# COURT APPROVED NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT APPROVAL

Mohammed Charif Alia v. KKW Trucking, Inc., et al. Case No. 21STCV35999

The Superior Court for the State of California authorized this Notice. Read it carefully! It's not junk mail, spam, an advertisement, or solicitation by a lawyer. You are not being sued.

You may be eligible to receive money from an employee class action and representative action lawsuits ("Action") against Furniture Transportation Systems, Inc. ("FTS") for alleged wage and hour violations. The Action was filed by former FTS employee Mohammed Charif Alia ("Plaintiff") and seeks payment of back wages and other relief for a class of non-exempt, hourly-paid employees ("Class Members") who worked for FTS in California during the Class Period (April 5, 2017 to September 5, 2023).

The proposed Settlement has one main part: (1) a Class Settlement requiring FTS to fund Individual Class Payments.

Based on FTS's records, and the Parties' current assumptions, your Individual Class Payment is estimated to be \$<<Est.ClassAmt>> (less withholding). The actual amount you may receive likely will be different and will depend on a number of factors.

The above estimates are based on FTS's records showing that **you worked <<ClassWW>> workweeks** during the Class Period. If you believe that you worked more workweeks during the period, you can submit a challenge by the deadline date. *See* Section 4 of this Notice.

The Court has already preliminarily approved the proposed Settlement and approved this Notice. The Court has not yet decided whether to grant final approval. Your legal rights are affected whether you act or not act. Read this Notice carefully. You will be deemed to have carefully read and understood it. At the Final Approval Hearing, the Court will decide whether to finally approve the Settlement and how much of the Settlement will be paid to Plaintiff and Plaintiff's attorneys ("Class Counsel"). The Court will also decide whether to enter a judgment that requires FTS to make payments under the Settlement and requires Class Members to give up their rights to assert certain claims against FTS.

If you worked for FTS during the Class Period, you have two basic options under the Settlement:

- (1) **Do Nothing**. You don't have to do anything to participate in the proposed Settlement and be eligible for an Individual Class Payment. As a Participating Class Member, though, you will give up your right to assert Class Period wage claims against FTS.
- (2) **Opt-Out of the Class Settlement**. You can exclude yourself from the Class Settlement (opt-out) by notifying the Administrator in writing. If you opt-out of the Settlement, you will not receive an Individual Class Payment. You will, however, preserve your right to personally pursue Class Period wage claims against FTS.

FTS will not retaliate against you for any actions you take with respect to the proposed Settlement.

#### SUMMARY OF YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT

You Don't Have to Do Anything to Participate in the Settlement	If you do nothing, you will be a Participating Class Member, eligible for an Individual Class Payment (if any). In exchange, you will give up your right to assert the wage claims against FTS that are covered by this Settlement (Released Claims).
You Can Opt-out of the Class Settlement The Opt-out Deadline is May 27, 2025	If you don't want to fully participate in the proposed Settlement, you can opt-out of the Class Settlement by sending the Administrator a written Request for Exclusion. Once excluded, you will be a Non-Participating Class Member and no longer eligible for an Individual Class Payment. Non-Participating Class Members cannot object to any portion of the proposed Settlement. <i>See</i> Section 6 of this Notice.
Participating Class Members Can Object to the Class Settlement  Written Objections Must be Submitted by May 27, 2025	All Class Members who do not opt-out ("Participating Class Members") can object to any aspect of the proposed Settlement. The Court's decision whether to finally approve the Settlement will include a determination of how much will be paid to Class Counsel and Plaintiff who pursued the Action on behalf of the Class. You are not personally responsible for any payments to Class Counsel or Plaintiff, but every dollar paid to Class Counsel and Plaintiff reduces the overall amount paid to Participating Class Members. You can object to the amounts requested by Class Counsel or Plaintiff if you think they are unreasonable. See Section 7 of this Notice.
You Can Participate in the July 16, 2025 Final Approval Hearing	The Court's Final Approval Hearing is scheduled to take place on <b>July 16, 2025</b> . You don't have to attend but you do have the right to appear (or hire an attorney to appear on your behalf at your own cost), in person, by telephone or by using the Court's virtual appearance platform. Participating Class Members can verbally object to the Settlement at the Final Approval Hearing. <i>See</i> Section <b>8</b> of this Notice.
You Can Challenge the Calculation of Your Workweeks Written Challenges Must be Submitted by May 27, 2025	The amount of your Individual Class Payment (if any) depends on how many workweeks you worked at least one day during the Class Period. The number Class Period Workweeks you worked according to FTS's records is stated on the first page of this Notice. If you disagree with either of these numbers, you must challenge it by <b>May 27</b> , <b>2025</b> . See Section <b>4</b> of this Notice.

