# NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

Segura v. Altia Transportation Corporation and Thomas Gasparini (San Francisco County Superior Court Case No. CGC-20-586926)

# A PROPOSED CLASS ACTION SETTLEMENT WILL AFFECT YOUR LEGAL RIGHTS. PLEASE READ THIS NOTICE CAREFULLY.

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

To: ALL NON-EXEMPT DELIVERY DRIVERS WHO WORK OR HAVE WORKED FOR ALTIA TRANSPORTATION CORPORATION AND/OR THOMAS GASPARINI WITHIN THE STATE OF CALIFORNIA FROM SEPTEMBER 16, 2016 THROUGH MARCH 7, 2022.

If the settlement is approved, you will be eligible to receive money from this settlement. Here are your options:

Option	Description of Option	Deadline
Remain a Class Member by Not Opting Out and Receive Money Under the Settlement	If you do not opt-out of the settlement, and if the Court grants final approval of the Settlement, you will receive an estimated <\$EstAmt>. For more information see Section F. If you do not opt-out, you will also be bound by the release of claims. See section G.	N/A
Dispute Your Number of "Pay Periods"	If you disagree with the total number of "Pay Periods" calculated for you in Section F, you may dispute the calculation. For more information see Section H.	Deadline: May 28, 2022
Opt-Out	If you do not want to participate in the class settlement you may request exclusion. If you request to be excluded, you will receive none of the class settlement, but you will not be bound by release of class claims. For more information see Section I.	Deadline: May 28, 2022
Object	You may object to any term of the settlement agreement. However, if the settlement is approved objectors will receive a portion of the settlement and be bound by the class release.	Deadline: May 28, 2022
Provide Your Current Mailing Address	If you did not receive this notice at your current mailing address, or if your mailing address has changed, you should contact the Settlement Administrator to ensure that checks are mailed to the correct address. For more information see Section G.	Deadline: May 28, 2022

# PLEASE READ THIS NOTICE CAREFULLY AS IT WILL AFFECT YOUR LEGAL RIGHTS

# A. WHY DID I GET THIS NOTICE?

You have received this Notice because your employment records with Altia Transportation Corporation indicate that you are a class member who is entitled to receive a settlement payment from the settlement in this case. To receive money from this settlement you do not need to do anything.

This Notice describes a proposed settlement ("Settlement") of the class action lawsuit *Segura v. Altia Transportation Corporation and Thomas Gasparini* (San Francisco County San Francisco Superior Court Case No. CGC-20-586926), filed by plaintiff Benito Segura (the "Lawsuit"). This Notice is being sent to you by order of the San Francisco County Superior Court, which preliminarily approved the Settlement and conditionally certified the class for settlement purposes on March 7, 2022. This Notice informs you of the terms of the proposed Settlement, describes your rights in connection with the Settlement, and explains what steps you may take to participate in, object to, or exclude yourself, from the Settlement. If you do not exclude yourself from the Settlement and the Court finally approves this Settlement, you will be bound to the terms of the class Settlement and any final judgment.

## **B. WHAT IS THIS LAWSUIT ABOUT?**

On September 16, 2020, the Lawsuit was filed in San Francisco County Superior Court as a putative class action. On June 29, 2021, Segura filed a First Amended Complaint which added a claim under the Private Attorneys General Act of 2004 ("PAGA"), Labor Code §§ 2698, et seq. As set out in the First Amended Complaint, Segura sought unpaid wages, penalties, and other monetary relief on behalf of himself, and other non-exempt delivery drivers employed by Altia Transportation for alleged violations of the California Labor Code. The First Amended Complaint alleged the following causes of action: (1) failure to pay for all hours worked (Labor Code §§ 223, 226.2 and 1194, and Wage Order 9); (2) failure to pay overtime wages (Labor Code § 510 and Wage Order 9; (3) failure to provide paid rest breaks (Labor Code § 226.7 and Wage Order 9); (4) failure to provide meal periods (Labor Code §§ 226.7, 512 and Wage Order 9); (5) failure to furnish accurate itemized wage statements (Labor Code § 226); (6) failure to timely pay final wages at resignation/termination (Labor Code §§ 201, 202 and 203); (7) failure to reimburse necessary business expenses (Labor Code § 2802 and Wage Order 9); (8) failure to produce records in response to statutory request (Labor Code §§ 226 and 1198.5); (9) violation of the Unfair Competition Law (California Business & Professions Code §§ 17200, et seq.); and (10) civil penalties pursuant to the Private Attorneys General Act ("PAGA") (Labor Code § 2699, et seq). The underlying wage claims and claims for statutory and civil penalties described above stem from Defendants alleged failure to have a lawful piece rate compensation policy; failure to provided lawful meal and rest breaks; and failure to reimburse class members for use of their personal cell phones.

