Settlement is voided, and any costs expended to notify Class Members that the Settlement has been voided (up to the maximum of \$50,000.00 in Initial Administrative Costs, as stated in Paragraph 3(I), above).

4. In and for the valuable consideration as provided herein, and based on the foregoing items, upon the final approval by the Court of this Settlement Agreement, the Class Members fully release and discharge Defendants, and any and all of their individual and/or collective past, present, and future officers, directors, shareholders, agents, parent companies, subsidiaries, affiliates, predecessors, successors, assigns, employees, attorneys and representatives, and Defendants fully release and discharge the Class Representatives and Class Counsel, and any and all of their individual and/or collective past, present, and future officers, directors, shareholders, agents, parent companies, subsidiaries, affiliates, predecessors, successors, assigns, employees, attorneys and representatives, from any and all claims, debts, liabilities, demands, costs, expenses, attorneys' fees, damages or causes of action which relate to the Class Claims, including, but not limited to, the failure to pay overtime as required by the California Labor Code and any other applicable state law, failure to pay for hours worked, unlawful wage deductions, failure to provide meal and rest periods, failure to provide properly itemized wage statements, failure to timely pay wages upon termination of employment, and the failure to pay penalties which are claimed in the Plaintiffs' First Amended Complaint based on the facts alleged therein. It is specifically understood that nothing in this Settlement shall affect any unemployment insurance, workers' compensation insurance, pension, wrongful termination, discrimination, or other claims or rights of any Class Member not raised by the Class Claims (including wage claims not specifically included in the Class Claims.)

5. The Parties also agree, for their respective selves, principals, agents, representatives, employees, attorneys, successors and assigns that they will abide by this Settlement, which terms are meant to be contractual, and further agree they will do such acts

and prepare, execute and deliver such documents as may be required in order to carry out the purposes and intent of this Settlement.

6. Except as provided elsewhere in this Settlement as to rights and remedies caused by a breach of this Settlement, it is understood and agreed this Settlement shall act as a full and final accord and satisfaction, and as a bar to all Class Claims, whether or not now known. The Parties acknowledge they are familiar with section 1542 of the California Civil Code, which provides as follows:

CERTAIN CLAIMS NOT AFFECTED BY GENERAL RELEASE.

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH DEBTOR.

The Parties expressly waive and relinquish any and all rights and benefits which they may have under, or which may be conferred upon them by the provisions of section 1542 of the California Civil Code, as well as under any other similar state or federal statute, to the fullest extent they may lawfully waive such rights or benefits pertaining to the released Class Claims.

7. The purpose of this Settlement is to accomplish the compromise and settlement of disputed and contested Class Claims (which are specifically denied by Defendants), and to avoid the cost of continuing the Class Action to trial. Nothing in this Settlement shall be construed as a suggestion or admission of any violation of any federal or California statute or wage regulation, or of any other non-compliance with or violation of law, statute or regulation by any Party.

8. This Settlement constitutes the complete and entire written Settlement of compromise, settlement and release by and among the parties hereto, and constitutes the complete expression of the terms of the Settlement for which Court approval will be sought. All previous and/or contemporaneous agreements, representations and negotiations regarding the matters resolved herein are superseded.

9. Each of the Parties acknowledges no other person, nor any attorney of any other person, has made any promise, representation or warranty whatsoever, express or implied, not contained herein, concerning the subject matter hereof, to induce any Party to

execute or authorize the execution of this Settlement, and each Party acknowledges he or she or it has not executed or authorized the execution this Settlement in reliance upon any such promise, representation or warranty not contained herein.

10. Each individual signing this Settlement directly and expressly warrants he/she has been given, and has received and accepted, authority to so sign and execute the documents on behalf of the Party for whom it is indicated he/she has signed, and further, has been expressly given, and received and accepted, authority to enter into a binding agreement on behalf of such Party, with respect to the matters contained herein and stated herein.

11. The terms of this Settlement can only be amended or modified by a writing, signed by duly authorized representatives of all of the Parties, expressly stating such modification or amendments is intended, and subject to Court approval.

12. If any provision of this Settlement is found to be illegal or unenforceable, then any such provision shall be deemed stricken and the remaining provisions thereof shall, nevertheless, remain in full force and effect. In the event of a breach, this Settlement may be specifically enforced.

13. Waiver of any one breach of any provision of this Settlement shall not be deemed a waiver of any other breach of any provision of this Settlement.

14. Each of the Parties and their counsel have reviewed and revised this Settlement, and the normal rule of construction to the effect any ambiguities in an agreement are to be resolved against the drafting party shall not be employed in the interpretation of this Settlement. Each of the Parties represents and warrants the attorney approving this Settlement as to form on his or its behalf is the attorney employed by him or it to represent him or it with respect to this Settlement, and all matters covered by and related to them, and he or it has been fully advised by said attorneys with respect to his or its right and obligations as to the execution of this Settlement. The Parties declare they know and understand the contents of this Settlement, and they have executed the same voluntarily.

15. Each of the Parties shall be responsible for his or her or its own attorney's fees, costs and other legal expenses incurred in connection with the Class Action and this Settlement, and all matters related thereto, except: (i) as otherwise specifically provided in this Settlement; and (ii) in the event any Party defaults in any duty or obligation required by this Settlement, or in the event any proceeding arises regarding the enforcement or interpretation of this Settlement, the prevailing Party(ies) shall be entitled to collect reasonable attorneys' fees and costs related thereto.

16. All Parties executing this Settlement agree that any signatures by fax and/or copies of signatures shall be deemed valid and binding. All original signatures are to be provided to Class Counsel. This Settlement may also be executed in counterparts.

17. Time is of the essence in this Settlement.

18. By their signatures below, Class Counsel are entering into this Settlement on behalf of the Class Representatives and on behalf of the individual Class Members, subject to the Court's approval of the Settlement.

19. This Settlement will survive the entry of judgment and/or dismissal of the Class Action referenced herein.

IN WITNESS WHEREOF, the Parties have executed this Settlement as of the dates indicated below on the following signature pages:

SIGNATURES ON THE FOLLOWING THREE (3) PAGES

Signatures By Class Representatives & Class Counsel:

Dated: _____

Ronald Prince

Dated: _____

Thomasina Lawrence

Dated: _____

Michael L. Gleaton

Pope, Berger & Williams, LLP

Dated: _____

By: _____
Timothy G. Williams

Law Office of David A. Mallen

Dated: _____

By: _____
David A. Mallen

Law Offices of David W. Affeld

Dated: _____

By: _____
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

Signatures By Defendants & Defense Counsel (1 of 3):

CLS Transportation, Inc.

Dated: _____

By: _____

Charles Horky

Title: _____

Approved as to Form and Content:

Epstein, Turner & Song, APC

Dated: _____

By: _____

Lawrence J. Song

Attorneys for Defendants CLS

Transportation, Inc., and Charles Horky

SIGNATURES CONTINUED ON THE FOLLOWING PAGE

Page 15 of 17

TERMS OF CLASS ACTION SETTLEMENT AS THE BASIS FOR COURT APPROVAL
(Prince v. CLS)

Signatures By Defendants & Defense Counsel (2 of 3):

CLS Worldwide Services, LLC

Dated: _____ By: _____
Printed Name: _____
Title: _____

CLS Transportation San Francisco, LLC

Dated: _____ By: _____
Printed Name: _____
Title: _____

CLS Transportation Los Angeles, LLC

Dated: _____ By: _____
Printed Name: _____
Title: _____

Approved as to Form and Content:

Grotta, Glassman & Hoffman, P.C.

Dated: _____ By: _____
David F. Faustrman
*Attorneys for Defendants CLS Worldwide
Services, LLC, CLS Transportation San
Francisco, LLC, and CLS Transportation
Los Angeles, LLC*

SIGNATURES CONTINUED ON THE FOLLOWING PAGE
Signatures By Defendants & Defense Counsel (3 of 3):

Approved as to Form and Content:

Cole, Schotz, Meisel, Forman & Leonard, PA

Dated: _____

By: _____

*Leo V. Leyva, Esq.
Attorneys for Defendants CLS Worldwide
Services, LLC, CLS Transportation San
Francisco, LLC, and CLS Transportation
Los Angeles, LLC*

Signatures By Class Representatives & Class Counsel:

Dated: 8/3/06

Ronald Prince
Ronald Prince

Dated: _____

Thomasina Lawrence

Dated: _____

Michael L. Gleaton

Pope, Berger & Williams, LLP

Dated: _____

By: _____
Timothy G. Williams

Law Office of David A. Mallen

Dated: _____

By: _____
David A. Mallen

Law Offices of David W. Affeld

Dated: _____

By: _____
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

Signatures By Class Representatives & Class Counsel:

Dated: _____

Ronald Prince

Dated: _____

Thomasina Lawrence

Thomasina Lawrence

Dated: _____

Michael L. Gleaton

Pope, Berger & Williams, LLP

Dated: _____

By: _____
Timothy G. Williams

Law Office of David A. Mallen

Dated: _____

By: _____
David A. Mallen

Law Offices of David W. Affeld

Dated: _____

By: _____
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

Page 14 of 17

TERMS OF CLASS ACTION SETTLEMENT AS THE BASIS FOR COURT APPROVAL
(Prince v. CLS)

Signatures By Class Representatives & Class Counsel:

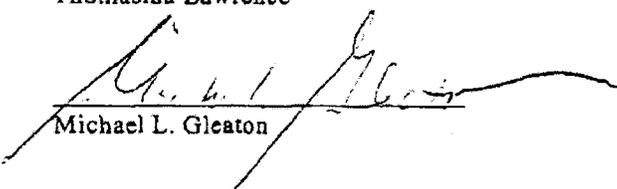
Dated: _____

Ronald Prince

Dated: _____

Thomasina Lawrence

Dated: 7/28/06



Michael L. Gleaton

Pope, Berger & Williams, LLP

Dated: _____

By: _____
Timothy G. Williams

Law Office of David A. Mallen

Dated: _____

By: _____
David A. Mallen

Law Offices of David W. Affeld

Dated: _____

By: _____
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

Signatures By Class Representatives & Class Counsel:

Dated: _____

Ronald Prince

Dated: _____

Thomasina Lawrence

Dated: _____

Michael L. Gleaton

Pope, Berger & Williams, LLP

Dated: 08/21/20

By: *Timothy G. Williams*
Timothy G. Williams

Law Office of David A. Mallen

Dated: _____

By: _____
David A. Mallen

Law Offices of David W. Affeld

Dated: _____

By: _____
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

Signatures By Class Representatives & Class Counsel:

Dated: _____

Ronald Prince

Dated: _____

Thomasina Lawrence

Dated: _____

Michael L. Gleaton

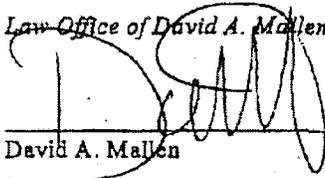
Pope, Berger & Williams, LLP

Dated: _____

By: _____
Timothy G. Williams

Law Office of David A. Mallen

Dated: 8/3/06

By: 
David A. Mallen

Law Offices of David W. Affeld

Dated: _____

By: _____
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

AUG 15. 2006 1:16PM

BERGER, WILLIAMS

NO. 2676 P. 2

Signatures By Class Representatives & Class Counsel:

Dated: _____

Ronald Prince

Dated: _____

Thomasina Lawrence

Dated: _____

Michael J. Gleaton

Pope, Berger & Williams, LLP

Dated: _____

By: _____
Timothy G. Williams

Law Office of David A. Mallen

Dated: _____

By: _____
David A. Mallen

Law Offices of David W. Affeld

Dated: August 15, 2006

By: *D. W. Affeld*
David W. Affeld

SIGNATURES CONTINUED ON THE FOLLOWING TWO (2) PAGES

Signatures By Defendants & Defense Counsel (1 of 3):

CLS Transportation, Inc.

Dated: Aug. 10th. 2006
1715 EDT.

By: *Charles Horky*
Charles Horky
Title: *President*

Approved as to Form and Content:

Epstein, Turner & Song APC

Dated: 8/11/06

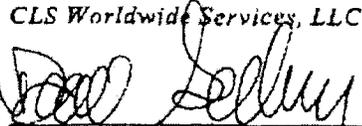
By: *[Signature]*
Lawrence J. Song
Attorneys for Defendants CLS
Transportation, Inc., and Charles Horky

SIGNATURES CONTINUED ON THE FOLLOWING PAGE

Signatures By Defendants & Defense Counsel (2 of 3):

CLS Worldwide Services, LLC

Dated: 8/10/06

By: 

Printed Name: David Seelinger
Title: Chairman & CEO

CLS Transportation San Francisco, LLC

Dated: 8/10/06

By: 

Printed Name: David Seelinger
Title: Chairman & CEO

CLS Transportation Los Angeles, LLC

Dated: 8/10/06

By: 

Printed Name: David Seelinger
Title: Chairman & CEO

Approved as to Form and Content:

Grotta, Glassman & Hoffman, P.C.

Dated: _____

By: _____

David F. Faustman
Attorneys for Defendants CLS Worldwide Services, LLC, CLS Transportation San Francisco, LLC, and CLS Transportation Los Angeles, LLC

Signatures By Defendants & Defense Counsel (2 of 3):

CLS Worldwide Services, LLC

Dated: _____

By: _____

Printed Name: _____

Title: _____

CLS Transportation San Francisco, LLC

Dated: _____

By: _____

Printed Name: _____

Title: _____

CLS Transportation Los Angeles, LLC

Dated: _____

By: _____

Printed Name: _____

Title: _____

Approved as to Form and Content:

Grotta, Glassman & Hoffman, P.C.

Dated: 8/10/06

By: 

*Nima Shivay, for
David Faustman*

David F. Faustman
Attorneys for Defendants *CLS Worldwide Services, LLC, CLS Transportation San Francisco, LLC, and CLS Transportation Los Angeles, LLC*

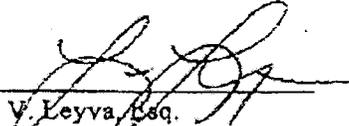
SIGNATURES CONTINUED ON THE FOLLOWING PAGE

Signatures By Defendants & Defense Counsel (3 of 3):

Approved as to Form and Content:

Cole, Schotz, Meisel, Forman & Leonard, PA

Dated: Aug 9, 2006

By: 

Leo V. Leyva, Esq.
Attorneys for Defendants CLS Worldwide Services, LLC, CLS Transportation San Francisco, LLC, and CLS Transportation Los Angeles, LLC

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
1	Abbott	Jules	
2	Abrakasa	Boghabofa	
3	Adler	Philippe	
4	Albani	Michael	A
5	Allen	Bryant	
6	Alonzo	Saul	
7	Altshul	Jimmy	
8	Amado	Fernando	
9	Anderson	Emil	
10	Anderson	James	F
11	Anderson, Jr	Carl	
12	Apolonio	Eric	
13	Arakelian	Artur	
14	Araya	Ephrem	
15	Asch	Jeffrey	
16	Asgari	Saeed	
17	Axinte	Daniel	
18	Babakhanian	Vagik	
19	Baker	Jessica	A
20	Baker	Shawn	
21	Ball	Ronnie	R
22	Balmontes	Arthur	
23	Balzer	Todd	A
24	Barillas	Fabrizio	
25	Baroth	Alfred	C
26	Barquero	Eduardo	
27	Basinger	Paul	
28	Belmar	Alvaro	
29	Benavente	Michael	
30	Benjamin	Ricky	
31	Bennett	Anthony	
32	Bennett, Jr	Charles	H
33	Bennette	Charles	
34	Benoit	Bum	
35	Berminzon	George	
36	Bisquerti	Carlos	F
37	Blackerby	Martha	
38	Blackwell	Richard	L
39	Bonner	Tyesha	
40	Booker	Eunice	
41	Bowie	Randy	
42	Bowles	Jon	
43	Boychuk	Cody	

Ex 3-A /

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
44	Boydsmith	Timothy	
45	Breslow	Lisa	R
46	Bridges	A. J.	
47	Brown	Adrian	
48	Brown	Matthew	
49	Brown	Michael	
50	Bryant	Dana	B
51	Buggage	Dwayne	
52	Burga	Sandra	
53	Burton	Paige	
54	Butler	Warren	
55	Caldwell	James	
56	Camera	Emilio	C
57	Caneia	Jorge	L
58	Capote	Juan	
59	Carter	Demital	
60	Cartwright, Jr	David	
61	Casper	Shawn	
62	Castellanos	Victor	R
63	Castillo	Candido	R
64	Chamichian	Robert	
65	Chapple	Darren	
66	Charles	Vance	
67	Cheeks	Anthony	
68	Christopher	Kelly	G
69	Chung	Kevin	
70	Claiborne	Glen	
71	Cleary	Daniel	F
72	Clegg	Albert	
73	Coleman	Annette	
74	Collins	Keith	
75	Cook	William	L
76	Cooper	Leo	
77	Cooper	Mark	
78	Copes, Jr	Felix	
79	Coyle	Ian	
80	Crawley	Bayard	
81	Crudupt	Rolf	
82	Crum	Stephen	
83	Curran	James	P
84	Dadayan	Robert	
85	Dalton	David	J
86	Danilan	Eduardo	M

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
87	Daukas	Christine	
88	Davis	Paul	E
89	Davis	Teri	
90	Davison	Brendan	
91	Dawson	Terry	C
92	De Saracho	Ricardo	
93	Dean	Glendoria	
94	Deaves	Martin	
95	Deloney, Jr	David	
96	Demnings	John	
97	Denison	James	
98	Desy	Bradley	
99	Deweldon	Daniel	
100	Dewyer	Julie Ann	
101	Dixon	John	
102	Dixon	Mark	
103	Dixon	Roger	
104	Dotseth	Christopher	A
105	Doud	Christopher	
106	Douglas	Ted	R
107	Dryden	Patrick	
108	Dubuy	Frank	G
109	Duda	John	
110	Dugan	James	
111	Duncan	Craig	
112	Dyer	Patrick	
113	Eagans	Michele	
114	Earnshaw	Luis	
115	Edmondson	Eve	
116	Eivaziantabrizi	Homayak	
117	Escobar	Enrique	J
118	Essex	Larry	
119	Eyolfson	Kristopher	
120	Fedorko	Yuri	
121	Felton	John	
122	Fields	Charles	
123	Fields	Rufus	
124	Figeac	Mario	E
125	Fisher	Darrell	
126	Fisher	London	
127	Ford	Glenn	
128	Foreman III	James	H
129	Forys	Kelly	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
130	Friz	Juan	
131	Furtado	Ozzy	A
132	Gagatchian	Paul	
133	Gaither	Christopher	
134	Gallas	Christopher	S
135	Galstyan	Hamlet	
136	Galvan	Eugene	
137	Gambing	Henry	M
138	Garagossyan	Edmond	
139	Garcia	Michael	
140	Garcia III	Angelo	G
141	Garrett	Marc	
142	Georgopoulos	James	
143	Gerlach	Jocelyne	
144	Gin	Antonio	A
145	Gleaton	Michael	L
146	Gleaton	Tony	
147	Glenn	Andrea	
148	Godzhik	Konstantin	
149	Gofuku	Yutaka	
150	Goitom	Ermias	
151	Goodrich	Charles	
152	Goren	Jay	
153	Gottlieb	Kenneth	
154	Gouzy	Herman	
155	Granda	Paul	
156	Grays	Lamont	
157	Green	James	
158	Greene	Gerald	
159	Gullikson	Grant	
160	Harding	Marla	
161	Hardwick	David	
162	Harper	Ronald	
163	Harris	Jeffery	
164	Harris	Reginald	
165	Harris	Robert	
166	Harris	Traci	
167	Harrison	Howard	
168	Harrison	Lauret	M
169	Harrison	Phillip	
170	Hartman	Mark	
171	Hauptman	Stewart	
172	Heinrich	Bruce	E

