



1
2 SUPERIOR COURT OF CALIFORNIA

FILED
ALAMEDA COUNTY

3 COUNTY OF ALAMEDA

OCT 11 2006

4 CLERK OF THE SUPERIOR COURT

5 By [Signature] Deputy

6 ANDREA SAVAGLIO, JAMES DAVIS,
7 JERRILYN NEWLAND, and CHARLOTTE
JOHNSON, on behalf of themselves and all others
similarly situated,

8 Plaintiffs,

9 v.

10 WAL-MART STORES, INC., a Delaware
11 corporation, SAM'S WEST, INC., a California
12 corporation, GEORGE RODRIGUEZ, VINCENT
MARTINEZ, and DOES 1 through 100,

13 Defendants.

) Case No.: C-835687

) JUDGMENT

14
15 Pursuant to Order dated August 22, 2005, the trial in this case was bifurcated. The
16 claims for monetary relief were tried to a jury and the claims for injunctive relief were
17 subsequently tried to the Court.
18

19
20 **JURY TRIAL – MONETARY RELIEF**

21 This monetary relief portion of this action came on regularly for trial beginning on
22 September 19, 2005, in Department 22 of the Superior Court, the Honorable Ronald M.
23 Sabraw presiding. Appearances by counsel were made as indicated on the record on each
24 day of trial.

25 A jury of 12 persons was impaneled and sworn. Witnesses were sworn and
26 testified. After hearing the evidence and the arguments of attorneys, the jury was
27 instructed by the court and retired to consider its verdict with directions to return a verdict

1 on special interrogatories.

2 After returning into court and being called, the jurors answered to their names and
3 rendered their verdict in writing in words and figures as follows:

4 The jury, finding that:

5 1. Between January 1, 2001 and May 6, 2005, did Wal-Mart fail to comply
6 with California laws regarding the provision of meal periods to class members?

7 YES

8 2. Without considering the deductions about which you are asked in the
9 questions below, what is the amount of Meal Period Premium Payments owed to class
10 members?

11 \$63,631,858

12 3. What, if any, is the total amount of Meal Period Premium Payments that
13 class members waived?

14 -0-

15 4. How many minutes shorter than 30 minutes, if any, is a minor meal period
16 violation for which class members cannot recover Meal Period Premium Payments?

17 -0- minutes

18 5. How much do you reduce Meal Period Premium Payments as a result of
19 your finding in Question 4?

20 \$ -0-

21 6. How many minutes later than 5 hours, if any, is a minor meal period
22 violation for which class members cannot recover Meal Period Premium Payments?

23 -0- minutes

24 7. How much do you reduce Meal Period Premium Payments as a result of
25 your finding in Question 6?

26 \$ -0-

27 8. Did some class members fail to substantially comply with directions by

1 Wal-Mart about meal periods or fail to perform their services with ordinary care and
2 diligence?

3 YES

4 9. How much, if any, do you reduce Meal Period Premium Payments as a
5 result of answering "yes" to Question 8?

6 \$ 6,363,185

7 10. Do you find that Wal-Mart established reasonable policies to detect,
8 investigate and correct meal period violations and that some class members unreasonably
9 failed to use such procedures?

10 NO

11 11. How much, if any, do you reduce Meal Period Premium Payments as a
12 result of answering "yes" to Question 10?

13 \$ -0-

14 12. If you reduced Meal Period Premium Payments in response to Questions 3,
15 5, 7, 9, and/or 11 above, then you must add together the amounts in Questions 3, 5, 7, 9,
16 and 11 and deduct that sum from the amount of payments found in Question 2; the
17 resulting number as set forth below will be the total amount that class members should be
18 awarded for Meal Period Premium Payments:

19 \$57,268,673

20 13. Besides the loss of Meal Period Premium Payments, do you find that Wal-
21 Mart's failure to provide meal periods as required by California law caused any other
22 actual injury to class members?

23 YES

24 14. Did Wal-Mart act with malice, oppression or fraud in failing to provide
25 meal periods to class members as required by California law?

26 YES

27 15. What amount of punitive damages, if any, do you award class members?

1 \$115 million

2 IT IS ADJUDGED that:

3 1. Plaintiffs Charlotte Johnson and the certified class of all current and
4 former hourly employees of Wal-Mart Stores, Inc, including Wal-Mart Stores and
5 Supercenters, in the state of California from January 1, 2001, through May 6, 2005, is
6 entered in this action excluding those employees who opted-out of the Meal Period
7 Money subclass or who hold or held the following positions: salaried manager, customer
8 service manager, pharmacist, and/or personnel manager, recover judgment on the merits
9 against defendants, Wal-Mart Stores, Inc. and Sam's West, Inc., in the amount of
10 \$57,268,673.00 in Meal Period Premium Payments and \$115,000,000.00 in punitive
11 damages, for a grand total of \$172,268,673.00.