Altia Transportation denies each of Segura's allegations, denies that the claims are appropriate for class certification, is defending the case, and contends that it has complied with all applicable laws of California and otherwise with respect to the claims alleged by Segura.

After investigation and a full-day mediation session before an experienced mediator, the parties agreed on the proposed Settlement that was preliminarily approved by the Court on March 7, 2022.

## C. WHAT IS A CLASS ACTION?

In a class action lawsuit, one or more persons sue on behalf of other people who have similar claims. Benito Segura is the preliminarily-approved Class Representative in the Lawsuit, and he asserts claims on behalf of himself and the class. Altia Transportation Corporation and Thomas Gasparini are the Defendants. A class action allows the Court to resolve the claims of all the class members at the same time. Unless a class member requests to be excluded (as described in Section I), each class member is bound by the determination or judgment entered in the case and may not file his/her/their own lawsuit on the same claims that were alleged and released in the class action. A class action allows one court to resolve all of the issues in a lawsuit for all the class members who choose not to exclude themselves from the class.

# D. WHO IS INCLUDED IN THE SETTLEMENT CLASS?

All former and current employees of Altia Transportation Corporation who worked in California as non-exempt delivery drivers at any time during the period from September 16, 2016 through March 7, 2022 are Settlement Class Members. For purposes of the Settlement, September 16, 2016 through March 7, 2022 is referred to as the "Class Period."

# E. WHAT ARE THE TERMS OF THE CLASS SETTLEMENT?

In exchange for the release of claims against it and entry of final judgment, Altia Transportation Corporation and Thomas Gasparini (collectively "Defendants") will pay \$448,000.00 ("Gross Settlement Amount") to settle the Lawsuit. After deductions from the Gross Settlement Amount for court-approved payments of attorneys' fees and costs to preliminarily-approved Class Counsel, a service award to Segura as the preliminarily-approved Class Representative, payment to the California Labor & Workforce Development Agency ("LWDA") for a release of claims under the Private Attorneys General Act ("PAGA"), and settlement administration costs, the remaining Net Settlement Amount ("NSA") will be distributed to all Settlement Class Members. If all requested payments are approved in full, the NSA will \$261,231.60. If the Court does not approve all requested payments in full, the NSA will increase.

<u>Class Counsel Fees and Expenses Award</u>: Class Counsel will request that the Court award up to one third of the Gross Settlement Amount (\$149,333.33) as payment of attorneys' fees for their work performed in prosecuting the Lawsuit plus reimbursement of actual litigation costs up to \$10,000. These amounts will be paid from the Gross Settlement Amount, are subject to Court approval at the final approval hearing, and any amounts requested but not awarded will be returned to the NSA.

<u>Class Representative Service Award</u>: Class Counsel will request a service award in the amount of \$15,000.00 for Class Representative Benito Segura. This amount will be paid from the Gross Settlement Amount, is subject to Court approval at the final approval hearing, and any amount not awarded will revert to the NSA. The Class Representative will also be entitled to receive his respective settlement payment from the NSA as described below. This amount will be paid from the Gross Settlement Amount, is subject to Court approval at the final approval hearing, and any amount requested but not awarded will be returned to the NSA.