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
173	Henry	Charles	
174	Hepburn	Shaun	
175	Hernandez	Javier	
176	Hernandez	Jose	J
177	Hickey	Phillip	
178	Hicks	David	
179	Hill	Calvin	
180	House	Skip	
181	Hughes	Thomas	D
182	Ikner	Wayne	
183	Infante	Patrick	
184	Isleta	John	
185	Jackson	Climuel	J
186	Jacobs	Seth	
187	Jennings	Patrick	
188	Jiminez	Rizalino	
189	Jobin	Theodore	
190	Johnson	Charles	
191	Johnson	John	
192	Johnson	Kevrette	
193	Johnson	Peter	M
194	Johnson	Sabrina	
195	Johnson	Sean	
196	Jones	Bee Jay	
197	Jones	Harold	G
198	Jordan	Daniel	J
199	Joseph	Garry	
200	Juarez	Israel	
201	Jurgensen	Jeffrey	
202	Karch	Joseph	
203	Kebe	Pape	M
204	Keller	Mark	
205	Kelly	Al	
206	Kelly	Corinthian	D
207	Kezra	Israel	
208	Kimbley	Mark	
209	Kitakaze	Mitsunori	
210	Kitawura	Raymond	
211	Klink	Bradley	
212	Klucken	Brian	J
213	Kochar	Yuri	
214	Kouvacs	Klaudia	
215	Kramer	Ross	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
216	Lamphear	Gregory	P
217	Landry	Herman	
218	Lane	Raymond	
219	Larson	Jayne Amelia	
220	Larson	Senga	
221	Lawrence	Phillip	
222	Lawrence	Thomasina	
223	Lazaroff	Richard	
224	Lazyan	Pogos	
225	Leal	Jesse	Y
226	Lee	Alan	M
227	Lee	Don	
228	Lefebure	Stephen	
229	Legree	William	
230	Leider	Paul	
231	Leon	Richard	
232	Leuca	Vaslie	
233	Levy	Murray	H
234	Lewis	Robert	
235	Lewis	Samuel	
236	Lewis	Stacey	
237	Logwood	Casey	
238	Lomack	Deron	
239	Long	Gerald	
240	Lucchesi	Robert	
241	Lucente	Dominick	J
242	Luna	Joe	
243	Luri	Erika	
244	Lyons	Errol	
245	Lyons	Michael	
246	Lyons	Monique	
247	Maciel	Francisco	F
248	Mahan	Garner	
249	Mai	Shawn	
250	Maiorescu	Raymond	
251	Maldonado	German	
252	Mallon	Douglas	
253	Manchen	Norm	
254	Manzano	Alan	J
255	Marche	Daniel	
256	Marcina	Gordon	
257	Marquez	Teresa	
258	Marsicano	Henry	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
259	Martin	Christopher	
260	Martinez	Gabriel	A
261	Marzillo	Glen	
262	Mason	Brenda	
263	Mattos	Alexander	
264	Mayeda	Kimiko	
265	McAleese	Thomas	D
266	McColum	Michael	
267	McCown	Thomas	
268	McIntyre	Byron	
269	McMillan	Brent	
270	Mejia	Mario	
271	Mesta	Juan	
272	Michel	Lounie	
273	Mikkelsen	Thomas	
274	Miller	Glenn	
275	Miller	Marcus	
276	Millington	Daniel	
277	Mitchell	Paul	D
278	Mohammedi	Ali	
279	Molina	Donald	R
280	Montoya	Art	A
281	Moore	Michael	A
282	Moore	Michael	B
283	Moreno	Edgar	
284	Moriarty	Elliott	M
285	Moronen	Jon	
286	Morov	Patti	
287	Morrison	Jeffrey	
288	Muller	Detlef	
289	Mulligan	Ronald	
290	Murphy	Anthony	
291	Murphy	Mark	
292	Murphy	Thomas	C
293	Myles	Anthony	W
294	Naylor	Samuel	T
295	Noden	Ross	H
296	Nugent	Michael	H
297	Nunez	Jose	R
298	Obanessian	Daniel	
299	Olmedo	Robert	
300	Owens	Robin	
301	Padilla	Andrew	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
302	Page	Jeff	
303	Pagsolingan	Mark	
304	Painter	Justin	
305	Palumbo	Steve	
306	Parry, Jr	William	
307	Paulson	Bruce	
308	Payton	Lawrence	
309	Perrotta	Michael	
310	Perry	Leroy	
311	Perry	Sheila	
312	Peterson	Mark	
313	Pettaway	Frederick	
314	Phalon	Chris	
315	Phelps	Beatrice	
316	Phillips	Matthew	
317	Pineda	Frank	
318	Popa	Marius	
319	Popiansky	Samuel	
320	Porillo	Wilber	
321	Portalatin Zamont	Edgardo	
322	Portales	Helberth	
323	Poursafor	Abdollah	S
324	Powell	Bradley	
325	Price	George	
326	Prince	Ronald	
327	Quillard	Robert	F
328	Rambo	Al	
329	Ramirez	Scott	A
330	Ramos	Jairo	O
331	Randall	Timothy	
332	Rea	Luis	X
333	Resmer	Stewart	
334	Richmond	James	
335	Ridgeway	Lloyd	G
336	Rish	Darrell	
337	Rivlin	Joel	
338	Roberson	Gavin	C
339	Roberts, Jr	Frederick	
340	Robertson	Ernest	
341	Robinson	Derric	
342	Robinson	Russell	
343	Rodriguez	Serafin	
344	Rohling	David	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
345	Rohrer	David	
346	Rose	Gary	
347	Roski	Andrew	I
348	Rozanis	Samuel	
349	Rudoy	Igor	
350	Russ	Michael	
351	Salazar	Reynaldo	
352	Sanchez	Monica	
353	Santchi	Steve	
354	Satterfield	John	M
355	Sawilki	Jennifer	
356	Schecter	Steven	
357	Schill	Axel	
358	Schultz	Robert	M
359	Schwartz	Julio	
360	Scott	Jonathan	R
361	Scott	Mark	
362	Scott	Paul	
363	Seegrove	Franco	
364	Segerblom	Lynn	
365	Selwyn	Myron	A
366	Seraidarian	Tony	V
367	Settle	Jason	A
368	Shackelford	Kirk	
369	Shafer	Brian	
370	Shalumov	Merab	
371	Shell	Thomas	R
372	Shorts	Charles	
373	Shum	Gregory	
374	Siegal	Charles	
375	Siegel	Nicholas	
376	Silva	Flavio	B
377	Silver	Robert	A
378	Simpson	Mike	
379	Singh	Gurinderjit	
380	Siqueira, Jr	Edmar	
381	Skeikh	Shahid	
382	Skelley	Steven	
383	Slater	Roberto	
384	Smiley	John	R
385	Smith	Bradford	
386	Smith	Curtasha	
387	Smith	Eric	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
388	Smith	Tosca	
389	Snodgrass	Robert	
390	Snyder	Mary Kay	
391	Sorensen	Chris	
392	Spears	Joseph	
393	Spence	Colette	
394	Squires	Thomas	
395	Srednii	Vladimir	
396	Srichandr	Tanin	
397	Stanton	Roy	
398	Stevenson	Ian	
399	Stith	Michael	
400	Stout	Donald	
401	Sulaka	Basil	
402	Sunderland	William	H
403	Tahiri	Mohamed	
404	Tavitian	Agaron	
405	Taylor	Robert	
406	Telesio	Eugene	
407	Temple	John	
408	Tennien	Marc	
409	Terranova	Ross	
410	Thomas	Johnny	
411	Thompson	Marvin	C
412	Tiongson	Arthur	
413	Torres	Sergio Ivan	
414	Towne	Norman	
415	Tselner	Matvey	
416	Tuohy	Kevin	
417	Tweduary	Mars	
418	Underkofler	Dylan	
419	Urbina, Jr	Thomas	
420	Uusikerttula	Timo	
421	Uyoen	David	
422	Vail	James	
423	Vardi	Ron	
424	Vargas	Federico	
425	Vaughn	Michael	
426	Veliz	Louis	
427	Ventura	Desiree	
428	Vergo	John	
429	Vitug	Aaron	
430	Vollbrecht	John	

Ronald Prince, et al. v. CLS Transportation, Inc., et al.

Final Class List

<u>No.</u>	<u>Last Name</u>	<u>First Name</u>	<u>M.I.</u>
431	Wagner	Monica	A
432	Waller	Robyn	
433	Walton	Anthony	
434	Wanandar	Ngiwi	
435	Warren	Brad	
436	Washington	Charles	
437	Wason	Eric	
438	Weakley	Wade	
439	Weiner	Justin	M
440	Weisenfeld	Brett	
441	Welles	Jeff	
442	Wells	Terry	L
443	Whiteley	Greg	
444	Widmer	Joseph	
445	Wilks	Peter	
446	Williams	Andre	
447	Williams	Oscar	
448	Winters	Anthony	
449	Wong	Fred	K
450	Wright	Ernie	
451	Yamaguchi	Angie	
452	Yamasaki	Paul	
453	Yaszay	Burt	
454	Yau	Chai Cheng	
455	Zackery	Tracy	
456	Zilberglit	Aleksey	
457	Zipser	Dieter	

EXHIBIT H

311

FILED

LOS ANGELES SUPERIOR COURT

DEC 19 2006

JOHN A. CLARKE, CLERK

BY CAROLE A. PRESCOTT, DEPUTY

REC'D
DEC 03 2006
FILING 11:10 AM

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF LOS ANGELES**

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RONALD PRINCE, THOMASINA
LAWRENCE, and MICHAEL L. GLEATON,
individually, and on behalf of all other
similarly situated current and former
employees of Defendants in the State of
California,

Plaintiffs,

v.

CLS TRANSPORTATION, INC., a
California corporation; CHARLES HORKY,
an individual; CLS WORLDWIDE
SERVICES, LLC, a Delaware business entity;
CLS TRANSPORTATION SAN
FRANCISCO, LLC, a Delaware business
entity; CLS TRANSPORTATION LOS
ANGELES, LLC, a Delaware business entity;
and DOES 1 through 100 inclusive,

Defendants.

Case No. BC 273239

Judge: Hon. Joanne O'Donnell
Dept.: 37

Hearing on Motion for Final Approval
of Class Action Settlement [Unopposed]:

Date: December 19, 2006
Time: 9:00 a.m.
Judge: Hon. Joanne O'Donnell
Dept.: 37

**[PROPOSED] ORDER GRANTING
PLAINTIFFS' MOTION FOR FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT**

[California Rules of Court, rule 1859]

Complaint Filed: May 2, 2002
Trial Date: March 14, 2007

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On Tuesday, December 19, 2006, in Department 37 of the Superior Court of the State of California, County of Los Angeles, Plaintiffs' Motion for an Order of Final Approval of Class Action Settlement, pursuant to the California Rules of Court, Rule 1859, came for consideration before this Court. The Court now makes the following findings and orders in approving that motion.

FINDINGS

After full consideration of the moving papers, written comment permitted of Defendant, oral

1 presentation and arguments of the parties, such other and further evidence submitted for
2 consideration, and the remaining papers and pleadings currently on file in this action, it appears to
3 the satisfaction of this Court, and the Court now so finds, that Plaintiffs' Motion for Final Approval
4 of Class Action Settlement is proper and meritorious, was brought and maintained in good faith, and
5 should be **GRANTED** in its entirety.

6 The Court further finds that the parties' fully executed settlement agreement presented to the
7 Court for approval on August 28, 2006, executed by and between Named Plaintiffs RONALD
8 PRINCE, THOMASINA LAWRENCE, and MICHAEL L. GLEATON (on behalf of themselves,
9 and on behalf of the Class Members), and Defendants CLS TRANSPORTATION, INC., CLS
10 WORLDWIDE SERVICES, LLC, CLS TRANSPORTATION SAN FRANCISCO, LLC, and CLS
11 TRANSPORTATION LOS ANGELES, LLC (submitted as Plaintiffs' Exhibits "2" and "2-A" to
12 the Motion for Preliminary Approval—hereinafter, "the Settlement Agreement"), is appropriate, and
13 falls within the range of reasonableness to be finally approved as the terms of settlement of this
14 action (hereinafter, "Class Action").

15 The Court further finds that the "Sample" versions of the proposed "Notice of Pendency and
16 Settlement of Class Action for Certain Employees of 'CLS Transportation' in California,"
17 "Instructions to Class Member Claim Form," and "Class Member Claim Form" (submitted as
18 Plaintiffs' Exhibits "4," "5," and "6" to the Motion for Preliminary Approval, respectively), which
19 were each specifically approved for use in the settlement hereof by the Court's August 28, 2006,
20 Preliminary Approval Order, and which were actually used by the Claims Administrator, were
21 reasonable and appropriate to give notice to Class Members regarding the Class Action and
22 settlement thereof.

23 The Court further finds that the method and manner of providing notice to Class Members
24 by the Claims Administrator fulfilled the obligations to provide reasonable and appropriate notice
25 to Class Members of the terms and conditions of the settlement of the Class Action, and of the
26 opportunity to participate, object, or request exclusion therefrom.

27 The Court further finds that the one hundred eighty-nine (189) Class Members identified as
28 having filed valid claims (which is comprised of one hundred eighty-six (186) claimants, plus the

1 three (3) Named Plaintiffs who were not required to file formal claims, per this Court's August 28,
2 2006, Preliminary Approval Order) in the final approval motion and supporting papers should have
3 their claims allowed as valid, for the reasons set forth in the Motion for Final Approval and
4 supporting papers and pleadings, and arguments of counsel.

5 The Court further finds that the eight (8) Class Members identified as "late" and/or
6 "deficient" claimants in the final approval motion and supporting papers should have their claims
7 allowed as valid, for the reasons set forth in the Motion for Final Approval and supporting papers
8 and pleadings, and arguments of counsel.

9 The Court further finds that Class Member Ngiwi Wanandar, having timely and properly
10 requested exclusion from the class settlement, should be excluded from the Class Action and
11 settlement thereof, and be without any further rights, remedies, or obligations as it pertains to this
12 action, and the settlement hercof.

13 The Court further finds that, for the reasons set forth in the Motion for Preliminary Approval,
14 Motion for Final Approval, and all supporting papers and pleadings, and no objections having been
15 made, the Named Plaintiffs shall be awarded the requested Fee Enhancements, for their
16 representation of Class Members.

17 The Court further finds that, for the reasons set forth in the Motion for Preliminary Approval,
18 Motion for Final Approval, and all supporting papers and pleadings, and no objections having been
19 made, *Rosenthal & Company* shall continue to act as Claims Administrator to assist Class Counsel
20 with administration of the settlement, and shall collect its fees for its claims administration services,
21 up to the maximum amount of its estimated costs.

22 The Court further finds that, for the reasons set forth in the Motion for Preliminary Approval,
23 Motion for Final Approval, and all supporting papers and pleadings, and no objections having been
24 made, *Pope, Berger & Williams, LLP, Law Office of David A. Mallen, and Law Offices of David W.*
25 *Affeld* shall continue to act as Class Counsel for the purposes of accomplishing and effectuating the
26 terms of the Settlement Agreement, and shall be awarded their requested attorneys' fees and costs,
27 having expended a reasonable number of hours at reasonable hourly rates in prosecution of this
28 action, and having expended a reasonable amount of costs in prosecution of this action to achieve

UNIT SCORING A

1 the positive results obtained through the settlement of the Class Action.

2 **ORDERS**

3 IT IS THEREFORE ORDERED that the parties' fully executed Settlement Agreement is
4 hereby finally approved as the terms of settlement of this Class Action, as a full and final resolution
5 of all "Class Claims" as described in the Settlement Agreement.

6 IT IS FURTHER ORDERED that the Class Members identified on the "Final Class List"
7 (submitted as Plaintiffs' Exhibits "3" and "3-A" to the Motion for Preliminary Approval) which was
8 supplied by Defendants, are the final four hundred fifty-seven (457) individuals for whose benefit
9 the Class Action has been certified and settled and now finally approved, for the purposes of
10 accomplishing and effectuating the settlement presented to the Court in Motions for Preliminary and
11 Final Approval, with the exception of Class Member Ngiwi Wanandar, whose exclusion request was
12 properly made. On that basis, Ngiwi Wanandar shall be and is now excluded from the Class Action
13 and settlement thereof, and is without any further rights, remedies, or obligations as it pertains to
14 this action, and the settlement hereof, leaving the Class at four hundred fifty-six (456) individuals.

15 IT IS FURTHER ORDERED that the one hundred eighty-nine (189) Class Members whose
16 claims were valid, identified as "timely and complete," as within the parameters of this Court's
17 August 28, 2006, Preliminary Approval Order (inclusive of the three (3) Named Plaintiffs RONALD
18 PRINCE, THOMASINA LAWRENCE, and MICHAEL L. GLEATON, who did not otherwise need
19 to file a formal claim in order to receive their claim shares, also as per the Court's August 28, 2006,
20 Preliminary Approval Order), shall and now will have their claims allowed as valid, for the reasons
21 set forth in the Motion for Final Approval and supporting papers and pleadings, and arguments of
22 counsel.

23 IT IS FURTHER ORDERED that the eight (8) Class Members identified as "late" and/or
24 "deficient" claimants in the final approval motion and supporting papers shall and now will also
25 have their claims allowed as valid, for the reasons set forth in the Motion for Final Approval and
26 supporting papers and pleadings, and arguments of counsel; on that basis, the Court approves of a
27 total of one hundred ninety-seven (197) valid claims.

28 IT IS FURTHER ORDERED that those 197 individuals (identified by encoded numbers,

1 IT IS FURTHER ORDERED that for the reasons set forth in the Motion for Final Approval,
2 and supporting papers and pleadings, and as stated in the Settlement Agreement, at Paragraph
3 3(A)(2), Defendants are ordered to pay the balance of the Settlement Proceeds, SEVEN
4 HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00), within seven (7) business days
5 following the date of entry of this Order. Such payment shall be made by wire transfer to an
6 interest-bearing settlement fund account designated and maintained by *Rosenthal & Company*. The
7 wire transfer payment must be received by 4:00 p.m. Pacific Standard Time on the due date.

8 IT IS FURTHER ORDERED that the "Specific Terms of Settlement," as stated in Part II
9 of the Settlement Agreement regarding distribution of the \$1,000,000.00 (plus accrued interest) in
10 Settlement Proceeds (at pp. 4-5 thereof, as defined therein, and among other provisions described
11 therein), and as proposed in the Motions for Preliminary and Final Approval, are hereby finally
12 approved, to include the following:

- 13 (1) the three Named Plaintiffs will each receive reasonable Fee Enhancements
14 for their representation of Class Members, in addition to their respective
15 claim shares, in the amount of \$20,000.00 each, at the time when
distributions are made to all Class Members;
- 16 (2) Payment to *Rosenthal & Company* for actual work performed directly related
17 to the settlement, claims process, and distribution of settlement proceeds, will
be made, up to the maximum of \$53,900.00, at the time when the claims
funds is ready to be closed;
- 18 (3) Class Counsel shall be paid \$333,333.00 as attorneys' fees; such payment
19 shall be made by *Rosenthal & Company* upon request by Class Counsel, but
no earlier than the date on which this Order and separate Judgment thereon
20 become final as described in Paragraph 3(I) of the Settlement Agreement
(that is, if no appeal is filed within sixty-one (61) days of the date of entry of
the Judgment);
- 21 (4) Class Counsel shall be reimbursed for all of their actual out-of-pocket costs
22 incurred and advanced in this case, subject to a final accounting to the Claims
Administrator at the time such payment is made; such payment shall be made
23 by *Rosenthal & Company* upon request by Class Counsel, but no earlier than
the date on which this Order and separate Judgment thereon become final as
24 described in Paragraph 3(I) of the Settlement Agreement (that is, if no appeal
is filed within sixty-one (61) days of the date of entry of the Judgment); and
- 25 (5) the balance of approximately \$520,000.00 (to be finally ascertained by
26 *Rosenthal & Company* at the time of distribution, accounting for all
adjustments upon a final administrative accounting), will be paid to Class
27 Members, consistent with the proposal for distribution of settlement proceeds
as detailed in Plaintiffs' Memorandum of Points and Authorities in support
28 of the Motion for Final Approval of Class Action Settlement. Such payments

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FINAL APPROVAL

shall be made by *Rosenthal & Company* as soon as practicable after the date on which this Order and separate Judgment thereon become final as described in Paragraphs (I) of the Settlement Agreement (that is, if no appeal is filed within sixty-one (61) days of the date of entry of the Judgment), with sixty percent (60%) of said monies to be paid as "W-2" wage payments to all Class Members who file valid claims (inclusive of appropriate amounts for the payment of the employer's share of payroll taxes on such W-2 wage payments to Class Members) for alleged wages owed, and with the balance of forty percent (40%) distributed to claiming Class Members as 1099 income as re-payment for alleged interest and penalties owed.

IT IS FURTHER ORDERED that, Defendant CHARLES HORKY, an individual named as a defendant in the Class Action, but who is not a party to the Settlement Agreement, and who was agreed by all counsel to be dismissed from the action at this time, is now DISMISSED WITH PREJUDICE as a defendant from the Class Action.

