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FILED
Superior Court of California
County of Los Angeles
06/23/2025
David W. Slayton, Executive Officer / Clerk of Court
By: A. Morales Deputy

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

SCOTT SMITH, individually, and on behalf of
all others similarly situated,

Plaintiff,

vs.

REFRIGERATION HARDWARE SUPPLY
CORPORATION, a California corporation; and
DOES 1 through 10, inclusive,

Defendants

Case No.: 24STCV02061

CLASS AND REPRESENTATIVE ACTION

[Hon. Samantha P. Jessner, Dept. 7]

**[AMENDED ~~PROPOSED~~] ORDER
GRANTING PRELIMINARY APPROVAL
OF CLASS ACTION AND PAGA
SETTLEMENT**

*[Filed with Plaintiff's Notice of Motion and
Memorandum of Points and Authorities, and
the Declarations of Kane Moon, and
Declaration of Plaintiff Scott Smith]*

PRELIMINARY APPROVAL HEARING:

Date: June 23, 2025

Time: 11:00 a.m.

Dept.: 7

Action Filed: January 25, 2024

Trial Date: Not set

1 The Court has before it Plaintiff Scott Smith's ("Plaintiff") Motion for Preliminary
2 Approval of Class Action and PAGA Settlement. Having reviewed the Motion and Memorandum
3 of Points and Authorities, the supporting Declarations of Kane Moon and Plaintiff, and good
4 cause appearing,

5 **IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:**

6 1. The Court grants preliminary approval of the proposed Settlement and the
7 Settlement Class based upon the terms set forth in the Amended Class Action and PAGA
8 Settlement Agreement and Class Notice (the "Settlement Agreement" or "Settlement") attached
9 as Exhibit 1 to the Supplemental Declaration of Kane Moon in Support of Plaintiff's Motion for
10 Preliminary Approval of Class Action and PAGA Settlement. The Court finds on a preliminary
11 basis that the Settlement Agreement appears to be fair, adequate, and reasonable, and therefore,
12 meets the requirements for preliminary approval. The Court also preliminarily finds that the terms
13 of the Settlement Agreement appear to be within the range of possible approval, pursuant to
14 California Code of Civil Procedure section 382 and applicable law.

15 2. The Settlement falls within the range of reasonableness of a settlement which
16 could ultimately be given final approval by this Court, and appears to be presumptively valid,
17 subject only to any objections that may be raised at the Final Approval Hearing and final approval
18 by this Court. The Court notes that Defendant Refrigeration Hardware Supply Corporation
19 ("Defendant") (together with Plaintiff, the "Parties") agreed to create a common, non-
20 reversionary gross fund of at least \$241,500.00 (the "Gross Settlement Amount"), subject to an
21 escalator clause and in addition to Defendant's employer's payroll taxes owed on the wage
22 portions of Individual Class Payments, to cover (a) Individual Class Payments to Participating
23 Class Members; (b) a Class Counsel Fees Payment, not to exceed 33.33% of the Gross Settlement
24 Amount; (c) a Class Counsel Litigation Expenses Payment, for reimbursement of actual litigation
25 costs not to exceed \$20,000.00; (d) an Administration Expenses Payment of up to \$5,000.00; (e)
26 PAGA Penalties of \$15,000.00 for settlement of claims for civil penalties under the Private
27 Attorneys General Act, Labor Code Sections 2698, et seq. ("PAGA"), and distributed as 25%

1 (\$5,000.00) to the Aggrieved Employees and 75% (\$15,000.00) to the California Labor and
2 Workforce Development Agency (the “LWDA”); and (f) a Class Representative Service Payment
3 of up to \$7,500.00 to Plaintiff.

4 3. The Court finds on a preliminary basis that: (1) the settlement amount is fair and
5 reasonable to the Class Members when balanced against the probable outcome of further litigation
6 relating to class certification, liability and damages issues, and potential appeals; (2) significant
7 informal discovery, investigation, research, and litigation have been conducted such that counsel
8 for the respective Parties at this time are able to reasonably evaluate their respective positions; (3)
9 settlement at this time will avoid substantial costs, delay, and risks that would be presented by the
10 further prosecution of the litigation; and (4) the proposed Settlement has been reached as the result
11 of serious, informed, adversarial, and arms-length negotiations between the Parties. Accordingly,
12 the Court preliminarily finds that the Settlement Agreement was entered into in good faith and
13 meets the requirements for preliminary approval.

14 4. A final approval hearing on the question of whether the proposed Settlement
15 Agreement, Class Counsel’s attorneys’ fees and costs, the PAGA Penalties, and the Class
16 Representative Service Payment should be finally approved as fair, reasonable, and adequate as
17 to the members of the Class is hereby set in accordance with the Implementation Schedule set
18 forth below.

