UNITED STATES DISTRICT COURT MIDDLE DISTRICT OF PENNSYLVANIA

| MICHAEL ROXBERRY, MICHELLE |) |
|---|---|
| ROXBERRY, RANDY PERDUE, |) |
| BRITT MANNING, TOM GRUTSCH, |) |
| THOMAS LEE SMAWLEY, |) |
| BOB JOHNSON, RENAE RIDDLE, |) |
| MAKENZIE SNYDER, on behalf of |) |
| themselves and all others similarly situated, |) |
| |) |
| Plaintiffs, |) |
| V. |))Civil Action No. 1:16-cv-02009-EJ |
| SNYDERS-LANCE, INC., |) |
| S-L ROUTES, LLC, and |) |
| S-L DISTRIBUTION COMPANY, INC., |) |
| |) |
| Defendants. |) |

SECOND AMENDED CLASS AND COLLECTIVE ACTION COMPLAINT

Plaintiffs Michael Roxberry, Michelle Roxberry, Randy Perdue, Britt Manning, Tom Grutsch, Thomas Lee Smawley, Bob Johnson, Renae Riddle and Makenzie Snyder (collectively "Plaintiffs"), by and through their undersigned counsel, individually and on behalf of all persons similarly situated, file this class and collective action Complaint against Defendants Snyder's-Lance, Inc. ("Snyder's-Lance"), S-L Routes, LLC ("S-L Routes") and S-L Distribution Company, Inc. ("S-L Distribution") (collectively referred to hereafter as "Defendants"), seeking all available relief under the Fair Labor Standards Act of 1938, 29 U.S.C. § 201, *et seq.* ("FLSA"), and applicable state laws.

Plaintiffs deliver Snyder of Hanover and Lance brands of snack products and various other brands of snack products to stores in Tennessee and surrounding states. Although

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 2 of 21

Defendants classified Plaintiffs and other similarly situated drivers as independent contractors, they were in fact Defendants' employees under the FLSA and applicable state wage laws, and were not paid for all hours worked. Plaintiffs also assert state law claims arising from this misclassification and from other unlawful conduct by Defendants.

I. JURISDICTION AND VENUE

Jurisdiction over Plaintiffs' FLSA claims is proper under 29 USC §216(b) and 28 USC §1331.

2. This court has supplemental jurisdiction under 28 USC §1367 over Plaintiffs' state law claims because those claims derive from a common nucleus of operative facts.

3. Plaintiffs filed their initial Complaint in this action on July 15, 2016 in the United States District Court for the Eastern District of Tennessee.

4. On September 2, 2016, Defendants filed a motion seeking, among other relief, that the case be transferred to the United States District Court for the Middle District of Pennsylvania pursuant to the forum selection provisions in the Distributor Agreements executed by Plaintiffs in their individual capacities with S-L Distribution and/or S-L Routes. Defendants argued in their motion and supporting memorandum that Plaintiffs were bound by the Distributor Agreements because any services performed by Plaintiffs were a direct result of the Distributor Agreements, that the allegations in the Complaint "clearly implicate, and arise out of, the parties" contractual relationship", and that Plaintiffs are integrally related to the contractual relationship between the signatories of the Distributor Agreements.

5. On September 16, 2016, the parties notified the Court that they had reached an agreement that the case should be transferred to the Middle District of Pennsylvania.

6. On September 28, 2016, the United States District Court for the Eastern District of Tennessee entered an Order transferring the case to the Middle District of Pennsylvania pursuant to the parties' agreement, 28 U.S.C. § 1404(a) and the terms of the forum selection provision in the Distributor Agreements.

II. PARTIES

7. Plaintiff Michael Roxberry is an adult resident of Knoxville, Tennessee. From approximately February 2014 to June 2016, Mr. Roxberry worked as a delivery driver for Defendants.

8. Plaintiff Michelle Roxberry is an adult resident of Knoxville, Tennessee. From approximately August 2014 to the present, Ms. Roxberry has worked as a delivery driver for Defendants.

9. Plaintiff Randy Perdue is an adult resident of Seymour, Tennessee. From approximately October 2011 to the present, Mr. Perdue has worked as a delivery driver for Defendants.