IT IS FURTHER ORDERED that all other dates on the Court's calendar, including but not limited to the March 14, 2007 Trial date, are hereby VACATED.

IT IS FURTHER ORDERED that, in accordance with California Rules of Court, rule 1859(h), which requires the Court "make and enter judgment" upon approving of the settlement, the Court will enter a separate Judgment upon the entry of this Order approving the Settlement Agreement. Further, as also required by rule 1859(h), this Court will retain jurisdiction over the parties to enforce the terms of the Settlement Agreement and the Judgment. In that regard, the following Scheduling Order shall apply for post-Judgment case management and administration:

A further hearing regarding the claims process and closure of the claims fund shall be set for July 18, 2007, at 9:00 AM. *Rosenthal & Company* shall prepare a final administrative report before that hearing, to ensure that all funds have been distributed in accordance with this Order. Class Counsel shall advise the Court and Defendants' counsel regarding any need to re-set or advance such hearing.

IT IS SO ORDERED.

Dated: 12/19/07

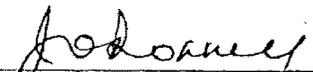

Judge of the Superior Court

EXHIBIT I

SIEM	First Name	Last Name	Address 1	Address 2	Address 3	City	State	Zip	Regular Rate Subclass	Merit Period Subclass	Rest Period Subclass	Wage Statement Subclass	Unpaid From Wages Subclass
1	BERNARD	ABRILIA	6013 SHATTUCK AVE APT 1			OAKLAND	CA	94609-1400	X				X
2	ALCONTE	ACOMON	310 2800 ST APT 108			SANTA MONICA	CA	90403-2438	X				X
3	MOJER	MOJER	1717 DORNINGTON AVE APT 14			LOS ANGELES	CA	90049-5119	X				X
4	MAHONY	MAHONY	12801 WILSON BLVD APT 14			LOS ANGELES	CA	90049-5119	X				X
5	MAHONY	MAHONY	4200 W CENTURY BLVD			INDIANAPOLIS	IN	46224-1117	X				X
6	MICHAEL	ALLEN	416 N SHELDON ST APT H			INDIANAPOLIS	IN	46224-1118	X				X
7	WOOD	ALLEN	3224 LANE MENDOT			INDIANAPOLIS	IN	46224-1118	X				X
8	GALENA	ALTON	4150 BUCKINGHAM HWY UNIT 103			INDIANAPOLIS	IN	46224-1118	X				X
9	SAMUEL	ANTONATOS	1370 SYCAMORE AVE			INDIANAPOLIS	IN	46224-1118	X				X
10	DANIEL	ARAYA	360 MCALISTER ST			INDIANAPOLIS	IN	46224-1118	X				X
11	FITSUM	ASRES	1308 PACIFIC AVE			INDIANAPOLIS	IN	46224-1118	X				X
12	KAREN	BALEY	PO BOX 801724			INDIANAPOLIS	IN	46224-1118	X				X
13	WILLIAM	BAUER	3621 DORADO AVE APT 4			INDIANAPOLIS	IN	46224-1118	X				X
14	DAVID	BARANCO	650 TAMMARA AVE APT 2558			INDIANAPOLIS	IN	46224-1118	X				X
15	EDGAR	BARAZA	1042 S LA CEMEGA BLVD APT 3			INDIANAPOLIS	IN	46224-1118	X				X
16	NEIL	BEN YAR	131 S BARRANCO ST APT 60			INDIANAPOLIS	IN	46224-1118	X				X
17	WINSTON	BENNETT	2207 6TH ST APT 5			INDIANAPOLIS	IN	46224-1118	X				X
18	DAVON	BINGHAM	408 LEAVENWORTH ST # 401			INDIANAPOLIS	IN	46224-1118	X				X
20	BRANDY	BOWIE	1724 S FAYETTE AVE			INDIANAPOLIS	IN	46224-1118	X				X
21	JERRY	BOYD	248 SHREVESON AVE			INDIANAPOLIS	IN	46224-1118	X				X
22	MICHAEL	BROWN	7850 EL CAMINO REAL APT 1136			INDIANAPOLIS	IN	46224-1118	X				X
23	STEPHEN	BRUNFIELD	615 N LA BREA AVE # 125			INDIANAPOLIS	IN	46224-1118	X				X
24	DONALD	CALDWELL	542 HELL ST APT 8			INDIANAPOLIS	IN	46224-1118	X				X
25	DAVID	CALDWELL	1833 10TH ST APT 8			INDIANAPOLIS	IN	46224-1118	X				X
26	DAVID	CARLEWANA	2801 W HERBERT BLVD APT 14			INDIANAPOLIS	IN	46224-1118	X				X
27	DAVID	CASE	2285 HOLLYWOOD BLVD APT 40A			INDIANAPOLIS	IN	46224-1118	X				X
28	THOMAS	CEBALLOS	1483A STEPHAN AVE			INDIANAPOLIS	IN	46224-1118	X				X
30	MINGCHANG	CHANG	1108 CAMINO REAL APT 507			INDIANAPOLIS	IN	46224-1118	X				X
31	MINGCHANG	CHANG	2483 VESTIC-HESTER CT			INDIANAPOLIS	IN	46224-1118	X				X
32	KEGATOR	CHAU	PO BOX 8323			INDIANAPOLIS	IN	46224-1118	X				X
33	MENNY	CHENG	6440 WESTLUF DR APT 2083			INDIANAPOLIS	IN	46224-1118	X				X
34	MELLY	CHRISTOPHER	3223 CABRILLO ST			INDIANAPOLIS	IN	46224-1118	X				X
35	KANTSON	CHUNKUANTO	41 CRUZA WALK UNIT 4114			INDIANAPOLIS	IN	46224-1118	X				X
36	LEROY	CLANK	3707 CLANNINGTON AVE APT 330			INDIANAPOLIS	IN	46224-1118	X				X
37	CLEOPHUS	COLLING	1965 BRINDSON ST			INDIANAPOLIS	IN	46224-1118	X				X
38	REGINALD	COLEWELL	534 VALLEY CIR			INDIANAPOLIS	IN	46224-1118	X				X
39	PATRICK	COOLEY	32654 MYLE PL			INDIANAPOLIS	IN	46224-1118	X				X
40	LANOIT	CRAYORD	924 S AVENUE 60 APT 8			INDIANAPOLIS	IN	46224-1118	X				X
41	MICHAEL	DE LA MORIA	3461 CHARLEVILLE BLVD # 300			INDIANAPOLIS	IN	46224-1118	X				X
42	EDMOND	DE ROTHSCHILD	810 EPHRAIM BLVD # 305			INDIANAPOLIS	IN	46224-1118	X				X
43	CHARLES	DEAN	864 WYSEBORN AVE APT 10			INDIANAPOLIS	IN	46224-1118	X				X
44	JOHN	DEANING	PO BOX 8324			INDIANAPOLIS	IN	46224-1118	X				X
45	JAMES C	DEANSON	4423 W 119TH PL			INDIANAPOLIS	IN	46224-1118	X				X
46	SEBASTIEN	DEVA	441 NINDOHEUR DR APT 6			INDIANAPOLIS	IN	46224-1118	X				X
48	DANIEL	DEWELDON	630 N STANLEY AVE APT 5			INDIANAPOLIS	IN	46224-1118	X				X
49	MICHAEL	DUNCAN	327 MARINA WAY			INDIANAPOLIS	IN	46224-1118	X				X
50	LUIS	EARNSHAW	5480 AKBOR VIAL ST APT 201			INDIANAPOLIS	IN	46224-1118	X				X
51	JOHNNIE	EVANS	441 EDGEWOOD ST APT 10			INDIANAPOLIS	IN	46224-1118	X				X
52	ROCHALINE	EVANS	3923 SAWYER BLVD APT 4			INDIANAPOLIS	IN	46224-1118	X				X
53	CARLOS	FERRANDEZ	855 ROLLING RD			INDIANAPOLIS	IN	46224-1118	X				X
54	JOHN	FERRY	854 W 128TH ST			INDIANAPOLIS	IN	46224-1118	X				X
55	CHARLES	FIELDS	416 HAWTHORNE AVE			INDIANAPOLIS	IN	46224-1118	X				X
56	TERRILL	FITZGERALD	13166 VICTORY BLVD APT 108			INDIANAPOLIS	IN	46224-1118	X				X
57	RAUL	FUENTES	850 BOND AVE			INDIANAPOLIS	IN	46224-1118	X				X
58	LUIS	FUMOTO	2610 S SEPULVEDA BLVD APT 33			INDIANAPOLIS	IN	46224-1118	X				X
59	JULIUS	GAUDIA	1303 FEDERAL AVE APT 5			INDIANAPOLIS	IN	46224-1118	X				X
60	ARON	GANDIA	210 WHITEHILL DR			INDIANAPOLIS	IN	46224-1118	X				X
61	ANGELO	GARCIA	1219 E 3RD ST			INDIANAPOLIS	IN	46224-1118	X				X
62	EDWIN	GARCIA	1517 N AVON ST			INDIANAPOLIS	IN	46224-1118	X				X
63	ALI	GARRABASH	3110 PETERSON AVE UNIT 3			INDIANAPOLIS	IN	46224-1118	X				X
64	KONSTANTIN	GOZDZIN	324 MARVIN DR			INDIANAPOLIS	IN	46224-1118	X				X
65	ROSE	GOZDZIN	11170 DELIA VISTA ST APT 202			INDIANAPOLIS	IN	46224-1118	X				X
66	JOHN	GRIFIN	1080 W 18TH ST			INDIANAPOLIS	IN	46224-1118	X				X
67	VICTOR	GRIFIN	6250 FULLON AVE APT 206			INDIANAPOLIS	IN	46224-1118	X				X
68	BRAND	GRIFIN	1385 BORA BORA WAY # 6122			INDIANAPOLIS	IN	46224-1118	X				X
69	SEBASTIEN	GRIFIN	701 SELIN			INDIANAPOLIS	IN	46224-1118	X				X
70	SEBASTIEN	GRIFIN	701 SELIN			INDIANAPOLIS	IN	46224-1118	X				X
71	JEFFREY	HARRIS	7001 FAIRGATE PL			INDIANAPOLIS	IN	46224-1118	X				X
72	REGINALD	HARRIS	7001 FAIRGATE PL			INDIANAPOLIS	IN	46224-1118	X				X

Iskanian v. CLS

Total Number of Class Members	182
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Number of Class Members in Each Class	
Regular Rate Subclass	98
Meal Period Subclass	182
Rest Period Subclass	182
Wage Statement Subclass	98
Unpaid Final Wages Subclass	156

EXHIBIT J

Direct any correspondence to:
LABOR COMMISSIONER, STATE OF CALIFORNIA
 Department of Industrial Relations
 Division of Labor Standards Enforcement
 300 Oceangate, Suite 302
 Long Beach, CA 90802
 Tel: (562) 590-5048 Fax: (562) 499-6467



PLAINTIFF: **Benjamin Hill**

DEFENDANT: **CLS TRANSPORTATION LOS ANGELES, LLC, DBA Empire CLS**
 600 Allied Way
 El Segundo, CA 90245

STATE CASE NUMBER
 05-48003 LP

NOTICE OF HEARING-DEFENDANT

NOTICE! A hearing will be held before the Labor Commissioner of the State of California as follows:

PLACE: 300 Oceangate, Suite 302, Long Beach, CA 90802

DATE: Wednesday, June 23, 2010

TIME: 1:00 PM

or as soon thereafter as the matter can be heard upon the complaint filed herein, a copy of which complaint is attached and hereby served upon you. This hearing will be held pursuant to Labor Code Section 98(a) et. seq.

TO THE DEFENDANT:

1. Within 10 days after the service upon you of this Notice you may file an Answer with the Labor Commissioner at the office shown above. The hearing scheduled in this matter will be conducted regardless of whether you file or submit an Answer.
2. You may be but need not be represented by counsel. If you wish to seek the advice of counsel in this matter you should do so promptly so that your written answer, if any, may be filed timely. You have the right to have a representative present at the hearing. It is not necessary that such representation be an attorney.
3. You will be given the opportunity at the scheduled hearing to present any relevant evidence; present witnesses; and cross-examine witnesses testifying against you. Application for the issuance of subpoenas to compel the attendance of necessary witnesses and the production of books and documents can be made to the Office of the Labor Commissioner. The scheduled hearing in this matter will be held regardless of whether you appear. An Order, Decision or Award will be issued in accordance with the evidence offered at the hearing. A copy of the rules of practice and procedure governing these hearings is available at any district office of the Labor Commissioner.
4. Any wages awarded pursuant to this hearing will accrue interest from the date they were due until they are paid, in accordance with Labor Code Section 98.1 (c).
5. This matter can be disposed of without hearing by remitting in full the amount specified in the Complaint, including the additional wages pursuant to Labor Code Section 203 (if stated in the complaint), in which event you need not file or submit an Answer.

Lilia Ponce

James Gainey

Hearing Officer

Dated: April 06, 2010

NOTICE TO: Leila Macciocca, Human Resources Manager on behalf of CLS

You are served

<input type="checkbox"/> as an individual defendant	<input type="checkbox"/> AS THE PERSON OPERATING UNDER THE FICTITIOUS NAME OF
ON BEHALF OF: <input checked="" type="checkbox"/> CLS TRANSPORTATION LOS ANGELES, LLC, DBA	<input type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> INDIVIDUAL <input type="checkbox"/> ASSOCIATION <input checked="" type="checkbox"/> LLC <input type="checkbox"/> LLP

LABOR COMMISSIONER, STATE OF CALIFORNIA

Department of Industrial Relations
Division of Labor Standards Enforcement
300 Oceangate, Suite 302
Long Beach, CA 90802
Tel: (562) 590-5048 Fax: (562) 499-6467



PLAINTIFF: Benjamin Hill

DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC, DBA Empire CLS

STATE CASE NUMBER:
05 - 48003 LP

ANSWER

Wednesday, June 23, 2010..... James Gainey

Defendant answers the complaint on file as follows:

AGREES:

DENIES

(Set forth any particulars in which the complaint is inaccurate or incomplete and the facts upon which you intend to reply. Use additional sheets if necessary.)

Defendant certifies that the foregoing, including attachments, is true and correct to the best of his/her knowledge and belief.

Executed at _____ California, on _____, 20____.

(Signature of person answering, with title, if answer is made on behalf of another person or entity)

(Type or print your name and name of person or entity, if any, on whose behalf this form is signed)

LABOR COMMISSIONER, STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS ENFORCEMENT

DATE FILED
8/28/2009
DISTRICT OFFICE
05
TAKEN BY

PLAINTIFF: BENJAMIN HILL	
DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC	
DOES I THROUGH V, Defendant(s)	
CASE NO. 05-48003 LP	COMPLAINT

PLAINTIFF ALLEGES:

1. He was employed by the defendant named above to perform personal services as: chauffeur
2. for the period 01/07/06 to 07/30/09
3. in the County of Los Angeles, California; under the terms of agreement, at the promised rate of compensation of: \$8.00 per hour
4. that there is due, owing and payable from the defendant to the plaintiff an amount as and for wages, penalties and/or other demands for compensation:

- a. as shown in attached Exhibit A, incorporated herein;
 b. as set out below:

Wages: 216 hours at \$8.50 per hour = \$1836.00
Vacation accrued through 07/30/09: 3 weeks at \$340.00 per week = \$1020.00
Holiday pay: 21 days at \$68.00 per day = \$1428.00 & Expenses: cell phone = \$1290.00
Meal period violations:
307 violations at \$7.50 per violation = \$4605.00
644 violations at \$8.50 per violation = \$5474.00
101 violations at \$8.00 per violation = \$808.00
Rest Period violations:
307 violations at \$7.50 per violation = \$4605.00
644 violations at \$8.50 per violation = \$5474.00
101 violations at \$8.00 per violation = \$808.00

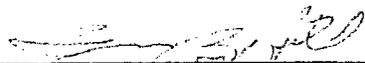
- c. And also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty of \$68.00 per day for an indeterminate number of days not to exceed thirty days.
 d. And also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.

Interest pursuant to Labor Code Section 98.1, and/or 2802.

PLAINTIFF CERTIFIES THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF.

Executed at Long Beach, County of Los Angeles, California

Dated: October 28, 2009
DATE OF SIGNATURE


Signature of Plaintiff

7/20/2008 / 28/12/2009

OVERTIME, REST PERIOD, MEAL PERIOD COMPUTATION FORM / FORMULARIO PARA CALCULAR SOBRETIENTO, DESCANSOS Y COMIDAS
 USE SEPARATE SHEET FOR EACH PAY RATE / UNA HOJA PARA CADA TASA DE PAGO

Employer Name: **EMPIRE GAS** Employee Name: **REYNOLDO R. HILL** Case No.: **05-480037**

PAY PERIOD DATES PERIODO DE PAGO	Hourly Rate Tasa de Pago	# of Reg. Hours # de Horas Regular	Overtime Computation / Computacion de Sobretiempo				S EARNED TOTAL GANADO	S PAID TOTAL PAGADO	S OWED SALARIO QUE SE LE DEBE	Meal & Rest Periods	
			Overtime Rate Tasa de Sobre Tiempo	# of O. T. Hours # de Horas Sobre Tiempo	Double Time Rate Tasa de Tiempo Doble	# of Double Time Hours # de Horas Doble				# of Days* Rest Periods Missed	# of Meal Periods Missed
08-27-06 - 09-09-06	\$ 7.50	13.00				\$ 97.50	\$ 97.50	\$ 0.00	13	13	
09-09-06 - NE DATE	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
09-12-06 - 09-23-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
09-24-06 - 10-07-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
10-08-06 - 10-21-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
11-05-06 - 11-18-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
11-19-06 - 12-02-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
12-03-06 - 12-16-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
12-17-06 - 12-30-06	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
01-01-07 - 01-14-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
01-15-07 - 01-28-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
02-05-07 - 02-18-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
02-19-07 - 03-04-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
03-05-07 - 03-18-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
03-19-07 - 03-24-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
03-25-07 - 04-07-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
04-08-07 - 04-21-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
04-22-07 - 05-05-07	\$ 7.50	14.00				\$ 105.00	\$ 105.00	\$ 0.00	14	14	
TOTAL EACH COLUMN / SUMA CADA COLUMNA		Total				Total	Total	Total	Total	Total	

HOW OFTEN PAID / CUANTAS VECES PAGADO:
 Weekly/Semanal Every 2 Weeks/Cada Dos Semanas
 2 Times a Month/Dos veces por mes

Total the Hours & Wages Claimed Above / Suma Horas y Sueldo Arriba
 * No matter how many breaks you miss, it is counted as one per day.
 * No es materia cuantos descansos pierden, solo cuenta uno diario.

