Arby Aiwazian (SBN 269827) 1 arby@calljustice.com FILED 2 Superior Court of California Joanna Ghosh (SBN 272479) County of Sacramento joanna@calljustice.com 3 04/29/2025 Brian J. St. John (SBN 304112) T. Shaddix, Deputy brian@calljustice.com 4 Maria Halwadjian (SBN 358015) 5 maria@calljustice.com LAWYERS for JUSTICE, PC 6 450 North Brand Blvd., Suite 900 Glendale, California 91203 7 Tel: (818) 265-1020 / Fax: (818) 265-1021 8 Attorneys for Plaintiff Frederick Denton 9 [Additional Counsel Listed on Following Page] 10 11 SUPERIOR COURT OF THE STATE OF CALIFORNIA 12 FOR THE COUNTY OF SACRAMENTO 13 FREDERICK DENTON, DONTAY Case No.: 23CV010792 HENDERSON, individually, and on behalf of (Related Case No. 23CV002315) 14 other members of the general public similarly situated and on behalf of other aggrieved CLASS AND REPRESENTATIVE ACTION 15 employees pursuant to the California Private Attorneys General Act; Assigned for All Purposes to: 16 Judge Jill Talley, Department 23 Plaintiffs. 17 **PROPOSEDI** ORDER GRANTING VS. 18 PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT SLAKEY BROTHERS, INC., a California 19 corporation; and DOES 1 through 100, inclusive, 20 [Filed with Plaintiff's Notice of Motion and Defendants. Memorandum of Points and Authorities, the 21 Declaration of Kane Moon, the Declaration of Brian J. St. John, the Declaration of Plaintiff 22 Denton, and the Declaration of Plaintiff *Henderson*] 23 24 PRELIMINARY APPROVAL HEARING: Date: April 25, 2025 25 Time: 9:00 a.m. Dept.: 23 26 27 Complaint Filed: October 30, 2023 Trial Date: Not Set 28

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ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

[PROPOSED] PRELIMINARY APPROVAL ORDER

The Court, having considered Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement, the accompanying Memorandum of Points and Authorities, the supporting Declarations of Kane Moon, Dontay Henderson ("Plaintiff Henderson"), and Frederick Denton ("Plaintiff Denton") (together with Plaintiff Henderson, "Plaintiffs"), and good cause appearing,

HEREBY ORDERS, ADJUDGES, AND DECREES AS FOLLOWS:

- 1. The Court grants preliminary approval of the proposed Settlement and the Class based upon the terms set forth in the Class Action and PAGA Settlement Agreement (the "Settlement Agreement" or "Settlement") attached as Exhibit 1 to the Declaration of Kane Moon in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement. The Court finds on a preliminary basis that the Settlement Agreement appears to be fair, adequate, and reasonable, and therefore, meets the requirements for preliminary approval. The Court also preliminarily finds that the terms of the Settlement Agreement appear to be within the range of possible approval, pursuant to California Code of Civil Procedure section 382 and applicable law.
- 2. The Settlement falls within the range of reasonableness of a settlement which could ultimately be given final approval by this Court, and appears to be presumptively valid, subject only to any objections that may be raised at the Final Approval Hearing and final approval by this Court. The Court notes that Defendant Slakey Brothers, Inc. ("Defendant") (together with Plaintiffs, the "Parties") agreed to create a common, non-reversionary gross fund of \$1,600,000.00 (the "Gross Settlement Amount"), and in addition to Defendant's employer payroll taxes owed on the wage portions of the Class Settlement Awards, to cover (a) Class Settlement Awards; (b) PAGA Settlement Amount of \$100,000.00 for settlement of claims for civil penalties under the Private Attorneys General Act, Labor Code Sections 2698, *et seq.* ("PAGA"), and distributed as 25% (\$25,000.00) to the PAGA Group Members and 75% (\$75,000.00) to the California Labor and Workforce Development Agency (the "LWDA"); (c) Fee and Expense Award to Class Counsel of up to one third of the Gross Settlement Amount (i.e., the amount up to \$53,333.33, if the Gross Settlement Amount remains at \$1,600,000.00) and up to \$50,000.00 for reimbursement of litigation costs; (d) the Service Payments to Plaintiffs of up to \$7,500.00 each; and (e)

Settlement Administration Costs paid to the Settlement Administrator of up to \$9,950.00.

