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and on behalf of all other Similarly Aggrieved Employees

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

ABDALLA WAHBY GURGES, an
individual, on behalf of the State of California,
as a private attorney general, and on behalf of
all other Similarly Aggrieved Employees,

Plaintiff,

v.

GULFSTREAM AEROSPACE
CORPORATION, a California Corporation;
and DOES 1 through 20, inclusive,

Defendants.

Case No. 20STCV18486

[Assigned for all purposes to the Honorable
Kristin S. Escalante, Dept. 24]

**~~[PROPOSED]~~ ORDER APPROVING
PAGA SETTLEMENT AND JUDGMENT**

Hearing:

Date: August 5, 2021
Time: 8:30 a.m.
Dept.: 24

Plaintiff Abdalla Wahby Gurses' ("Plaintiff") Motion to Approve PAGA Settlement and Motion for Attorney's Fees and Costs are GRANTED. The Court finds that the overall amount of the proposed settlement is fair and adequate in view of the purposes and policies of PAGA, taking into account such factors as the adequacy of the civil penalties in light of the potential maximum if the matter was to go to verdict and the risks of litigation. (Labor Code § 2699(1)(2); see *Haralson v. U.S. Aviation Services Corp.* (N.D. Cal. 2019) 383 F.Supp.3d 959, 972; *Flores v. Starwood Hotels*

FILED
Superior Court of California
County of Los Angeles
08/05/2021
Sherri R. Carter, Executive Officer / Clerk of Court
By: A. Ortiz Deputy

1 & Resorts Worldwide, Inc. (C.D. Cal. 2017) 253 F.Supp.3d 1074, 1077; *O'Connor v. Uber*
2 *Technologies, Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110, 1132-35.) The Court also finds that the
3 proposed award of \$118,650.00 in attorneys' fees, and \$598.21 in costs, is a reasonable amount in
4 the circumstances of the case, including the result achieved, contingent risk, and counsel's lodestar.
5 (See *Laffitte v. Robert Half Int'l Inc.* (2016) 1 Cal.5th 480.)

6 Plaintiff exhausted all administrative remedies required to bring the PAGA claims asserted
7 in this action (see **Exhibit 1**: Notice/Letter to the LWDA, dated February 20, 2020, with proof of
8 submission) and is authorized to act as a private attorney general with respect to the PAGA claims
9 being settled under the terms of the Offer of Compromise under Code of Civil Procedure Section 998
10 ("CCP § 998"). The California Labor Workforce Development Agency ("LWDA") was provided
11 with notice of the Settlement/Offer of Compromise (see **Exhibit 2**: Proof of Submission to the
12 LWDA, dated March 1, 2021) via its online process and no objection has been received to the
13 Settlement/Offer of Compromise from the Labor Workforce Development Agency.

14 The Parties have sought approval of the settlement of Plaintiff's PAGA claims and the PAGA
15 Payment to be paid as part of the settlement as set forth in the Settlement Agreement/Offer of
16 Compromise which was filed with the Court. The settlement provides for a Gross Settlement Amount
17 in the total sum of \$120,000.00 – which includes the PAGA Payments, the Administration Costs
18 (estimated to be \$13,149.38), and the Plaintiff Enhancement Payment (in the amount of \$5,000.00).
19 Pursuant to the Settlement/Offer of Compromise, Defendant Gulfstream Aerospace Corporation
20 ("Defendant") has agreed that Plaintiff's attorney's fees and costs shall be separately awarded by this
21 Court and paid by Defendant pursuant to the law/statute. As detailed in both Plaintiff's Motion for
22 Settlement Approval and Motion for Attorney's Fees and Costs, Plaintiff's requested costs in the
23 amount of \$598.21 and attorney's fees in the amount of \$118,650.00 are based on the lodestar
24 methodology and are to be separately paid by Defendant and not deducted from the gross settlement
25 sum of \$120,000.00.

26 The PAGA Payment, which is the amount remaining of the Gross Settlement Amount after
27 deduction of Administration Costs and Plaintiff Enhancement Payment, shall be allocated pursuant
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1 Labor Code 2699 – i.e., 75% of the payment will be paid to the LWDA and 25% will be paid to the
2 alleged aggrieved employees, the PAGA Settlement Members.

3 The Court, having reviewed the evidence and papers submitted and argument of counsel,
4 pursuant to Labor Code section 2699(1)(2) hereby GRANTS the Plaintiff's motion(s) and approves
5 the PAGA settlement, and the PAGA Payment shall be allocated and paid out as set forth in the
6 Settlement Agreement/Offer of Compromise.

7 The underlying complaint filed with this Superior Court is brought pursuant to California
8 Labor Code sections 2698 et seq. ("PAGA") to recover civil penalties for Defendant's violations of
9 California Labor Code sections 201-204, 226, 510, and 1198.5. The alleged "Aggrieved Employees"
10 are defined in the operative Complaint as "current and former employees who worked for
11 Defendant[] [Gulfstream Aerospace Corporation] in California as a non-exempt, hourly-paid
12 employee; received at least one wage statement; and against whom one or more violations of any
13 provision in Division 2 Part 2 Chapter 1 of the Labor Code or any provision regulating hours and
14 days of work in the applicable Industrial Welfare Commission ("IWC") Wage Order were
15 committed, as set forth in this Complaint, at any time between one year prior to the filing of this
16 Complaint until judgment". (See Plaintiff's PAGA Representative Action Complaint at Paragraph
17 1.) More specifically, although Defendant denies liability, payments will be made to any current and
18 former employees who worked for Gulfstream Aerospace Corporation in California as a non-exempt,
19 hourly-paid employee during the PAGA Period who (1) received the 2018 Employee Incentive Plan
20 ("EIP") bonus and (2) worked overtime in the same period such that they received the 2018 EIP
21 overtime true-up payment (the "PAGA Settlement Members"). The "PAGA Period" is the time
22 period of February 20, 2019 to February 22, 2021. The total PAGA Settlement Members who will
23 receive the awards are estimated to consist of 564 individuals.