10. Plaintiff Britt Manning is an adult resident of Knoxville, Tennessee. From approximately December 2014 to the present, Mr. Manning has worked as a delivery driver for Defendants.

11. Plaintiff Tom Grutsch is an adult resident of Limestone, Tennessee. From approximately February 2012 to the present, Mr. Grutsch has worked as a delivery driver for Defendants.

Plaintiff Thomas Lee Smawley is an adult resident of Kingsport, Tennessee.
From approximately May 2015 to the present, Mr. Smawley has worked as a delivery driver for Defendants.

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 4 of 21

13. Plaintiff Bob Johnson is an adult resident of Limestone, Tennessee. From approximately December 2011 to the present, Mr. Johnson has worked as a delivery driver for Defendants.

14. Plaintiff Renae Riddle is an adult resident of Bluff City, Tennessee. From approximately July 2014 to March 2015, Ms. Riddle worked as a delivery driver for Defendants.

15. Plaintiff Makenzie Snyder is an adult resident of Bristol, Tennessee. From approximately February 2013 to July 2015, Ms. Snyder worked as a delivery driver for Defendants.

16. Defendant Snyder's-Lance is a North Carolina corporation with its principal place of business located in Charlotte, North Carolina.

17. Defendant S-L Distribution is a Delaware corporation with its principal place of business located at 1250 York Street, Hanover, York County, Pennsylvania, 17331. S-L Distribution is a wholly-owned subsidiary of Snyder's-Lance.

Defendants S-L Routes is a Pennsylvania limited liability company with its principal place of business located at 1250 York Street, Hanover, York County, Pennsylvania, 17331.
S-L Routes is a wholly-owned subsidiary of S-L Distribution.

19. During all times material to this Complaint, Defendants were "employers" within the meaning of Section 3(d) of the FLSA, 29 U.S.C. § 203(d); a single enterprise within the meaning of Section 3(r)(1) of the FLSA, 29 U.S.C. § 203(r)(1); and an enterprise engaged in commerce or in the production of goods for commerce within the meaning of Section 3(s)(1) of the FLSA, 29 U.S.C. § 203(s)(1).

20. During all times material to this Complaint, Plaintiffs and the putative collective members were "employees" of Defendants within the meaning of 29 U.S.C. § 203(d).

III. FACTS

21. Defendants are in the business of distributing certain brands of snack foods to stores throughout the country, including in Tennessee and the surrounding states. Defendants maintain warehouses at various locations in Tennessee and throughout the country, including warehouses in Gray, Tennessee and Nashville, Tennessee.

22. Defendants purport to hire "independent business operators" (hereafter, "drivers"), like all of the Plaintiffs, to pick up products at their warehouses or at specially designated bins and deliver the products to stores within assigned territories. Drivers are permitted to work only after they pay substantial sums to "buy" a route and sign a form contract called a "Distributor Agreement." The price of the route is based entirely on information provided to the drivers by Defendants which is, on information and belief, inaccurate and deceptive.

 Plaintiffs Perdue, Johnson, and Grutsch executed Distributor Agreements with S-L Distribution and its wholly-owned subsidiary S-L Routes.

24. Plaintiffs Manning, Snyder, Smawley and Riddle executed Distributor Agreements with S-L Distribution.

25. Plaintiffs Michelle Roxberry and Michael Roxberry worked as drivers for Defendants under Distributor Agreements executed by S-L Distribution.

26. All of the Distributor Agreements are identical, barring the mention of S-L Routes as S-L Distribution's wholly-owned subsidiary in three of the agreements.

27. S-L Distribution and its wholly-owned subsidiary, S-L Routes, share the same office and principal place of business located at 1250 York Street, Hanover, York County, Pennsylvania, 17331.

3692207.2

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 6 of 21

28. S-L Distribution is a wholly-owned subsidiary of Snyder's-Lance.

29. Synder's-Lance, S-L Distribution, and S-L Routes are engaged in related business activities for the common purpose of distributing certain brands of snack foods to stores throughout the country.

30. Upon information and belief, Defendants operate under common control, as evidenced by the fact that Charles E. Good serves as President of S-L Distribution, President of S-L Routes, and Senior Vice President of Snyder's-Lance.

