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Attorneys for Plaintiff
Ananias Balajadia on Behalf of All
Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES
CHATSWORTH COURTHOUSE

ANANIAS BALAJADIA, on behalf of all
aggrieved employees,

Plaintiff,

vs.

ECOLA SERVICES, INC., a Nevada
Corporation; and DOES 1 through 100,
inclusive,

Defendants.

CASE NO.: 20CHCV00657

Assigned for all purposes to the Hon. Melvin
D. Sandvig (Dept. F47)

JOINT STIPULATION FOR APPROVAL OF
PRIVATE ATTORNEYS GENERAL ACT
("PAGA") SETTLEMENT; [PROPOSED
ORDER]

Action Filed: October 23, 2020

Trial Date: None

1 Plaintiff Ananias Balajadia (hereinafter “Plaintiff”), in a representative capacity on behalf
2 of all aggrieved employees, and Defendant Ecola Services, Inc. (“Defendant”) jointly stipulate and
3 seek approval of the Court of the proposed settlement of all claims made in this action under the
4 California Private Attorneys General Act (“PAGA”) subject to the following terms and conditions.

5 **I. DEFINITIONS**

6 Unless otherwise defined herein, the following terms used in this Stipulation shall have
7 the meanings ascribed to them as set forth below:

- 8 A. “Action” means the civil action titled *Ananias Balajadia v. Ecola Services, Inc., et*
9 *al.*, Case No. 20CHCV00657.
- 10 B. “Stipulation” means this Joint Stipulation for Approval of Private Attorneys General
11 Act Settlement.
- 12 C. “Settlement” shall mean the settlement proposed by the parties in the Stipulation.
- 13 D. “Complaint” means the Complaint filed by Plaintiff Ananias Balajadia on October
14 23, 2020 in the Action, and all amendments thereto.
- 15 E. “Court” means the Los Angeles County Superior Court of California.
- 16 F. “Covered Period” means the period of time from October 23, 2019 to September 17,
17 2021.
- 18 G. “Defendant” means Ecola Services, Inc.
- 19 H. “Final” means that the Settlement has been fully and finally approved by the Court.
- 20 I. “Defendant’s Counsel” means the law firm of Stoel Rives, LLP.
- 21 J. “Order” means the Order Granting Approval of Settlement.
- 22 K. “LWDA” means the California Labor and Workforce Development Agency.
- 23 L. “LWDA Payment” means the portion of the payment from the Net Settlement
24 Amount to be paid to the LWDA under the Settlement Stipulation.
- 25 M. “Net Settlement Amount” means the amount from the Total Settlement Amount that
26 is available for distribution of the LWDA Payment and as Settlement Shares to the
27 PAGA Settlement Group Members after deducting Plaintiff’s litigation costs
28 (subject to Court approval). The entire Net Settlement Amount will be distributed

to the LWDA and PAGA Settlement Group Members in payment of PAGA penalties.

N. “PAGA Settlement Group Members” means all hourly, non-exempt persons who worked for Defendant in California during the Covered Period and who received commissions on sales.

O. “Plaintiff” means Ananias Balajadia.

P. “Plaintiff’s Counsel” means the firm of Barkhordarian Law Firm, PLC.

Q. “Released Parties” means Ecola Services, Inc., and any present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities. “Released Parties” expressly includes Defendant and its present and former parents, subsidiaries and affiliated companies or entities, and their respective officers, directors, employees, partners, shareholders and agents, and any other successors, assigns and legal representatives and its related persons and entities.

R. “Settlement Share” means the portion of the Net Settlement Amount allocable to each PAGA Settlement Group Member as provided by this Stipulation.

S. “Total Settlement Amount” means the total amount to be paid by Defendant as provided by this Stipulation.

II. FACTUAL BACKGROUND

A. On or about August 10, 2020, Plaintiff filed a written notice with the California Labor and Workforce Development Agency (“LWDA”) notifying the LWDA of alleged violations of the California Labor Code by Defendant. The principal thrust of Plaintiff’s notice was that Defendant failed to properly calculate the “regular rate of pay” for certain hourly, non-exempt employees. This letter was sent pursuant to California Labor Code section 2699, *et seq.* The LWDA did not respond to the notice within the time provided by California Labor Code section 2699.3.