<u>Settlement Administration Costs</u>: A Settlement Administrator, Phoenix, has been appointed by the Court to administer the settlement including the mailing of this notice. The cost of settlement administration, which shall not exceed \$5,950, pays for tasks such as mailing this Notice, providing notice of any judgment entered in this case, calculating payments based on data provided by the parties, mailing checks and tax forms, and reporting to the parties, counsel and the Court. This amount will be paid from the Gross Settlement Amount, is subject to Court approval at the final approval hearing, and any amount requested but not awarded will be returned to the NSA.

Payment to California Labor & Workforce Development Agency ("LWDA"): Because Segura was suing in part on behalf of the State of California under the Private Attorney General Act, payment of \$7,500 will be made to the State of California (the LWDA) for its 75% portion of the \$10,000 allocated to civil penalties under the Labor Code Private Attorneys General Act ("PAGA"), Lab. Code §§ 2698 et seq. The remaining \$2,500 of the settlement earmarked for the PAGA will be allocated on a pro rata basis to workers who worked during the PAGA period, which is December 3, 2019 through the March 7, 2022.

## F. HOW IS AN INDIVIDUAL SETTLEMENT PAYMENT DETERMINED?

Subject to Court approval, the Individual Settlement Payments from the NSA will be allocated as follows:

Each member of the Settlement Class who does not timely request exclusion, or "opt out" of the settlement will be deemed a "Participating Class Member" and will receive a share calculated by the Settlement Administrator based on the number of pay periods worked by a Participating Class Member divided by total pay periods worked by all Participating Class Members from September 16, 2016 through the date of preliminary approval.

ALTIA TRANSPORTATION'S RECORDS REFLECT THAT YOU WORKED THE FOLLOWING NUMBER OF PAY PERIODS DURING THE CLASS PERIOD (I.E. SEPTEMBER 16, 2016 TO MARCH 7, 2022: <Pay Periods>

BASED UPON THIS FIGURE YOUR ESTIMATED CLASS SETTLEMENT AWARD PAYMENT IS: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><s and your share of civil penalties pursuant to paga is: <a href="mailto:sestamt"><a href="mailto:sestamt"><

Your pro rata share of the Class Settlement (estimated to be <\*EstAmt>) will be allocated as follows: Sixty-six percent (66%) of your Settlement Share will be treated as a payment in settlement of the Participating Class Member's claims for statutory and civil penalties and interest (the "Non-Wage Portion"), and Thirty-four percent (34%) of your Settlement Share (the "Wage Portion") will be treated as a payment in settlement of the Participating Class Member's claims for unpaid wages. The sixty-six percent (66%) portion (the "Non-Wage Portion") will not be reduced by payroll tax withholdings and deductions. Instead the Settlement administrator will issue to the Participating Class Member an IRS Form 1099 when required with respect to the Non-Wage Portion. The Wage Portion will be reduced by applicable payroll tax withholding and deductions, and the Settlement Administrator will issue to the Class Member an IRS Form W-2 with respect to the Wage Portion. Should you be eligible for a portion of the PAGA Settlement because that amount is by nature for civil penalties and not wages, it will also be reported on an IRS Form 1099.

#### **G WHAT IF I DO NOTHING?**

Subject to Court approval, if you are a member of the Settlement Class, you will be mailed a check with your respective share of the settlement based on the formula explained above, and will release all claims as described below, unless you timely request exclusion from the Class Settlement. No further action is required. If you did not receive this notice at your current mailing address, or if your mailing address has changed, you will need to contact the settlement administrator (see contact details at § H) and provide your current mailing address, the name of the case and case number (Segura v. Altia Transportation Corporation and Thomas Gasparini, Case No. CGC-20-586926) and your full name, and telephone number.

