

A FEDERAL COURT AUTHORIZED THIS NOTICE. YOU ARE NOT BEING SUED. THIS IS NOT AN ADVERTISEMENT. YOUR LEGAL RIGHTS MAY BE AFFECTED. PLEASE READ THIS NOTICE CAREFULLY.

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

RODERICK WRIGHT, FERNANDO OLIVAREZ, MARCUS HAYNES, JR., and MICHAEL WATSON, individuals on behalf of themselves and others similarly situated,

Plaintiffs,

v.

RENZENBERGER, INC., a Kansas corporation; and DOES 1 through 10 inclusive,

Defendants.

Case No: 2:13-cv-06642-FMO-AGR

Complaint filed: July 15, 2013

NOTICE OF PROPOSED CLASS ACTION SETTLEMENT

IF YOU WORKED AS A DRIVER FOR RENZENBERGER, INC. IN CALIFORNIA BETWEEN AUGUST 1, 2011 AND SEPTEMBER 30, 2017, YOU MAY BE ENTITLED TO A PAYMENT FROM A CLASS ACTION SETTLEMENT.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
DO NOTHING	You will automatically receive 95% of your settlement payment based on the calculation set forth in this Notice after the Court grants final approval to the settlement. To obtain 100% of your settlement payment, you must fill out and submit the enclosed "FLSA Opt-In Form and Release of Claims."
OBJECT BY MARCH 17, 2020	Write to the Court about why you oppose the settlement.
GO TO A HEARING ON MAY 21, 2020	Ask to speak in Court about the settlement at the settlement hearing.

These rights and options – and the deadlines to exercise them – are explained in this Notice.

WHY AM I RECEIVING THIS NOTICE?

You are receiving this notice because the records of Renzenberger, Inc. (“Renzenberger”) identify you as a member of one or more certified classes of drivers who will be affected by a proposed class action settlement. The purpose of this notice is to explain the lawsuit, the settlement, your legal rights, what benefits are available, who is eligible for them, and how they will be distributed.

The Court in charge of the case is the United States District Court for the Central District of California. The case is known as *Wright, et al. v. Renzenberger, Inc.*, Case No. 2:13-cv-06642-FMO-AGR (“Action” or “Lawsuit”), and is assigned to the Honorable Fernando M. Olguin, United States District Judge.

On November 25, 2019, the Court entered an order granting preliminary approval of a proposed settlement and directing that this Notice be sent to class members because they have a right to know about the proposed settlement, and about all of their options, before the Court decides whether to grant final approval of the proposed settlement.

WHO IS INCLUDED IN THE SETTLEMENT?

The Court has certified five classes in the lawsuit and the settlement includes anyone who is a member of any of these certified classes. You may be a member of one or more of the certified classes depending on when you worked for Renzenberger and whether you performed work as a road driver or yard driver. The five classes that have been certified by the Court are as follows:

1. Separate Pay Class: All road drivers employed by Renzenberger in California at any time from August 1, 2011 through July 15, 2012 who were paid a piece rate that Renzenberger deemed to cover non-driving tasks;
2. Pay Averaging Class: All road drivers employed by Renzenberger in California at any time from August 1, 2011 through February 22, 2014 whose minimum wage entitlement was determined by dividing total weekly compensation by total weekly hours worked;
3. Wage Statement Class: All yard drivers and road drivers employed by Renzenberger in California at any time from July 16, 2012 through February 8, 2014 who received a wage statement that either listed the overtime rate as just one-half of the regular rate (as opposed to one and one-half times the regular rate), or equivalent to the regular rate (as opposed to twice the regular rate for double time), or, alternatively, did not list the overtime rate at all;
4. Waiting Time Class: All members of the Separate Pay Class and the Pay Averaging Class whose employment with Renzenberger ended at any time from August 1, 2011 through November 30, 2016; and

5. *Rest Break Class*: All yard drivers and road drivers employed by Renzenberger in California from August 1, 2011 through September 30, 2017 who worked one or more days of three and one half (3 ½) hours or more.

Excluded from the above classes and proposed settlement are any person who previously excluded himself or herself from this class action by submitting a valid and timely request for exclusion. If you are not sure whether you are included, you can call the Settlement Administrator, Wright, et al. v. Renzenberger, Inc. Settlement Administrator, c/o CPT Group, Inc. 50 Corporate Park, Irvine, CA 92606, at [1-888-531-0171](tel:1-888-531-0171) for more information.