- 1 B. Defendant maintains that prior to the receipt of this letter, Defendant had no
2 knowledge of any errors regarding its wage and hour practices and that during all
3 times it engaged in good faith efforts to comply with California law. In or around
4 September 2020, and subsequent to Defendant's receipt of Plaintiff's letter to the
5 LWDA, Defendant reviewed its payroll records and corrected any and all issues
6 relating to the allegations in Plaintiff's letter. This included, (1) providing PAGA
7 Settlement Group Members with any allegedly owed wages and (2) correcting any
8 alleged errors in calculating the "regular rate of pay" for PAGA Settlement Group
9 Members on a going forward basis.
- 10 C. On October 23, 2020, Plaintiff filed this Action against Defendant alleging various
11 violations of the California Labor Code and seeking civil penalties pursuant to
12 PAGA.
- 13 D. This Stipulation represents a compromise and settlement of highly disputed claims
14 relating to the wage and hour claims at issue in the Action. Nothing in this
15 Stipulation is intended or will be construed as an admission by Defendant that
16 Plaintiff's claims in the Action have merit or that it has any liability to Plaintiff or
17 the PAGA Settlement Group on those claims.

18 **III. SETTLEMENT TERMS AND CONDITIONS**

- 19 A. **Stipulation for Settlement Only.** Consistent with this Stipulation, Plaintiff will
20 stipulate to the dismissal with prejudice of all claims against Defendant that arise
21 from or relate to the claims alleged in the Complaint and in Plaintiff's notice to the
22 LWDA.
- 23 B. **Representation Regarding PAGA Settlement Group Members.** Defendant
24 represents that there are 47 PAGA Settlement Group Members.
- 25 C. **Total Settlement Amount.** Subject to the terms and conditions of this Stipulation,
26 the Total Settlement Amount is \$3,000.00 inclusive of Plaintiff's litigation costs.
27 The Total Settlement Amount will cover (a) all Settlement Shares to PAGA
28

1 Settlement Group Members pursuant to the Settlement (described in
2 Section III.F-G); (b) the LWDA Payment set forth in Section III.H; and
3 (c) Plaintiff's litigation costs. Defendant shall pay no more than \$3,000.00. Plaintiff
4 does not request any form of enhancement payment and will not be entitled to any
5 payments under the proposed Settlement other than those allocated to him as as a
6 member of the PAGA Settlement Group.

7 D. **Litigation Costs.** Plaintiff's Counsel will request, and Defendant will not oppose,
8 litigation costs in an amount not to exceed \$662.65 representing the actual amount
9 of costs incurred by Plaintiff's Counsel in the prosecution of this case. Should the
10 Court approve an award of litigation costs of less than \$662.65, any amount
11 remaining will be included in the Net Settlement Amount to be distributed to the
12 LWDA and the PAGA Settlement Group Members.

13 E. **Net Settlement Amount.** The Three Thousand Dollar (\$3,000.00) gross settlement
14 fund that is created will be used to pay Plaintiff's litigation costs (not to exceed
15 \$662.65). The Net Settlement fund is thus Two Thousand Three Hundred Thirty
16 Seven Dollars and Thirty Five Cents (\$2,337.35). Seventy-five percent (75%) of
17 the remaining Net Settlement Fund (i.e., \$1,753.01) will be distributed to the
18 LWDA, and the remaining twenty-five percent (25%) (i.e., approximately \$584.34)
19 will be distributed in equal shares to the employees.