Settlement Checks to Participating Class Members will be distributed by the Settlement Administrator within 35 days after the Effective Date of this Settlement and will remain valid and negotiable for one hundred and eighty (180) days from the date of issuance. If any Class Member's Settlement Share check is not cashed within 120 days after its last mailing to the Class Member, the Settlement Administrator will send the Class Member a letter or postcard informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable, and offering to replace the check if it was lost or misplaced but not cashed. If one or more Class Members fail to cash the check for their Settlement Shares within 180 days after it is last mailed to their last known address, and if the aggregate funds represented by the uncashed checks total \$2,500.00 or more, they will be distributed to each Class Member who is participating in the Settlement and cashed the check for his Settlement Share, in the same pro rata shares as the Class Member's Settlement Shares divided by the sum of all Settlement Shares of Class Members who cashed checks for their Settlement Shares. If the aggregate funds represented by the uncashed checks total less than \$2,500.00, they will be donated to a cy pres recipient subject to court approval.

## H. WHAT DO I GIVE UP BY NOT OPTING OUT OF THE SETTLEMENT?

By not opting out of the class settlement, each Class Member who does not timely request to be excluded from the class Settlement releases any and all claims against Released Parties based on the facts that were alleged in Plaintiff's First Amended Complaint, or could have been alleged, in the Action or otherwise based on or related to the allegations that that Defendant or any of the Released Parties ("Released Parties" means Altia Transportation Corporation and Thomas Gasparini and any current or former trustees, officers, directors, agents, employees, partners, shareholders, attorneys, insurers, and their respective predecessors, and assigns.)failed to pay all wages due, including minimum and overtime premium wages; failed to provide compliant rest breaks and meal periods; failed to pay all final wages upon termination; and failed to render accurate wage statements, for the period from September 16, 2016 through preliminary approval. Such claims include, but are not limited to, claims under Labor Code sections 223, 226.2, 1194, 510, 226.7, 512, 226, 201, 202, 203, 2802, 1198.5, 2699 et seq., Business & Professions Code §§ 17200, et seq., for the period from September 16, 2016 through March 7, 2022. However, even Class Members who effectively opt-out of the class Settlement will still receive a PAGA Employee share, if they are be eligible, and will be bound by the release of claims pursuant to the PAGA.

# I. WHAT IF THE NUMBER OF "PAY PERIODS" LISTED IN SECTION F IS INACCURATE?

Your estimated Settlement Payment is based upon the number of pay period you worked as an non-exempt delivery driver for Altia Transportation Corporation in California between September 16, 2016 and March 7, 2022. Section F reflects this information. If you do not do anything then your settlement award will be based upon this information. If you believe Defendants' records of the number of pay periods you worked during this period in Section F is inaccurate then you may submit a dispute to the Settlement Administrator by submitting (by email, FAX, or mail) the attached Individual Class Member Dispute Form, *including supporting documents* (such as copies of paycheck stubs) to the Settlement Administrator at the following address:

Altia Transportation Corporation Settlement
c/o Phoenix Settlement Administrators
PO Box 7208
Orange, CA 92863
(800) 523-5773
notice@phoenixclassaction.com

The Individual Class Member Dispute Form and supporting documents must be postmarked, faxed, or emailed by no later than MAY 28, 2022.

The Settlement Administrator shall consider the merits of any timely disputes. The Settlement Administrator shall have authority to resolve the dispute and make a final and binding determination regarding any dispute regarding the number of employee pay periods worked by current or former employees. The Settlement Administrator will inform the Class Member regarding the final determination of their total number of workweeks.

## J. WHAT IF I DON'T WANT TO PARTICIPATE IN THIS SETTLEMENT?

You have the right to request exclusion from the settlement. If you exclude yourself from the settlement, you will not receive your individual settlement checks, will not bound by the Release in Section G, will not have standing to object to the settlement, but will still receive a PAGA Employee share, should you be eligible, and will be bound by the release of claims pursuant to the PAGA. You may wish to request exclusion if you do not want to be bound by the settlement or the orders of the court, or you wish to pursue your claim on an individual basis. To do so, you must submit (either by mail, e-mail, or fax) a written request for exclusion (the "Opt-Out Form"), enclosed with this Notice, to the Settlement Administrator as detailed in section H above.