19 5. The Court provisionally certifies, for settlement purposes only, the following class
20 (the “Settlement Class”): All persons who worked for Defendant in California as a non-exempt
21 employee at any time during the Class Period. The “Class Period” is January 25, 2020 to May 23,
22 2025. Excluded from the Settlement Class are all Class Members who submit a valid and timely
23 request for exclusion from the Settlement pursuant to the instructions provided in the Class Notice.

24 6. Release of Claims. Effective on the date when Defendant fully funds the entire
25 Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the
26 Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims
27 against all Released Parties as follows: (Settlement, ¶ 5.):

1 a. Released Parties. “Released Parties” means: Defendant and all of Defendant’s
2 subsidiaries, affiliates, officers, directors, managing agents, shareholders, members,
3 agents, representatives, predecessors, successors, and assigns, and any employees for
4 which liability could have been sought under Labor Code § 558.1. (*Id.* at ¶ 1.40.)

5 b. Plaintiff’s General Release. Plaintiff and his or her respective former and present
6 spouses, representatives, agents, attorneys, heirs, administrators, successors, and
7 assigns generally, release and discharge Released Parties from all claims, transactions,
8 or occurrences [that occurred during the Class Period], including, but not limited to:
9 (a) all claims that were, or reasonably could have been, alleged, based on the facts
10 contained, in the Operative Complaint and (b) all PAGA claims that were, or
11 reasonably could have been, alleged based on facts contained in the Operative
12 Complaint, Plaintiff’s PAGA Notice, or ascertained during the Action and released
13 under 5.2, below. (“Plaintiff’s Release.”) Plaintiff’s Release does not extend to any
14 claims or actions to enforce this Agreement, or to any claims for vested benefits,
15 unemployment benefits, disability benefits, social security benefits, workers’
16 compensation benefits that arose at any time, or based on occurrences outside the
17 Class Period. Plaintiff acknowledges that Plaintiff may discover facts or law different
18 from, or in addition to, the facts or law that Plaintiff now knows or believes to be true
19 but agrees, nonetheless, that Plaintiff’s Release shall be and remain effective in all
20 respects, notwithstanding such different or additional facts or Plaintiff’s discovery of
21 them. (*Id.* at ¶ 5.1.)

22 1) Plaintiff’s Waiver of Rights Under California Civil Code Section 1542. For
23 purposes of Plaintiff’s Release, Plaintiff expressly waives and relinquishes
24 the provisions, rights, and benefits, if any, of section 1542 of the California
25 Civil Code, which reads: A general release does not extend to claims that
26 the creditor or releasing party does not know or suspect to exist in his or
27 her favor at the time of executing the release and that, if known by him or
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her, would have materially affected his or her settlement with the debtor or Released Party. (*Id.* at ¶ 5.1.1.)

c. Release by Participating Class Members. All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties claims arising out of or related to the allegations set forth in the Operative Complaint that arose during the Class Period, including claims for: (1) failure to pay minimum wages in violation of Labor Code §§ 1194, 1194.2 and 1197, and the applicable IWC Wage Order(s); (2) failure to pay overtime compensation in violation of Labor Code §§ 510, 1194, and 1198, and the applicable IWC Wage Order(s); (3) failure to provide meal periods in violation of Labor Code § 226.7 and 512 and the applicable IWC Wage Order(s); (4) failure to provide compliant rest periods in violation of Labor Code §§ 226.7 and the applicable IWC Wage Order(s); (5) failure to indemnify necessary business expenses in violation of Labor Code § 2802; (6) failure to timely pay final wages at termination in violation of Labor Code §§ 201-203; (7) failure to provide accurate itemized wage statements in violation of Labor Code § 226; and (8) unfair business practices in violation of Bus. & Prof. Code, §§ 17200, et seq.; (9) civil penalties under PAGA (Lab. Code, §§ 2699, et seq.). All Class Members who have not opted out will be deemed to have acknowledged and agreed that the Released Class Claims are disputed and that Labor Code § 206.5 is not applicable to their individual class payment. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. (*Id.* at ¶ 5.2.)

d. Release by Aggrieved Employees. All Non-Participating Class Members who are Aggrieved Employees are deemed to release, on behalf of themselves and their

1 respective former and present representatives, agents, attorneys, heirs, administrators,
2 successors, and assigns, the Released Parties from all claims for PAGA penalties that
3 were alleged, or reasonably could have been alleged, based on the PAGA Period facts
4 stated in the Operative Complaint, and the PAGA Notice (Case No. LWDACM-
5 1006314-24) and ascertained in the course of the Action, including, but not limited
6 to, alleged violations of Labor Code §§ 201, 202, 203, 204, 210, 226, 226.3, 226.7,
7 227.3, 510, 512, 558, 1174, 1174.5, 1194, 1197, 1197.1, 1198, 2802 and 2699(f)(2).
8 The Parties agree there is no statutory right for any Aggrieved Employee to object,
9 opt out or otherwise exclude himself or herself from the PAGA Settlement. Unless
10 otherwise provided by law, the Parties further agree there is no right or opportunity
11 for any Aggrieved Employee to appeal the approval of the PAGA settlement by the
12 Court. This settlement shall not be subject to collateral attack by any Non Participating
13 Class Members who are Aggrieved Employees, and such prohibited collateral attack
14 shall include, but not be limited to, claims that the Aggrieved Employee failed, for
15 any reason, to timely receive his or her Individual PAGA Payment. (*Id.* at ¶ 5.3.)