31. Charles E. Good signed all of Plaintiffs' Distributor Agreements on behalf of Defendants.

32. Defendants have a unity of purpose and design. Their financial interests are identical, their objectives are common, and their general corporate actions are guided and determined by one corporate consciousness.

33. Snyder's-Lance has the authority to exercise full control over the actions and decisions of S-L Distribution and S-L Routes and exercises this control on a regular and routine basis. S-L Distribution and S-L Routes act at all times for the benefit of Snyder's-Lance.

34. Because Defendants operate as a single entity, they are all deemed to be parties to the Distributor Agreements executed by Plaintiffs and the putative collective members.

35. The Distributor Agreement, which is presented to drivers as a "take it or leave" contract of adhesion, includes the following terms which are not subject to negotiation:

a. drivers are required to purchase products from Defendants for distribution to stores;

b. drivers may only deliver specifically authorized products to specifically authorized stores in a specifically defined territory;

3692207.2

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 7 of 21

c. Defendants determine the price the drivers must pay for their products and the terms under which those products are purchased;

d. Defendants prevent drivers from having any say in the prices paid by certain stores for the products;

e. drivers are responsible for bearing all costs and expenses for delivery of Defendants' product;

f. drivers must bear the costs of products they buy from Defendants that are stale, distressed, out of code, or otherwise not sold;

g. Defendants provide essential billing for certain stores, so the stores pay Defendants, which then pays the drivers after deducting certain costs, charges or other deductions;

h. Defendants retain the right, in their sole discretion, to assign their rights under the Agreement to another person, but drivers may not assign their rights without Defendants' consent;

i. Defendants retain the right to terminate a driver's Agreement, with all the driver's rights reverting to Defendants, if the driver fails to maintain satisfactory services or fails to meet the requirements of Defendants' customers;

j. If a driver is temporarily unable to provide deliveries by reason of short term illness, emergency, holiday, or vacation, and is unable to arrange for replacement services, Defendants may provide such services at the driver's expense;

k. When an Agreement is terminated, Defendants have the right to operate the driver's territory for Defendants' own account;

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 8 of 21

1. When a driver sells his or her rights to a territory, such sale must be approved by Defendants and the driver must pay a percentage of the proceeds to Defendants.

36. Prior to executing the Distributor Agreements, Defendants' representatives made certain representations to Plaintiffs regarding the system and manner Defendants would use to compensate Plaintiffs.

37. Defendants' representatives made these statements with full knowledge that they would be relied upon by Plaintiffs, and in fact intended for Plaintiffs to rely upon these representations. Upon information and belief, these representations regarding Defendants' compensation system were false, misleading and deceptive.

38. Defendants implemented a convoluted and deceptive system of compensating the drivers to prevent the drivers from being able to determine if they have been properly and accurately compensated for their services.

39. For example, Defendants routinely and unilaterally change the system under which the drivers are paid without any prior notice or explanation.

40. Defendants issue weekly statements to the drivers, but those statements regularly contain confusing and seemingly inaccurate information. For example, drivers who pick up products from Defendants' warehouses during one business week are routinely charged for those products in the prior weeks' accounting. On information and belief, drivers have been charged for products that they did not actually receive.

41. When drivers have asked Defendants for clarification of the statements, Defendants have been unable or unwilling to provide clarification. Instead, Defendants pressure drivers to make payments allegedly owed to Defendants, on threat of termination, even when the basis for those allegedly owed amounts remained unclear or in dispute.

8

3692207.2

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 9 of 21

42. As a result of this convoluted and deceptive compensation system, drivers routinely go several weeks, and in some cases months, without receiving any compensation for their services.

43. The primary duties of Defendants' drivers, including Plaintiffs, are driving a vehicle, delivering Defendants' products, placing orders by hitting buttons on their handheld devices, removing expired products, loading and unloading their trucks, and stocking shelves, among other non-exempt tasks.

44. Drivers are required to pay all costs in making deliveries, including buying products from Defendants, providing a vehicle, paying for fuel, and obtaining insurance, together with other costs. When drivers go to one of Defendants' warehouses to pick up products, the drivers are charged for the products at prices determined solely by Defendants. When the driver delivers products to their assigned stores, the majority of the prices paid by said stores are determined by Defendants and have been negotiated between Defendants and the stores. Some of the stores pay the drivers directly, but most of the stores pay Defendants, who are then supposed to credit the driver for the payments.