WHAT IS THIS CLASS ACTION LAWSUIT ABOUT?

Each of the certified classes challenges the legality of a specific wage and hour policy or practice that Renzenberger allegedly applied to its road and/or yard drivers.

The Separate Pay Class challenges the legality of Renzenberger's alleged policy and practice of deeming mileage piece rate pay to cover time spent by road drivers performing non-driving work.

The Pay Averaging Class challenges the legality of Renzenberger's alleged policy and practice of determining minimum wage compliance for road drivers through an effective hourly rate reached by dividing total weekly compensation by total weekly hours worked, instead of determining whether each individual hour worked, standing alone, was paid at or above the minimum wage.

The Waiting Time Class challenges Renzenberger's alleged failure to timely pay all wages owing to former employees of the Separate Pay Class and Pay Averaging Class as a result of the policies challenged by those classes.

The Wage Statement Class challenges the legality of Renzenberger's alleged policy and practice of issuing both yard and road drivers wage statements that did not accurately reflect all applicable hourly rates in effect during the pay period and the corresponding number of hours worked at each hourly rate by the employee.

The Rest Break Class challenges the legality of Renzenberger's alleged policy and practice of counting waiting time and time in between yard moves as rest breaks and requiring drivers to remain on-duty and/or on-call during rest breaks.

Renzenberger denies all the claims and allegations of the lawsuit.

On March 8, 2018, the Court granted summary judgment to the members of the five certified classes, finding that Renzenberger is liable to members of the Separate Pay Class, Pay Averaging Class, Wage Statement Class, Waiting Time Class, and Rest Break Class. The Court did not, however, rule on the amount of damages owing, if any.

WHO ARE THE PARTIES IN THIS CLASS ACTION?

Roderick Wright, Fernando Olivarez, Marcus Haynes, Jr., and Michael Watson (collectively “Plaintiffs”) are the class representatives in this class action. As class representatives, Plaintiffs are acting on behalf of themselves and all other class members. Renzenberger is the defendant.

WHO ARE THE ATTORNEYS FOR THE PARTIES?

Counsel for Plaintiff and the Class (Class Counsel)

Hayes Pawlenko LLP
Matthew B. Hayes
Kye D. Pawlenko
595 E. Colorado Blvd., Ste. 303
Pasadena, CA 91101
Tel: 626.808.4357

Counsel for Renzenberger

Solomon Ward Seidenwurm & Smith LLP
William V. Whelan
Leah S. Strickland
401 B Street, Ste. 1200
San Diego, CA 92101
Tel: 619.231.0303

WHY IS THERE A SETTLEMENT?

The Court has not decided what, if any, damages are owing to the certified classes. Plaintiffs have agreed to the proposed settlement because they believe it will provide prompt and substantial benefits to the class. These benefits were compared with the risk of zero recovery after a contested trial and likely appeals, possibly years into the future, and collectability problems from defendant. Renzenberger, who vigorously denies all allegations of wrongdoing or liability whatsoever, has agreed to the proposed settlement to eliminate the burden, expense, uncertainty, and distraction of further litigation.

WHAT IS THE SETTLEMENT AMOUNT?

The proposed settlement provides for a payment by Renzenberger of \$4,550,000 (referred to as the “Gross Settlement Amount”). Class Counsel will apply to the Court for attorneys’ fees of no more than one-third of the Gross Settlement Amount and for a reimbursement for litigation costs of no more than \$40,000. Class Counsel will also apply for Class Representative Service Awards of no more than \$15,000 to Roderick Wright, \$10,000 to Fernando Olivarez, \$10,000 to Marcus Haynes, and \$5,000 to Michael Watson for the work and efforts prosecuting this case. Settlement administration costs and Renzenberger’s share of payroll taxes owing on the payments to class members will also be deducted from the Gross Settlement Amount. The exact amount of attorneys’ fees, litigation costs, Class Representative Service Awards, and settlement administration costs to be deducted from the Gross Settlement Amount will be determined by the Court at the final approval hearing.

The remaining portion of the Gross Settlement Amount – the “Settlement Pool” – is currently estimated to be approximately \$2,918,333.40. The Settlement Pool will be apportioned and paid out to eligible class members. **You are not required to do anything to be eligible to receive**

95% of your payment from the Settlement Pool. To obtain 100% of your settlement payment, you must fill out and submit the enclosed “FLSA Opt-In Form and Release of Claims.”

