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Attorneys for Plaintiff FREDERICK WILLIAMS
individually and on behalf of all other Aggrieved Employees

Additional Counsel listed on signature page.

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

FREDERICK WILLIAMS, individually
and on behalf of all other Aggrieved
Employees;

Plaintiff,

vs.

BDS NATIONAL RETAIL
SOLUTIONS, LLC; BDS MARKETING,
LLC; BDS MARKETING, INC; BDS
SOLUTIONS GROUP, LLC; BDS
CONNECTED SOLUTIONS, LLC;
APOLLO RETAIL SPECIALISTS, LLC;
and DOES 1 through 50, inclusive,
Defendants

Case No.: 25STCV04416

*[Assigned for all purposes to the Honorable
Dean J. Kitchens in Dept. 30]*

**STIPULATION AND [PROPOSED] ORDER
GRANTING APPROVAL OF
REPRESENTATIVE PAGA SETTLEMENT
AND ENTERING JUDGMENT THEREON**

*[FILED CONCURRENTLY WITH DECLARATION OF
HAIG B. KAZANDJIAN IN SUPPORT THEREOF]*

Complaint Filed: February 14, 2025
Trial Date: None Set.

WHEREAS, "Action" refers to the civil action filed by Plaintiff Frederick Williams
("Plaintiff") on or about February 14, 2025 entitled Frederick Williams v. BDS Marketing, LLC

FILED
Superior Court of California
County of Los Angeles
04/09/2025
David W. Slayton, Executive Officer / Clerk of Court
By: A. Ortiz Deputy

et al., in the Superior Court of the State of California for The County of Los Angeles, Case No. 25STCV04416.

WHEREAS, the Action is a representative action under the Private Attorneys General Act (the “PAGA”);

WHEREAS, Plaintiff and Defendants BDS NATIONAL RETAIL SOLUTIONS, LLC; BDS MARKETING, LLC; BDS MARKETING, INC; BDS SOLUTIONS GROUP, LLC; BDS CONNECTED SOLUTIONS, LLC; APOLLO RETAIL SPECIALISTS, LLC (“Defendants”) (collectively “the Parties”) recognize that, in accordance with Labor Code Section 2699(l), court approval is required in the event of a settlement of a PAGA action on a representative basis;

WHEREAS, as explained in *Arias v. Superior Court*, 46 Cal.4th 969 (2009), the Parties are not obligated to follow the class action procedural rules in PAGA cases, and therefore the Parties need not obtain approval of a settlement through a motion for preliminary or final approval. See also *Mendoza vs. Nordstrom, Inc.*, 2 Cal. 5th 1074 (2017) (“PAGA authorizes a representative action without the need for class certification.”); *Baumann v. Chase Inv. Servs. Corp.*, 747 F.3d 1117, 1123 (9th Cir. 2014) (“[A] PAGA suit is fundamentally different than a class action” in that “PAGA has no notice requirements for unnamed aggrieved employees, nor may such employees opt out of a PAGA action.”); *Williams v. Sup. Ct.*, 3 Cal.5th 531, 546-547 (2017) (“PAGA does not make other potentially aggrieved employees parties or clients of plaintiff’s counsel, does not impose on a plaintiff or counsel any express fiduciary obligations, and does not subject a plaintiff or counsel to scrutiny with respect to the ability to represent a large class.”);

WHEREAS, the Parties seek to obtain the Court’s approval of the PAGA Settlement and Release Agreement (“PAGA Settlement Agreement”) and resolve this matter in the most efficient manner possible;

WHEREAS, nothing contained herein, nor in effectuating Settlement of the Action, shall be construed or deemed an admission of liability, culpability, negligence, or wrongdoing on the part of Defendants or any of the Releasees to the Agreement. Indeed, Defendants deny and dispute each and every allegation of wrongdoing, including the allegations described herein;

WHEREAS, on or about July 22, 2020 Plaintiff filed an action in Los Angeles County Superior Court against Defendants, asserting wage-hour claims on behalf of Plaintiff and a putative class of current and former non-exempt employees of Defendants in California (“Class Action Complaint”);

WHEREAS, on or about February 23, 2021, pursuant to an arbitration agreement signed by Plaintiff in connection with this employment, the Parties submitted a Joint Stipulation and Order to Compel to Arbitration and Enforce Class Action Waiver, which was signed by the Court on or about February 19, 2021. Plaintiff filed a request for dismissal of the Class Action Complaint on or about March 11, 2022, which was entered by the Court;

