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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE**

FIDEL RIVERA, individually, and on
behalf of other aggrieved employees
pursuant to the California Private Attorneys
General Act;

Plaintiff,

vs.

BASMAT, INC., d/b/a MCSTARLITE
COMPANY, an unknown business entity; and
DOES 1 through 100, inclusive,

Defendants.

Case No.: 20STCV35714

Honorable William F. Highberger
Department SSC10

**[PROPOSED] ORDER AND JUDGMENT
GRANTING APPROVAL OF PRIVATE
ATTORNEYS GENERAL ACT (CAL. LABOR
CODE § 2698, *ET SEQ.*) SETTLEMENT
AGREEMENT AND AWARD OF
ATTORNEYS' FEES AND COSTS, GENERAL
RELEASE FEE, AND SETTLEMENT
ADMINISTRATION COSTS**

Date: October 30, 2024
Time: 3:00 p.m.
Department: SSC10

Complaint Filed: September 18, 2020
FAC Filed: May 24, 2021
SAC Filed: October 8, 2021
Trial Date: None Set

**[PROPOSED] ORDER AND JUDGMENT GRANTING APPROVAL OF PRIVATE ATTORNEYS GENERAL ACT
(CAL. LABOR CODE § 2698, *ET SEQ.*) SETTLEMENT AGREEMENT AND AWARD OF ATTORNEYS' FEES AND
COSTS, GENERAL RELEASE FEE, AND SETTLEMENT ADMINISTRATION COSTS**

1 This matter has come before the Honorable William F. Highberger in Department SSC10 of the
2 Superior Court of the State of California, for the County of Los Angeles, on October 30, 2024 at 3:00
3 p.m., on Plaintiff Fidel Rivera’s (“Plaintiff”) Motion for Approval of Private Attorneys General Act (Cal.
4 Labor Code § 2698, *Et Seq.*) Settlement Agreement and Award of Attorneys' Fees and Costs, General
5 Release Fee, and Settlement Administration Costs (“Motion for Approval of Settlement”). Lawyers *for*
6 Justice, PC appeared for Plaintiff and Ballard Rosenberg Golper & Savitt, LLP, appeared for Defendant
7 Basmat, Inc., d/b/a McStarlite Company, LLC (“Defendant”).

8 On or around June 13, 2024, Plaintiff and Defendant (together, the “Parties”) executed the Private
9 Attorneys General Act Settlement Agreement and Release (“Settlement,” “Settlement Agreement,” or
10 “Agreement”).

11 The Court has reviewed and considered (1) the Motion for Approval of Settlement, (2) the
12 Declarations of Plaintiff’s Counsel Tara Zabehi and Plaintiff Fidel Rivera, and (3) the Settlement
13 Agreement.

14 Having duly considered the Parties’ papers and oral argument, and good cause appearing,

15 **IT IS HEREBY ORDERED AND ADJUDGED AS FOLLOWS:**

- 16 1. The Motion for Approval of Settlement is granted.
- 17 2. All terms used herein shall have the same meaning defined in the Settlement Agreement.
- 18 3. The Court finds that Plaintiff has satisfied the prerequisites under the California Private
19 Attorneys General Act (Cal. Labor Code § 2698, *et seq.*) (“PAGA”), including, and not limited to,
20 providing the California Labor and Workforce Development Agency (“LWDA”) and Defendant with
21 notice of the specific provisions of the California Labor Code alleged to have been violated, including, and
22 not limited to, the facts and theories to support the alleged violations, in conformity with California Labor
23 Code § 2699.3(a).
- 24 4. The Court also finds that the Settlement Agreement has been submitted to the LWDA in
25 conformity with California Labor Code § 2699(1)(2) and that the LWDA has not sought to intervene or
26 appear in the above-captioned action (the “Action”).

5. The Aggrieved Employees covered under the Settlement consist of the following individuals:

All current and former hourly-paid or non-exempt employees who worked for Defendant in the State of California during the PAGA Period. (“Aggrieved Employee(s)”).