20 F. **Settlement Shares.** Subject to the terms and conditions of this Stipulation, each
21 PAGA Settlement Group Member will be allocated a Settlement Share from 25% of
22 the Net Settlement Amount; and 75% of the Net Settlement Amount shall be paid
23 to the LWDA, as described below in Section III.H. The Settlement Share is intended
24 to settle claims for civil penalties. Accordingly, the payments to PAGA Settlement
25 Group Members will not be reduced by payroll tax withholding and deductions;
26 instead, Defendant will issue to the PAGA Settlement Group Member an IRS Form
27 1099 and its state and local equivalents with respect to the payment.
28

- 1 **G. Distribution of Settlement Shares to PAGA Settlement Group Members.** After
2 deducting for the amounts for the LWDA Payment, the remainder of the Net
3 Settlement Amount will be paid as Settlement Shares to each PAGA Settlement
4 Group Member. The portion of the Net Settlement Amount available for distribution
5 to PAGA Settlement Group Members (25% of the Net Settlement Amount) will be
6 divided among all PAGA Settlement Group Members based on the number of pay
7 periods worked during the Covered Period. Defendant will be responsible for
8 calculation and distribution of the LWDA Payment and the individual payments.
9 Defendant will calculate the total number of pay periods worked by all PAGA
10 Settlement Group Members during the Covered Period to get the “Total Pay
11 Periods.” Defendant will then divide the 25% of the Net Settlement Amount to be
12 paid to the PAGA Settlement Group Members by the Total Pay Periods during the
13 Covered Period. This will yield the amount to be paid to each PAGA Settlement
14 Group Member for each pay period, or the “Settlement Amount Per Pay Period.”
15 Each PAGA Settlement Group Member’s share of the Settlement will then be
16 calculated by multiplying the Settlement Amount Per Pay Period by the number of
17 pay periods worked by that PAGA Settlement Group Member during the PAGA
18 Period, based on Defendant’s records. The PAGA Settlement Group Members will
19 be paid Settlement Payments based on the number of pay periods they worked as
20 calculated by Defendant. Within fourteen (14) days after approval of the proposed
21 PAGA Settlement, Defendant will provide Plaintiff’s Counsel with a spreadsheet
22 that contains: (1) a unique numerical identifier for each PAGA Settlement Group
23 Member; (2) the number of pay periods worked by each PAGA Settlement Group
24 Member; and (3) the Settlement Amount to be paid to each PAGA Settlement Group
25 Member.
- 26 **H. Payment to LWDA.** Defendant will pay 75% of the Net Settlement Amount to the
27 LWDA as its share of the Settlement attributable to civil penalties under PAGA (the
28

“LWDA Payment”). If the Court approves an LWDA Payment of less than 75%, the remainder will be retained in the Net Settlement Amount.

I. **No Right to Opt Out.** The Parties agree there is no statutory right to provide aggrieved employees the option to opt out of the Settlement.

J. **Submission of Order.** Plaintiff shall submit a copy of the Order providing for or denying an award of civil penalties within ten (10) calendar days after entry of the dismissal and/or Order, in compliance with section 2699(1)(3) of the California Labor Code. If Plaintiff fails to satisfy this condition in strict compliance with section 2699(1)(3) of the California Labor Code, the Settlement shall be voidable at Defendant’s option.

K. **Waiver of Right to Appeal.** Provided that the Court’s approval of this Settlement is consistent with the material terms of this Stipulation, Plaintiff and Defendant, and their respective counsel hereby waive any and all rights to appeal the approval of the Settlement, and the Order therefore will become non-appealable at the time it is entered.

L. **Timing of Settlement Payments and Receipt of Contact Information.** Within forty-five (45) calendar days after the Court enters an Order approving the proposed PAGA Settlement, Defendant will pay the LWDA Payment, the individual payments to PAGA Settlement Group Members, and Plaintiff’s litigation costs (via check made payable to the Barkhordarian Law Firm).

M. **Uncashed Settlement Share Checks.** A PAGA Settlement Group Member must receive or cash his or her Settlement Share payment or check within one hundred and eighty (180) calendar days after it is mailed to him or her. Defendant will pay an amount equal to all uncashed or returned checks to the LWDA as a supplemental penalty payment and provide Plaintiff’s Counsel with the amount and date of such payment.