45. As a result of the prices Defendants charge the drivers for their products and the prices Defendants negotiate with their customers stores, it is not uncommon for the drivers to pay more for Defendants' products than they are able to sell them to Defendants' customer stores.

46. The amount of shelf space to which Defendants are entitled in their customer's store is negotiated and controlled by Defendants, and not the drivers, and is memorialized through "plan-o-grams" and/or merchandising plans and/or similar documents. Drivers are not permitted to vary from these "plan-o-grams" and/or merchandising plans and/or similar documents in utilizing shelf space to stock shelves.

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 10 of 21

47. Defendants, and not drivers, negotiate with the majority of Defendants' customers concerning, among other things: the initial or continued right to carry Defendants' products in the customer's store; the price of Defendants' products; if and when a product promotion will run; how Defendants' products are advertised; the terms of the product promotion; how much shelf space is allocated for products; authorization for new items; authorization for price changes; which of Defendants' products are carried by the customer; how much product must be placed in a display; and where Defendants' products are placed in the store.

48. On various occasions Defendants have been unable or unwilling to provide all products requested by the drivers to meet the needs of the stores in their territory. As a result, stores have terminated their business or made complaints, through no fault of the drivers. When that happens, drivers suffer adverse consequences, including a loss of income or threat of termination.

49. Defendants employ office and supervisory personnel who work at their warehouses, as well as other locations and offices around the country. These employees regularly supervise and direct drivers in regards to deliveries and responding to customer complaints or issues.

50. Drivers report to individuals employed by Snyder's-Lance as District Managers in their respective districts.

51. Based on the nature of Defendants' business and the services performed by the drivers for Defendants, the drivers performed services for Defendants within the usual course of Defendants' business.

52. The drivers perform core work that is necessary and essential to Defendants' business.

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 11 of 21

53. At all relevant times, Plaintiffs and the putative collective members were economically dependent on Defendants and were suffered and permitted to work by Defendants.

54. Plaintiffs and the putative collective members routinely work in excess of 50 hours per week each week. For example:

a. Plaintiff Smawley regularly works between 55 and 60 hours per week each week;

b. Plaintiff Grutsch regularly works at least 48 hours per week each week;

c. Plaintiff Michelle Roxberry regularly works at least 55 hours per week each week;

d. Plaintiff Michael Roxberry regularly worked at least 55 hours per week each week;

e. Plaintiff Manning regularly works at least 50 hours per week each week;

f. Plaintiff Perdue regularly works at least 60 hours per week each week;

g. Plaintiff Johnson regularly works between 55 and 60 hours per week each

h. Plaintiff Snyder regularly worked at least 60 hours per week each week; and

i. Plaintiff Riddle regularly worked at least 65 hours per week each week.

55. Plaintiffs observed that the putative collective members routinely worked the same schedule and number of hours per week each week as the Plaintiffs.

56. Defendants, pursuant to their policies and practices, failed and refused to pay overtime compensation for all hours worked over 40 in a workweek to Plaintiffs and the putative collective members.

11

week;

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 12 of 21

57. Defendants have intentionally and willfully misclassified Plaintiffs and the other drivers to avoid their obligations under the FLSA and state wage laws.

IV. COLLECTIVE ACTION ALLEGATIONS UNDER THE FLSA

58. Defendants constitute a single enterprise pursuant to 29 U.S.C. § 203(r)(1) because Defendants operate under common control and engage in related activities for a common business purpose.

59. Plaintiffs bring this lawsuit pursuant to 29 U.S.C. § 216(b) as a collective action on behalf of themselves and all of Defendants' drivers improperly classified as independent contractors instead of employees.

60. Plaintiffs desire to pursue their FLSA claim on behalf of all individuals who opt in to this action pursuant to 29 U.S.C. § 216(b).