## 1. WHAT IS THE ACTION ABOUT?

Plaintiff is a former FTS employees. The Action accuses FTS of violating California labor laws by failing to pay minimum and overtime wages, failing to provide meal periods and rest breaks, failing to pay wages due upon termination, failing to provide accurate itemized wage statements, and failing to indemnify employees for expenditures. The Action initially included KKW Trucking, Inc. and KKW Logistics, Inc., but they were dismissed as part of the terms of the settlement. Plaintiff is represented by attorneys in the Action: Benjamin H. Haber, and Daniel J. Kramer of Wilshire Law Firm, PLC ("Class Counsel.").

FTS strongly denies violating any laws or failing to pay any wages and contends it complied with all applicable laws.

# 2. WHAT DOES IT MEAN THAT THE ACTION HAS SETTLED?

So far, the Court has made no determination whether FTS or Plaintiff is correct on the merits. In the meantime, Plaintiff and FTS hired an experienced, neutral mediator in an effort to resolve the Action by negotiating to end the case by agreement (settle the case) rather than continuing the expensive and time-consuming process of litigation. The negotiations were successful. By signing a lengthy written settlement agreement ("Agreement") and agreeing to jointly ask the Court to enter a judgment ending the Action and enforcing the Agreement, Plaintiff and FTS have negotiated a proposed Settlement that is subject to the Court's Final Approval. Both sides agree the proposed Settlement is a compromise of disputed claims. By agreeing to settle, FTS does not admit any violations or concede the merit of any claims.

Plaintiff and Class Counsel strongly believe the Settlement is a good deal for you because they believe that: (1) FTS has agreed to pay a fair, reasonable and adequate amount considering the strength of the claims and the risks and uncertainties of continued litigation; and (2) Settlement is in the best interests of the Class Members. The Court preliminarily approved the proposed Settlement as fair, reasonable and adequate, authorized this Notice, and scheduled a hearing to determine Final Approval.

