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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ALAMEDA

FNU LINAKI, as an individual and on behalf of
all others similarly situated, and as a private
attorney general,

Plaintiff,

vs.

GENJI PACIFIC, LLC, (also known as HANA
GROUP OPS, LLC) a Delaware limited liability
company; and DOES 1 through 50, inclusive,

Defendants.

Case No. RG20074795

[Hon. Stephen Kaus, Department 19]

**[PROPOSED] ORDER GRANTING
MOTION FOR PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT**

Date: October 5, 2022
Time: 3:00 p.m.
Department: 19

Reservation ID: 386125078699

Complaint Filed: September 23, 2020

1 Plaintiff's motion for an Order Granting Preliminary Approval of Class Action Settlement was
2 filed with the Court on September 9, 2022, and a hearing was held before this Court on October 5, 2022.
3 Simon L. Yang of Diversity Law Group, P.C. appeared on behalf of Plaintiff, Fnu Linaki, and Amanda
4 Semaan of Faegre Drinker Biddle & Reath LLP appeared for Defendant, Genji Pacific, LLC, also
5 known as Hana Group Ops, LLC.

6 **I. RECITALS**

7 1. On September 23, 2020, Plaintiff initiated this class and Labor Code Private Attorneys
8 General Act of 2004 ("PAGA") action. The lawsuit seeks to remedy (i) alleged underpayments of
9 overtime as a result of failing to factor non-discretionary compensation into the regular rate of pay and
10 (ii) untimely payment of wages more than seven days after the close of a pay period.

11 2. On January 13, 2022, the Parties attended mediation with Deborah Saxe. On February 3,
12 2022, the Parties attended mediation with Steve Pearl. With the mediator's assistance and based on a
13 mediator's proposal, the Parties were able to negotiate the settlement terms in the Joint Stipulation of
14 Class Action and Representative Action Settlement (the "Agreement").

15 **II. FINDINGS**

16 3. The Court conditionally certifies the following Classes:

17 a. Overtime Class Members include all individuals who were employed by Defendant in
18 California as non-exempt employees and earned overtime and non-discretionary
19 compensation, including the Ooiri bonus, in the same month at any time during the
20 Overtime Class Period from September 1, 2016, through January 13, 2022.

21 b. Late Paid Class Members include all individuals who were employed by Defendant in
22 California as either exempt or non-exempt employees whose wages were not paid
23 within seven days of the last day of the pay period at any time during the Late Paid
24 Class Period from August 26, 2019, through January 13, 2022.

25 4. The Court hereby approves the terms and conditions provided for in the Agreement. The
26 Court finds that on a preliminary basis the Agreement falls within the range of reasonableness of a
27 settlement and appears to be presumptively valid, subject to any objections that may be raised at the
28 final fairness hearing and subject to final approval by the Court. It appears to the Court on a preliminary

basis that the settlement is fair, adequate, and reasonable as to all potential Class Members when balanced against the uncertain outcome of further litigation relating to liability and damages issues. It also appears that investigation, research, and proceedings have been conducted so that counsel for the Parties are able to reasonably evaluate their respective positions. It appears to the Court that settlement at this time will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of the action. It also appears that settlement has been reached as a result of intensive, serious, and non-collusive arms-length negotiations.

III. ORDERS

After considering the papers and evidence, arguments of counsel, and all other matters presented to the Court, and having taken the matter under submission, **IT IS HEREBY ORDERED** as follows:

5. The Court grants preliminary approval of the Joint Stipulation of Class Action and PAGA Settlement (the “Agreement”) submitted by the Parties. The Agreement appears to be fair, adequate, and reasonable to the Class.

6. The Court appoints and designates: (a) Plaintiff, Fnu Linaki, as Class Representative, and (b) Larry W. Lee and Simon L. Yang of Diversity Law Group, P.C., and William L. Marder of Polaris Law Group as Class Counsel for the Class. Class Counsel is authorized to act on behalf of the Class with respect to all acts or consents required by, or which may be given, pursuant to the Agreement, and such other acts reasonably necessary to finalize the Agreement and its terms. Any Class Member may enter an appearance through his or her own counsel at such Class Member’s own expense. Any Class Member who does not enter an appearance or appear on his or her own behalf will be represented by Class Counsel.