WHEREAS, on or about September 23, 2020, Plaintiff provided the LWDA and Defendants Notice of his intent to pursue a representative action against Defendants pursuant to the Private Attorneys General Act of 2004 (“PAGA”), as codified in California Labor Code § 2698 et seq., on behalf of himself and the State of California as well as on behalf of a group of aggrieved employees. On December 23, 2020, Plaintiff sent the LWDA and Defendants his First Amended Notice of his intent to pursue a representative action against Defendants pursuant to PAGA, on behalf of himself and the State of California as well as on behalf of a group of aggrieved employees;

WHEREAS, after the dismissal of the Class Action Complaint the Parties began to engage in informal arm’s length settlement discussions, Through the exchange of information and attendant discussions between the Parties, Plaintiff learned that the number of Aggrieved Employees, which is defined as all current and former non-exempt hourly employees who were employed by Defendants and who worked at BDS Marketing in the State of California during the PAGA Period, i.e., from September 23, 2019 through to the date that the Court issues the Approval Order (the “PAGA Period”), was approximately 5,275. The Parties engaged in informal discovery for the purposes of settlement negotiations, and Plaintiff, by and through his counsel of record, reviewed time and wage records and relevant policies that applied to Defendants’ employees.

WHEREAS, Defendants deny that they have engaged in any unlawful activity, or that

they have failed to comply with the law in any material respect, or that they have any liability to anyone under the claims asserted in the Action;

WHEREAS, on April 19, 2024, Plaintiff sent the LWDA and Defendants his Second Amended Notice of his intent to pursue a representative action against Defendants pursuant to the Private Attorneys General Act of 2004 (“PAGA”), as codified in California Labor Code § 2698 et seq., on behalf of himself and the State of California as well as on behalf of a group of aggrieved employees.

WHEREAS, the Parties engaged in a full day of mediation on February 6, 2024 with a respected wage and hour mediator, Michael Loeb, Esq. After lengthy negotiations during which Plaintiff, represented by his counsel, and Defendants, represented by their counsel, recognized the risks and burdens of continuing with the litigation, the Parties agreed to settle the Action on the terms set out in the Settlement Agreement attached as **Exhibit 1** to the concurrently filed Declaration of Haig B. Kazandjian.

WHEREAS, in determining the settlement value of the case, Plaintiff and Plaintiff’s Counsel considered the burdens of proof necessary to establish liability of the claims asserted in the case, including but not limited to manageability issues due to the different job titles and duties of aggrieved employees, and the difficulties in establishing penalties and other relief sought in the case; this is particularly concerning where, as here, Plaintiff may face difficulty obtaining the cooperation of PAGA Members who are current employees, given their likely reluctance to aid in the prosecution of a lawsuit against their employer. Based on the foregoing, Plaintiff and Plaintiff’s Counsel determined that the settlement set forth in the Agreement is fair, adequate, and reasonable and is in the best interests of the State of California and of the PAGA Members.

WHEREAS, Defendant also asserted that it maintained compliant wage and hour policies throughout the relevant time period and that many of Plaintiff’s theories were not amenable to representative proof across the group of PAGA Members such that Plaintiff would be unable to establish liability for each violation during the PAGA period as he is required to do.

WHEREAS, Plaintiff and his counsel recognize the risks inherent in PAGA actions,

including courts' discretion to reduce the amount of civil penalties. See *Thurman v. Bayshore Transit Mgmt., Inc.*, 203 Cal.App.4th 1112, 1135 (2012) ("[U]nder section 2699, subdivision (e)(2) a trial court may exercise its discretion to award lesser penalties based on the enumerated considerations.") (emphasis in original) (internal quotation marks and citations omitted). Specifically, the trial court may reduce the civil penalty if declining to do so "would result in an award that is unjust, arbitrary, oppressive, or confiscatory based on the facts and circumstances of [the] case." *Id.* Courts routinely exercise this discretion in the rare PAGA cases that proceed to trial and obtain a successful verdict. See, e.g., *Fleming v. Covidien Inc.*, 2011 WL 7563047, at *4 (C.D. Cal. Aug. 12, 2011) (awarding PAGA penalties of \$500,000.00 instead of maximum recovery of \$2.8 million); cf. *Aguirre v. Genesis Logistics*, 2013 WL 10936035 at *2-*3 (C.D. Cal. Dec. 30, 2013) (after granting summary judgment, awarding PAGA penalty of \$500,000.00 instead of maximum recovery of \$1.8 million).

WHEREAS, counsel for all Parties conducted a thorough investigation of both the factual and legal issues affecting the strengths and weaknesses of Plaintiff's claims and potential recovery. Defendants produced information about, among other things, the number of Aggrieved Employees (5,275), the number of pay periods at issue (70,872), time and pay records and relevant policies. The Parties also had substantial discussions regarding the core factual and legal issues of the case. This allowed the Parties to reach a reasoned and informed resolution of this matter.