- 3. The Court finds on a preliminary basis that: (1) the settlement amount is fair and reasonable to the Class Members when balanced against the probable outcome of further litigation relating to class certification, liability and damages issues, and potential appeals; (2) significant informal discovery, investigation, research, and litigation have been conducted such that counsel for the respective Parties at this time are able to reasonably evaluate their respective positions; (3) settlement at this time will avoid substantial costs, delay, and risks that would be presented by the further prosecution of the litigation; and (4) the proposed Settlement has been reached as the result of serious, informed, adversarial, and arms-length negotiations between the Parties. Accordingly, the Court preliminarily finds that the Settlement Agreement was entered into in good faith and meets the requirements for preliminary approval.
- 4. A final approval hearing on the question of whether the proposed Settlement Agreement, attorneys' fees to Class Counsel, litigation costs to Class Counsel, the PAGA Settlement Amount, and the Service Payments to Plaintiffs should be finally approved as fair, reasonable, and adequate as to the members of the Class is hereby set in accordance with the Implementation Schedule set forth below.
- 5. The Court provisionally certifies, for settlement purposes only, the following class (the "Class Members" or "Class"): (a) all current and former employees who worked for Defendant in California as a non-exempt employee at any time during the Class Period; and (b) all current and former employees who were employed, classified, and paid as exempt employees in the job title Technical Product Specialist ("TPS") or Specialized Inside Sales Representative ("Specialized ISR") by Defendant in California during the Class Period. "Class Period" means from April 27, 2020 to and including the date the Court grants preliminary approval of the Settlement. Excluded from the Class are all Class Member who submit a written, signed Request for Exclusion to the Settlement Administrator, on or prior to the Notice Response Deadline.
- 6. The Court provisionally certifies, for settlement purposes only, the following individuals (the "PAGA Group Members" or "PAGA Group"): (a) all current and former employees who worked for Defendant in California as a non-exempt employee at any time during

the PAGA Period; and (b) all current and former employees who were employed, classified, and paid as exempt employees in the job titles TPS or Specialized ISR by Defendant in California during the PAGA Period. The "PAGA Period" is from May 20, 2022 through and including the date the Court grants preliminary approval of the Settlement.

7. **Release**:

- a. "Released Parties" means Defendant Slakey Brothers, Inc., and all affiliated predecessor and successor entities, and each such entity's respective present and former subsidiaries, affiliates, parents, agents, executive-, management-, and supervisor-level employees, members, investors, partners, owners, directors, officers, attorneys, trustees, insurers, representatives, predecessors, successors and assigns.
- b. Settlement Class Release. Upon the Effective Date, and Defendant has fully funded the Gross Settlement Amount and all employer payroll taxes, all Settlement Class Members shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, expressly released, waived, and relinquished the Released Class Claims. Settlement Class Members shall not sue or otherwise make a claim against any of the Released Parties for any of the Released Class Claims and shall be barred from filing any actions, claims, complaints, or proceedings against any of the Released Parties relating to the Released Class Claims with any court or agency (including without limitation the California Division of Labor Standards Enforcement), or from initiating any other proceedings against any of the Released Parties for any of the Released Class Claims. Settlement Class Members' release, waiver, and relinquishment of the Released Class Claims shall preclude them from participating in any judgment or settlement of any of the Released Class Claims in any other class, collective, or representative action.
 - 1) "Released Class Claims" means all claims, debts, liabilities, demands, obligations, damages, and actions or causes of action of any kind, for the duration of the Class Period, that are alleged in the Operative Complaint for the Action, or that could have been alleged against any of the Released Parties based on the facts asserted in the Denton Action complaint, Henderson Action Second Amended

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Complaint ("SAC"), or the Operative Complaint for the Action, including (without limitation) claims for any and all alleged or actual failures to timely, fully, properly, or completely pay any minimum wages, regular wages, overtime or double time premium wages, meal or rest period premiums, or other alleged wages owed, including failure to pay overtime or double time wages at the regular rate of pay (including but not limited to Labor Code sections 510, 1198, 1194, 1194.2, 1197, 1197.1); any and all alleged or actual failures to comply with meal or rest period requirements (including but not limited to Labor Code sections 226.7 and 512); any and all alleged or actual failures to provide proper, accurate, timely, adequately descriptive, or complete wage statements or pay stubs (including but not limited to Labor Code section 226); any and all alleged or actual failures to pay all wages or compensation owed to fired, resigning, or otherwise terminated employees (including but not limited to Labor Code sections 201, 202, and 203); any and all alleged or actual failure to fully or properly reimburse or indemnify employmentrelated expenses (including but not limited to Labor Code Sections 2800 and 2802); any and all alleged or actual unfair business practices; any and all alleged or actual failure to properly classify employees as exempt from overtime and other requirements under California and federal law; any and all alleged or actual failure to keep accurate payroll records (including but not limited to Labor Code section 1174); any and all alleged or actual failures to pay employees in compliance with Labor Code section 204; any and all claims that employees were misclassified as exempt; and any and all alleged or actual failures to pay any interest or penalties owed as a result of any and all of the foregoing (including but not limited to Labor Code sections 210, 226.3, and 558).