Indicate the total missed days.
 Ponga el numero total:

OVERTIME, REST PERIOD, MEAL PERIOD COMPUTATION FORM / FORMULARIO PARA CALCULAR SOBRETUENDOS, DESCANSOS Y COMIDAS
 USE SEPARATE SHEET FOR EACH PAY RATE / UNA HOJA PARA CADA TASA DE PAGO

Employer Name: **EMPIRE CLS**

Employee Name: **BENJAMIN B Hill**

Case No.: **05-48003 LE**

PAY PERIOD DATES PERIODO DE PAGO	Overtime Computation / Computacion de Sobretuendos						Meal & Rest Periods			
	Hourly Rate	# of Reg. Hours	Overtime Rate	# of O.T. Hours	Double Time Rate	# of Double Time Hours	# of Days* Rest Periods Missed	# of Days* Sin Descanso Comidas	# of Meal Periods Missed	
	Tasa de Pago	de Horas Regular	Tasa de Sobre Tiempo	# de Horas Sobre Tiempo	Tasa de Tiempo Doble	# de Horas Doble	de Dias Sin Descanso	de Dias Sin Comidas		
1 05-06-07 - 05-19-07	\$ 7.50	70.00	\$		\$		14	14	14	
2 05-20-07 - 06-05-07	\$ 7.50	80.00	\$		\$		14	14	14	
3 06-06-07 - 06-16-07	\$ 7.50	72.00	\$		\$		14	14	14	
4 06-17-07 - 06-30-07	\$ 7.50	79.75	\$		\$		14	14	14	
5 07-01-07 - 07-14-07	\$ 7.50	80.00	\$		\$		14	14	14	
6 07-15-07 - 07-28-07	\$ 7.50	79.75	\$		\$		14	14	14	
7 08-01-07 - 08-11-07	\$ 7.50	72.00	\$		\$		14	14	14	
8 08-12-07 - 08-25-07	\$ 7.50	80.00	\$		\$		14	14	14	
9 08-26-07 - 09-08-07	\$ 7.50	78.00	\$		\$		14	14	14	
10 09-09-07 - 09-22-07	\$ 7.50	72.00	\$		\$		14	14	14	
11 09-23-07 - 10-06-07	\$ 7.50	72.00	\$		\$		14	14	14	
12 10-07-07 - 10-20-07	\$ 7.50	72.00	\$		\$		14	14	14	
13 10-21-07 - 10-31-07	\$ 7.50	68.00	\$		\$		14	14	14	
14 11-01-07 - 11-13-07	\$ 7.50	68.00	\$		\$		14	14	14	
15 11-14-07 - 11-27-07	\$ 7.50	40.75	\$		\$		14	14	14	
16 12-01-07 - 12-15-07	\$ 7.50	50.00	\$		\$		14	14	14	
17 12-16-07 - 12-29-07	\$ 7.50	68.00	\$		\$		14	14	14	
18 01-01-08 - 01-13-08	\$ 7.50	68.00	\$		\$		14	14	14	
TOTAL EACH COLUMN / SUMA CADA COLUMNA		Total		Total		Total	Total	Total	Total	Total
HOW OFTEN PAID / CUANTAS VECES PAGADO: <input type="checkbox"/> Weekly/Semana <input checked="" type="checkbox"/> Every 2 Weeks/Cada Dos Semanas <input type="checkbox"/> 2 Times a Month/Dos veces por mes										
Total the Hours & Wages Claimed Above / Suma Horas y Sueldo Arriba * No matter how many breaks you miss, it is counted as one per day. * No es materia cuantos descansos pierden, solo cuenta uno diario.										
							Total	Total	Total	Total
							252	252	252	252
							503	503	503	503

OVERTIME, REST PERIOD, MEAL PERIOD COMPUTATION FORM / FORMULARIO PARA CALCULAR SOBRETIEPO, DESCANSOS Y COMIDAS
 USE SEPARATE SHEET FOR EACH PAY RATE / UNA HOJA PARA CADA TASA DE PAGO

Employer Name: **EMPIRE CLS** Employee Name: **SEADJAMIN B. HILL** Case No.: **05-48 003 LP**

PAY PERIOD DATES PERIODO DE PAGO	Hourly Rate Tasa de Pago	# of Reg. Hours # de Horas Regular	Overtime Computation / Computacion de Sobretiepo			# of O.T. Hours # de Horas Sobre Tiempo	Double Time Rate Tasa de Tiempo Doble	# of Double Time Hours # de Horas Doble	\$ EARNED TOTAL GANADO	\$ PAID TOTAL PAGADO	\$ OWED SALARIO QUE SE LE DEBE	Meal & Rest Periods	
			Overtime Rate Tasa de Sobre Tiempo	Overtime Hours # de Horas Sobre Tiempo	Double Time Hours # de Horas Doble							# of Days Rest Periods Missed # de Dias Sin Comidas	# of Days Rest Periods Missed # de Dias Sin Comidas
1 01-13-08 - 01-21-08	\$ 8.50	56.00						\$	\$	\$	14	14	
2 01-27-08 - 02-04-08	\$ 8.50	64.00						\$	\$	\$	14	14	
3 02-10-08 - 02-23-08	\$ 8.50	57.75						\$	\$	\$	14	14	
4 02-27-08 - 03-06-08	\$ 8.50	72.00						\$	\$	\$	14	14	
5 03-09-08 - 03-23-08	\$ 8.50	58.75						\$	\$	\$	14	14	
6 03-27-08 - 04-05-08	\$ 8.50	48.00						\$	\$	\$	14	14	
7 04-06-08 - 04-19-08	\$ 8.50	72.00						\$	\$	\$	14	14	
8 04-23-08 - 05-01-08	\$ 8.50	80.00						\$	\$	\$	14	14	
9 05-04-08 - 05-17-08	\$ 7.50	80.00						\$	\$	\$	14	14	
10 05-18-08 - 05-31-08	\$ 8.50	80.00						\$	\$	\$	14	14	
11 06-01-08 - 06-14-08	\$ 8.50	80.00						\$	\$	\$	14	14	
12 06-16-08 - 06-28-08	\$ 8.50	60.00						\$	\$	\$	14	14	
13 07-01-08 - 07-13-08	\$ 7.50	80.00						\$	\$	\$	14	14	
14 07-22-08 - 07-31-08	\$ 8.50	57.00						\$	\$	\$	14	14	
15 07-31-08 - 08-09-08	\$ 7.50	80.00						\$	\$	\$	14	14	
16 08-10-08 - 08-23-08	\$ 7.50	80.00						\$	\$	\$	14	14	
17 08-24-08 - 09-06-08	\$ 7.50	53.50						\$	\$	\$	14	14	
18 09-07-08 - 09-30-08	\$ 8.50	80.00						\$	\$	\$	14	14	
TOTAL EACH COLUMN / SUMA CADA COLUMNA		Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	Total	

HOW OFTEN PAID / CUANTAS VECES PAGADO:
 Weekly/Semana Every 2 Weeks/Cada Dos Semanas
 2 Times a Month/Dos veces por mes

Total the Hours & Wages Claimed Above / Suma Horas y Sueldo Arriba
 * No matter how many breaks you miss, it is counted as one per day.
 * No es materia cuantos descansos pierden, solo cuenta uno diario.

Employer Name: **E. M. PIRE C. L. S.** Employee Name: **BENJAMIN B. HILL** Case No.: **05-48003 LP**

PAY PERIOD DATES PERIODO DE PAGO	Hourly Rate	# of Reg. Hours	Overtime Rate	# of O.T. Hours	Double Time Rate	# of Double Time Hours	\$ EARNED	\$ PAID	\$ OWED	Meal & Rest Periods	
										# of Days Rest Periods Missed	# of Meal Periods Missed
										# de Dias Descanso	# de Dias Sin Comidas
FROM (DE FECHA) - TO (A FECHA)	Tasa de Pago	# de Horas Regular	Tasa de Sobre Tiempo	# de Horas Sobre Tiempo	Tasa de Tiempo Doble	# de Horas Doble	TOTAL GANADO	TOTAL PAGADO	SALARIO QUE SE LE DEBE	Total	Total
1 05-23-08 - 10-07-08	\$ 7.50	50.00	\$		\$		\$	\$	\$	7	14
2 10-05-08 - 10-18-08	\$ 7.50	42.00	\$		\$		\$	\$	\$	7	14
3 10-19-08 - 1-01-08	\$ 7.50	53.00	\$		\$		\$	\$	\$	7	14
4 11-23-08 - 1-15-08	\$ 7.50	78.00	\$		\$		\$	\$	\$	14	14
5 11-15-08 - 1-20-08	\$ 7.50	75.35	\$		\$		\$	\$	\$	14	14
6 1-20-08 - 12-13-08	\$ 7.50	42.25	\$		\$		\$	\$	\$	7	14
7 13-14-08 - 12-30-08	\$ 7.50	33.75	\$		\$		\$	\$	\$	7	14
8 12-28-08 - 01-10-09	\$ 7.50	62.25	\$		\$		\$	\$	\$	7	14
9 01-10-09 - 01-24-09	\$ 7.50	75.20	\$		\$		\$	\$	\$	7	14
10 01-25-09 - 02-07-09	\$ 7.50	77.50	\$		\$		\$	\$	\$	7	14
11 02-08-09 - 02-21-09	\$ 7.50	77.00	\$		\$		\$	\$	\$	7	14
12 02-22-09 - 03-07-09	\$ 7.50	66.25	\$		\$		\$	\$	\$	14	14
13 03-08-09 - 03-31-09	\$ 7.50	80.00	\$		\$		\$	\$	\$	14	14
14 04-01-09 - 04-15-09	\$ 7.50	90.00	\$		\$		\$	\$	\$	14	14
15 04-06-09 - 04-18-09	\$ 7.50	81.00	\$		\$		\$	\$	\$	14	14
16 04-19-09 - 05-02-09	\$ 7.50	39.50	\$		\$		\$	\$	\$	14	14
17 05-03-09 - 05-16-09	\$ 7.50	33.50	\$		\$		\$	\$	\$	14	14
18 05-17-09 - 05-30-09	\$ 7.50	63.00	\$		\$		\$	\$	\$	14	14
TOTAL EACH COLUMN / SUMA CADA COLUMNA		Total		Total		Total	Total	Total	Total	Total	Total

HOW OFTEN PAID / CUANTAS VECES PAGADO:
 Weekly/Semana/ Every 2 Weeks/Cada Dos Semanas
 2 Times a Month/Dos veces por mes

Total the Hours & Wages Claimed Above / Suma Horas y Sueldo Arriba
 * No matter how many breaks you miss, it is counted as one per day.
 * No es materia cuantos descansos pierden, solo cuenta uno diario.

Indicate the total missed days. Ponga el numero total.

OVERTIME, REST PERIOD, MEAL PERIOD COMPUTATION FORM / FORMULARIO PARA CALCULAR SOBRETIEPO, DESCANSOS Y COMIDAS
 USE SEPARATE SHEET FOR EACH PAY RATE / UNA HOJA PARA CADA TASA DE PAGO

Employer Name: **EMPIRE CLS**

Employee Name: **BENJAMIN B. HILL**

Case No.: **05-48003 LP**

PAY PERIOD DATES PERIODO DE PAGO		Hourly Rate	# of Reg. Hours	Overtime Rate	# of O. T. Hours	Double Time Rate	# of Double Time Hours	\$ EARNED	\$ PAID	\$ OWED	Meal & Rest Periods	
FROM (DE FECHA) TO (A FECHA)	Tasa de Pago	# de Horas Regular	Tasa de Sobre Tiempo	# de Horas Sobre Tiempo	Tasa de Doble Tiempo	# de Horas Doble	TOTAL GANADO	TOTAL PAGADO	SALARIO QUE SE LE DEBE	# de Dias Sin Descanso	# de Dias Sin Comidas	
1 05-30-09 - 06-03-09	\$ 8.00	33.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 264.00	\$ 0.00	X	14	
2 06-04-09 - 06-08-09	\$ 8.00	33.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 264.00	\$ 0.00	X	14	
3 06-08-09 - 07-11-09	\$ 8.00	62.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 504.00	\$ 0.00	X	14	
4 07-12-09 - 07-31-09	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
5 07-31-09 - 07-31-09	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
6 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
7 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
8 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
9 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
10 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
11 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
12 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
13 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
14 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
15 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
16 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
17 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
18 - - -	\$ 8.00	30.00	\$ 8.00	0	\$ 16.00	0	\$ 0.00	\$ 240.00	\$ 0.00	X	3	
TOTAL EACH COLUMN / SUMA CADA COLUMNA			Total		Total		Total	Total	Total	Total	Total	Total

HOW OFTEN PAID / CUANTAS VECES PAGADO:
 Weekly/Semana / Every 2 Weeks/Cada Dos Semanas
 2 Times a Month/Dos veces por mes

Total the Hours & Wages Claimed Above / Suma Horas y Sueldo Arriba
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HEARING PROCEDURE
DIVISION OF LABOR STANDARDS ENFORCEMENT



The following is important information regarding Labor Code §95(a) hearings. You are urged to read and understand this material.

NOTICE TO DEFENDANT

Within 10 days after service upon you of the Notice of Hearing, you may file an answer with the Labor Commissioner at the office listed on the notice. The hearing scheduled in this matter will be conducted regardless of whether you submit an answer.

You may, but need not be represented by an attorney. If you wish to seek the advice of an attorney in this matter, you should do so promptly so that your written answer, if any, may be filed on time. You have the right to have a representative present at the hearing. It is not necessary that such representative be an attorney.

You will be given an opportunity at the hearing to testify in your behalf, to present any relevant evidence, present witnesses, and cross-examine the opposing party and witnesses testifying against you. The hearing in this matter will be held regardless of whether you appear. An Order, Decision or Award will be issued in accordance with the evidence presented at the hearing.

Any wages or expense reimbursements awarded pursuant to this hearing will accrue interest from the date they were due until they are paid, in accordance with Labor Code §§ 98.11(c) and 2802.

THIS MATTER CAN BE DISPOSED OF WITHOUT A HEARING BY YOUR REMITTING IN FULL THE AMOUNT SPECIFIED IN THE COMPLAINT, INCLUDING THE ADDITIONAL WAGES PURSUANT TO LABOR CODE SECTION 203 (IF STATED IN THE COMPLAINT), IN WHICH EVENT YOU NEED NOT FILE OR SUBMIT AN ANSWER.

NOTICE TO THE PLAINTIFF

Failure to attend the scheduled hearing will result in the dismissal of your complaint.

You may, but need not be represented by an attorney. If you wish to seek the advice of an attorney in this matter, you should do so promptly. You have the right to bring a representative with you to the hearing. It is not necessary that such representative be an attorney.

You will be given an opportunity at the hearing to testify in your behalf, to present any relevant evidence, present witnesses, and cross-examine the opposing party and witnesses testifying against you. If you have any reason to believe that the person or corporation named as the defendant in the Notice of Hearing is not correct, you must write to the deputy assigned to your case as soon as possible.

GETTING RECORDS AND/OR WITNESSES FOR THE HEARING

You should bring all documents to the hearing that supports your position. An employer who intends to introduce business records into evidence should also bring a person to the hearing that can explain how such records were prepared. If available, the originals of all documents should be brought to the hearing. (California Evidence Code)

If you wish to have witnesses testify, you may arrange for the witnesses to attend voluntarily or you may request issuance of a personal subpoena to compel their attendance.

The Labor Commissioner at the request of a party may issue subpoenas for documents, records, or witnesses. Applications to the Labor Commissioner for issuance of subpoenas should be made at least 15 business days prior to the date of the hearing. Submit a written request, using Form DLS# 504 "Information for Subpoena" stating the reasons you feel the documents, records, or witnesses are relevant and necessary. In the exercise of his or her sound discretion, the Deputy Labor Commissioner may limit the number of witnesses subpoenaed either for the purpose of corroboration or establishing a single material fact in issue, or where the party requesting the subpoena has not furnished satisfactory evidence that the witness will be able to give necessary and competent testimony, material to the issues at the hearing. (SCEB Section 13500) The party requesting the subpoena(s) is responsible for all costs incurred in the service of subpoena(s), witness fees, and mileage. Witness fees are currently \$25.00 per witness and \$1.20 per mile.

DEPARTMENT OF INDUSTRIAL RELATIONS
Division of Labor Standards Enforcement



NOTICE TO PARTIES: Disability accommodation is available upon request. Any person with a disability requiring an accommodation, auxiliary aid or service, or a modification of policies or procedures to ensure effective communication and access to the programs of the Division of Labor Standards Enforcement, should contact the Disability Accommodation Coordinator at the local District Office or the statewide Disability Accommodation Coordinator at 1-866-760-0144 (toll free). The statewide Coordinator can also be reached through the California Relay Service by dialing 711 or 1-800-735-2929 (TTY) or 1-800-855-3000 (TTY-Spanish). Accommodations can include modifications of policies or procedures or provision of auxiliary aids or services. Accommodations include, but are not limited to, an Assistive Listening System (ALS), a Computer-Aided Transcription System or Communication Access Realtime Translation (CART), a sign language interpreter, documents in Braille, large print or on computer disk, and audio cassette recording. Accommodation requests should be made as soon as possible. Requests for an ALS or CART should be made no later than five (5) days before the hearing.

"AVISO A LOS PARTICIPANTES": Una Adaptación de incapacidad está a la disposición cuando se solicita. Cualquier persona con una incapacidad, que requiera una adaptación razonable, o sin de tener acceso a los servicios de la División de Cumplimiento de las Normas de Trabajo (DLESE), debe comunicarse lo antes posible con el/a Coordinador(a) de adaptaciones para incapacidades en la Oficina de Distrito de la DLESE, o con el/a Coordinador(a) de Incapacidades a nivel estatal al 1-866-760-0144 (numero gratuito). También puede comunicarse a través del Servicio Auxiliar (Relay Service) de California marcando el 711 o el: 1-800-735-2929 (TTY/ inglés) ó 1-800-855-3000 (TTY/Español). Adaptaciones pueden incluir modificaciones de políticas o procedimientos o provisiones de asistencia auxiliar. Adaptaciones incluyen, pero no son limitados a, un sistema auxiliar de audición (ALS), un sistema de transcripción auxiliada por computadora o un(a) intérprete de Lenguaje por Señas, documentos en Braille, letras grandes, disco de computadoras y cinta de audio. Solicitaciones de adaptaciones deben ser hechas lo mas pronto posible. Solicitaciones para un ALS o CART deben de hacerse no menos de (5) días antes de la audiencia.

各方注意: 殘障便利設施根據要求提供。要求便利設施、補助或服務、或者修改政策或程序, 藉以確保有效溝通和利用「勞工標準執行署」(Division of Labor Standards Enforcement) 方案的殘障人士應當與當地的區域辦事處殘障便利設施協調員或者與加州殘障便利設施協調員聯絡, 電話號碼是 1-866-760-0144 (免費電話)。加州協調員也可以通過加州接聽服務的號碼 711、或 1-800-735-2929 (TTY)、或 1-800-855-3000 (TTY-西語英語) 聯絡到。便利設施可以包括對補助或服務的政策或程序或供應進行修改。便利設施包括, 但不限於「助聽系統」(ALS)、「電腦輔助抄寫系統」或「通訊使用實時翻譯」(CART)、手語翻譯、盲文文件、大號字體印刷或者電腦磁盤、以及錄音磁帶錄音。便利設施的要求應當儘早提出。對於ALS或CART的要求應當在聽證日期至少提前五(5)天提出。

소송 당사자에게 보내는 공고: 심신 장애를 위한 적응 조치는 의외에 의해 가능합니다. 호용적인 의사 소통 및 근로 기준 시행과의 프로그램을 이용하는데 지장이 없도록 하기 위해서 심신 장애로 인해 보조 장치, 보조 서비스, 또는 정책 및 절차의 변경이 필요한 사람은 누구든지 반드시 지역사무실에 있는 장애 조정 책임자 또는 주 장애 조정 책임자에게 1-800-866-760-0144(요금 무료)번호로 연락해야 합니다. 주 장애 조정 서비스는 711 번 및 1-800-735-2929(TTY) 또는 1-800-855-3000(TTY-Spanish) 번호들을 통해 연락이 가능합니다. 조정에는 정책 및 절차의 변경, 보조 기구 및 서비스의 제공이 포함됩니다. 조정에는 청력 보조 시스템(ALS), 컴퓨터 복사 시스템 또는 커뮤니케이션 액세스 리얼타임 트랜슬레이션(CART), 수화 통역가, 전자 기록 또는 큰 활자로 되거나 컴퓨터 디스크 상으로 기록된 서류 그리고 오디오 카세트 기록 자료 등이 포함되며 그 외에도 여러 가지가 제공됩니다. 조정의 의의는 가능한 한 빨리 해야 합니다. ALS나 CART 에 대한 의의는 심판이 열리는 날로부터 적어도 5일 이전에 해야 합니다.

PAUNAWA SA MGA PARTIDO: Mayroong mga tulong para sa mga taong may kapansanan tapag biniliang ito. Dapat kontakin ng sinumang may kapansanan na kailangan ng tulong, gamit o serbisyo na pantulong, o ang bahagyang pag-iiba ng mga patakaran o pamamaraan para matiyak ang mahisang komunikasyon at ang pagtamo ng mga programa ng Division of Labor Standards Enforcement (Sangay para sa Pagpapatupad ng mga Pamantayan sa Paggawa), ang Disability Accommodation Coordinator sa lokal na Tanggaping Pangdistrito o ang Disability Accommodation Coordinator para sa buong bansa sa 1-866-760-0144 (libreng lawag). Makakontaktin rin ang Coordinator para sa buong bansa sa pamamagitan ng California Relay Service sa pag-dial ng 711 o 1-800-735-2929 (TTY) o 1-800-855-3000 (TTY-Espanyol). Puwedeng kabilang sa mga tulong ang mga bahagyang pag-iiba ng mga patakaran o pamamaraan o ang pagkaloob ng mga gamit o serbisyo na pantulong. Kabilang sa mga tulong, pero hindi hinihindi sa, ang Assistive Listening System (ALS) ang isang Transcription System na gumagamit ng Computer o ang Communication Access Realtime Translation (CART), isang sign language interpreter, mga documentong nakalimbag sa Braille, sa malalaking titik o nasa computer disk, at ang natirinig na cassette recording. Kailangang bilangin ang mga tulong sa lalong madaling panahon. Kailangang hilingin ang ALS o CART nang hindi hihulangin sa limang (5) araw bago ang pagdilig.