WHEREAS, the Parties now seek approval of the PAGA Settlement Agreement, which involves 5,275 aggrieved employees during the PAGA representative period, which initiated on September 23, 2019 through to the date that the Court issues the Approval Order;

WHEREAS, the Parties have documented the settlement of the Action in the PAGA Settlement Agreement, which is attached to the Declaration of Haig Kazandjian ("Kazandjian Dec."), ¶ 2.] filed herewith as **Exhibit 1**.

WHEREAS, Effective on the date when Defendants fully fund the entire Gross Settlement Amount, All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators,

successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint and the PAGA Notices or ascertained in the course of the Action, including but not limited to penalties for alleged violations of Labor Code Section 96, 98.6, 201, 201.3, 202, 203, 204, 204(b), 205, 205.5, 206, 210, 212, 213 221, 223, 226, 226(a), 226.3, 226.7, 227.3, 232, 232.5, 245, 246, 246.5, 247, 247.5, 248, 248.1, 248.2, 248.3, 248.5, 248.6, 248.7, 256, 404, 432, 432.3, 432.5, 432.6, 432.7, 432.8, 510, 512(a), 551, 558, 558(a), 558(c), 1102.5, 1174, 1174(d), 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1197.5, 1198, 1198.5, 1527, 2699, 2699.3, 2800, 2802, 2804, 2810.5, 3366, 3457, 6401, 6402, 6403, 6409.6, 6432, 8397.4 and the applicable Wage Orders, California Code of Regulations, and any and all other applicable law.

WHEREAS, Plaintiff provided notice of the proposed settlement to the LWDA as required by PAGA. See **Exhibit 4** to the Kazandjian Decl. which contains a true and correct copy of the confirmation that Plaintiff submitted the proposed PAGA Settlement Agreement to the LWDA.

WHEREAS, prior to the submission of this Stipulation, the Parties met and conferred and agreed upon a Proposed Order and Final Judgment pursuant to this Stipulation.

IT IS HEREBY STIPULATED AND PROPOSED BY THE PARTIES HERETO AS FOLLOWS:

The Parties stipulate and jointly propose that the Court approve the fully executed PAGA Settlement Agreement, which includes the following key terms:

A. As consideration for the settlement described herein and the release contained in the PAGA Settlement Agreement, Defendants agree to make a payment of \$990,000 (the "Gross Settlement Amount") based on 70,872 Pay Periods. The PAGA Gross Settlement Amount shall include all individual settlement payments to Aggrieved Employees, payment to the LWDA, attorneys' fees and costs awarded to Plaintiff's Counsel, Plaintiff Frederick Williams's general release and incentive award, and Administration Costs. No portion of the PAGA Gross Settlement Amount will revert to Defendants.

B. The Gross Settlement Amount will be allocated as follows: (a) Plaintiff's Counsel's attorneys' fees up to the requested amount of 35% of the Gross Settlement Amount of \$990,000, which amounts to \$346,500.00; (b) Plaintiff's Counsel's request for reimbursement of litigation costs in the amount actually incurred up to \$20,000.00; (c) Plaintiff's General Release and Incentive Award in the amount of \$5,000.00; (d) PAGA Settlement Administration costs of actual costs of \$15,393.00 to be paid to the Settlement Administrator; and (e) the remainder of the Gross Settlement Amount after deducting the items (a) through (d) herein shall be designated as the PAGA Penalty Fund, which is estimated to be \$603,107.00 and will be allocated between the LWDA and the Aggrieved Employees pursuant to Labor Code section 2699(i) with seventy-five percent (75%) paid to the LWDA (\$452,330.25) and twenty-five percent (25%) paid to the Aggrieved Employees ("PAGA Members") (\$150,776.75) on a pro-rata basis, which is further explained below. Each PAGA Member's pro-rata share of the PAGA Penalty Fund represents their Individual Settlement Payment.

C. Individual Settlement Calculation. Plaintiff and the Aggrieved Employees shall receive a pro rata share of the twenty-five percent (25%) of the PAGA Penalty Fund allocated to Aggrieved Employees (estimated to be \$ 150,776.75). Plaintiff and each Aggrieved Employee's Individual Settlement Payment shall be determined by multiplying this 25 percent of the PAGA Penalty Fund allocated to Aggrieved Employees by the ratio of (a) the number of Eligible Pay Periods worked by that employee to (b) the total number of Eligible Pay Periods worked by all Aggrieved Employees (including Plaintiff). All Individual Settlement Payments made to Aggrieved Employees will be reported on an IRS Form 1099.

D. Subject to the Court approval of this Settlement, the payment of the Settlement amounts shall be disbursed as follows:

- No later than thirty (30) days after the Effective Date, Defendants will deliver the Aggrieved Employee Data to the Administrator in the form of a Microsoft Excel spreadsheet.
- Defendants shall fully fund the Gross Settlement Amount by transmitting the funds to the Administrator no later than 21 days after the Effective Date.