6. The Court finds that the Parties reached the Settlement as a result of arm's-length negotiations.

7. Pursuant to California Labor Code § 2699(1)(2), the Court has reviewed the sum allocated for payment of penalties under PAGA (“Net Settlement Amount”), and determines that it is fair, just, reasonable, and adequate. The Court hereby approves the Net Settlement Amount. The Net Settlement Amount shall be the Total Settlement Amount (\$335,000.00) less the approved Attorneys' Fees and Costs to Lawyers *for* Justice, PC (“Plaintiff’s Counsel”), General Release Fee to Plaintiff, and Settlement Administration Costs to Phoenix Class Action Administration Solutions (the “PAGA Settlement Administrator”). Seventy-five percent (75%) of the Net Settlement Amount shall be distributed to the LWDA (“LWDA Payment”) and twenty-five percent (25%) of the Net Settlement Amount shall be distributed to the Aggrieved Employees (“Employees' Portion”) in accordance with this Order and Judgment and the Settlement Agreement.

8. The Court has considered the Settlement, and the monetary allocations provided thereby, and finds that they are fair, just, reasonable, and adequate. The Court hereby directs the PAGA Settlement Administrator to administer the Settlement and to make the payments as provided for by, and consistent with, this Order and Judgment and the Settlement Agreement.

9. The Court approves the payment of \$111,655.50 to Plaintiff's Counsel for attorneys' fees. This amount shall be paid from the Total Settlement Amount and shall be disbursed in accordance with this Order and Judgment and the Settlement Agreement.

10. The Court approves the payment of \$22,019.37 to Plaintiff's Counsel for reimbursement of litigation costs and expenses incurred in the Action. This amount shall be paid from the Total Settlement Amount and shall be disbursed in accordance with this Order and Judgment and the Settlement Agreement.

11. The Court approves payment in the amount of \$7,500.00 to Plaintiff Fidel Rivera for his General Release Fee. These amounts shall be paid from the Total Settlement Amount and shall be disbursed in accordance with this Order and Judgment and the Settlement Agreement.

12. The Court approves payment up to the amount of \$5,000.00 to Phoenix Class Action Administration Solutions for the Settlement Administration Costs. This amount shall be paid from the Total Settlement Amount and shall be disbursed in accordance with this Order and Judgment and the Settlement Agreement.

13. The Parties are directed to perform in accordance with the terms set forth in this Order and Judgment and the Settlement Agreement.

14. The Court further finds that notice of the Settlement need not be provided to the Aggrieved Employees; however, the Court approves the Cover Letter, attached hereto as “**EXHIBIT A**,” and the PAGA Settlement Administrator shall distribute the Cover Letter to the Aggrieved Employees at the same time that it distributes payments to Aggrieved Employees for their share of the Employees' Portion (“Individual Settlement Share(s)").

15. No later than seven (7) calendar days after the date of this Order and Judgment, Defendant will provide the PAGA Settlement Administrator with the Aggrieved Employees List, in accordance with this Order and Judgment and the Settlement Agreement.

16. No later than fourteen (14) calendar days of the date of this Order and Judgment, Defendant shall deposit \$335,000.00 into a qualified settlement account established, by the PAGA Settlement Administrator for administration of the Settlement in accordance with this Order and Judgment and the Settlement Agreement.

17. No later than fourteen (14) calendar days after receipt of the Aggrieved Employees List, and Defendant fully funds the Total Settlement Amount, the PAGA Settlement Administrator shall distribute the LWDA Payment to the LWDA, Individual Settlement Share checks and Cover Letters to Aggrieved Employees (“PAGA Settlement Package”), the General Release Fee to Plaintiff, the Settlement Administration Costs to itself, only after the PAGA Settlement Package have been mailed to all Aggrieved Employees, the Attorneys' Fees and Costs, unless instructed otherwise by Plaintiff's Counsel, as provided

for by this Order and Judgment and the Settlement Agreement.

18. The Individual Settlement Share checks issued to Aggrieved Employees shall remain valid and negotiable for ninety (90) calendar days, and thereafter, shall be cancelled. Funds associated with such cancelled checks shall be transmitted by the PAGA Settlement Administrator to the California State Controller's Office Unclaimed Property Division, in the name of each Aggrieved Employee whose check is cancelled.

19. Aggrieved Employee shall not have the right to opt out of or object to the Settlement. Upon the entry of this Order and Judgment and full funding of the Total Settlement Amount, and except as to the rights and obligations created by this Settlement Agreement, Plaintiff and the State of California with respect to Aggrieved Employees, will be deemed to have knowingly and voluntarily released and forever discharged Released Parties, to the full extent permitted by law, of and from the Action and from the Released Claims.

20. "Released Parties" means Defendant, including Defendant's parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

21. "Released Claims" means any and all claims, arising during the PAGA Period, for civil penalties under California Labor Code section 2698, *et seq.* ("PAGA") as well as any interest, fees, and costs available under PAGA, that were alleged or that could have been alleged PAGA based on the facts and claims alleged in the Operative Complaint and LWDA Letter, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and/or associated premiums, failure to provide compliant rest periods and/or associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203,

204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia* Wage Orders 1-2001 and 4-2001.