24 After entry of this Order and Judgment, the Court shall retain jurisdiction to construe,
25 interpret, implement, and enforce the Settlement Agreement/Offer of Compromise, to hear and
26 resolve any contested challenge to a claim for settlement benefits, and to supervise and adjudicate
27 any dispute arising from or in connection with the distribution of settlement benefits.
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1 **IT IS ORDERED that the Motions are GRANTED, subject to the following orders:**

- 2 (1) The Court approves the \$120,000.00 Settlement/Offer of Compromise amount. (This
3 \$120,000.00 Settlement/Offer of Compromise amount shall also be referred to as the
4 “\$120,000.00 Gross Settlement Sum”);
- 5 (2) The Court approves and awards to Plaintiff Abdalla Wahby Gurses \$5,000.00 as a service
6 award, for his initiation, risks and burdens which resulted in monetary payments to the
7 LWDA and to all PAGA Settlement Members. This amount shall be deducted from the
8 \$120,000.00 Gross Settlement Sum;
- 9 (3) The Court appoints CPT Group as the Settlement Administrator and finds the estimated
10 payment of \$13,149.38 to CPT Group, the Settlement Administrator, is fair and
11 reasonable, and orders the Settlement Administrator to make this payment to itself;
- 12 (4) The \$120,000.00 Gross Compromise Sum, less CPT’s Administration costs and
13 Plaintiff’s enhancement payment, totals \$101,850.62. After distributing this amount
14 pursuant to California Labor Code § 2699(i), the LWDA would receive \$76,387.96 (75%)
15 and \$25,462.66 (25%) would be distributed to all PAGA Settlement Members on a pro
16 rata basis according to the number of EIP overtime true-up payments received during the
17 PAGA Period. Since there are approximately 564 PAGA Settlement Members, each of
18 the 564 PAGA Settlement Members would each receive approximately \$45.15. Given the
19 fact that penalties are not wages (see *Murphy v. Kenneth Cole Productions* (2007) 40
20 Cal.4th 1094, 1107-1109), Plaintiff requests that (and the Court hereby Orders that) there
21 be no tax withholdings by the Defendant of the amounts to be paid Plaintiff and the PAGA
22 Settlement Members; and these amounts paid shall be issued via an IRS Form 1099.
23 Because the tax treatment is being made at Plaintiff’s request, in the event that the Internal
24 Revenue Service or any other taxing authority determines that any portion of the Gross
25 Settlement Sum should have been subject to additional or different withholding for
26 federal or state income taxes, F.I.C.A., or any other amount, then Gulfstream shall be held
27 harmless from and against any liability for any amounts, including without limitation,
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principal, interest, and penalties, as may be assessed against Gulfstream for failure to withhold such amounts;

(5) The Court grants Plaintiff's Motion for Attorney's Fees and Costs and approves and awards Plaintiff's PAGA Counsel Felahy Employment Lawyers' requested attorney's fees in the amount of \$118,650.00 and litigation costs in the amount of \$598.21. As reflected in Plaintiff's Motion for Attorney's Fees and Costs, Plaintiff's requested costs in the amount of \$598.21 and attorney's fees in the amount of \$118,650.00 are based on the lodestar methodology and are to be separately funded and paid by Defendant to Felahy Employment Lawyers and not deducted from the \$120,000.00 Gross Settlement Sum.

(6) Having granted Plaintiff's Motion to Approve PAGA Settlement and Motion for Attorney's Fees and Costs, Defendant's PAGA Payment and payment of Plaintiff's attorney's fees and costs totals \$239,248.21.

(7) A copy of this Order shall be submitted to the LWDA within 10 days after entry of this Order.

(8) Within 10 days after entry of this Order, Defendant shall furnish to the Settlement Administrator the name and address of each PAGA Settlement Members entitled to a payment under this settlement; and Defendant shall also furnish to the Settlement Administrator the number of EIP overtime true-up payments each of these PAGA Settlement Members received during the PAGA Period;

(9) Within 30 days after entry of this Order, Defendant shall pay to the Settlement Administrator the Gross Settlement Sum of \$120,000.00 and within 10 days of receipt of these funds, the Settlement Administrator shall disburse the \$120,000.00 Gross Settlement Sum in accordance with this Order. This includes distribution of the PAGA Payments, Administration Costs, and the Plaintiff Enhancement Payment;

(10) Any unclaimed settlement funds, including checks that are returned and/or not cashed within 180 days, shall be sent to the California State Controller;

(11) Within 90 days of the entry of this Order CPT Group must submit to this Court its final accounting and/or report;

1 (12) Within 30 days of the entry of this Order, Defendant agrees to pay Plaintiff's counsel,
2 Felahy Employment Lawyers, their attorney's fees in the amount of \$118,650.00 and
3 litigation costs in the amount of \$598.21.
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5 IT IS SO ORDERED AND ADJUDGED. LET JUDGMENT BE FORTHWITH
6 ENTERED ACCORDINGLY.

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8 DATED: 08/05/2021
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Kristin Escalante

10 Kristin S. Escalante / Judge
11 Honorable Kristin S. Escalante,
12 JUDGE OF THE SUPERIOR COURT
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