c. <u>PAGA Group Release</u>. Upon the Effective Date, and Defendant has fully funded the Gross Settlement Amount and all employer payroll taxes, all PAGA Group Members and the State of California shall be deemed to have, and by operation of the Final Approval Order and Judgment shall have, expressed released, waived,

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and relinquished the Released PAGA Claims. PAGA Group Members shall be barred from bringing, joining, or otherwise participating in a PAGA representative action or otherwise making, joining, or otherwise participating in a claim against any of the Released Parties for any of the Released PAGA Claims, and the State of California shall also be barred from pursuing recovery of any civil penalties from any of the Released PAGA Claims.

1) "Released PAGA Claims" means all claims for civil penalties under PAGA for the duration of the PAGA Period that were alleged in the Denton Action complaint filed on October 30, 2023, in the Henderson Action SAC filed on November 18, 2024, in the Operative Complaint for the Action, or any of the PAGA Notices, or that could have been alleged based on the facts asserted in the Denton Action complaint filed on October 30, 2023, in the Henderson Action SAC filed on November 18, 2024, in the Operative Complaint, or in any of the PAGA Notices, against any of the Released Parties, including (without limitation) for any and all alleged or actual failures to timely, fully, properly, or completely pay any minimum wages, regular wages, overtime or double time premium wages, meal or rest period premiums, or other alleged wages owed, including failure to pay overtime or double time wages at the regular rate of pay (including but not limited to Labor Code sections 510, 1198, 1194, 1194.2, 1197, 1197.1); any and all alleged or actual failures to comply with meal or rest period requirements (including but not limited to Labor Code sections 226.7 and 512); any and all alleged or actual failures to provide proper, accurate, timely, adequately descriptive, or complete wage statements or pay stubs (including but not limited to Labor Code section 226); any and all alleged or actual failures to pay all wages or compensation owed to fired, resigning, or otherwise terminated employees (including but not limited to Labor Code sections 201, 202, and 203); any and all alleged or actual failure to fully or properly

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reimburse or indemnify employment-related expenses (including but not limited to Labor Code Sections 2800 and 2802); any and all alleged or actual unfair business practices; any and all alleged or actual failure to properly classify employees as exempt from overtime and other requirements under California and federal law; any and all alleged or actual failure to keep accurate payroll records (including but not limited to Labor Code section 1174); any and all alleged or actual failures to pay employees in compliance with Labor Code section 204; any and all claims that employees were misclassified as exempt; and any and all alleged or actual failures to pay any interest or penalties owed as a result of any and all of the foregoing (including but not limited to Labor Code sections 210, 226.3, and 558).

d. Plaintiffs' General Release. Upon the Effective Date, and Defendant has fully funded the Gross Settlement Amount and all employer payroll taxes, Plaintiff Henderson and Plaintiff Denton, and each of their successors, assigns, heirs, personal representatives, and all those who claim through them or who assert claims on their behalf, shall each be deemed to have, and by operation of the Final Approval Order and Judgment shall have, expressly released, waived, and relinquished any and all claims, demands, rights, liabilities, and causes of action they have or have ever had against any of the Released Parties, whether for economic damages, noneconomic damages, exemplary damages, penalties, restitution, injunctive or declaratory relief, interest, attorneys' fees, costs, or any other forms of monetary or non-monetary relief in any way arising out of or relating to any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions, or failures to act from the beginning of time to the date they sign the Settlement, including but not limited to any claims arising from or related to their employment by Defendant or the termination of such employment and/or labor services. This general release by Plaintiff Henderson and Plaintiff Denton

shall become effective upon the Effective Date and include all statutory claims, common law claims (including but not limited to those sounding in contract, tort, and equity), and claims for compensation to the fullest extent permitted by law. Plaintiff Henderson and Plaintiff Denton each further agree not to sue or otherwise make a claim against any of the Released Parties for any of the claims that are released herein.