12 2. Plaintiffs Andrea Savaglio, James Davis, Jerrilyn Newland, and class
13 member Allison Wesling recover no monetary damages from defendants Wal-Mart
14 Stores, Inc. and Sam's West, Inc. on their meal period claims for monetary relief that
15 concern meal periods from January 1, 2001, through May 6, 2005.
16

17 **BENCH TRIAL- INJUNCTIVE RELIEF**

18 This injunctive relief portion of this action came on regularly for trial beginning
19 on June 26, 2006, in Department 22 of the Superior Court, the Honorable Ronald M.
20 Sabraw presiding. Appearances by counsel were made as indicated on the record on each
21 day of trial. The court heard and considered the testimony, the documentary evidence,
22 and the argument of counsel. The matter having been submitted for decision, and the
23 court having issued its statement of decision,

24 IT IS ADJUDGED THAT:

25 Plaintiffs Andrea Savaglio, James Davis, Jerrilyn Newland, Charlotte Johnson,
26 and the certified class of all current and former hourly employees of Wal-Mart Stores,
27 Inc, including Wal-Mart Stores and Supercenters, in the state of California from February

6, 1997, through the date judgment is entered in this action, excluding those employees who hold or held the following positions: salaried manager, customer service manager, pharmacist, and/or personnel manager, (collectively, the "Class") are entitled to injunctions as described below against defendants, Wal-Mart Stores, Inc. and Sam's West, Inc. (collectively "Wal-Mart").

1. Wal-Mart must comply with California Industrial Welfare Commission Wage Order Nos. 7-80, 7-98, 7-2000, 7-2001 at ¶12 and California Labor Code §226.7(b) concerning rest breaks;

2. Wal-Mart must maintain and enforce any existing corporate policies, practices or procedures requiring records be maintained reflecting meal periods and rest breaks for its California employees concerning the following categories:

a. Missed, late or shorted meal periods;

b. Missed, late or shorted rest breaks;

c. Verbal or written employee complaints regarding missed, late or shorted meal periods;

d. Verbal or written employee complaints regarding missed, late or shorted rest breaks;

e. Requiring store managers to report meal and rest break exceptions, regardless of whether such exceptions constitute a violation of California law;

3. To the extent that Wal-Mart does not currently have corporate policies, practices or procedures requiring records to be maintained reflecting meal periods or rest breaks for its California employees, then Wal-Mart must develop such corporate policies, practices and procedures and report the same to the Court within 90 days of the entry of Judgment, such that the Court may be satisfied that Wal-Mart is able to comply with California's meal period and rest break laws, henceforth. If such policies, practices or procedures already exist, then Wal-Mart must nonetheless report to the Court concerning the existing policies, practices and procedures within 90 days of entry of Judgment. By

1 way of clarification, the Court will not mandate that Wal-Mart re-implement the practice
2 of clocking in and out for rest breaks;

3 4. The Class is ordered to provide the names and personal identifying
4 information for the 887 class members who are owed premium payments from May 6,
5 2005 to January 20, 2006 within 10 days of the entry of Judgment in this matter. Wal-
6 Mart is hereby ordered to pay those 887 class members the aforesaid premium payments
7 within 30 days of receipt of the names and personal identifying information from the
8 Class.

9 5. Wal-Mart must report to the Court within 90 days of entry of Judgment in
10 this matter on its implementation of the California Meal Premium Automatic Payment
11 Program. Wal-Mart must provide a statistical report to the Court and counsel for the
12 Class reflecting the number missed meal periods since inception of the program and the
13 number of premiums paid under the program;

14 6. Wal-Mart must design, develop and propose a date for implementation of
15 policies, practices and procedures that will ensure its compliance with California's rest
16 break laws. Wal-Mart's proposals in this area must include the precise means of
17 documenting and measuring Wal-Mart's compliance with California's rest break law.
18 Wal-Mart's rest break compliance plan must be reported to the Court within 90 days of
19 entry of Judgment in this matter. Wal-Mart's proposed plan must include, inter alia, the
20 following: (1) a means of providing notice to all Wal-Mart's California employees of this
21 Court's injunctive order and their rights under California's rest break laws, such as posting
22 the same in employee break rooms; (2) a simple and convenient complaint process
23 available to employees who suffered a missed, short or late rest break; (3) how records
24 will be maintained reflecting Wal-Mart's compliance with California's rest break laws;
25 and

26 7. The Court will require that for the next three (3) years following entry of
27 judgment in this matter, Wal-Mart must provide annual reports to the Court and counsel

1 for the Class. The annual reports must include: (1) Wal-Mart's stated policies and
2 practices for ensuring compliance with California's meal and rest break laws, (2) the
3 implementation of Wal-Mart's policies and practices for ensuring compliance with
4 California's meal and rest break laws, (3) what efforts Wal-Mart is making to monitor the
5 effectiveness of its stated policies and practices for ensuring compliance with California's
6 meal and rest break laws, (4) any data reflecting Wal-Mart's compliance efforts, and (5)
7 any changes^{*} to Wal-Mart's ongoing policies and practices concerning meal periods and
8 rest breaks.

9

10

ADDITIONAL ISSUES

11

12

1. The Court retains jurisdiction to award costs of suit under C.C.P. § 1032
and 1033.5:

13

14

15

2. The Court retains jurisdiction to entertain a motion by Plaintiffs for
reasonable attorneys' fees and costs payable by Wal-Mart under Labor Code §218.5 or
C.C.P. §1021.5.

16

17

18

19

3. The Court retains jurisdiction to oversee the distribution of the common
fund created in this action, including a motion by Plaintiffs for reasonable attorneys' fees
and costs payable by the fund under the common fund theory and the preparation and
implementation of a plan of distribution.

20

21

Dated: October 11, 2006

22

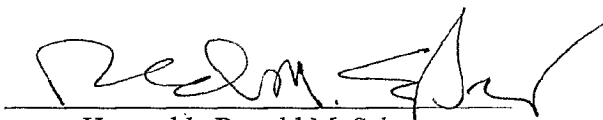
23

24

25

26

27


Honorable Ronald M. Sabraw
JUDGE OF THE SUPERIOR COURT