# 3. WHAT ARE THE IMPORTANT TERMS OF THE PROPOSED SETTLEMENT?

- 1. FTS Will Pay \$450,000 as the Gross Settlement Amount (Gross Settlement). FTS has agreed to deposit the Gross Settlement into an account controlled by the Administrator of the Settlement. The Administrator will use the Gross Settlement to pay the Individual Class Payments, the Class Representative's Service Payments, Class Counsel's attorneys' fees and expenses, and the Administrator's expenses. Assuming the Court grants Final Approval, FTS will fund the Gross Settlement not more than 30 days after the Judgment entered by the Court becomes final. The Judgment will be final on the date the Court enters Judgment, or a later date if Participating Class Members object to the proposed Settlement or the Judgment is appealed.
- 2. <u>Court Approved Deductions from Gross Settlement.</u> At the Final Approval Hearing, Plaintiff and/or Class Counsel will ask the Court to approve the following deductions from the Gross Settlement, the amounts of which will be decided by the Court at the Final Approval Hearing:
  - A. Up to \$150,000 (33 1/3% of the Gross Settlement) to Class Counsel for attorneys' fees and up to \$20,000 for their litigation expenses. To date, Class Counsel have worked and incurred expenses on the Action without payment.
  - B. Up to \$10,000 to Plaintiffs Mohammed Charif Alia for filing the Action, working with Class Counsel and representing the Class. The Class Representative's Service Payments-will be the only monies Plaintiff will receive other than Plaintiff's Individual Class Payment.
  - C. Up to \$15,000 to the Administrator for services administering the Settlement.
  - Participating Class Members have the right to object to any of these deductions. The Court will consider all objections.
- 3. <u>Net Settlement Distributed to Class Members</u>. After making the above deductions in amounts approved by the Court, the Administrator will distribute the rest of the Gross Settlement (the "Net Settlement") by making Individual Class Payments to Participating Class Members based on their Class Period Workweeks.
- 4. <u>Taxes Owed on Payments to Class Members.</u> Plaintiff and FTS are asking the Court to approve an allocation of 25% of each Individual Class Payment to taxable wages ("Wage Portion") and 75% to penalties and interest ("Non-Wage Portion"). The Wage Portion is subject to withholdings and will be reported on IRS W-2 Forms. FTS will separately pay employer payroll taxes it owes on the Wage Portion. The Administrator will report the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms.
  - Although Plaintiff and FTS have agreed to these allocations, neither side is giving you any advice on whether your Payments are taxable or how much you might owe in taxes. You are responsible for paying all taxes (including penalties and interest on back taxes) on any Payments received from the proposed Settlement. You should consult a tax advisor if you have any questions about the tax consequences of the proposed Settlement.
- 5. Need to Promptly Cash Payment Checks. The front of every check issued for Individual Class Payments will show the date when the check expires (the void date). If you don't cash it by the void date, your check will be automatically cancelled, and the monies will be irrevocably lost to you because they will be paid to a non-profit organization, Legal Aid At Work, located at 180 Montgomery Street, #600, San Francisco, California 94104 ("Cy Pres Beneficiary").
- 6. Requests for Exclusion from the Class Settlement (Opt-Outs). You will be treated as a Participating Class Member, participating fully in the Class Settlement, unless you notify the Administrator in writing, not later than May 27, 2025, that you wish to opt-out. The easiest way to notify the Administrator is to send a written and signed Request for Exclusion by the May 27, 2025 Response Deadline. The Request for Exclusion should be a letter from a Class Member or his/her representative setting forth a Class Member's name, present address,

email address or telephone number, and a simple statement electing to be excluded from the Settlement. Excluded Class Members (i.e., Non-Participating Class Members) will not receive Individual Class Payments, but will preserve their rights to personally pursue wage and hour claims against FTS.

- 7. The Proposed Settlement Will be Void if the Court Denies Final Approval. It is possible the Court will decline to grant Final Approval of the Settlement or decline enter a Judgment. It is also possible the Court will enter a Judgment that is reversed on appeal. Plaintiff and FTS have agreed that, in either case, the Settlement will be void: FTS will not pay any money and Class Members will not release any claims against FTS.
- 8. <u>Administrator</u>. The Court has appointed a neutral company, ILYM Group, Inc. (the "Administrator") to send this Notice, calculate and make payments, and process Class Members' Requests for Exclusion. The Administrator will also decide Class Member Challenges over Workweeks, mail and re-mail settlement checks and tax forms, and perform other tasks necessary to administer the Settlement. The Administrator's contact information is contained in Section 9 of this Notice.
- 9. Participating Class Members' Release. After the Judgment is final and FTS has fully funded the Gross Settlement, including the amount necessary to pay employer's payroll taxes on Individual Class Payments, Participating Class Members will be legally barred from asserting any of the claims released under the Settlement. This means that unless you opted out by validly excluding yourself from the Class Settlement, you cannot sue, continue to sue, or be part of any other lawsuit against FTS or related entities for: wages based on the Class Period facts, as alleged in the Action and resolved by this Settlement.