HOW WILL THE CLASS MEMBER SETTLEMENT PAYMENTS BE CALCULATED?

Class members will receive their pro rata share of the Settlement Pool based upon a weighted point system. Class members will be awarded points pursuant to the following formula: (1) two point will be earned for each workweek a class member worked as a road driver between August 1, 2011 and February 22, 2014, (2) one point will be earned for each workweek a class member worked as a road driver between February 23, 2014 and November 25, 2019, and (3) one point will be earned for each workweek a class member worked as a yard driver between August 1, 2011 and November 25, 2019. Each class member’s share of the Settlement Pool shall be equivalent to the ratio of points earned by that individual divided by the total combined points earned by all class members. For example, if a particular class member earned 50 points and the total combined points earned by all class member were 10,000, that class member would be entitled to 50/10,000 of the Settlement Pool.

All settlement payments to class members will be allocated as follows for tax purposes: (a) 1/3 for alleged interest; (b) 1/3 for alleged unpaid wages; and (c) 1/3 for alleged penalties. The portion of the settlement payments allocated to unpaid wages will be subject to regular and/or applicable payroll and income tax withholdings, and will be reported on an IRS Form W-2. An IRS Form 1099 will be issued for the portion of the settlement payments allocated to alleged interest and penalties. Class members receiving a settlement payment will be responsible for correctly characterizing this compensation for tax purposes and paying taxes due, if any.

HOW MUCH WILL MY PAYMENT BE?

The amount of your settlement payment is estimated to be \$<<estAmount>>. That amount is based on Renzenberger’s records that show you worked <<RoadDriver_workweeks>> workweeks as a road driver and <<YardDriver_workweeks>> workweeks as a yard driver for Renzenberger in California during the time period between August 1, 2011 and November 25, 2019.

WHAT DO I DO IF I BELIEVE MY WORKWEEK INFORMATION IS INCORRECT?

If you believe your amount of workweeks worked as a road driver and/or yard driver in California between August 1, 2011 through November 25, 2019 as stated in the paragraph above is incorrect, you may send a letter to the Settlement Administrator indicating what you believe to be the correct information. You should include any documents or other information that supports what you believe to be the correct number of workweeks. The Settlement Administrator will resolve any disputes regarding these issues based on Renzenberger’s records and any information that you provide. The estimated payment amount and number of workweeks stated in the preceding paragraph will be presumed correct unless you supply company records from Renzenberger or other competent records showing different information. Your letter must be

postmarked on or before March 17, 2020 and sent to the following address:

Wright, et al. v. Renzenberger, Inc. Settlement Administrator
c/o CPT Group, Inc.
50 Corporate Park
Irvine, CA 92606

DO I HAVE TO TAKE ANY ACTION TO RECEIVE A PAYMENT?

Your settlement payment will be distributed pursuant to two checks. Ninety Five percent (95%) of the total amount of your settlement payment will be for settlement of claims other than claims under the federal Fair Labor Standards Act (“FLSA”). **You do not need to do anything in order to receive that check other than keep the Settlement Administrator informed of any change in your address.**

The remaining five percent (5%) of the total amount of your settlement payment will be for settlement of FLSA claims. **If you wish to receive that check, you must affirmatively consent to join the FLSA collective by executing and returning to the Settlement Administrator the enclosed FLSA Opt-In Form and Release of Claims no later than March 17, 2020.**

Your settlement payment will be mailed to the last address the Settlement Administrator has on file for you. Settlement payment checks should be deposited soon after receipt. Checks uncashed for 180 days will be voided and the funds sent to the State of California’s Controller’s Office of Unclaimed Property in your name.

WHEN WILL I GET MY PAYMENT?

The class member settlement payments will be distributed only if the Court approves the proposed settlement. The Court will hold a final approval hearing on May 21, 2020 to decide whether to finally approve the proposed settlement. If the Court grants final approval and there is no appeal of that order, settlement payments will be distributed approximately one month after the Court enters a Judgment approving the settlement. If there is an appeal of the Court’s Judgment granting final approval, however, the approval process will take additional time to resolve and could last for more than a year.

WHAT AM I GIVING UP IN RETURN FOR MY PAYMENT?