- Plaintiff Denton each acknowledge that the general release herein, pertaining to them individually, includes potential claims and costs that may not be known or suspected by them to exist, and they each hereby expressly and affirmatively waive and relinquish any and all rights and benefits which may otherwise exist relating to the claims released in Section 5.6 pursuant to Civil Code section 1542, and any similar law of any state or territory of the United States. Civil Code section 1542 states as follows: A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.
- 8. The Court, for purposes of this Preliminary Approval Order, refers to all terms and definitions as set forth in the Settlement.
- 9. The Court preliminarily finds, for settlement purposes only, that the Class meets the requirements for certification under California Code of Civil Procedure section 382 in that: (1) the Class is so numerous that joinder is impractical; (2) there are questions of law and fact that are common, or of general interest, to all Class Members, which predominate over individual issues; (3) Plaintiffs' claims are typical of the claims of the Class Members; (4) Plaintiffs and Class Counsel will fairly and adequately protect the interests of the Class Members; and (5) a class

action is superior to other available methods for the fair and efficient adjudication of the controversy.

- 10. The Court preliminarily appoints, for settlement purposes only, Plaintiffs as the "Class Representatives." The Court approves, on a preliminary basis, payment of Service Payments from the Gross Settlement Amount of up to \$7,500.00 to each Plaintiff, in addition to the amount Plaintiffs are eligible to receive as Class Members, for their contributions and participation in the litigation, for the risks and duties attendant to their role as the Class Representatives, and for their general release of claims, both known and unknown, and waiver of section 1542 rights. To the extent the final amount awarded is less than the amount requested, the remainder will be retained in the Net Settlement Sum for distribution to Settlement Class Members.
- 11. The Court preliminarily appoints, for settlement purposes only, Plaintiffs' counsel Lawyers *for* Justice, PC and Moon Law Group, PC as "Class Counsel." The Court approves, on a preliminary basis, Class Counsel's ability to request attorneys' fees of up to one-third of the Gross Settlement Amount (currently estimated to be \$533,333.33), as well as reimbursement for actual litigation costs not to exceed \$50,000.00, payable from the Gross Settlement Amount. To the extent actual costs are less and/or the final amounts awarded for fees and/or costs are less than the amounts requested, the remainder will be retained in the Net Settlement Sum for distribution to Settlement Class Members.
- 12. The Court preliminarily appoints ILYM Group, Inc. as the Settlement Administrator with payment, payable the Gross Settlement Amount, for administration costs not to exceed \$9,950.00. To the extent administration costs are less, the remainder will be retained in the Net Settlement Sum for distribution to Settlement Class Members.
- 13. The Settlement Administrator shall perform services and duties as provided for in the Settlement, including, but not limited to, mailing the Class Notice via first-class U.S. Mail to Class Members. Class Members shall not be required to submit a claim form in order to receive individual settlement payments.
 - 14. The Court approves the Class Notice in substantially similar form and content as

attached hereto as **Exhibit A**. The Court finds, on a preliminary basis, that the plan for distribution of the Class Notice satisfies due process, provides the best notice practicable under the circumstances, and constitutes due and sufficient notice to all persons entitled thereto.

- 15. The obligations set forth in the Settlement Agreement are deemed part of this Preliminary Approval Order, and the Parties and the Settlement Administrator are ordered to carry out the Settlement Agreement according to its terms and provisions.
 - 16. The Court orders the following Implementation Schedule:

Defendant to provide the Settlement Administrator with the Class Information List	Within 30 days after preliminary approval is granted
Settlement Administrator to mail the Notices	Within 10 business days after receiving the Class Information List
Response Deadline for Class Members	Within 60 calendar days after mailing (extended by 15 calendar days for any re-mailed Class Notices)
Last Day to File a Motion for Final Settlement Approval	At least 16 court days before the Final Approval Hearing
Final Approval Hearing	Friday, October 3, 2025, at 9:00 a.m. in Dept. 23

- 17. The Court reserves the right to continue the date of the Final Approval Hearing without further notice to Class Members.
- 18. Pending further order of this Court, all proceedings in this lawsuit, except those contemplated herein and in the Settlement, are stayed
- 19. The Settlement is preliminarily approved but is not an admission by Defendant of the validity of any claims in this class action, or of any wrongdoing by Defendant or of any violation of law. Neither the Settlement nor any related document shall be offered or received in evidence in any civil, criminal, or administrative action or proceeding other than as may be necessary to consummate or enforce the Settlement.

IT IS SO ORDERED.

DATED: <u>04/29/2025</u>



The Honorable Jill Talley

Judge of the Superior Court, Sacramento County