22. "PAGA Period" means the period from September 11, 2019 to January 28, 2024.

23. No individualized notice of this Order and Judgment is required to be provided to the Aggrieved Employees. This Order and Judgment shall be submitted to the LWDA through the online system established for the filing of notices and documents, in conformity with California Labor Code § 2699(1)(3).

24. A Final Accounting and Compliance Hearing is scheduled for _____, 2025 at _____ a.m./p.m. in Department SSC10 of the above-captioned Court and the final report regarding the disbursement of the Individual Settlement Shares and uncashed funds shall be filed seven (7) court days in advance of the hearing

Date: _____

Honorable William F. Highberger
Judge of the Superior Court of Los Angeles
County

EXHIBIT A

Exhibit A

<<Mailing Date>>

To: **<<First Name>><<Last Name>>**
 <<Street Address>>
 <<City>> <<State>> <<Zip>>

Re: Settlement Payment from *Fidel Rivera v. Basmat Inc., d/b/a McStarlite Company*, Los Angeles Superior Court
 Case No. 20STCV35714

Dear **<<First Name>><<Last Name>>**:

Please find enclosed a check in the amount of **<<amount of payment>>** (“Individual Settlement Share”). This check is your payment from the settlement in the lawsuit entitled *Fidel Rivera v. Basmat Inc., d/b/a McStarlite Company*, Los Angeles Superior Court Case No. 20STCV35714 (“Action”).

The lawsuit was filed on September 18, 2020 by Fidel Rivera (“Plaintiff”) against his former employer, on behalf of the State of California, with respect to himself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide compliant wage statements, failure to maintain requisite payroll records, and failure to reimburse business expenses. Prior to filing the lawsuit, on September 11, 2020 Plaintiff submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), pursuant to PAGA, to provide notice of her intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 1-2001 and 4-2001, thereby initiating LWDA Case Number LWDA-CM-805953-20 (the “PAGA Notice”).

Defendant denies all of Plaintiff’s allegations and denies any wrongdoing of any kind associated with Plaintiff’s allegations.

A settlement was reached between Plaintiff and Defendant Basmat Inc., d/b/a McStarlite Company (“Defendant”).

On **<<Date>>**, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all current and former hourly-paid or non-exempt employees who worked for Defendant in the State of California during the period September 11, 2019 to approval (“Aggrieved Employees”). The period September 11, 2019 to approval is the “PAGA Period”.

You are receiving a portion of the settlement (the enclosed Individual Settlement Share) because you have been identified as an Aggrieved Employee. Your Individual Settlement Share is based on the total number of pay periods that you worked for Defendant in California during the PAGA Period. The Individual Settlement Share is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

Under the settlement, as of **<<date of entry of order by the Court approving the Settlement>>**, the Released Parties were fully released and forever discharged from any and all Released Claims.

“Released Parties” means Defendant, including Defendant’s parent corporation, affiliates, subsidiaries, divisions, predecessors, insurers, successors and assigns, and their current and former employees, attorneys, officers, directors and agents thereof, both individually and in their business capacities, and their employee benefit plans and programs and the trustees, administrators, fiduciaries and insurers of such plans and programs.

“Released Claims” means any and all claims, arising during the PAGA Period, for civil penalties under California Labor Code section 2698, *et seq.* (“PAGA”) as well as any interest, fees, and costs available under PAGA, based on the factual allegations in the Operative Complaint, including but not limited to, for failure to pay minimum, regular, and overtime wages, failure to provide compliant meal periods and associated premiums, failure to provide compliant rest periods and associated premiums, failure to timely pay wages during employment, failure to timely pay wages upon termination, failure to provide compliant and accurate wage statements, failure to maintain complete and accurate payroll records, and failure to reimburse necessary business-related expenses and costs, in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 551, 552, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802 and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Orders 1-2001 and 4-2001.

The enclosed check is valid for 90 days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 90-day timeframe, it will be canceled, and the funds associated with the canceled check

will be transmitted to the State Controller's Office Unclaimed Property Division in your name and in the amount of your respective Individual Settlement Share.

Do not call or write the Court, Office of the Clerk of the Court, Defendant, or Defendant's counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact **PAGA Settlement Administrator** at **[toll-free phone number]**.