1 N. **Release and Waiver of Claims.**

2 1. **PAGA Settlement Group Members.** In consideration for the LWDA
3 Payment and the PAGA Settlement Group Members' awarded Settlement
4 Shares, as of the date the Settlement becomes Final, the LWDA and PAGA
5 Settlement Group Members release any and all known and unknown claims
6 under PAGA against the Released Parties that were alleged or could have
7 reasonably been alleged in the Complaint and/or in Plaintiff's August 10,
8 2020 written notice to the LWDA, including but not limited to alleged
9 violations of California Labor Code sections 201, 202, 203, 204, 226, 226(a),
10 226(e), 226.2, 226.3, 226.7, 510, 558, 1194(a), 1197, 1197.1, 2698, 2699,
11 2800, and 2802 (the "PAGA Settlement Group Members' Released
12 Claims").

13 O. **No Effect on Other Benefits.** The Settlement Shares will not result in any additional
14 benefit payments (such as 401(k) or bonus) beyond those provided by this
15 Stipulation to Plaintiff or the PAGA Settlement Group Members.

16 P. **Miscellaneous Terms.**

17 1. **No Admission of Liability.**

18 a. Defendant denies that it has engaged in any unlawful activity, has
19 failed to comply with the law in any respect, or has any liability to
20 anyone under the claims asserted in the Action. This Stipulation is
21 entered into solely for the purpose of compromising highly disputed
22 claims and a bona fide dispute of allegedly unpaid sums. Nothing in
23 this Stipulation is intended or will be construed as an admission of
24 liability or wrongdoing by Defendant. This Settlement and the fact
25 that Plaintiff and Defendant were willing to settle the Action will
26 have no bearing on, and will not be admissible in connection with,
27 any litigation (other than solely in connection with the Settlement).
28

1 b. Whether or not the Order becomes Final, nothing in this Stipulation,
2 any document, statement, proceeding or conduct related to the
3 Settlement, or any reports or accounting of those matters, will be
4 construed as, offered or admitted in evidence as, received as, or
5 deemed to be evidence of a presumption, concession, indication or
6 admission by any of the Released Parties of any liability, fault,
7 wrongdoing, omission, concession or damage.

8 c. This Section and all other provisions of this Stipulation
9 notwithstanding, any and all provisions of this Stipulation may be
10 admitted in evidence and otherwise used in any and all proceedings
11 to enforce any or all terms of this Stipulation, or in defense of any
12 claims released or barred by this Stipulation.

13 2. **Attorney Authorization.** Plaintiff's Counsel and Defendant's Counsel
14 warrant and represent that they are authorized by Plaintiff and Defendant,
15 respectively, to take all appropriate action required or permitted to be taken
16 by such Parties pursuant to this Stipulation to effectuate its terms, and to
17 execute any other documents required to effectuate the terms of this
18 Stipulation. The Parties and their counsel will cooperate with each other and
19 use their best efforts to effect the implementation of the Settlement. In the
20 event the Parties are unable to reach Stipulation on the form or content of
21 any document needed to implement the Stipulation, or on any supplemental
22 provisions that may become necessary to effectuate the terms of this
23 Stipulation, the Parties will seek the assistance of the Court or mediator, and
24 in all cases all such documents, supplemental provisions and assistance of
25 the Court will be consistent with this Stipulation.

26 3. **Stipulation Binding on Successors.** This Stipulation will be binding upon,
27 and inure to the benefit of, the successors of each of the Parties.
28

- 1 4. **Applicable Law.** All terms and conditions of this Stipulation and its exhibits
2 will be governed by and interpreted according to the laws of the State of
3 California, without giving effect to any conflict of law principles or choice
4 of law principles.
- 5 5. **Cooperation in Drafting.** The Parties have cooperated in the drafting and
6 preparation of this Stipulation. This Stipulation will not be construed against
7 any Party on the basis that the Party was the drafter or participated in the
8 drafting.
- 9 6. **Fair Settlement.** The Parties and their respective counsel affirm that they
10 reached this Stipulation through arm's-length negotiations, taking into
11 account all relevant factors, and after having conducted adequate discovery
12 and investigation.
- 13 7. **Headings.** The descriptive heading of any section or paragraph of this
14 Stipulation is inserted for convenience of reference only and does not
15 constitute a part of this Stipulation.
- 16 8. **Notice.** All notices, demands or other communications given under this
17 Stipulation will be in writing and deemed to have been duly given as of the
18 third business day after mailing by United States mail, addressed as follows:

19 *To Plaintiff and the PAGA Settlement Group:*

20 Gregory P. Wong, Esq.
21 Email: greg@barklawfirm.com
22 BARKHORDARIAN LAW FIRM, PLC
23 6047 Bristol Parkway, 2nd Floor
24 Culver City, CA 90230
25 Telephone: (323) 450-2777

26 //

27 //

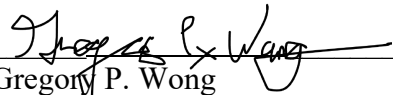
28 //

1 *To DEFENDANT:*

2 Bryan L Hawkins, Esq.
3 Email: bryan.hawkins@stoel.com
4 STOEL RIVES, LLP
5 500 Capital Mall, Suite 500
6 Sacramento, California 95814
7 Telephone: (916) 447-0700
8 Facsimile: (916) 447-4781

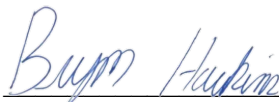
9
10 DATED: 11/3/21

Respectfully Submitted,
BARKHORDARIAN LAW FIRM, PLC

11 
12 Gregory P. Wong
13 Attorneys for Plaintiff Ananias Balajadia
14 on behalf of all aggrieved employees

15 DATED: 11/3/21

Respectfully Submitted,
STOEL RIVES, LLP

16 
17 Bryan Hawkins
18 Attorneys for Defendant Ecola Services,
19 Inc.

[PROPOSED] ORDER

1. The Joint Stipulation for Order Approving PAGA Settlement is GRANTED;

2. Defendant shall effectuate payment in the total amount of \$3,000.00, comprising the entirety of the LWDA Payment, the Settlement Group Payment, and the Plaintiffs' Counsel Fees and Expenses Payment, within the time frame and pursuant to the terms set forth in the Settlement Agreement.

3. The Action is hereby DISMISSED with prejudice.

4. Defendant shall have no further liability for penalties arising out of the claims brought by Plaintiffs pursuant to the Private Attorneys General Action in this Action.

IT IS SO ORDERED.

Dated:

Hon. Melvin D. Sandvig
Judge of the Superior Court

PROOF OF SERVICE
(CCP §§ 1013(A) AND 2015.5)

State of California,

Case No.: 20CHCV00657

County of Los Angeles

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and am not a party to the within action; my business address is 6047 Bristol Parkway, Culver City, CA 90230.

On November 3, 2021, I served the foregoing document described as:

Joint Stipulation for Approval of Private Attorneys General Act ("PAGA") Settlement; [Proposed Order]
on the interested parties in this action by placing same in a sealed envelope, as follows:

Bryan L. Hawkins
STOEL RIVES LLP
500 Capitol Mall, Suite 1600
Sacramento, CA 95814

☒ **(BY MAIL)** – I caused such envelope(s) with postage thereon fully prepaid to be placed in the United States mail in Culver City, California.

I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice, it would be deposited with the U.S. Postal Service on the same day with postage thereon fully prepaid at Costa Mesa, California, in the ordinary course of business. I am fully aware that on motion of the party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one day after the date of deposit for mailing an affidavit.

☐ **(BY E-MAIL)** – Based on a Court order or an agreement by the parties to accept service by e-mail or electronic transmission, I caused the documents described above to be sent by e-mail to the persons at the e-mail addresses listed above. I did not receive, within a reasonable amount of time after transmission, any electronic message or other indication that the transmission was unsuccessful.

☐ **(BY FACSIMILE)** – I caused the above described document(s) to be transmitted to the offices of the interested parties at the facsimile number(s) indicated on the attached Service List and the activity report(s) generated by facsimile number (310) 215.3416 indicating on all pages that they were transmitted.

☐ **(BY PERSONAL SERVICE)** – I caused such envelope(s) to be delivered by hand to Defendant.

☒ **(STATE)** – I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

☐ **(FEDERAL)** – I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

/s/ Evelyn Monreal

EVELYN MONREAL