The Participating Class Members will be bound by the following release:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release FTS and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates (the "Released Parties") from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Complaint and ascertained in the course of the Action, including any and all claims for: (1) failure to pay minimum and straight time wages under California Labor Code §§ 204, 1194, 1194.2, and 1197; (2) failure to pay overtime wages under California Labor Code §§ 1194, 1198; (3) failure to provide meal periods under California Labor Code §§ 226.7 and 512; (4) failure to authorize and permit rest periods under California Labor Code § 226.7; (5) failure to timely pay final wages at termination under California Labor Code §§ 201-203; (6) failure to provide accurate itemized wage statements under California Labor Code § 226; (7) failure to indemnify necessary business expenses under California Labor Code § 2802; (8) violation of California's Unfair Competition Law, California Business and Professions Code §§ 17200, et seq; and (9) any violation or breach of the California Labor Code arising from or related to the conduct or omission alleged, or could have reasonably been alleged, in the Complaint and the conduct or omission ascertained in the course of the Action, including, without limitation, any violation or breach of California Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, 2802, or any other similar state or local statute, wage order, rule, regulation, ordinance, or authority, or similar causes of action arising from or relating to the conduct alleged ("Released Class Claims"). Except as set forth in Section 5.2 of the Settlement Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the California Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

## 4. HOW WILL THE ADMINISTRATOR CALCULATE MY PAYMENT?

1. <u>Individual Class Payments.</u> The Administrator will calculate Individual Class Payments by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members, and (b) multiplying the result by the number of Workweeks worked by each individual Participating Class Member.

2. Workweek Challenges. The number of Class Workweeks you worked during the Class Period, as recorded in FTS's records, are stated in the first page of this Notice. You have until **May 27, 2025** to challenge the number of Workweeks credited to you. You can submit your challenge by signing and sending a letter to the Administrator via mail, email or fax. Section 9 of this Notice has the Administrator's contact information.

You need to support your challenge by sending copies of pay stubs or other records. The Administrator will accept FTS's calculation of Workweeks based on FTS's records as accurate unless you send copies of records containing contrary information. You should send copies rather than originals because the documents will not be returned to you. The Administrator will resolve Workweek challenges based on your submission and on input from Class Counsel (who will advocate on behalf of Participating Class Members) and FTS's Counsel. The Administrator's decision is final. You can't appeal or otherwise challenge its final decision.

## 5. HOW WILL I GET PAID?

1. <u>Participating Class Members.</u> The Administrator will send, by U.S. mail, a single check to every Participating Class Member (i.e., every Class Member who doesn't opt-out).

Your check will be sent to the same address as this Notice. If you change your address, be sure to notify the Administrator as soon as possible. Section 9 of this Notice has the Administrator's contact information.

# 6. HOW DO I OPT-OUT OF THE CLASS SETTLEMENT?

Submit a written and signed letter with your name, present address, telephone number, and a simple statement that you do not want to participate in the Settlement. The Administrator will exclude you based on any writing communicating your request be excluded. Be sure to personally sign your request, identify the Action as *Mohammed Charif Alia v. KKW Trucking, Inc., et al.*, Case No. 21STCV35999, and include your identifying information (full name, address, telephone number, approximate dates of employment, and social security number for verification purposes). You must make the request yourself. If someone else makes the request for you, it will not be valid. **The Administrator must be sent your request to be excluded by May 27, 2025, or it will be invalid.** Section 9 of the Notice has the Administrator's contact information.

## 7. HOW DO I OBJECT TO THE SETTLEMENT?

Only Participating Class Members have the right to object to the Settlement. Before deciding whether to object, you may wish to see what Plaintiff and FTS are asking the Court to approve. At least 16 days before the **July 16, 2025** Final Approval Hearing, Class Counsel and/or Plaintiff will file in Court (1) a Motion for Final Approval that includes, among other things, the reasons why the proposed Settlement is fair, and (2) a Motion for Fees, Litigation Expenses and Service Award stating (i) the amount Class Counsel is requesting for attorneys' fees and litigation expenses; and (ii) the amount Plaintiff is requesting as the Class Representative's Service Awards. Upon reasonable request, Class Counsel (whose contact information is in Section 9 of this Notice) will send you copies of these documents at no cost to you. You can also view them on the Administrator's Website or the Court's website as detailed in Section 9 of this Notice.