To be valid, the Opt-Out Form must be completely filled out and include: (1) the name, address, and telephone number of the person requesting exclusion; (2) the last four digits of the person's social security number or Individual Taxpayer Identification Number (ITIN); (3) must be signed by the person requesting exclusion or that of their authorized representative; and (4) must be postmarked, emailed, or faxed to the Settlement Administrator at the specified address by MAY 28, 2022. Unless you timely request to be excluded from the settlement, you will be bound by the judgment upon final approval of the settlement, including the full Release described in this Notice.

### K. WHAT IF I WANT TO OBJECT TO THIS SETTLEMENT?

If you're a Class Member, you can object to the settlement if you don't like any part of it. For example, you can object to the settlement generally, the PAGA allocation, the request for attorneys' fee award, the requested class representative service award, etc... If you submit an objection, you still remain eligible to receive an individual settlement award and will be bound by the terms of the Settlement if approved by the court, including the release of claims described in section H. If the Settlement Administrator receives both an objection and a request for exclusion from the same Class Member, the Settlement Administrator will exclude the Class Member from the Settlement and they will not be bound by the settlement and will not receive an individual settlement award.

If you choose to object to the settlement, the Court will consider your objection at the Final Fairness Hearing on June 22, 2022 at 9:00 a.m. At the Final Fairness Hearing the Court will review/listen to any objections to the settlement and determine whether the settlement and the requested attorney fee award and class representative service award are fair and reasonable.

To object, you must email, FAX or mail a letter to Settlement Administrator (see contact information above in section H) saying that you object to the Altia Transportation settlement by MAY 28, 2022. Be sure to include your name, address, telephone number, your signature or that of your authorized representative, and the reasons (see above) you object to the settlement. The Settlement Administrator will forward any objections received to the lawyers for Plaintiff and Defendants.

# L. WHAT HAPPENS IF I DO NOT EXCLUDE MYSELF FROM THIS SETTLEMENT?

The settlement, if finally approved by the Court, will bind all Settlement Class Members who do not request to be excluded from the settlement, whether or not they cash their Individual Settlement Payments. Final approval of the settlement will bar any Settlement Class Member who does not request to be excluded from the settlement from hereafter initiating a lawsuit or proceeding regarding the Released Claims during the period between September 16, 2016 and March 7, 2022.

## M. THE FINAL APPROVAL HEARING

You do not need to appear in person at the hearing on final approval in order for your timely, written objection to be considered by the Court. However, only Settlement Class Members who have submitted written objections will be entitled to be heard at the Court hearing on whether or not to approve of the settlement, unless the Court orders otherwise. If you have objected to the Settlement you may choose to appear at the Final Approval Hearing through your own attorney at your own cost. Class Counsel represent the Class and will seek compensation for their service from the Settlement. (See section E.] The hearing will be open to the public and Class Members may attend if they'd like. The Final Approval Hearing is scheduled to take place on JUNE 22, 2022, at 9:00 a.m. in Department 304 of the San Francisco County Superior Court, located at 400 McAllister St, San Francisco, CA 94102. Any changes to this date will be posted on the settlement website, www.advocatesforworkers.com/ALTIA.

#### N. FURTHER INFORMATION

This Notice only provides a summary of the Lawsuit, settlement and related matters. For more information, you may contact the Settlement Administrator at 1-800-523-5773, visit the settlement website at www.advocatesforworkers.com/ALTIA. The website has the following information: operative complaint, the operative settlement agreement, a generic copy of the notice packet, all papers (including court orders) filed in connection with preliminary approval, and all papers (including all motions and court orders) filed in connection with the final approval hearing, as soon as practicable after they become available.

You may also access the full docket in the Lawsuit free of charge on the Court's website at <a href="https://www.sfsuperiorcourt.org/online-services">https://www.sfsuperiorcourt.org/online-services</a>. Click the "Access Now" button to the right of the "Case Query" option, certify you are not a robot, then enter CGC-20-586926 in the "Search by Case Number" field and press "Search."

If you have any questions about the settlement, you can also contact Class Counsel listed below. You may also seek the advice and guidance of your own attorney at your own expense.

#### **CLASS COUNSEL:**

Facsimile: (408) 657-4684

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PLEASE DO NOT TELEPHONE OR CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.