61. Plaintiffs and the putative FLSA collective are "similarly situated" as that term is used in 29 U.S.C. § 216(b) because *inter alia*, all such individuals currently work or worked pursuant to Defendants' previously described common business and compensation practices as described herein, and, as a result of such practices, have been misclassified as independent contractors and have not been paid the fully and legally mandated minimum for all hours worked. Resolution of this action requires inquiry into common facts including, but not limited to, Defendants' common misclassification, compensation and payroll practices.

62. Specifically, Defendants misclassified Plaintiffs and the FLSA collective as independent contractors and paid them on a straight commission basis.

63. The similarly situated employees are known to Defendants, are readily identifiable, and can be easily located through Defendants' business and human resources records.

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 13 of 21

64. Defendants employ many putative collective members throughout the United States. These similarly situated employees may be readily notified of this action through U.S. Mail/or other means, and allowed to opt into this action pursuant to 29 U.S.C. § 216(b), for the purpose of collectively adjudicating their claims for overtime compensation, liquidated damages (or, alternatively, interest) and attorneys' fees and costs under the FLSA.

V. CLASS ACTION ALLEGATIONS

65. Plaintiffs further bring this action as a class action pursuant to Fed. R. Civ. P. 23 on behalf of themselves and the class of drivers who work for Defendants within the State of Tennessee (the "Tennessee Class"). The members of the Tennessee Class are so numerous that joinder of all members is impractical.

66. Plaintiffs will fairly and adequately represent and protect the interests of the Tennessee Class because there is no conflict between the claims of Plaintiffs and those of the Tennessee Class, and Plaintiffs' claims are typical of the claims of the Tennessee Class. Plaintiffs' counsel is competent and experienced in litigating class action and other complex litigation matters, including wage and hour cases like this one.

67. There are questions of law and fact common to the proposed Tennessee Class, which predominate over any questions affecting only individual class members.

68. Plaintiffs' claims are typical of the claims of the Tennessee Class in the following ways, without limitation:

a. Plaintiffs are members of the Tennessee Class;

b. Plaintiffs' claims are based on the same policies, practices and course of conduct that form the basis of the claims of the Tennessee Class;

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 14 of 21

c. Plaintiffs' claims are based on the same legal theories of those of the Tennessee class and involve similar factual circumstances;

d. There are no conflicts between the interests of Plaintiffs and the Tennessee Class; and

e. The injuries suffered by Plaintiffs are similar to the injuries suffered by the Tennessee Class.

69. Class certification is appropriate under Fed. R. Civ. P. 23(b)(3) because questions of law and fact common to the Tennessee Class predominate over any questions affecting only individual class members.

70. Class action treatment is superior to the alternatives to the fair and efficient adjudication of the controversy alleged herein. Such treatment will permit a large number of similarly situated persons to prosecute their common claims in a single form simultaneously, efficiently, and without the duplication of effort and expense that numerous individual actions would entail. No difficulties are likely to be encountered in the management of this class action that would preclude its maintenance as a class action, and no superior alternative exists for the fair and efficient adjudication of this controversy. The Tennessee Class is readily identifiable from Defendants' own records. Prosecution of separate actions by individual members of the Tennessee Class would create the risk of inconsistent or varying adjudications with respect to individual Tennessee Class members that would establish incompatible standards of conduct for Defendants.

71. A class action is superior to all other available methods for the adjudication of this controversy because joinder of all members is impractical. Further, the amounts at stake for

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 15 of 21

many of the Tennessee Class, while substantial, are not great enough to enable them to maintain separate suits against Defendants.

72. Without a class action, Defendants will retain the benefit of its wrongdoing, which will result in further damages to Plaintiffs and the Tennessee Class. Plaintiffs envision no difficulty in the management of this action as a class action.

COUNT I VIOLATION OF THE FLSA (ON BEHALF OF PLAINTIFFS AND THE FLSA COLLECTIVE)

73. Plaintiffs incorporate the above paragraphs as if fully set forth herein.

74. Defendants constitute a single enterprise pursuant to 29 USC \$ 203(r)(1).

75. Defendants are subject to the wage requirements of the FLSA because Defendants are employers under 29 USC § 203(d).

76. At all relevant times, Plaintiffs and the putative collective members are covered employees entitled to the FLSA protections.