THÔNG BÁO GIỮ CÁC BÊN LIÊN QUAN: Có dịch vụ trợ giúp người tàn tật khi có yêu cầu. Bất kỳ người tàn tật nào cần các tiện nghi đặc biệt, dịch vụ hoặc dụng cụ trợ giúp, hoặc yêu cầu điều chỉnh các qui định hoặc thủ tục để bảo đảm giúp họ liên lạc và tiếp cận hiệu quả các chương trình của Ban Thi Hành Các Tiêu Chuẩn Lao Động (Disability Accommodation Coordinator), xin liên lạc với Điều Phối Viên Dịch Vụ Trợ Giúp Người Tàn Tật (Disability Accommodation Coordinator) tại Văn Phòng Khu Vực ở địa phương hoặc Điều Phối Viên Dịch Vụ Trợ Giúp Người Tàn Tật trên toàn liên bang tại số 1-866-760-0144 (số điện thoại miễn phí). Quý vị cũng có thể liên lạc với Điều Phối Viên trên toàn liên bang qua Dịch Vụ Chuyển Tiếp California (California Relay Service) bằng cách quay số 711 hoặc gọi số 1-800-735-2929 (TTY) hoặc số 1-800-855-3000 (TTY-Tiếng Tây ban nha). Dịch vụ trợ giúp có thể bao gồm điều chỉnh các qui định và thủ tục hoặc cung cấp các dịch vụ hoặc dụng cụ trợ giúp. Dịch vụ trợ giúp bao gồm, nhưng không giới hạn trong các dịch vụ sau đây: Hệ Thống Trợ Giúp Nghe (Assistive Listening System-ALS), Hệ Thống Ghi Chép Trên Máy Điều Toán (Computer-Aided Transcription System) hoặc Máy Truyền Thông Chuyển Ngữ Trực Tiếp (Communication Access Realtime Translation - CART), thông dịch viên ngôn ngữ ra dấu, tài liệu bằng chữ nổi Braille, bản in khổ lớn hoặc trên đĩa điều khiển, và băng thu âm. Quý vị cần thông báo nhu cầu cần dịch vụ trợ giúp càng sớm càng tốt. Nếu cần dịch vụ ALS hoặc CART, quý vị phải thông báo ít nhất năm (5) ngày trước buổi điều trần.

STATE OF CALIFORNIA
DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF LABOR STANDARDS ENFORCEMENT

CERTIFICATION OF SERVICE BY MAIL
(C.C.P. 1013A) OR CERTIFIED MAIL

I, Sally Cazares, do hereby certify that I am a resident of or employed in the County of Los Angeles, over 18 years of age, not a party to the within action, and that I am employed at and my business address is:

LABOR COMMISSIONER, STATE OF CALIFORNIA
300 Oceangate, Suite 302
Long Beach, CA 90802
Tel: (562) 590-5048 Fax: (562) 499-6467

I am readily familiar with the business practice of my place of business for collection and processing of correspondence for mailing with the United States Postal Service. Correspondence so collected and processed is deposited with the United States Postal Service that same day in the ordinary course of business.

On April 06, 2010 at my place of business, a copy of the following document(s):

Notice of Hearing, Complaint and Answer

was(were) placed for deposit in the United States Postal Service in a sealed envelope, by certified mail, with postage fully prepaid, addressed to:

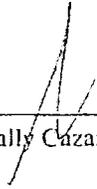
NOTICE TO: CLS TRANSPORTATION LOS ANGELES, LLC, DBA Empire CLS
Leila Macciocca, Human Resources Manager on behalf of CLS
TRANSPORTATION LOS ANGELES, LLC, DBA Empire CLS
600 Allied Way
El Segundo, CA 90245

and that envelope was placed for collection and mailing on that date following ordinary business practices.

I certify under penalty of perjury that the foregoing is true and correct.

Executed on: April 06, 2010 at Long Beach, California

STATE CASE NUMBER: 05- 48003 LP



Sally Cazares

EXHIBIT K

Direct any correspondence to: LABOR COMMISSIONER, STATE OF CALIFORNIA Department of Industrial Relations Division of Labor Standards Enforcement 300 Oceangate, Suite 302 Long Beach, CA 90802 Tel: (562) 590-5048 Fax: (562) 499-6467		
PLAINTIFF: Sarkis Ghazaryan		
DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC DBA Empire/CLS Worldwide Chauffeured Services 600 Allied Way El Segundo, CA 90245		
State Case Number 05 - 51061 dg	NOTICE OF CLAIM FILED	

The State Labor Code requires immediate payment of wages conceded due, and provides for additional wages accrued pursuant to Labor Code Section 203 as a penalty for nonpayment of wage within statutory time limits. A claim has been filed with this Division by the Plaintiff shown above, alleging non-payment of:

- Period 9/9/07 to 3/31/10:
 BASED ON HOURLY RATES OF \$12.11 to \$34.40 REGULAR; \$18.17 to \$51.60 OVERTIME; AND \$24.23 to \$68.80 DOUBLE TIME:
- 1) wages-regular, overtime and double time =\$22736.10
 - 2) wages-per Labor Code section 226.7 for denied meal and rest period days/violations=\$15858.40
 - 3) wages-off the clock=\$8033.68
 - 4) business expenses-cell phone=\$2040.00
- Subtotal claimed = \$48668.18 PER EXHIBIT
- 5) penalty rate per Labor Code Section 203, below, subject to revision based on proof

- and also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty at the rate of \$80.00 per day until paid, but not to exceed thirty days.
- and also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of _____ per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.

In addition you may be subject to penalties due to the State of California, which may be assessed pursuant to Labor Code Section 210.

You may settle this claim by immediately mailing to this office a check or money order made payable to the Plaintiff. Should you dispute this claim, submit a written statement in duplicate of the facts and include payment of any amount conceded due, plus penalties. Explain why the payment of wages was not made in the required manner. Payment must be accompanied by a separate or detachable itemized statement of any deductions made. Do not make payroll deductions from amounts paid as penalties. We must request a written reply, in duplicate, to this letter within 10 days from the date below. If this claim is not settled, it will be resolved as provided by Section 98 of the California Labor Code.

DATED: November 2, 2010



Debbie Gaglia
 562-436-1549
Deputy Labor Commissioner

EXHIBIT L

Direct any correspondence to: LABOR COMMISSIONER, STATE OF CALIFORNIA Department of Industrial Relations Division of Labor Standards Enforcement 300 OceanGate, Suite 302 Long Beach, CA 90802 Tel: (562) 590-5048 Fax: (562) 499-6467		
PLAINTIFF: Robert Wood		
DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC DBA Empire/CLS Worldwide Chauffeured Services 600 Allied Way El Segundo, CA 90245		
State Case Number 05 - 51170 DG	NOTICE OF CLAIM FILED	

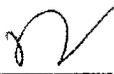
The State Labor Code requires immediate payment of wages conceded due, and provides for additional wages accrued pursuant to Labor Code Section 203 as a penalty for nonpayment of wage within statutory time limits. A claim has been filed with this Division by the Plaintiff shown above, alleging non-payment of:

- Period 9/20/07 to 7/30/09:
 BASED ON HOURLY RATES OF \$27.92, \$26.48 AND \$23.29 REGULAR, AND \$41.89, \$39.72 AND \$34.93 OVERTIME:
 1) wages-regular-\$50767.00
 2) wages-overtime-\$11168.00
 3) wages-per Labor Code section 226.7 for denied meal and rest period days/violations-\$29781.00
 BASED ON HOURLY RATE OF \$12.00 REGULAR:
 4) wages-accrued vacation-120 hours = \$1440.00
 Subtotal claimed = \$93156.00 PER EXHIBIT
 5) penalty rate per Labor Code Section 203. below. subject to revision based on proof

- and also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty at the rate of \$120.00 per day until paid, but not to exceed thirty days.
 and also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of _____ per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.

In addition you may be subject to penalties due to the State of California, which may be assessed pursuant to Labor Code Section 210.
 You may settle this claim by immediately mailing to this office a check or money order made payable to the Plaintiff. Should you dispute this claim, submit a written statement in duplicate of the facts and include payment of any amount conceded due, plus penalties. Explain why the payment of wages was not made in the required manner. Payment must be accompanied by a separate or detachable itemized statement of any deductions made. Do not make payroll deductions from amounts paid as penalties. We must request a written reply, in duplicate, to this letter within 10 days from the date below. If this claim is not settled, it will be resolved as provided by Section 98 of the California Labor Code.

DATED: November 2, 2010



 Debbie Gaglia Deputy Labor Commissioner
 562-436-1549

EXHIBIT M

Direct any correspondence to:
LABOR COMMISSIONER, STATE OF CALIFORNIA
 Department of Industrial Relations
 Division of Labor Standards Enforcement
 300 Oceangate, Suite 302
 Long Beach, CA 90802
 Tel: (562) 590-5048 Fax: (562) 499-6467



PLAINTIFF: Angel Del Cid

DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC
 225 MEADOWLANDS PKWY
 SECAUCUS NJ 07094

State Case Number
 05-50190 DG

NOTICE OF HEARING-DEFENDANT

NOTICE: A hearing will be held before the Labor Commissioner of the State of California as follows:

PLACE: 300 Oceangate, Suite 302, Long Beach, CA 90802

DATE: Monday, December 20, 2010

TIME: 8:30 AM

or as soon thereafter as the matter can be heard upon the complaint filed herein, a copy of which is attached and hereby served upon you. This hearing will be held pursuant to Labor Code Section 98(a) et. seq.

TO THE DEFENDANT:

1. Within 10 days after the service upon you of this Notice you may file an Answer with the Labor Commissioner at the office shown above. The hearing scheduled in this matter will be conducted regardless of whether you file or submit an Answer.
2. You may be but need not be represented by counsel. If you wish to seek the advice of counsel in this matter you should do so promptly so that your written answer, if any, may be filed on time. You have the right to have a representative present at the hearing. It is not necessary that such representation be an attorney.
3. You will be given the opportunity at the scheduled hearing to present any relevant evidence; present witnesses; and cross-examine witnesses testifying against you. Application for the issuance of subpoenas to compel the attendance of necessary witnesses and the production of books and documents can be made to the Office of the Labor Commissioner. The scheduled hearing in this matter will be held regardless of whether you appear. An Order, Decision or Award will be issued in accordance with the evidence offered at the hearing. A copy of the rules of practice and procedure governing these hearings is available at any district office of the Labor Commissioner.
4. Any wages awarded pursuant to this hearing will accrue interest from the date they were due until they are paid, in accordance with Labor Code Section 98.1 (c).
5. This matter can be disposed of without hearing by remitting in full the amount specified in the Complaint, including the additional wages pursuant to Labor Code Section 203 (if stated in the Complaint), in which event you need not file or submit an Answer.

Dated: October 06, 2010

Alonso Silva

Hearing Officer

NOTICE TO: PARACORP INCORPORATED-A/S ON BEHALF OF: CLS

You are served

<input type="checkbox"/> as an individual defendant	<input type="checkbox"/> AS THE PERSON OPERATING UNDER THE FICTITIOUS NAME OF
ON BEHALF OF:	<input type="checkbox"/> CORPORATION <input type="checkbox"/> INDIVIDUAL <input checked="" type="checkbox"/> LLC <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> ASSOCIATION <input type="checkbox"/> LLP

LABOR COMMISSIONER, STATE OF CALIFORNIA DEPARTMENT OF INDUSTRIAL RELATIONS DIVISION OF LABOR STANDARDS ENFORCEMENT		DATE FILED 5/25/2010
		DISTRICT OFFICE 05
		TAKEN BY
PLAINTIFF: ANGEL DEL CID		
DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC		DOES I THROUGH V, Defendant(s)
CASE NO. 05-50190 DG	COMPLAINT	

PLAINTIFF ALLEGES:

1. He was employed by the defendant named above to perform personal services as: executive chauffeur
2. for the period 8/1/05 to 7/9/09
3. in the County of Los Angeles, California; under the terms of an oral agreement, at the promised rate of compensation of \$10.00 per hour plus 20% mandatory service charge
4. that there is due, owing and payable from the defendant to the plaintiff an amount as and for wages, penalties and/or other demands for compensation:
 - a. as shown in attached Exhibit A, incorporated herein;
 - b. as set out below:
 Period 5/20/07 to 7/9/09:
 1) wages-overtime-\$41915.14
 2) wages-Per Labor Code section 226.7-denied meal and rest periods-\$35656.31
 Subtotal claimed = \$77571.45 PER EXHIBIT
 3) penalty per Labor Code section 203 below-final daily rate to be determined

- c. And also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty of \$110.00 per day for an indeterminate number of days not to exceed thirty days.
 - d. And also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.
- Interest pursuant to Labor Code Section 98.1. and/or 2802.

PLAINTIFF CERTIFIES THAT THE FOREGOING IS TRUE AND CORRECT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF.

Executed at Los Angeles, County of Los Angeles, California

Dated: 5/07/2010
DATE OF SIGNATURE

[Signature]
Signature of Plaintiff

EXHIBIT N

Direct any correspondence to: LABOR COMMISSIONER, STATE OF CALIFORNIA Department of Industrial Relations Division of Labor Standards Enforcement 300 Oceangate, Suite 302 Long Beach, CA 90802 Tel: (562) 590-5048 Fax: (562) 499-6467		
PLAINTIFF: Donald Merriweather		
DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC DBA Empire/CLS Worldwide Chauffeured Services 600 Allied Way El Segundo, Ca 90245		
State Case Number 05 - 50788 DG	NOTICE OF CLAIM FILED	

The State Labor Code requires immediate payment of wages conceded due, and provides for additional wages accrued pursuant to Labor Code Section 203 as a penalty for nonpayment of wage within statutory time limits. A claim has been filed with this Division by the Plaintiff shown above, alleging non-payment of:

Period 8/11/07 to 12/28/07:

BASED ON HOURLY RATES OF \$18.27 to \$20.56 REGULAR; \$27.40 to \$30.85 OVERTIME; AND \$36.54 to \$41.13 DOUBLE TIME:

1) wages-regular, overtime and double time =\$8904.77

2) wages-per Labor Code section 226.7 for denied meal and rest period days/violations=\$3678.95

Subtotal claimed = \$12583.72 PER EXHIBIT

3) penalty rate per Labor Code Section 203, below, subject to revision based on proof

and also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty at the rate of \$60.00 per day until paid, but not to exceed thirty days.

and also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of _____ per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.

In addition you may be subject to penalties due to the State of California, which may be assessed pursuant to Labor Code Section 210.

You may settle this claim by immediately mailing to this office a check or money order made payable to the Plaintiff. Should you dispute this claim, submit a written statement in duplicate of the facts and include payment of any amount conceded due, **plus penalties**. Explain why the payment of wages was not made in the required manner. Payment must be accompanied by a separate or detachable itemized statement of any deductions made. Do not make payroll deductions from amounts paid as penalties. We must request a written reply, in duplicate, to this letter within 10 days from the date below. If this claim is not settled, it will be resolved as provided by Section 98 of the California Labor Code.

DATED: November 2, 2010

Debbie Gaglia
562-436-1549

Debbie Gaglia
Deputy Labor Commissioner

EXHIBIT O

Direct any correspondence to: LABOR COMMISSIONER, STATE OF CALIFORNIA Department of Industrial Relations Division of Labor Standards Enforcement 300 Oceangate, Suite 302 Long Beach, CA 90802 Tel: (562) 590-5048 Fax: (562) 499-6467		
PLAINTIFF: Joseph A. Skore		
DEFENDANT: CLS TRANSPORTATION LOS ANGELES, LLC DBA Empire/CLS Worldwide Chauffeured Services 600 Allied Way El Segundo, Ca 90245		
State Case Number 05 - 50789 DG	NOTICE OF CLAIM FILED	

The State Labor Code requires immediate payment of wages conceded due, and provides for additional wages accrued pursuant to Labor Code Section 203 as a penalty for nonpayment of wage within statutory time limits. A claim has been filed with this Division by the Plaintiff shown above, alleging non-payment of:

Period 8/12/07 to 4/30/09:
 BASED ON HOURLY RATES OF \$12.36 to \$28.21 REGULAR; \$18.54 to \$42.32 OVERTIME; AND \$24.72 to \$56.42 DOUBLE TIME:

- 1) wages-regular, overtime and double time =\$65575.51
- 2) wages-per Labor Code section 226.7 for denied meal and rest period days/violations=\$23123.62

Subtotal claimed = \$88699.13 PER EXHIBIT

- 3) penalty rate per Labor Code Section 203, below, subject to revision based on proof

and also alleging additional wages accrued pursuant to Labor Code Section 203 as a penalty at the rate of \$80.00 per day until paid, but not to exceed thirty days.

and also alleging additional wages accrued pursuant to Labor Code Section 203.1, as a penalty of _____ per day for issuance of an insufficient payroll check for an indeterminate number of days not to exceed thirty days.

In addition you may be subject to penalties due to the State of California, which may be assessed pursuant to Labor Code Section 210.

You may settle this claim by immediately mailing to this office a check or money order made payable to the Plaintiff. Should you dispute this claim, submit a written statement in duplicate of the facts and include payment of any amount conceded due, plus penalties. Explain why the payment of wages was not made in the required manner. Payment must be accompanied by a separate or detachable itemized statement of any deductions made. Do not make payroll deductions from amounts paid as penalties.

We must request a written reply, in duplicate, to this letter within 10 days from the date below.

If this claim is not settled, it will be resolved as provided by Section 98 of the California Labor Code.

DATED: November 2, 2010

Debbie Gaglia
 562-436-1549

Deputy Labor Commissioner

EXHIBIT P

Gallegos, Yesenia M.

From: Raul Perez [rperez@initiativelegal.com]
Sent: Wednesday, October 12, 2011 12:54 PM
To: Gallegos, Yesenia M.
Cc: Samuel Levy
Subject: FW: CLS/Empire Settlement Communication

REDACTED

Please consider this a confidential settlement communication.

Below is the last communication regarding settlement. Please note we current represent 63 clients who filed claims to arbitrate (Mr. Iskanian remains a client but did not file for arbitration pending his appeal).

I agree that the parties should resume efforts to resolve this matter. I would like to outline the costs of arbitration that your client can expect to pay if these claims are arbitrated in the hopes that we can reach a settlement that is in the best interest of all parties.

In addition to the \$58,275 non-refundable filing fee that your client must pay to AAA by Monday, October 17, 2011 as indicated in AAA's letter acknowledging receipt of Plaintiffs' demands, there are significant other costs that will be borne by your client if no settlement is reached.

Each arbitration hearing will take about two (2) days, plus one (1) additional day for the arbitrator to preside over any disputes that arise throughout the process and to issue the written opinion, for a total of 3 days of arbitration, or 24 total hours (8 hrs/day x 3 days).

Since the arbitration agreement requires only retired judges to be appointed, you can expect that the arbitrator fees will range from \$400/hr to \$625/hr. Given the estimated 24 hours it will take to resolve each dispute in arbitration, the arbitrator's hourly fee will be between \$9600 and \$15000 per dispute. For 63 clients, the total arbitrators' fees will be between \$604,800 and \$945,000. Pursuant to section 16(h) of your client's arbitration agreement, this amount is to be paid by your client. We will not agree to any consolidation, especially since your client has refused to allow us to proceed on any class-wide or representative basis.

In addition, AAA charges hearing fees of \$300/day under Rule 48(ii) of the AAA rules. Given the 63 individual arbitrations and the 2 days it will take to resolve each claim, an additional cost of \$37,800 will be due (\$300/day x 2 days x 63). Again, pursuant to your client's arbitration agreement and AAA rules, these costs are to be paid by your client.

Furthermore, AAA charges \$200/day for the hearing room rental. Again, given the 63 individual arbitrations and the 2 days it will take to resolve each claim, an additional cost of \$25200 will be due (200/day x 3 days x 63). As stated before, pursuant to your client's arbitration agreement and AAA rules, these costs are to be paid by your client.