16 7. Defendant shall fully fund the Gross Settlement Amount, and also fund the
17 amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the
18 Administrator within 10 business days of the Court's order granting final approval of this
19 Settlement (Settlement at ¶4.3).

20 8. The Court, for purposes of this Preliminary Approval Order, refers to all terms
21 and definitions as set forth in the Settlement Agreement.

22 9. The Court finds, for settlement purposes only, that the Settlement Class meets the
23 requirements for certification under California Code of Civil Procedure section 382 in that: (1) the
24 Settlement Class is so numerous that joinder is impractical; (2) there are questions of law and fact
25 that are common, or of general interest, to all Settlement Class Members, which predominate over
26 individual issues; (3) Plaintiff's claims are typical of the claims of the Settlement Class Members;
27 (4) Plaintiff and Class Counsel will fairly and adequately protect the interests of the Settlement
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1 Class Members; and (5) a class action is superior to other available methods for the fair and
2 efficient adjudication of the controversy.

3 10. The Court appoints, for settlement purposes only, Plaintiff as the Class
4 Representative. The Court approves, on a preliminary basis, payment of a Class Representative
5 Service Payment from the Gross Settlement Amount of up to \$7,500.00 to Plaintiff, in addition to
6 the amount Plaintiff is eligible to receive as a Class Member, for his contributions and participation
7 in the litigation, for the risks and duties attendant to his role as the Class Representative, and for
8 his general release of claims, both known and unknown, and waiver of section 1542 rights. To the
9 extent the final amount awarded is less than the amount requested, the remainder will be retained
10 in the Net Settlement Amount for distribution to Participating Class Members.

11 11. The Court appoints, for settlement purposes only, Plaintiff's Counsel Moon Law
12 Group, PC as Class Counsel. The Court approves, on a preliminary basis, Class Counsel's ability
13 to request attorneys' fees of up to 33.33% of the Gross Settlement Amount, as well as
14 reimbursement for actual costs not to exceed \$20,000.00. To the extent actual costs are less and/or
15 the final amounts awarded for fees and/or costs are less than the amounts requested, the remainder
16 will be retained in the Net Settlement Amount for distribution to Participating Class Members.

17 12. The Court appoints ILYM Group, Inc. as the Administrator with payment from
18 the Gross Settlement Amount for reasonable administration costs not to exceed \$5,000.00, except
19 upon a showing of good cause and as approved by the Court. To the extent administration costs
20 are less, the remainder will be retained in the Net Settlement Amount for distribution to
21 Participating Class Members. The Administrator shall perform services and duties as provided for
22 in the Settlement Agreement, including, but not limited to, mailing the Class Notice via first-class
23 U.S. Mail. Class Members shall not be required to submit a claim form in order to receive
24 individual settlement payments.

25 13. The Court approves, as to form and content, the Class Notice attached to the
26 Settlement Agreement as Exhibit A and attached hereto as **Exhibit A**. The Court finds, on a
27 preliminary basis, that the plan for distribution of the Class Notice satisfies due process, provide
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the best notice practicable under the circumstances, and constitutes due and sufficient notice to all persons entitled thereto.

14. The obligations set forth in the Settlement Agreement are deemed part of this Preliminary Approval Order, and the Parties and Administrator are ordered to carry out the Settlement Agreement according to its terms and provisions.

15. The Court orders the following Implementation Schedule:

Defendant to provide the Administrator with the Class Data	Within 15 calendar days after preliminary approval is granted
Administrator to mail the Class Notice	Within 14 calendar days after receiving the Class Data
Response and Opt-Out Deadline	Within 60 calendar days after mailing (plus 14 calendar days for any re-mailed Notices)
Final Approval Motion Filing Deadline	At least 16 court days before the Final Approval Hearing:
Final Approval Hearing	U.S. District Court for the District of Columbia

16. The Court reserves the right to continue the date of the Final Approval Hearing without further notice to Class Members.

17. The Court further orders that, pending further order of this Court, all proceedings in this litigation, except those contemplated herein and in the Settlement Agreement, are stayed.

18. The Settlement Agreement 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 Agreement 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 Agreement.

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1 IT IS SO ORDERED.



A handwritten signature in black ink, appearing to read "S. Jessner", is written over the seal.

Samantha Jessner / Judge

2 DATED: ~~12-10-2020~~

The Honorable Samantha P. Jessner
Judge of the Superior Court, Los Angeles County