77. At all relevant times, Defendants are employers engaged in interstate commerce and/or in the production of goods for commerce, within the meaning of the FLSA, 29 U.S.C. § 203.

78. Plaintiffs and the putative collective members are not exempt from the requirements of the FLSA.

79. Plaintiffs and the putative collective members are entitled to be paid the applicable minimum wage of \$7.25 for all hours worked under 40 and an overtime rate of 150 percent of the regular rate for all hours worked over 40 in a work week.

80. Defendants do not maintain accurate records of all hours Plaintiffs and the putative collective members worked each work day and the total number of hours worked each work week as required by the FLSA.

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 16 of 21

81. During their employment with Defendants, Plaintiffs and the putative collective members regularly and routinely worked in excess of 50 hours in each work week.

82. Defendants violated the FLSA's minimum wage requirement with respect to hours worked under 40 because some Plaintiffs and putative collective members received little to no pay for certain weeks following the deductions, fees and back charges charged by Defendants.

83. Defendants, pursuant to their policies and practices, knowingly failed to pay Plaintiffs and the putative collective members an overtime rate of 150 percent of the regular rate for all hours worked over 40 in a work week in violation of the FLSA.

84. Defendants acted willfully and with reckless disregard of clearly applicable FLSA provisions.

COUNT II UNJUST ENRICHMENT (ON BEHALF OF PLAINTIFFS AND THE TENNESSEE CLASS)

85. Plaintiffs incorporate the above paragraphs as if set forth fully herein.

86. Defendants have received and benefited from the uncompensated labors of Plaintiffs and the Tennessee Class, such that to retain said benefit without compensation would be inequitable and give rise to the level of unjust enrichment.

87. At all relevant times hereto, Defendants devised and implemented a plan to increase their earnings and profits by fostering a scheme of securing work from Plaintiffs and the Tennessee Class without paying wages for all hours worked, by making unauthorized reductions from Plaintiffs' pay, and by requiring Plaintiffs to pay for Defendants' own business expenses.

88. Plaintiffs and the Tennessee Class are entitled to judgment in an amount equal to the benefits unjustly retained by Defendants.

COUNT III BREACH OF CONTRACT, INCLUDING BREACH OF THE COVENANT OF GOOD FAITH AND FAIR DEALING, AGAINST S-L ROUTES AND S-L DISTRIBUTION (ON BEHALF OF PLAINTIFFS AND THE TENNESSEE CLASS)

89. Plaintiffs incorporate the above paragraphs as if set forth fully herein.

90. Defendant S-L Distribution materially breached its duties to Plaintiffs and the Tennessee Class under the Distributor Agreements in various respects, including, but not limited to, failing to provide Plaintiffs with agreed upon products and unilaterally changing the terms and conditions under which Plaintiffs and the Tennessee Class were compensated and reimbursed.

91. Defendant S-L Routes materially breached its contractual duties to Plaintiffs Grutsch, Johnson and Perdue, and the members of the Tennessee Class who signed Distributor Agreements with S-L Routes, in various respects, including, but not limited to, failing to provide Plaintiffs Grutsch, Johnson and Perdue and the members of the Tennessee Class who signed Distributor Agreements with S-L Routes with agreed upon products and unilaterally changing the terms and conditions under which Plaintiffs Grutsch, Johnson and Perdue and the members of the Tennessee Class who signed Distributor Agreements with S-L Routes were compensated and reimbursed.

92. Defendants S-L Distribution's and S-L Routes' breach of the Distributor Agreements has caused Plaintiffs and the Tennessee Class members to incur significant costs, expenses and losses which Plaintiffs and the Tennessee Class would not have incurred had Defendants S-L Distribution and S-L Routes performed their respective obligations under the Distributor Agreements.

93. These costs, expenses and losses are a direct and proximate result of DefendantsS-L Distribution's and S-L Routes' breach of the Distributor Agreements.

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 18 of 21

94. There is an implied covenant of good faith and fair dealing requiring Defendants S-L Distribution and S-L Routes to deal with Plaintiffs and the Tennessee Class with the utmost good faith and to deal fairly with Plaintiffs and the Tennessee Class in the implementation and execution of the contract terms and with respect to their contractual relationship.