7. A final fairness hearing on the question of whether the proposed Agreement, the allocation of payments to Class Members, attorneys’ fees and costs to Class Counsel, the payment to the Labor Workforce & Development Agency, and the Class Representative Award should be finally approved as fair, reasonable, and adequate as to the members of the Class is set for _____, 2023, at _____ in this Court.

8. The Court hereby approves, as to form and content, the Notice of Class Action Settlement (“Class Notice”), which is attached as Exhibit A to the Agreement and this Order. The Court finds that

1 distribution of the Class Notice to Class Members substantially in the manner and form set forth in the
2 Agreement and this Order meets the requirements of due process and shall constitute due and sufficient
3 notice to all parties entitled thereto.

4 9. The Court appoints and designates Phoenix Settlement Administrators as the
5 Administrator. The Court hereby directs the Administrator to provide the approved Class Notice to Class
6 Members using the procedures set forth in the Agreement.

7 10. Any Class Member may choose to opt out of and be excluded from the settlement as
8 provided in the Agreement and Class Notice and by following the instructions for requesting exclusion.
9 Any person who timely and properly opts out of the settlement will not be bound by the Agreement or
10 have any right to object, appeal, or comment thereon. Any request for exclusion must be in writing and
11 signed by each such Class Member opting out and must otherwise comply with the requirements
12 delineated in the Class Notice. Class Members who have not requested exclusion by submitting a valid
13 and timely request for exclusion shall be bound by all determinations of the Court, the Agreement, and
14 Judgment.

15 11. Any Class Member may object to the Agreement or express his or her views regarding
16 the Agreement. Any Class Member may present evidence and file briefs or other papers relevant to the
17 issues to be heard and determined by the Court as provided in the Class Notice.

18 12. A Motion for Final Approval shall be filed by the Class Representatives no later than
19 sixteen (16) court days before the final fairness hearing.

20 13. The Court reserves the right to adjourn or continue the date of the final fairness hearing
21 and all dates provided for in the Agreement without further notice to the Class. The Court retains
22 jurisdiction to consider all further applications arising out of or connected with the Agreement.

23 14. Should for whatever reason final approval is not granted, the fact that the Parties were
24 willing to stipulate to certification of a class as part of the settlement shall have no bearing on the issue
25 of whether a class should be certified in a non-settlement context.

26 **IT IS SO ORDERED.**

27 DATED: _____, 2022

28 _____
THE HONORABLE STEPHEN KAUS

EXHIBIT A

This notice is being sent pursuant to court order. This is not a solicitation from a lawyer.

NOTICE OF CLASS ACTION SETTLEMENT

Fnu Linaki v. Genji Pacific, LLC,
Superior Court of the State of California for the County of Alameda Case No. RG20074795

If you were employed by Genji Pacific, LLC (also known as Hana Group Ops, LLC) in California (i) as a non-exempt employee and earned overtime and non-discretionary compensation, including the Ooiri bonus, in the same month at any time from September 1, 2016 through January 13, 2022, or (ii) were not paid wages within seven days of the last day of a pay period at any time from August 26, 2019, through January 13, 2022, you may be a “Class Member” entitled to a payment from a class action settlement.

You are not being sued. Read this notice carefully, as your legal rights could be affected whether you act or not.

The Superior Court of the State of California for the County of Alameda (the “Court”) has preliminarily approved a class action settlement that may affect your legal rights. The settlement would resolve a class and representative action lawsuit filed by Plaintiff, Fnu Linaki, against Defendant, Genji Pacific, LLC (also known as Hana Group Ops, LLC) (“Hana Group”)—*Fnu Linaki v. Genji Pacific, LLC*, Court Case No. RG20074795 (the “Lawsuit”).