A Participating Class Member who disagrees with any aspect of the Agreement, the Motion for Final Approval and/or Motion for Fees, Litigation Expenses and Service Award may wish to object, for example, that the proposed Settlement is unfair, or that the amounts requested by Class Counsel or Plaintiff are too high or too low. **The deadline for sending written objections to the Administrator is May 27, 2025.** Be sure to tell the Administrator what you object to, why you object, and any facts that support your objection. Make sure you identify the Action as *Mohammed Charif Alia v. KKW Trucking, Inc.*, Case No. 21STCV35999, and include your name, current address, telephone number, and approximate dates of employment for FTS and sign the objection. Section **9** of this Notice has the Administrator's contact information.

Alternatively, a Participating Class Member can object (or personally retain a lawyer to object at your own cost) by attending the Final Approval Hearing. You (or your attorney) should be ready to tell the Court what you object to, why you object, and any facts that support your objection. See Section 8 of this Notice (immediately below) for specifics regarding the Final Approval Hearing.

#### 8. CAN I ATTEND THE FINAL APPROVAL HEARING?

You can, but don't have to, attend the Final Approval Hearing on **July 16, 2025** at 10:00 a.m. in Department 10 of the Los Angeles County Superior Court, located at 312 N. Spring Street, Los Angeles, California 90012. At the Hearing, the judge will decide whether to grant Final Approval of the Settlement and how much of the Gross Settlement will be paid to Class Counsel, Plaintiff, and the Administrator. The Court will invite comment from objectors, Class Counsel, and Defense Counsel before making a decision. You can attend (or hire a lawyer to attend) personally. Check the Court's website for the most current information (https://www.lacourt.org/).

It's possible the Court will reschedule the Final Approval Hearing. You should check the Administrator's website www.ilymgroup.com/kkwtrucking beforehand or contact Class Counsel to verify the date and time of the Final Approval Hearing.

## 9. HOW CAN I GET MORE INFORMATION?

The Agreement sets forth everything FTS and Plaintiff have promised to do under the proposed Settlement. The easiest way to read the Agreement, the Judgment, or any other Settlement documents is to go to ILYM Group's website at <a href="https://www.ilymgroup.com/kkwtrucking">www.ilymgroup.com/kkwtrucking</a>. You can also telephone or send an email to Class Counsel or the Administrator using the contact information listed below, or consult the Superior Court website by going to (https://www.lacourt.org/casesummary/ui/) and entering the Case Number for the Action, Case No. 21STCV35999. You can also make an appointment to personally review court documents in the Clerk's Office at the Stanley Mosk Courthouse by calling (213) 830-0800.

# DO NOT TELEPHONE THE SUPERIOR COURT TO OBTAIN INFORMATION ABOUT THE SETTLEMENT.

Class Counsel:

Justin F. Marquez

justin@wilshirelawfirm.com

Benjamin H. Haber

benjamin@wilshirelawfirm.com

Daniel J. Kramer

dkramer@wilshirelawfirm.com

WILSHIRE LAW FIRM

3055 Wilshire Blvd., 12th Floor

Los Angeles, CA 90010 Telephone: (213) 784-3830

Facsimile: (213) 381-9989

Settlement Administrator:

ILYM Group, Inc.

Email: claims@ilymgroup.com

P.O. Box 2031 Tustin, CA 92781

Telephone: (888) 250-6810

Fax: (888) 845-6185

## 10. WHAT IF I LOSE MY SETTLEMENT CHECK?

If you lose or misplace your settlement check before cashing it, the Administrator will replace it as long as you request a replacement before the void date on the face of the original check.

# 11. WHAT IF I CHANGE MY ADDRESS?

To receive your check, you should immediately notify the Administrator if you move or otherwise change your mailing address.