95. For the reasons set forth above, Defendants S-L Distribution and S-L Routes have breached such covenant to the Plaintiffs' and the Tennessee Class's detriment, resulting in damages to Plaintiffs and the Tennessee Class.

96. As a result of the foregoing, Plaintiffs and the Tennessee Class have suffered damages in amounts to be determined at trial which are a direct and foreseeable result of Defendants S-L Distribution's and S-L Routes' material breach of their respective contractual obligations.

COUNT IV VIOLATION OF THE TENNESSEE CONSUMER PROTECTION ACT (ON BEHALF OF PLAINTIFFS)

97. Plaintiffs incorporate the above paragraphs as if fully set forth herein.

98. Plaintiffs bring this Count under the Tennessee Consumer Protection Act ("TCPA"), Tenn. Code Ann. §47-18-101, et seq.

99. Plaintiffs are consumers within the meaning of Tenn. Code Ann. §47-18-103.

100. Defendants are persons within the meaning of Tenn. Code Ann. §47-18-103.

101. Defendants engaged in trade, commerce and/or consumer transactions within the meaning of Tenn. Code Ann. §47-18-103.

102. Through their actions and conduct set forth above, Defendants committed or engaged in unfair or deceptive acts or practices affecting the conduct of trade or commerce and which constituted unlawful acts or practices in violation of Tenn. Code Ann. §47-18-104(a).

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 19 of 21

103. Through their actions and conduct set forth above, Defendants have also violated particular subsections of Tenn. Code Ann. §47-18-104(b) by, among other acts: representing that goods or services have sponsorship, approval, characteristics, benefits or quantities that they do not have; representing that goods or services are of a particular standard, quality or grade, when they are of another; representing that a consumer transaction confers or involves rights, remedies or other obligations that it does not have or involve; and engaging in other acts and practices which are or were deceptive to Plaintiffs.

104. Through the actions and conduct set forth above, Defendants have further violated particular subsections of Tenn. Code Ann. §47-18-104(b) by making Plaintiffs and putative class members sign Distributor Agreements which illegally and deceptively classified them as independent contractors and by making improper and illegal deductions from the individual Plaintiffs and putative class members' pay pursuant to said Distributor Agreements.

105. Plaintiffs have suffered ascertainable loss of money, property and/or things of value in amounts to be determined at trial which are the direct and proximate result of Defendants' use or employment of unfair and deceptive acts and practices that are prohibited by the TCPA or are in violation of Tenn. Code Ann. §47-18-104(a) and (b).

106. Defendants' unfair or deceptive acts or practices were willful and/or knowing. Thus, Plaintiffs are entitled to treble damages under Tenn. Code Ann. §47-18-109.

JURY DEMAND

107. Plaintiffs request a trial by jury on all of their claims.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs seek the following relief on behalf of themselves and all other similarly situated:

Case 1:16-cv-02009-JEJ Document 56 Filed 11/16/16 Page 20 of 21

1. A declaration that Defendants misclassified Plaintiffs and collective members as independent contractors instead of employees;

An order permitting this litigation to proceed as a collective action pursuant to 29
U.S.C. § 216(b);

3. An order permitting this litigation to proceed as a class action pursuant to Rule 23 of the Federal Rules of Civil Procedure on behalf of the Tennessee Class;

4. Prompt notice, pursuant to 29 U.S.C. § 216(b), of this litigation to all potential members of the FLSA collective;

5. Declaratory relief requiring Defendants to comply with all applicable federal and state laws and to cease their illegal practices;

6. A judgment in favor of Plaintiffs and the collective and class members for all penalties compensatory damages, punitive damages and/or liquidated damages allowed by law;

7. An award of prejudgment and post-judgment interest to Plaintiffs and the collective and class members;

8. An award of attorneys' fees and costs as provided by law; and

9. Any other relief to which the Plaintiffs and the collective and class members may be entitled.

Respectfully submitted this 15th day of November, 2016.

WOOLF, McCLANE, BRIGHT, ALLEN & CARPENTER, PLLC

s/J. Keith Coates, Jr.

J. Chadwick Hatmaker, Esq. (BPR No. 018693) J. Keith Coates, Jr., Esq. (BPR 025839)

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