Thus, without even considering the amount of our clients' claims, our attorney's fees or defense fees, your client is facing fees and costs between \$726,075 and \$1,066,275, as follows:

Non-Refundable Filing Fee:	\$58,275
Arbitrator Hourly Fees:	\$604,800 to \$945,000
AAA Hearing Fees:	\$37,800
AAA Hearing Room Rental Fee:	\$22,500
	<hr/>
	\$726,075 to \$1,066,275

Total costs and fees will only increase significantly if our clients receive favorable judgments and an award of attorney's fees. As we have discussed before, our firm has made a significant investment in represent our clients, and we assume that attorney's fees continue to mount for your client as well. In addition, Mr. Iskanian's appeal continues and we are confident that a favorable decision in that case will ultimately be reached for him, as has happened recently in the *Brown v. Ralphs* case which we litigated.

However, as has been the case from the very beginning, we remain open to negotiations and settlement. That being said, the ball is in your client's court. If your client wants to avoid spending what could amount to over a million dollars in arbitration fees and costs alone, exclusive of the value of our clients' claims and attorney's fees, and instead put that money towards a meaningful settlement offer for our clients, we would be willing to negotiate in good faith.

Best,

Raul

From: Raul Perez [mailto:rperez@initiativelegal.com]
Sent: Thursday, August 11, 2011 4:46 PM
To: Faustman, David
Cc: Samuel Levy
Subject: RE: CLS/Empire Demand for Arbitration

- (1) [REDACTED] (2) 45 drivers are ready to arbitrate, with another 36 in pipeline. Obviously, I consider these email exchanges to constitute efforts to resolve their claims and therefore confidential.

From: Faustman, David [mailto:DFaustman@foxrothschild.com]
Sent: Thursday, August 11, 2011 4:13 PM
To: Raul Perez
Cc: Samuel Levy
Subject: RE: CLS/Empire Demand for Arbitration

I'm sorry, I may not have been clear. Let's try this: (1) What is your settlement demand? (2) on behalf of how many drivers? -DFF

David F. Faustman
Attorney at Law
Fox Rothschild LLP
415-364-5550

EXHIBIT Q

1 Raul Perez (SBN 174687)
2 RPerez@CapstoneLawyers.com
3 Capstone Law APC
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8 Mónica Balderrama (SBN 196424)
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11 CoryLee@InitiativeLegal.com
12 Initiative Legal Group APC
13 1800 Century Park East, Mezzanine
14 Los Angeles, California 90067
15 Telephone: (310) 556-5637
16 Facsimile: (310) 861-9051

17 Attorneys for Claimant Dawn Bingham

18 IN RE ARBITRATION

19 AMERICAN ARBITRATION ASSOCIATION

20 DAWN BINGHAM, an individual,

21 Claimant,

22 vs.

23 CLS TRANSPORTATION LOS
24 ANGELES, LLC, et al.,

25 Respondents.

AAA Case No.: 72 160 475 12 AMCH

Arbitrator: Hon. James A. Albracht

**CLAIMANT'S RESPONSES AND
OBJECTIONS TO RESPONDENT'S
SPECIAL INTERROGATORIES
DIRECTED TO CLAIMANT
DAWN BINGHAM**

26 PROPOUNDING PARTY: Respondent CLS TRANSPORTATION LOS ANGELES, LLC

27 RESPONDING PARTY: Claimant DAWN BINGHAM

28 SET NO.: ONE (Nos. 1 and 2)

1 Claimant Dawn Bingham (“Claimant”) hereby responds and objects to Respondent
2 CLS’s (“Respondent”) Special Interrogatories Directed to Claimant Dawn Bingham, without
3 waiving her right to supplement her responses hereto after further discovery is conducted or
4 her right to present any subsequently discovered evidence at the time of arbitration or any
5 hearing in this matter.

6 This introduction applies to each and every response herein and shall be incorporated
7 by this reference as though set forth in full to each and every response. The following
8 responses are based solely upon facts, issues, documents and other information in the
9 possession, custody, or control of Claimant at the time of the preparation of these responses.

10 Discovery will continue as long as permitted by statute, order of the arbitrator, or
11 stipulation of the parties, and investigation by Claimant shall continue up to and through
12 arbitration on this matter, and any further prosecution of this matter. Claimant therefore
13 specifically reserves the right to introduce any evidence from whatever source which may
14 hereinafter be discovered and to supplement her response in accordance with any newly
15 discovered evidence. If any information or objections have been unintentionally omitted from
16 these responses, Claimant specifically reserves the right to apply for relief so as to permit the
17 introduction of the omitted information or objections.

18 **PRELIMINARY RESPONSES**

19 In answering this discovery request, it should be noted and fully understood that
20 discovery is ongoing and that Claimant has not fully completed her investigation of the facts
21 relating to this case, has not completed her discovery in this action, and has not completed her
22 preparation for arbitration. All of the responses contained herein are based only upon such
23 information which is presently available to and specifically known by Claimant. It is
24 anticipated that further discovery, independent investigation, legal research, and analysis will
25 supply additional facts, add meaning to known facts, as well as establish entirely new factual
26 conclusions and legal contentions, all of which may lead to substantial additions to, changes
27 in, and variations from the responses set forth herein. The following discovery responses are
28 given without prejudice to Claimant’s right to produce evidence to any subsequently

1 discovered fact or facts which Claimant may later discover or be revealed. The responses
2 contained herein are provided in a good faith effort to supply as much information and as
3 much specification as is presently known, but should in no way be to the prejudice of
4 Claimant in relation to further discovery, research, or analysis.

5 In responding to Respondent's discovery requests, Claimant will make a reasonable
6 and diligent effort to comply with the requests. Claimant's investigation is ongoing and he
7 reserves the right to amend or supplement the responses herein upon request and/or to
8 introduce at arbitration, or other proceedings related to this action, responses not set forth
9 herein if such material or facts become known, located, or available to Claimant subsequent to
10 the date of this Response.

11 In providing specific responses, Claimant does not in any way waive or intend to
12 waive, but rather intends to preserve and is preserving:

- 13 A. All objections as to competence, relevance, materiality, admissibility of the
14 responses or subject matter thereof;
- 15 B. All rights to object on any ground to the use of any said responses, or the
16 subject matter thereof, in all subsequent proceedings, including the arbitration
17 of this or any other action; and
- 18 C. All rights to object on any ground to any request for further responses to these
19 or any other discovery requests involving or related to the subject matter of
20 these requests.
- 21 D. Claimant objects to each category or request to the extent that it calls for
22 disclosure of attorney-client privilege and/or attorney work product privilege
23 and incorporate such objection to each and every category or response.

24 **GENERAL OBJECTIONS**

25 Claimant incorporates the following General Objections into the responses and objects
26 to each and every Special Interrogatory (the "Interrogatories") as follows:

- 27 1. Claimant objects to the Interrogatories insofar as they seek information that is
28 protected from discovery by any applicable privilege, doctrine or immunity,

1 including without limitation the attorney-client privilege and the attorney work
2 product doctrine, and information that is subject to the right of privacy
3 guaranteed by Article 1, Section 1 of the California Constitution and the
4 constitutional, statutory or decisional law of the United States, the State of
5 California and all other relevant jurisdictions. Claimant does not deem the
6 Interrogatories to seek such information and will not disclose such information
7 in response to Interrogatories.

8 2. Claimant objects to the Interrogatories to the extent that they seek information
9 neither relevant to the subject matter of this action nor reasonably calculated to
10 lead to the discovery of admissible evidence.

11 3. Claimant objects to the Interrogatories to the extent that the discovery sought is
12 unduly burdensome and harassing.

13 4. All Responses to the Interrogatories are provided without a waiver of, and with
14 express reservation of: (a) all objections as to competency, relevancy,
15 materiality and admissibility of the responses and the subject matter thereof as
16 evidence for any purpose in any further proceeding in this action, including
17 motions for summary judgment, motions for summary adjudication of issues
18 and the trial of this action, or any other action; (b) all privileges and the work
19 product doctrine; (c) the right to object to the use of such responses, or the
20 subject matter thereof, on any ground in any further proceeding in this action;
21 and (d) the right to object on any ground at any time to a demand or request for
22 further responses to these or any other interrogatories or discovery proceedings,
23 including requests for the production of documents.

24 5. These Responses and General Objections are based upon information
25 reasonably available to Claimant in her investigation to date and are subject to
26 further investigation, discovery, supplementation and amendment.

27 6. Claimant objects to the Interrogatories to the extent that the discovery sought is
28 cumulative or duplicative of discovery already served by Respondent in this

1 matter.

2 **RESPONSES AND OBJECTIONS TO SPECIAL INTERROGATORIES**

3 **INTERROGATORY NO. 1:**

4 State the total dollar amount of damages that YOU seek in THIS ACTION.

5 **RESPONSE TO INTERROGATORY NO. 1:**

6 Claimant incorporates each of the above General Objections as though fully set forth
7 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
8 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,
9 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
10 Interrogatory on the grounds and to the extent the request seeks information that Respondent
11 has in its possession or which may be obtained through other means that are more convenient,
12 less costly, and less burdensome. To the extent this Interrogatory seeks an analysis of
13 Claimant's damages or the methodology for calculating damages, Claimant objects to this
14 Interrogatory as premature to the extent Claimant has not fully completed her discovery and
15 investigation in this arbitration. Claimant objects to this Interrogatory on grounds that it seeks
16 expert testimony generally given at arbitration. Claimant further objects on the grounds the
17 Interrogatory seeks a legal conclusion for which Claimant is not qualified to testify.

18 Subject to and without waiving the foregoing general and specific objections, Claimant
19 responds as follows: Claimant seeks to recover \$43,756.64 for her wage and hour claims.
20 Discovery and investigation are still ongoing and Claimant reserves the right to supplement
21 this response at any time prior to arbitration.

22 **INTERROGATORY NO. 2:**

23 Explain how you calculated the total amount of damage that YOU seek in THIS
24 ACTION.

25 **RESPONSE TO INTERROGATORY NO. 2:**

26 Claimant incorporates each of the above General Objections as though fully set forth
27 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
28 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,

1 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
2 Interrogatory on the grounds and to the extent the request seeks information that Respondent
3 has in its possession or which may be obtained through other means that are more convenient,
4 less costly, and less burdensome. Claimant objects to this Interrogatory to the extent that it
5 seeks information neither relevant to the subject matter of this action nor reasonably
6 calculated to lead to the discovery of admissible evidence. To the extent this Interrogatory
7 seeks an analysis of Claimant's damages or the methodology for calculating damages,
8 Claimant objects to this Interrogatory as premature to the extent Claimant has not fully
9 completed her discovery and investigation in this arbitration. Claimant objects to this
10 Interrogatory on grounds that it seeks expert testimony generally given at arbitration.
11 Claimant further objects on the grounds the Interrogatory seeks a legal conclusion for which
12 Claimant is not qualified to testify.

13 Subject to and without waiving the foregoing general and specific objections, Claimant
14 responds as follows:

15 Claimant calculated the total amount of damages by adding the sum of the projected
16 amounts pertaining to (1) overtime violations, (2) meal break violations, (3) rest break
17 violations, (4) wage statement violations, (5) waiting time penalties, and the (6) fine for
18 failure to provide employee records. Claimant preliminarily estimated 184 workweeks in the
19 time period at issue, 92 pay statements during that time period, a regular rate of \$14.37 per
20 hour and an overtime rate of \$21.56 per hour.

21 The total for overtime violations was calculated by taking the applicable overtime rate
22 and multiplying that by the number of weeks at issue.

23 The total for meal break violations was calculated by taking the sum of the number of
24 meal breaks missed per week (5) and multiplying that by the estimated regular rate of pay.

25 The total for rest break violations was calculated by taking the sum of the number of
26 work days with a missed rest breaks missed per week (5) and multiplying that by the
27 estimated regular pay.

28 The total for wage statement violations was calculated by taking the sum of the

1 number of pay statements at issue and multiplying that by 100 and then subtracting 50 from
2 that sum.

3 The total for waiting time penalties was calculated by multiplying the estimated
4 regular rate by the number of work hours per day (8 hours) and multiplying that by 30.

5 The total violation for failure to provide employment records is a statutory penalty of
6 \$750.00.

7 The total damages sought, therefore, amount to \$43,756.64. Discovery and
8 investigation are still ongoing and Claimant reserves the right to supplement this response at
9 any time prior to arbitration.

10
11 Dated: April 18, 2013

Initiative Legal Group APC

12
13
14 By: /s/ Cory G. Lee

Mónica Balderrama

Cory Lee

Initiative Legal Group APC

15
16 Attorneys for Claimant Dawn Bingham

VERIFICATION

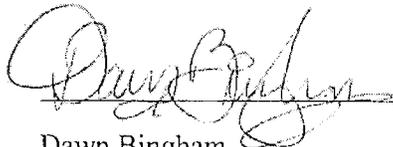
I, Dawn Bingham, declare,

I am the Claimant in the above-entitled action, and am authorized to make this verification.

I have read the foregoing document entitled **CLAIMANT'S RESPONSES AND OBJECTIONS TO RESPONDENT'S SPECIAL INTERROGATORIES DIRECTED TO CLAIMANT DAWN BINGHAM** and know the contents thereof. The contents of that document are true of my own knowledge, except as to those matters which are therein alleged on information and belief, and as to those matters, I believe them to be true.

I declare under the laws of the United States of America that the foregoing is true and correct.

Executed on April 15, 2013 at Santa Monica, California.


Dawn Bingham

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14 Los Angeles, California 90067
15 Telephone: (310) 556-5637
16 Facsimile: (310) 861-9051

17 Attorneys for Claimant Marquel Rose

18 IN RE ARBITRATION

19 AMERICAN ARBITRATION ASSOCIATION

20 MARQUEL ROSE, an individual,

21 Claimant,

22 vs.

23 CLS TRANSPORTATION LOS
24 ANGELES, LLC, et al.,

25 Respondents.

AAA Case No.: 72 160 509 12 AMCH

Arbitrator: Hon. Patricia Collins

**CLAIMANT'S RESPONSES AND
OBJECTIONS TO RESPONDENT'S
SPECIAL INTERROGATORIES
DIRECTED TO CLAIMANT
MARQUEL ROSE**

26 PROPOUNDING PARTY: Respondent CLS TRANSPORTATION LOS ANGELES, LLC

27 RESPONDING PARTY: Claimant MARQUEL ROSE

28 SET NO.: ONE (Nos. 1 and 2)

1 Claimant Marquel Rose (“Claimant”) hereby responds and objects to Respondent
2 CLS’s (“Respondent”) Special Interrogatories Directed to Claimant Marquel Rose, without
3 waiving his right to supplement his responses hereto after further discovery is conducted or
4 his right to present any subsequently discovered evidence at the time of arbitration or any
5 hearing in this matter.

6 This introduction applies to each and every response herein and shall be incorporated
7 by this reference as though set forth in full to each and every response. The following
8 responses are based solely upon facts, issues, documents and other information in the
9 possession, custody, or control of Claimant at the time of the preparation of these responses.

10 Discovery will continue as long as permitted by statute, order of the arbitrator, or
11 stipulation of the parties, and investigation by Claimant shall continue up to and through
12 arbitration on this matter, and any further prosecution of this matter. Claimant therefore
13 specifically reserves the right to introduce any evidence from whatever source which may
14 hereinafter be discovered and to supplement his response in accordance with any newly
15 discovered evidence. If any information or objections have been unintentionally omitted from
16 these responses, Claimant specifically reserves the right to apply for relief so as to permit the
17 introduction of the omitted information or objections.

18 PRELIMINARY RESPONSES

19 In answering this discovery request, it should be noted and fully understood that
20 discovery is ongoing and that Claimant has not fully completed his investigation of the facts
21 relating to this case, has not completed her discovery in this action, and has not completed his
22 preparation for arbitration. All of the responses contained herein are based only upon such
23 information which is presently available to and specifically known by Claimant. It is
24 anticipated that further discovery, independent investigation, legal research, and analysis will
25 supply additional facts, add meaning to known facts, as well as establish entirely new factual
26 conclusions and legal contentions, all of which may lead to substantial additions to, changes
27 in, and variations from the responses set forth herein. The following discovery responses are
28 given without prejudice to Claimant’s right to produce evidence to any subsequently

1 discovered fact or facts which Claimant may later discover or be revealed. The responses
2 contained herein are provided in a good faith effort to supply as much information and as
3 much specification as is presently known, but should in no way be to the prejudice of
4 Claimant in relation to further discovery, research, or analysis.

5 In responding to Respondent's discovery requests, Claimant will make a reasonable
6 and diligent effort to comply with the requests. Claimant's investigation is ongoing and he
7 reserves the right to amend or supplement the responses herein upon request and/or to
8 introduce at arbitration, or other proceedings related to this action, responses not set forth
9 herein if such material or facts become known, located, or available to Claimant subsequent to
10 the date of this Response.

11 In providing specific responses, Claimant does not in any way waive or intend to
12 waive, but rather intends to preserve and is preserving:

- 13 A. All objections as to competence, relevance, materiality, admissibility of the
14 responses or subject matter thereof;
- 15 B. All rights to object on any ground to the use of any said responses, or the
16 subject matter thereof, in all subsequent proceedings, including the arbitration
17 of this or any other action; and
- 18 C. All rights to object on any ground to any request for further responses to these
19 or any other discovery requests involving or related to the subject matter of
20 these requests.
- 21 D. Claimant objects to each category or request to the extent that it calls for
22 disclosure of attorney-client privilege and/or attorney work product privilege
23 and incorporate such objection to each and every category or response.

24 **GENERAL OBJECTIONS**

25 Claimant incorporates the following General Objections into the responses and objects
26 to each and every Special Interrogatory (the "Interrogatories") as follows:

- 27 1. Claimant objects to the Interrogatories insofar as they seek information that is
28 protected from discovery by any applicable privilege, doctrine or immunity,

1 including without limitation the attorney-client privilege and the attorney work
2 product doctrine, and information that is subject to the right of privacy
3 guaranteed by Article 1, Section 1 of the California Constitution and the
4 constitutional, statutory or decisional law of the United States, the State of
5 California and all other relevant jurisdictions. Claimant does not deem the
6 Interrogatories to seek such information and will not disclose such information
7 in response to Interrogatories.

- 8 2. Claimant objects to the Interrogatories to the extent that they seek information
9 neither relevant to the subject matter of this action nor reasonably calculated to
10 lead to the discovery of admissible evidence.
- 11 3. Claimant objects to the Interrogatories to the extent that the discovery sought is
12 unduly burdensome and harassing.
- 13 4. All Responses to the Interrogatories are provided without a waiver of, and with
14 express reservation of: (a) all objections as to competency, relevancy,
15 materiality and admissibility of the responses and the subject matter thereof as
16 evidence for any purpose in any further proceeding in this action, including
17 motions for summary judgment, motions for summary adjudication of issues
18 and the trial of this action, or any other action; (b) all privileges and the work
19 product doctrine; (c) the right to object to the use of such responses, or the
20 subject matter thereof, on any ground in any further proceeding in this action;
21 and (d) the right to object on any ground at any time to a demand or request for
22 further responses to these or any other interrogatories or discovery proceedings,
23 including requests for the production of documents.
- 24 5. These Responses and General Objections are based upon information
25 reasonably available to Claimant in her investigation to date and are subject to
26 further investigation, discovery, supplementation and amendment.
- 27 6. Claimant objects to the Interrogatories to the extent that the discovery sought is
28 cumulative or duplicative of discovery already served by Respondent in this

1 matter.

2 **RESPONSES AND OBJECTIONS TO SPECIAL INTERROGATORIES**

3 **INTERROGATORY NO. 1:**

4 State the total dollar amount of damages that YOU seek in THIS ACTION.

5 **RESPONSE TO INTERROGATORY NO. 1:**

6 Claimant incorporates each of the above General Objections as though fully set forth
7 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
8 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,
9 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
10 Interrogatory on the grounds and to the extent the request seeks information that Respondent
11 has in its possession or which may be obtained through other means that are more convenient,
12 less costly, and less burdensome. To the extent this Interrogatory seeks an analysis of
13 Claimant's damages or the methodology for calculating damages, Claimant objects to this
14 Interrogatory as premature to the extent Claimant has not fully completed her discovery and
15 investigation in this arbitration. Claimant objects to this Interrogatory on grounds that it seeks
16 expert testimony generally given at arbitration. Claimant further objects on the grounds the
17 Interrogatory seeks a legal conclusion for which Claimant is not qualified to testify.