- Within 21 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual PAGA Payments to the Aggrieved Employees, the LWDA PAGA Payment to the LWDA, and mail the PAGA Counsel Fees Payment, the PAGA Counsel Litigation Expenses Payment, and any general release and incentive award for Plaintiff. Disbursement of the PAGA Counsel Litigation Expenses Payment shall not precede disbursement of Individual PAGA Payments.
- The Administrator will issue checks for the Individual PAGA Payments and send them to the Aggrieved Employees via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. Before mailing any checks, the Settlement Administrator must update the recipients' mailing addresses using the National Change of Address Database.
- The Administrator must conduct an address search for all Aggrieved Employees whose checks are returned undelivered without USPS forwarding address. Within 7 days of receiving a returned check the Administrator must re-mail checks to the USPS forwarding address provided or to an address ascertained through the prior address search. The Administrator need not take further steps to deliver checks to Aggrieved Employees whose re-mailed checks are returned as undelivered. The Administrator shall promptly send a replacement check to any Aggrieved Employee whose original check was lost or misplaced, if requested by the Aggrieved Employee prior to the void date.
- For any Aggrieved Employee whose Individual Settlement Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

If there is a conflict between the language of this Stipulation and the language of the PAGA Settlement Agreement attached to the Kazandjian Decl. as **Exhibit 1**, the language of the PAGA Settlement Agreement shall control.

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Dated: March 18, 2025

HAIG B. KAZANDJIAN LAWYERS, APC

By: /s/ David Van Pelt
Haig Kazandjian, Esq.
Cathy Gonzalez, Esq.
David Van Pelt
*Attorneys for PLAINTIFF Frederick Williams
and all other Aggrieved Employees*

Dated: March 18, 2025

GREENBERG TRAURIG, LLP

By: /s/ Bryan W. Patton
Mark D. Kemple, Esq
Bryan W. Patton, Esq.
Attorneys for Defendants

[PROPOSED] ORDER AND JUDGMENT

The Court, having reviewed the Parties' Settlement Agreement and Release (the "Settlement" or "Settlement Agreement") attached as **Exhibit 1** to the concurrently-filed Kazandjian Declaration, together with the Stipulation of the Parties and the Declaration of Haig B. Kazandjian and exhibits attached thereto, hereby ORDERS AND ADJUDGES:

1. The Court finds the Settlement was entered into in good faith, that the Settlement is fair, reasonable and adequate, and that the Settlement satisfies the standards and applicable requirements for approval of PAGA representative actions under California law.

2. The Court approves the penalties to be paid to the PAGA Claims Members and the State of California as set forth in the Settlement, pursuant to Labor Code § 2699(l). The Court further approves all payments to be made to Plaintiff's counsel, Plaintiff, and the Settlement Administrator, based on the terms of the Settlement.

3. Upon entry of this Order and Judgment, the Parties and the Settlement Administrator shall effectuate all terms of the Settlement based on the provisions and timelines set forth in the Settlement Agreement.

4. Judgment is hereby entered in accordance with the Settlement Agreement and this Court shall retain continuing jurisdiction over the construction, interpretation, implementation, and enforcement of the Settlement, in accordance with its terms, and over the administration and distribution of the settlement proceeds pursuant to California Code of Civil Procedure section 664.6 and other applicable law.

IT IS SO ORDERED.

Dated: 04/09/2025

Dean J. Kitchens

Honorable Dean J. Kitchens
JUDGE OF THE SUPERIOR COURT

PROOF OF SERVICE

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 801 North Brand Boulevard, Suite 1015, Glendale, California 91203.

On March 18, 2025, I served the foregoing document(s) described as:

STIPULATION AND [PROPOSED] ORDER GRANTING APPROVAL OF REPRESENTATIVE PAGA SETTLEMENT AND ENTERING JUDGMENT THEREON

on the interested parties in this action by method indicated below:

GREENBERG TRAURIG, LLP Mark D. Kemple kemplem@gtlaw.com Bryan W. Patton pattonbw@gtlaw.com Alikhan Syed.AliKhan@gtlaw.com Ben.Fraser@gtlaw.com 1840 Century Park East, 19th Floor Los Angeles, CA 90067 Telephone: (310) 586-7700 Facsimile: (310) 586-7800	Attorneys for Defendants
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[X] **BY ELECTRONIC MAIL:** Based on a court order or agreement by the parties to accept service by e-mail or electronic transmission, I transmitted the foregoing document(s) by electronic mail from osbaldo@hbklawyers.com to the electronic mail addresses indicated on the mailing list. The transmission was reported as complete and without error.

[X] (STATE): I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on March 18, 2025, at Glendale, California.

/s/ Osbaldo Bautista
Osbaldo Bautista