If the proposed settlement is finally approved by the Court, you will release Renzenberger and its assignees, and each of their past or present officers, directors, shareholders, employees, agents, principals, heirs, representatives, accountants, auditors, consultants, insurers and reinsurers, and their respective successors and predecessors in interest, subsidiaries, affiliates, parents and attorneys and all of their respective officers, directors, employees, administrators, fiduciaries, trustees and agents (the “Released Parties”), from the following claims through November 25, 2019: All claims and causes of action that are pled in or, based on the facts alleged, could have been pled in the Complaint, First Amended Complaint, Second Amended Complaint, Third

Amended Complaint, or Fourth Amended Complaint in the Action, including without limitation, all claims for failure to pay minimum and/or overtime wages in violation of Labor Code sections 510 or 1197 or the California Wage Orders; all claims for waiting time penalties pursuant to Labor Code section 203; all claims for inaccurate wage statements in violation of Labor Code section 226; all claims for failure to authorize and permit required rest breaks or missed rest break premiums in violation of Labor Code section 226.7 and the California Wage Orders; and all claims under Business & Professions Code section 17200 et. seq. based on or resulting from the above-described claims (hereafter “Released Claims”).

If you choose to consent to join the FLSA collective by executing and returning the FLSA Opt-In, the Released Claims will also include all FLSA claims that were asserted in or, based on the facts alleged in this action, could have been asserted against the Released Parties.

HOW DO I OBJECT TO THE SETTLEMENT?

If you don’t think the proposed settlement is fair, you can object to the proposed settlement and tell the Court that you don’t agree with the settlement or some part of it. The Court will consider your input.

Any objection to the proposed settlement must be in writing. The written objections must: (1) clearly identify the case and number (*Wright, et al. v. Renzenberger, Inc.*, Case No. 2:13-cv-06642-FMO-AGR); (2) include your full name, address, and last four digits of your social security number; (3) specify the reason(s) you object to the terms of the proposed settlement and whether the objection applies only to you, or to a specific subset of class members, or to all of the class members; (4) be submitted to the Court either by mailing the written objection to the Clerk of Court, United States District Court for the Central District of California, 350 W. 1st St., Suite 4311, Los Angeles, CA 90012-4565, or by filing the written objection in person at any location of the United States District Court for the Central District of California; and (5) be filed or postmarked on or before March 17, 2020. You should also state in the written objection whether you (or your attorney) intends to appear at the final approval hearing. If you are represented by an attorney, the written objection should include the name, address, and telephone number of the attorney.

WHEN AND WHERE IS THE FINAL APPROVAL/FAIRNESS HEARING?

The Court will hold a final approval/fairness hearing on May 21, 2020, at the First Street Courthouse, 350 W. 1st Street, Los Angeles, CA 90012, commencing at 10:00 a.m. in Courtroom 6D (6th Floor). At this hearing the Court will determine whether the proposed settlement should be finally approved as fair, reasonable, and adequate. The Court will also be asked to approve Class Counsel’s request for attorneys’ fees and costs and the Class Representative Service Awards.

The Court may reschedule the final approval/fairness hearing without further notice to class members. However, any class member who has submitted a timely objection to the settlement will be notified by Class Counsel of any rescheduling of the date and time of the hearing.

You are **not** required to come to the final approval/fairness hearing. Class Counsel will represent the interests of class members at the hearing. But you are welcome to come at your own expense and you may ask the Court for permission to speak at the hearing. If you send an objection, you don't have to come to Court to talk about it. As long as you timely mailed your written objection, the Court will consider it. You may also hire and pay your own lawyer to attend if you so desire.

WHO MAY I CONTACT IF I HAVE QUESTIONS ABOUT THE SETTLEMENT?

You may contact Class Counsel at 626-808-4357 listed on page 4 if you have any questions about the Settlement. You may also contact the Settlement Administrator, CPT Group, Inc., by calling toll free 1-888-531-0171, or you can write to the Settlement Administrator at Wright, et al. v. Renzenberger, Inc. Settlement Administrator c/o CPT Group, Inc. 50 Corporate Park Irvine, CA 92606.

IF YOU NEED MORE INFORMATION OR HAVE ANY QUESTIONS, you may contact the Settlement Administrator at the telephone number listed below, toll free. Please refer to the Renzenberger Class Settlement. For more information, you can visit the Renzenberger Class Action website, located at www.cptgroup.com/RenzenbergerWrightSettlement. This website contains links to important documents in this case, including this Notice, the Settlement Agreement, and any motions for approval and attorneys' fees filed in this Action.

PLEASE DO NOT CALL THE COURT ABOUT THE SETTLEMENT