18 Subject to and without waiving the foregoing general and specific objections, Claimant
19 responds as follows: Claimant seeks to recover \$41,518.82 for his wage and hour claims.
20 Discovery and investigation are still ongoing and Claimant reserves the right to supplement
21 this response at any time prior to arbitration.

22 **INTERROGATORY NO. 2:**

23 Explain how you calculated the total amount of damage that YOU seek in THIS
24 ACTION.

25 **RESPONSE TO INTERROGATORY NO. 2:**

26 Claimant incorporates each of the above General Objections as though fully set forth
27 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
28 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,

1 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
2 Interrogatory on the grounds and to the extent the request seeks information that Respondent
3 has in its possession or which may be obtained through other means that are more convenient,
4 less costly, and less burdensome. Claimant objects to this Interrogatory to the extent that it
5 seeks information neither relevant to the subject matter of this action nor reasonably
6 calculated to lead to the discovery of admissible evidence. To the extent this Interrogatory
7 seeks an analysis of Claimant's damages or the methodology for calculating damages,
8 Claimant objects to this Interrogatory as premature to the extent Claimant has not fully
9 completed her discovery and investigation in this arbitration. Claimant objects to this
10 Interrogatory on grounds that it seeks expert testimony generally given at arbitration.
11 Claimant further objects on the grounds the Interrogatory seeks a legal conclusion for which
12 Claimant is not qualified to testify.

13 Subject to and without waiving the foregoing general and specific objections, Claimant
14 responds as follows:

15 Claimant calculated the total amount of damages by adding the sum of the projected
16 amounts pertaining to (1) overtime violations, (2) meal break violations, (3) rest break
17 violations, (4) wage statement violations, (5) waiting time penalties, and the (6) fine for
18 failure to provide employee records. Claimant preliminarily estimated 98.8 workweeks in the
19 time period at issue, 49 pay statements during that time period, a regular rate of \$26.10 per
20 hour and an overtime rate of \$39.15 per hour.

21 The total for overtime violations was calculated by taking the applicable overtime rate
22 and multiplying that by the number of weeks at issue.

23 The total for meal break violations was calculated by taking the sum of the number of
24 meal breaks missed per week (5) and multiplying that by the estimated regular rate of pay.

25 The total for rest break violations was calculated by taking the sum of the number of
26 work days with a missed rest breaks missed per week (5) and multiplying that by the
27 estimated regular pay.

28 The total for wage statement violations was calculated by taking the sum of the

1 number of pay statements at issue and multiplying that by 100 and then subtracting 50 from
2 that sum.

3 The total for waiting time penalties was calculated by multiplying the estimated
4 regular rate by the number of work hours per day (8 hours) and multiplying that by 30.

5 The total violation for failure to provide employment records is a statutory penalty of
6 \$750.00.

7 The total damages sought, therefore, amount to \$41,518.82. Discovery and
8 investigation are still ongoing and Claimant reserves the right to supplement this response at
9 any time prior to arbitration.

10
11 Dated: April 18, 2013

Initiative Legal Group APC

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13
14 By: /s/ Cory G. Lee

Mónica Balderrama

Cory Lee

Initiative Legal Group APC

15
16 Attorneys for Claimant Marquel Rose
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VERIFICATION

I, Marquel Rose, declare,

I am the Claimant in the above-entitled action, and am authorized to make this verification.

I have read the foregoing document entitled **CLAIMANT'S RESPONSES AND OBJECTIONS TO RESPONDENT'S SPECIAL INTERROGATORIES DIRECTED TO CLAIMANT MARQUEL ROSE** and know the contents thereof. The contents of that document are true of my own knowledge, except as to those matters which are therein alleged on information and belief, and as to those matters, I believe them to be true.

I declare under the laws of the United States of America that the foregoing is true and correct.

Executed on April 14, 2013 at Los Angeles, CA.


Marquel Rose

1 Raul Perez (SBN 174687)
2 RPerez@CapstoneLawyers.com
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16 Facsimile: (310) 861-9051

17 Attorneys for Claimant David Baranco

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15 DAVID BARANCO, an individual,
16 Claimant,
17 vs.
18 CLS TRANSPORTATION LOS
19 ANGELES, LLC, et al.,
20 Respondents.

AAA Case No.: 74 160 220 12 AMCH
Arbitrator: Hon. Kevin Murphy

**CLAIMANT'S RESPONSES AND
OBJECTIONS TO RESPONDENT'S
SPECIAL INTERROGATORIES
DIRECTED TO CLAIMANT
DAVID BARANCO**

23 PROPOUNDING PARTY: Respondent CLS TRANSPORTATION LOS ANGELES, LLC
24 RESPONDING PARTY: Claimant DAVID BARANCO
25 SET NO.: ONE (Nos. 1 and 2)

1 Claimant David Baranco ("Claimant") hereby responds and objects to Respondent
2 CLS's ("Respondent") Special Interrogatories Directed to Claimant David Baranco, without
3 waiving his right to supplement his responses hereto after further discovery is conducted or
4 his right to present any subsequently discovered evidence at the time of arbitration or any
5 hearing in this matter.

6 This introduction applies to each and every response herein and shall be incorporated
7 by this reference as though set forth in full to each and every response. The following
8 responses are based solely upon facts, issues, documents and other information in the
9 possession, custody, or control of Claimant at the time of the preparation of these responses.

10 Discovery will continue as long as permitted by statute, order of the arbitrator, or
11 stipulation of the parties, and investigation by Claimant shall continue up to and through
12 arbitration on this matter, and any further prosecution of this matter. Claimant therefore
13 specifically reserves the right to introduce any evidence from whatever source which may
14 hereinafter be discovered and to supplement his response in accordance with any newly
15 discovered evidence. If any information or objections have been unintentionally omitted from
16 these responses, Claimant specifically reserves the right to apply for relief so as to permit the
17 introduction of the omitted information or objections.

18 **PRELIMINARY RESPONSES**

19 In answering this discovery request, it should be noted and fully understood that
20 discovery is ongoing and that Claimant has not fully completed his investigation of the facts
21 relating to this case, has not completed her discovery in this action, and has not completed his
22 preparation for arbitration. All of the responses contained herein are based only upon such
23 information which is presently available to and specifically known by Claimant. It is
24 anticipated that further discovery, independent investigation, legal research, and analysis will
25 supply additional facts, add meaning to known facts, as well as establish entirely new factual
26 conclusions and legal contentions, all of which may lead to substantial additions to, changes
27 in, and variations from the responses set forth herein. The following discovery responses are
28 given without prejudice to Claimant's right to produce evidence to any subsequently

1 discovered fact or facts which Claimant may later discover or be revealed. The responses
2 contained herein are provided in a good faith effort to supply as much information and as
3 much specification as is presently known, but should in no way be to the prejudice of
4 Claimant in relation to further discovery, research, or analysis.

5 In responding to Respondent's discovery requests, Claimant will make a reasonable
6 and diligent effort to comply with the requests. Claimant's investigation is ongoing and he
7 reserves the right to amend or supplement the responses herein upon request and/or to
8 introduce at arbitration, or other proceedings related to this action, responses not set forth
9 herein if such material or facts become known, located, or available to Claimant subsequent to
10 the date of this Response.

11 In providing specific responses, Claimant does not in any way waive or intend to
12 waive, but rather intends to preserve and is preserving:

- 13 A. All objections as to competence, relevance, materiality, admissibility of the
14 responses or subject matter thereof;
- 15 B. All rights to object on any ground to the use of any said responses, or the
16 subject matter thereof, in all subsequent proceedings, including the arbitration
17 of this or any other action; and
- 18 C. All rights to object on any ground to any request for further responses to these
19 or any other discovery requests involving or related to the subject matter of
20 these requests.
- 21 D. Claimant objects to each category or request to the extent that it calls for
22 disclosure of attorney-client privilege and/or attorney work product privilege
23 and incorporate such objection to each and every category or response.

24 **GENERAL OBJECTIONS**

25 Claimant incorporates the following General Objections into the responses and objects
26 to each and every Special Interrogatory (the "Interrogatories") as follows:

- 27 1. Claimant objects to the Interrogatories insofar as they seek information that is
28 protected from discovery by any applicable privilege, doctrine or immunity,

1 including without limitation the attorney-client privilege and the attorney work
2 product doctrine, and information that is subject to the right of privacy
3 guaranteed by Article 1, Section 1 of the California Constitution and the
4 constitutional, statutory or decisional law of the United States, the State of
5 California and all other relevant jurisdictions. Claimant does not deem the
6 Interrogatories to seek such information and will not disclose such information
7 in response to Interrogatories.

- 8 2. Claimant objects to the Interrogatories to the extent that they seek information
9 neither relevant to the subject matter of this action nor reasonably calculated to
10 lead to the discovery of admissible evidence.
- 11 3. Claimant objects to the Interrogatories to the extent that the discovery sought is
12 unduly burdensome and harassing.
- 13 4. All Responses to the Interrogatories are provided without a waiver of, and with
14 express reservation of: (a) all objections as to competency, relevancy,
15 materiality and admissibility of the responses and the subject matter thereof as
16 evidence for any purpose in any further proceeding in this action, including
17 motions for summary judgment, motions for summary adjudication of issues
18 and the trial of this action, or any other action; (b) all privileges and the work
19 product doctrine; (c) the right to object to the use of such responses, or the
20 subject matter thereof, on any ground in any further proceeding in this action;
21 and (d) the right to object on any ground at any time to a demand or request for
22 further responses to these or any other interrogatories or discovery proceedings,
23 including requests for the production of documents.
- 24 5. These Responses and General Objections are based upon information
25 reasonably available to Claimant in her investigation to date and are subject to
26 further investigation, discovery, supplementation and amendment.
- 27 6. Claimant objects to the Interrogatories to the extent that the discovery sought is
28 cumulative or duplicative of discovery already served by Respondent in this

1 matter.

2 **RESPONSES AND OBJECTIONS TO SPECIAL INTERROGATORIES**

3 **INTERROGATORY NO. 1:**

4 State the total dollar amount of damages that YOU seek in THIS ACTION.

5 **RESPONSE TO INTERROGATORY NO. 1:**

6 Claimant incorporates each of the above General Objections as though fully set forth
7 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
8 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,
9 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
10 Interrogatory on the grounds and to the extent the request seeks information that Respondent
11 has in its possession or which may be obtained through other means that are more convenient,
12 less costly, and less burdensome. To the extent this Interrogatory seeks an analysis of
13 Claimant's damages or the methodology for calculating damages, Claimant objects to this
14 Interrogatory as premature to the extent Claimant has not fully completed her discovery and
15 investigation in this arbitration. Claimant objects to this Interrogatory on grounds that it seeks
16 expert testimony generally given at arbitration. Claimant further objects on the grounds the
17 Interrogatory seeks a legal conclusion for which Claimant is not qualified to testify.

18 Subject to and without waiving the foregoing general and specific objections, Claimant
19 responds as follows: Claimant seeks to recover \$36,730.22 for his wage and hour claims.
20 Discovery and investigation are still ongoing and Claimant reserves the right to supplement
21 this response at any time prior to arbitration.

22 **INTERROGATORY NO. 2:**

23 Explain how you calculated the total amount of damage that YOU seek in THIS
24 ACTION.

25 **RESPONSE TO INTERROGATORY NO. 2:**

26 Claimant incorporates each of the above General Objections as though fully set forth
27 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
28 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,

1 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
2 Interrogatory on the grounds and to the extent the request seeks information that Respondent
3 has in its possession or which may be obtained through other means that are more convenient,
4 less costly, and less burdensome. Claimant objects to this Interrogatory to the extent that it
5 seeks information neither relevant to the subject matter of this action nor reasonably
6 calculated to lead to the discovery of admissible evidence. To the extent this Interrogatory
7 seeks an analysis of Claimant's damages or the methodology for calculating damages,
8 Claimant objects to this Interrogatory as premature to the extent Claimant has not fully
9 completed her discovery and investigation in this arbitration. Claimant objects to this
10 Interrogatory on grounds that it seeks expert testimony generally given at arbitration.
11 Claimant further objects on the grounds the Interrogatory seeks a legal conclusion for which
12 Claimant is not qualified to testify.

13 Subject to and without waiving the foregoing general and specific objections, Claimant
14 responds as follows:

15 Claimant calculated the total amount of damages by adding the sum of the projected
16 amounts pertaining to (1) overtime violations, (2) meal break violations, (3) rest break
17 violations, (4) wage statement violations, (5) waiting time penalties, and the (6) fine for
18 failure to provide employee records. Claimant preliminarily estimated 137.2 workweeks in
19 the time period at issue, 68 pay statements during that time period, a regular rate of \$16.08 per
20 hour and an overtime rate of \$24.12 per hour.

21 The total for overtime violations was calculated by taking the applicable overtime rate
22 and multiplying that by the number of weeks at issue.

23 The total for meal break violations was calculated by taking the sum of the number of
24 meal breaks missed per week (5) and multiplying that by the estimated regular rate of pay.

25 The total for rest break violations was calculated by taking the sum of the number of
26 work days with a missed rest breaks missed per week (5) and multiplying that by the
27 estimated regular pay.

28 The total for wage statement violations was calculated by taking the sum of the

1 number of pay statements at issue and multiplying that by 100 and then subtracting 50 from
2 that sum.

3 The total for waiting time penalties was calculated by multiplying the estimated
4 regular rate by the number of work hours per day (8 hours) and multiplying that by 30.

5 The total violation for failure to provide employment records is a statutory penalty of
6 \$750.00.

7 The total damages sought, therefore, amount to \$36,730.22. Discovery and
8 investigation are still ongoing and Claimant reserves the right to supplement this response at
9 any time prior to arbitration.

10
11 Dated: April 18, 2013

Initiative Legal Group APC

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13
14 By: /s/ Cory G. Lee

Mónica Balderrama

Cory Lee

Initiative Legal Group APC

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16 Attorneys for Claimant David Baranco
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VERIFICATION

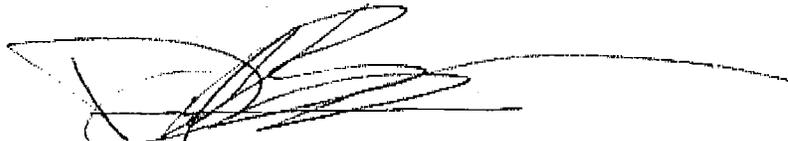
I, David Baranco, declare,

I am the Claimant in the above-entitled action, and am authorized to make this verification.

I have read the foregoing document entitled **CLAIMANT'S RESPONSES AND OBJECTIONS TO RESPONDENT'S SPECIAL INTERROGATORIES DIRECTED TO CLAIMANT DAVID BARANCO** and know the contents thereof. The contents of that document are true of my own knowledge, except as to those matters which are therein alleged on information and belief, and as to those matters, I believe them to be true.

I declare under the laws of the United States of America that the foregoing is true and correct.

Executed on April 15, 2013 at San Francisco, CA.



David Baranco

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2 Capstone Law APC
1840 Century Park East, Suite 450
3 Los Angeles, California 90067
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4 Facsimile: (310) 943-0396

5 Mónica Balderrama (SBN 196424)
MBalderrama@InitiativeLegal.com
6 Cory G. Lee (SBN 216921)
CoryLee@InitiativeLegal.com
7 Initiative Legal Group APC
1800 Century Park East, Mezzanine
8 Los Angeles, California 90067
Telephone: (310) 556-5637
9 Facsimile: (310) 861-9051

10 Attorneys for Claimant Belinda Washington

11
12 IN RE ARBITRATION

13 AMERICAN ARBITRATION ASSOCIATION

14
15 BELINDA WASHINGTON, an individual,

16 Claimant,

17 vs.

18 CLS TRANSPORTATION LOS
ANGELES, LLC, et al.,

19 Respondents.
20
21

AAA Case No.: 72 160 520 12 AMCH

Arbitrator: Hon. Gregory O'Brien

**CLAIMANT'S RESPONSES AND
OBJECTIONS TO RESPONDENT'S
SPECIAL INTERROGATORIES
DIRECTED TO CLAIMANT
BELINDA WASHINGTON**

22
23 PROPOUNDING PARTY: Respondent CLS TRANSPORTATION LOS ANGELES, LLC

24 RESPONDING PARTY: Claimant BELINDA WASHINGTON

25 SET NO.: ONE (Nos. 1 and 2)
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1 Claimant Belinda Washington ("Claimant") hereby responds and objects to
2 Respondent CLS's ("Respondent") Special Interrogatories Directed to Claimant Belinda
3 Washington, without waiving her right to supplement her responses hereto after further
4 discovery is conducted or her right to present any subsequently discovered evidence at the
5 time of arbitration or any hearing in this matter.

6 This introduction applies to each and every response herein and shall be incorporated
7 by this reference as though set forth in full to each and every response. The following
8 responses are based solely upon facts, issues, documents and other information in the
9 possession, custody, or control of Claimant at the time of the preparation of these responses.

10 Discovery will continue as long as permitted by statute, order of the arbitrator, or
11 stipulation of the parties, and investigation by Claimant shall continue up to and through
12 arbitration on this matter, and any further prosecution of this matter. Claimant therefore
13 specifically reserves the right to introduce any evidence from whatever source which may
14 hereinafter be discovered and to supplement her response in accordance with any newly
15 discovered evidence. If any information or objections have been unintentionally omitted from
16 these responses, Claimant specifically reserves the right to apply for relief so as to permit the
17 introduction of the omitted information or objections.

18 **PRELIMINARY RESPONSES**

19 In answering this discovery request, it should be noted and fully understood that
20 discovery is ongoing and that Claimant has not fully completed her investigation of the facts
21 relating to this case, has not completed her discovery in this action, and has not completed her
22 preparation for arbitration. All of the responses contained herein are based only upon such
23 information which is presently available to and specifically known by Claimant. It is
24 anticipated that further discovery, independent investigation, legal research, and analysis will
25 supply additional facts, add meaning to known facts, as well as establish entirely new factual
26 conclusions and legal contentions, all of which may lead to substantial additions to, changes
27 in, and variations from the responses set forth herein. The following discovery responses are
28 given without prejudice to Claimant's right to produce evidence to any subsequently

1 discovered fact or facts which Claimant may later discover or be revealed. The responses
2 contained herein are provided in a good faith effort to supply as much information and as
3 much specification as is presently known, but should in no way be to the prejudice of
4 Claimant in relation to further discovery, research, or analysis.

5 In responding to Respondent's discovery requests, Claimant will make a reasonable
6 and diligent effort to comply with the requests. Claimant's investigation is ongoing and he
7 reserves the right to amend or supplement the responses herein upon request and/or to
8 introduce at arbitration, or other proceedings related to this action, responses not set forth
9 herein if such material or facts become known, located, or available to Claimant subsequent to
10 the date of this Response.

11 In providing specific responses, Claimant does not in any way waive or intend to
12 waive, but rather intends to preserve and is preserving:

- 13 A. All objections as to competence, relevance, materiality, admissibility of the
14 responses or subject matter thereof;
- 15 B. All rights to object on any ground to the use of any said responses, or the
16 subject matter thereof, in all subsequent proceedings, including the arbitration
17 of this or any other action; and
- 18 C. All rights to object on any ground to any request for further responses to these
19 or any other discovery requests involving or related to the subject matter of
20 these requests.
- 21 D. Claimant objects to each category or request to the extent that it calls for
22 disclosure of attorney-client privilege and/or attorney work product privilege
23 and incorporate such objection to each and every category or response.

24 **GENERAL OBJECTIONS**

25 Claimant incorporates the following General Objections into the responses and objects
26 to each and every Special Interrogatory (the "Interrogatories") as follows:

- 27 1. Claimant objects to the Interrogatories insofar as they seek information that is
28 protected from discovery by any applicable privilege, doctrine or immunity,

1 including without limitation the attorney-client privilege and the attorney work
2 product doctrine, and information that is subject to the right of privacy
3 guaranteed by Article 1, Section 1 of the California Constitution and the
4 constitutional, statutory or decisional law of the United States, the State of
5 California and all other relevant jurisdictions. Claimant does not deem the
6 Interrogatories to seek such information and will not disclose such information
7 in response to Interrogatories.

8 2. Claimant objects to the Interrogatories to the extent that they seek information
9 neither relevant to the subject matter of this action nor reasonably calculated to
10 lead to the discovery of admissible evidence.

11 3. Claimant objects to the Interrogatories to the extent that the discovery sought is
12 unduly burdensome and harassing.

13 4. All Responses to the Interrogatories are provided without a waiver of, and with
14 express reservation of: (a) all objections as to competency, relevancy,
15 materiality and admissibility of the responses and the subject matter thereof as
16 evidence for any purpose in any further proceeding in this action, including
17 motions for summary judgment, motions for summary adjudication of issues
18 and the trial of this action, or any other action; (b) all privileges and the work
19 product doctrine; (c) the right to object to the use of such responses, or the
20 subject matter thereof, on any ground in any further proceeding in this action;
21 and (d) the right to object on any ground at any time to a demand or request for
22 further responses to these or any other interrogatories or discovery proceedings,
23 including requests for the production of documents.

24 5. These Responses and General Objections are based upon information
25 reasonably available to Claimant in her investigation to date and are subject to
26 further investigation, discovery, supplementation and amendment.

27 6. Claimant objects to the Interrogatories to the extent that the discovery sought is
28 cumulative or duplicative of discovery already served by Respondent in this

1 matter.

2 **RESPONSES AND OBJECTIONS TO SPECIAL INTERROGATORIES**

3 **INTERROGATORY NO. 1:**

4 State the total dollar amount of damages that YOU seek in THIS ACTION.

5 **RESPONSE TO INTERROGATORY NO. 1:**

6 Claimant incorporates each of the above General Objections as though fully set forth
7 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
8 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,
9 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
10 Interrogatory on the grounds and to the extent the request seeks information that Respondent
11 has in its possession or which may be obtained through other means that are more convenient,
12 less costly, and less burdensome. To the extent this Interrogatory seeks an analysis of
13 Claimant's damages or the methodology for calculating damages, Claimant objects to this
14 Interrogatory as premature to the extent Claimant has not fully completed her discovery and
15 investigation in this arbitration. Claimant objects to this Interrogatory on grounds that it seeks
16 expert testimony generally given at arbitration. Claimant further objects on the grounds the
17 Interrogatory seeks a legal conclusion for which Claimant is not qualified to testify.

18 Subject to and without waiving the foregoing general and specific objections, Claimant
19 responds as follows: Claimant seeks to recover \$33,451.76 for her wage and hour claims.
20 Discovery and investigation are still ongoing and Claimant reserves the right to supplement
21 this response at any time prior to arbitration.

22 **INTERROGATORY NO. 2:**

23 Explain how you calculated the total amount of damage that YOU seek in THIS
24 ACTION.

25 **RESPONSE TO INTERROGATORY NO. 2:**

26 Claimant incorporates each of the above General Objections as though fully set forth
27 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
28 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,

1 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
2 Interrogatory on the grounds and to the extent the request seeks information that Respondent
3 has in its possession or which may be obtained through other means that are more convenient,
4 less costly, and less burdensome. Claimant objects to this Interrogatory to the extent that it
5 seeks information neither relevant to the subject matter of this action nor reasonably
6 calculated to lead to the discovery of admissible evidence. To the extent this Interrogatory
7 seeks an analysis of Claimant's damages or the methodology for calculating damages,
8 Claimant objects to this Interrogatory as premature to the extent Claimant has not fully
9 completed her discovery and investigation in this arbitration. Claimant objects to this
10 Interrogatory on grounds that it seeks expert testimony generally given at arbitration.
11 Claimant further objects on the grounds the Interrogatory seeks a legal conclusion for which
12 Claimant is not qualified to testify.

13 Subject to and without waiving the foregoing general and specific objections, Claimant
14 responds as follows:

15 Claimant calculated the total amount of damages by adding the sum of the projected
16 amounts pertaining to (1) overtime violations, (2) meal break violations, (3) rest break
17 violations, (4) wage statement violations, (5) waiting time penalties, and the (6) fine for
18 failure to provide employee records. Claimant preliminarily estimated 83.8 workweeks in the
19 time period at issue, 42 pay statements during that time period, a regular rate of \$23.72 per
20 hour and an overtime rate of \$35.58 per hour.

21 The total for overtime violations was calculated by taking the applicable overtime rate
22 and multiplying that by the number of weeks at issue.

23 The total for meal break violations was calculated by taking the sum of the number of
24 meal breaks missed per week (5) and multiplying that by the estimated regular rate of pay.

25 The total for rest break violations was calculated by taking the sum of the number of
26 work days with a missed rest breaks missed per week (5) and multiplying that by the
27 estimated regular pay.

28 The total for wage statement violations was calculated by taking the sum of the

1 number of pay statements at issue and multiplying that by 100 and then subtracting 50 from
2 that sum.

3 The total for waiting time penalties was calculated by multiplying the estimated
4 regular rate by the number of work hours per day (8 hours) and multiplying that by 30.

5 The total violation for failure to provide employment records is a statutory penalty of
6 \$750.00.

7 The total damages sought, therefore, amount to \$33,451.76. Discovery and
8 investigation are still ongoing and Claimant reserves the right to supplement this response at
9 any time prior to arbitration.

10
11 Dated: April 18, 2013

Initiative Legal Group APC

12
13
14 By: /s/ Cory G. Lee

Mónica Balderrama

Cory Lee

Initiative Legal Group APC

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16 Attorneys for Claimant Belinda Washington
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VERIFICATION

I, Belinda Washington, declare,

I am the Claimant in the above-entitled action, and am authorized to make this verification.

I have read the foregoing document entitled **CLAIMANT'S RESPONSES AND OBJECTIONS TO RESPONDENT'S SPECIAL INTERROGATORIES DIRECTED TO CLAIMANT BELINDA WASHINGTON** and know the contents thereof. The contents of that document are true of my own knowledge, except as to those matters which are therein alleged on information and belief, and as to those matters, I believe them to be true.

I declare under the laws of the United States of America that the foregoing is true and correct.

Executed on April 16th, 2013 at Whittier, California.



Belinda Washington

1 Raul Perez (SBN 174687)
2 RPerez@CapstoneLawyers.com
3 Capstone Law APC
4 1840 Century Park East, Suite 450
5 Los Angeles, California 90067
6 Telephone: (310) 556-4811
7 Facsimile: (310) 943-0396

8 Mónica Balderrama (SBN 196424)
9 MBalderrama@InitiativeLegal.com
10 Cory G. Lee (SBN 216921)
11 CoryLee@InitiativeLegal.com
12 Initiative Legal Group APC
13 1800 Century Park East, Mezzanine
14 Los Angeles, California 90067
15 Telephone: (310) 556-5637
16 Facsimile: (310) 861-9051

17 Attorneys for Claimant Kenny Cheng

18 IN RE ARBITRATION

19 AMERICAN ARBITRATION ASSOCIATION

20 KENNY CHENG, an individual,

21 Claimant,

22 vs.

23 CLS TRANSPORTATION LOS
24 ANGELES, LLC, et al.,

25 Respondents.

AAA Case No.: 74 160 221 12 AMCH

Arbitrator: Hon. William Stein

**CLAIMANT'S RESPONSES AND
OBJECTIONS TO RESPONDENT'S
SPECIAL INTERROGATORIES
DIRECTED TO CLAIMANT
KENNY CHENG**

26 PROPOUNDING PARTY: Respondent CLS TRANSPORTATION LOS ANGELES, LLC

27 RESPONDING PARTY: Claimant KENNY CHENG

28 SET NO.: ONE (Nos. 1 and 2)

1 Claimant Kenny Cheng ("Claimant") hereby responds and objects to Respondent
2 CLS's ("Respondent") Special Interrogatories Directed to Claimant Kenny Cheng, without
3 waiving his right to supplement his responses hereto after further discovery is conducted or
4 his right to present any subsequently discovered evidence at the time of arbitration or any
5 hearing in this matter.

6 This introduction applies to each and every response herein and shall be incorporated
7 by this reference as though set forth in full to each and every response. The following
8 responses are based solely upon facts, issues, documents and other information in the
9 possession, custody, or control of Claimant at the time of the preparation of these responses.

10 Discovery will continue as long as permitted by statute, order of the arbitrator, or
11 stipulation of the parties, and investigation by Claimant shall continue up to and through
12 arbitration on this matter, and any further prosecution of this matter. Claimant therefore
13 specifically reserves the right to introduce any evidence from whatever source which may
14 hereinafter be discovered and to supplement his response in accordance with any newly
15 discovered evidence. If any information or objections have been unintentionally omitted from
16 these responses, Claimant specifically reserves the right to apply for relief so as to permit the
17 introduction of the omitted information or objections.

18 **PRELIMINARY RESPONSES**

19 In answering this discovery request, it should be noted and fully understood that
20 discovery is ongoing and that Claimant has not fully completed his investigation of the facts
21 relating to this case, has not completed her discovery in this action, and has not completed his
22 preparation for arbitration. All of the responses contained herein are based only upon such
23 information which is presently available to and specifically known by Claimant. It is
24 anticipated that further discovery, independent investigation, legal research, and analysis will
25 supply additional facts, add meaning to known facts, as well as establish entirely new factual
26 conclusions and legal contentions, all of which may lead to substantial additions to, changes
27 in, and variations from the responses set forth herein. The following discovery responses are
28 given without prejudice to Claimant's right to produce evidence to any subsequently

1 discovered fact or facts which Claimant may later discover or be revealed. The responses
2 contained herein are provided in a good faith effort to supply as much information and as
3 much specification as is presently known, but should in no way be to the prejudice of
4 Claimant in relation to further discovery, research, or analysis.

5 In responding to Respondent's discovery requests, Claimant will make a reasonable
6 and diligent effort to comply with the requests. Claimant's investigation is ongoing and he
7 reserves the right to amend or supplement the responses herein upon request and/or to
8 introduce at arbitration, or other proceedings related to this action, responses not set forth
9 herein if such material or facts become known, located, or available to Claimant subsequent to
10 the date of this Response.

11 In providing specific responses, Claimant does not in any way waive or intend to
12 waive, but rather intends to preserve and is preserving:

- 13 A. All objections as to competence, relevance, materiality, admissibility of the
14 responses or subject matter thereof;
- 15 B. All rights to object on any ground to the use of any said responses, or the
16 subject matter thereof, in all subsequent proceedings, including the arbitration
17 of this or any other action; and
- 18 C. All rights to object on any ground to any request for further responses to these
19 or any other discovery requests involving or related to the subject matter of
20 these requests.
- 21 D. Claimant objects to each category or request to the extent that it calls for
22 disclosure of attorney-client privilege and/or attorney work product privilege
23 and incorporate such objection to each and every category or response.

24 **GENERAL OBJECTIONS**

25 Claimant incorporates the following General Objections into the responses and objects
26 to each and every Special Interrogatory (the "Interrogatories") as follows:

- 27 1. Claimant objects to the Interrogatories insofar as they seek information that is
28 protected from discovery by any applicable privilege, doctrine or immunity,

1 including without limitation the attorney-client privilege and the attorney work
2 product doctrine, and information that is subject to the right of privacy
3 guaranteed by Article 1, Section 1 of the California Constitution and the
4 constitutional, statutory or decisional law of the United States, the State of
5 California and all other relevant jurisdictions. Claimant does not deem the
6 Interrogatories to seek such information and will not disclose such information
7 in response to Interrogatories.

- 8 2. Claimant objects to the Interrogatories to the extent that they seek information
9 neither relevant to the subject matter of this action nor reasonably calculated to
10 lead to the discovery of admissible evidence.
- 11 3. Claimant objects to the Interrogatories to the extent that the discovery sought is
12 unduly burdensome and harassing.
- 13 4. All Responses to the Interrogatories are provided without a waiver of, and with
14 express reservation of: (a) all objections as to competency, relevancy,
15 materiality and admissibility of the responses and the subject matter thereof as
16 evidence for any purpose in any further proceeding in this action, including
17 motions for summary judgment, motions for summary adjudication of issues
18 and the trial of this action, or any other action; (b) all privileges and the work
19 product doctrine; (c) the right to object to the use of such responses, or the
20 subject matter thereof, on any ground in any further proceeding in this action;
21 and (d) the right to object on any ground at any time to a demand or request for
22 further responses to these or any other interrogatories or discovery proceedings,
23 including requests for the production of documents.
- 24 5. These Responses and General Objections are based upon information
25 reasonably available to Claimant in her investigation to date and are subject to
26 further investigation, discovery, supplementation and amendment.
- 27 6. Claimant objects to the Interrogatories to the extent that the discovery sought is
28 cumulative or duplicative of discovery already served by Respondent in this

1 matter.

2 **RESPONSES AND OBJECTIONS TO SPECIAL INTERROGATORIES**

3 **INTERROGATORY NO. 1:**

4 State the total dollar amount of damages that YOU seek in THIS ACTION.

5 **RESPONSE TO INTERROGATORY NO. 1:**

6 Claimant incorporates each of the above General Objections as though fully set forth
7 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
8 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,
9 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
10 Interrogatory on the grounds and to the extent the request seeks information that Respondent
11 has in its possession or which may be obtained through other means that are more convenient,
12 less costly, and less burdensome. To the extent this Interrogatory seeks an analysis of
13 Claimant's damages or the methodology for calculating damages, Claimant objects to this
14 Interrogatory as premature to the extent Claimant has not fully completed her discovery and
15 investigation in this arbitration. Claimant objects to this Interrogatory on grounds that it seeks
16 expert testimony generally given at arbitration. Claimant further objects on the grounds the
17 Interrogatory seeks a legal conclusion for which Claimant is not qualified to testify.

18 Subject to and without waiving the foregoing general and specific objections, Claimant
19 responds as follows: Claimant seeks to recover \$48,038.45 for his wage and hour claims.
20 Discovery and investigation are still ongoing and Claimant reserves the right to supplement
21 this response at any time prior to arbitration.

22 **INTERROGATORY NO. 2:**

23 Explain how you calculated the total amount of damage that YOU seek in THIS
24 ACTION.

25 **RESPONSE TO INTERROGATORY NO. 2:**

26 Claimant incorporates each of the above General Objections as though fully set forth
27 herein. Claimant objects to this Interrogatory on the grounds and to the extent the demand is
28 vague, ambiguous, overbroad, harassing, unduly burdensome, lacking reasonable particularity,

1 or otherwise lacks sufficient precision to permit a response. Claimant objects to this
2 Interrogatory on the grounds and to the extent the request seeks information that Respondent
3 has in its possession or which may be obtained through other means that are more convenient,
4 less costly, and less burdensome. Claimant objects to this Interrogatory to the extent that it
5 seeks information neither relevant to the subject matter of this action nor reasonably
6 calculated to lead to the discovery of admissible evidence. To the extent this Interrogatory
7 seeks an analysis of Claimant's damages or the methodology for calculating damages,
8 Claimant objects to this Interrogatory as premature to the extent Claimant has not fully
9 completed her discovery and investigation in this arbitration. Claimant objects to this
10 Interrogatory on grounds that it seeks expert testimony generally given at arbitration.
11 Claimant further objects on the grounds the Interrogatory seeks a legal conclusion for which
12 Claimant is not qualified to testify.

13 Subject to and without waiving the foregoing general and specific objections, Claimant
14 responds as follows:

15 Claimant calculated the total amount of damages by adding the sum of the projected
16 amounts pertaining to (1) overtime violations, (2) meal break violations, (3) rest break
17 violations, (4) wage statement violations, (5) waiting time penalties, and the (6) fine for
18 failure to provide employee records. Claimant preliminarily estimated 165 workweeks in the
19 time period at issue, 82 pay statements during that time period, a regular rate of \$18.31 per
20 hour and an overtime rate of \$27.47 per hour.

21 The total for overtime violations was calculated by taking the applicable overtime rate
22 and multiplying that by the number of weeks at issue.

23 The total for meal break violations was calculated by taking the sum of the number of
24 meal breaks missed per week (5) and multiplying that by the estimated regular rate of pay.

25 The total for rest break violations was calculated by taking the sum of the number of
26 work days with a missed rest breaks missed per week (5) and multiplying that by the
27 estimated regular pay.

28 The total for wage statement violations was calculated by taking the sum of the

1 number of pay statements at issue and multiplying that by 100 and then subtracting 50 from
2 that sum.

3 The total for waiting time penalties was calculated by multiplying the estimated
4 regular rate by the number of work hours per day (8 hours) and multiplying that by 30.

5 The total violation for failure to provide employment records is a statutory penalty of
6 \$750.00.

7 The total damages sought, therefore, amount to \$48,038.45. Discovery and
8 investigation are still ongoing and Claimant reserves the right to supplement this response at
9 any time prior to arbitration.

10
11 Dated: April 18, 2013

Initiative Legal Group APC

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14 By: /s/ Cory G. Lee

Mónica Balderrama

Cory Lee

Initiative Legal Group APC

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16 Attorneys for Claimant Kenny Cheng
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JOSE | EMPIRECLS

VERIFICATION

I, Kenny Cheng, declare,

I am the Claimant in the above-entitled action, and am authorized to make this verification.

I have read the foregoing document entitled **CLAIMANT'S RESPONSES AND OBJECTIONS TO RESPONDENT'S SPECIAL INTERROGATORIES DIRECTED TO CLAIMANT KENNY CHENG** and know the contents thereof. The contents of that document are true of my own knowledge, except as to those matters which are therein alleged on information and belief, and as to those matters, I believe them to be true.

I declare under the laws of the United States of America that the foregoing is true and correct.

Executed on April 17, 2013 at San Mateo, CA.


Kenny Cheng

PROOF OF SERVICE

I am employed in the County of San Francisco, State of California. I am over the age of 18 years and not a party to this action; my business address is:

235 Pine Street, Suite 1500, San Francisco, CA 94104.

On July 1, 2013, I served the following documents:

- **RESPONDENT’S OBJECTION TO APPELLANT’S REQUEST FOR JUDICIAL NOTICE; MEMORANDUM OF POINTS AND AUTHORITIES; APPENDIX OF EXHIBITS VOLUME I, TABS 1-2;**
- **APPENDIX OF EXHIBITS TO RESPONDENT’S OBJECTIONS TO APPELLANT’S REQUEST FOR JUDICIAL NOTICE VOLUME II, TABS 3-4; and**
- **APPENDIX OF EXHIBITS TO RESPONDENT’S OBJECTIONS TO APPELLANT’S REQUEST FOR JUDICIAL NOTICE VOLUME III, TAB 5** on the interested parties in this action by sending true and correct copy thereof in sealed envelopes to:

SEE ATTACHED SERVICE LIST

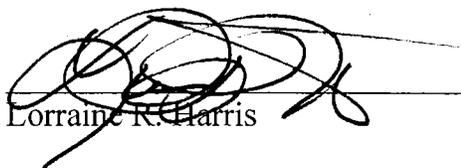
BY PERSONAL SERVICE: I delivered the document, enclosed in a sealed envelope, by hand to the offices of the addressee(s) named herein.

BY OVERNIGHT DELIVERY: I am readily familiar with the firm’s practice of collection and processing correspondence for overnight delivery.

Under that practice, overnight packages are enclosed in a sealed envelope with a packing slip attached thereto fully prepaid. The package are picked up by the carrier at our offices or delivered by our office to a designated collection site.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed this 1st day of July 2013 at San Francisco, California.


Lorraine R. Harris

SERVICE LIST

Marc Primo, Esq. Initiative Legal Group LLP 1800 Century Park East, 2 nd Floor Los Angeles, CA 90067	Attorneys for: Plaintiff/Appellant Arshavir Iskanian
Capstone Law APC Raul Perez, Esq. Glenn A. Danas, Esq. Ryan H. Wu, Esq. 1840 Century Park East, Suite 450 Los Angeles, CA 90067	Attorneys for: Plaintiff/Appellant Arshavir Iskanian
Public Citizen Litigation Group Scott L. Nelson, Esq. (Pro Hac Vice) 1600 20 th Street, NW Washington, DC 20009	Attorneys for: Plaintiff/Appellant Arshavir Iskanian
Appellate Coordinator Office of the Attorney General Consumer Law Section 300 South Spring Street Fifth Floor, North Tower Los Angeles, CA 90013	Office of the Attorney General
Office of the District Attorney County of Los Angeles Appellate Division 210 West Temple Street, Suite 18000 Los Angeles, CA 90012	District Attorney of the county in which the lower proceeding was filed.
The Honorable Judge Robert Hess Department 24 c/o Clerk of the Court Los Angeles Superior Court 111 N. Hill Street Los Angeles, CA 90012	
California Court of Appeal Second Appellate District, Div. 2 300 S. Spring Street North Tower, 2 nd Floor Los Angeles, CA 90013	