- The Lawsuit alleges Hana Group underpaid overtime to non-exempt California employees by failing to factor non-discretionary compensation, including the Ooiri bonus, when calculating their overtime rate of pay. It separately alleges Hana Group failed to timely pay California employees their wages. On those bases, the Lawsuit pursues class action claims as well as representative action claims under the Labor Code Private Attorneys General Act of 2004 (“PAGA”).
- Hana Group denies Plaintiff’s allegations and maintains it has fully complied with the law. By entering into this settlement, Hana Group in no way admits any violation of law or any liability whatsoever to Plaintiff or Class Members, individually or collectively, and expressly denies all such liability. Plaintiff and Hana Group have reached this settlement in light of all known facts and circumstances—including the risks of significant delay and uncertainty associated with litigation and various defenses asserted by Hana Group—with the assistance of an experienced mediator knowledgeable of both the wage and hour laws at issue.
- The settlement provides payments to Participating Class Members, based on (i) the number of relevant months a Class Member earned overtime and non-discretionary compensation in the same month from September 1, 2016 through January 13, 2022, and (ii) the number of relevant pay periods a Class Member worked from August 26, 2019, through January 13, 2022.
- Based on Hana Group’s records, your total number of relevant months and relevant pay periods is **XXX**, and an *estimate* of the amount that could be allocated to you is **\$XXX**. Whether you receive a payment depends on whether you opt out and whether the Court grants final approval. The actual amount you could receive depends on the terms the Court finally approves.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:	
DO NOTHING	You do not have to do anything in response to this notice. If you do nothing, you will be a Participating Class Member, remain eligible to receive a payment if the Court grants final approval of the settlement, and be bound by the release provisions of the settlement.
OPT OUT	You may opt out of the settlement by submitting a Request for Exclusion. If you opt out, you may not object to the settlement, will not be eligible to receive a payment, and will not be bound by the release provisions of the settlement.
OBJECT	You may object to the settlement by submitting a written objection. If the Court grants final approval of the settlement despite your objection, you will be a Participating Class Member, remain eligible to receive a payment if the Court grants final approval of the settlement, and be bound by the release provisions of the settlement.

NOTICE OF CLASS ACTION SETTLEMENT

Questions? Please contact the Administrator at (800) 523-5773.

1. Why Did I Receive This Notice?

You are receiving this Notice of Class Action Settlement (the “Notice”) because Hana Group’s records show that you are a “Class Member” because you were employed by Hana Group in California (i) as a non-exempt employee and earned overtime and non-discretionary compensation, including the Ooiri bonus, in the same month at any time from September 1, 2016 through January 13, 2022 (the “Overtime Class Period” or “Class Period”) (“Overtime Class Member”), or (ii) were not paid wages within seven days of the last day of a pay period at any time from August 26, 2019, through January 13, 2022 (the “Late Paid Class Period” or “PAGA Period”) (“Late Paid Class Member”). Overtime Class Members and Late Paid Class Members are collectively referred to herein as “Class Members.” As a Class Member, you may be entitled to share in the funds to be made available for settlement of the Lawsuit.

Because the settlement preliminarily approved by the Court would affect Class Members’ legal rights, the Court ordered that this Notice be sent to you. This Notice provides a brief description of the Lawsuit, informs you of the settlement terms preliminarily approved by the Court, and advises you of your legal rights with respect to the settlement. If finally approved by the Court, the settlement will fully resolve the Lawsuit and your legal rights may be affected by the settlement.

The terms of the settlement are set forth in detail in the Joint Stipulation of Class and Representative Action Settlement (“Agreement”). You may obtain a copy of the Agreement from Phoenix Settlement Administrators, the neutral third-party appointed by the Court to administer the settlement (the “Settlement Administrator”). Details about how to get additional information about the Agreement are provided at the end of this Notice.

2. What Is the Lawsuit About?

On September 23, 2020, Plaintiff, on behalf of herself and all others similarly situated, and as a proxy for the State of California, filed the complaint initiating the Lawsuit. On or about February 7, 2022, Plaintiff filed a first amended complaint. The Lawsuit alleges causes of action for miscalculating and underpaying overtime by failing to consider non-discretionary compensation when calculating employees’ overtime rate of pay, failing to timely pay wages during and upon separation of employment, and issuing inaccurate itemized wage statements. Based on these violations, the Lawsuit also alleges causes of action for unfair competition and PAGA penalties.

Hana Group denied and continues to deny (i) all of the allegations made by Plaintiff, (ii) that it violated any applicable laws, or (iii) that it is liable or owes damages, penalties, or other compensation or remedies to anyone with respect to the alleged facts or claims asserted in the Lawsuit. Nonetheless, without admitting or conceding any liability or wrongdoing whatsoever, Hana Group has agreed to settle the Lawsuit, to avoid the burden, expense, and uncertainty of continuing the Lawsuit.

The Court has preliminarily approved Larry W. Lee and Simon L. Yang of Diversity Law Group, P.C., and William L. Marder of Polaris Law Group as Class Counsel. Based on their investigation and evaluation, they believe that the terms of settlement are fair, reasonable, adequate, and in the best interests of Class Members.

3. What Are the Payments Under the Settlement?

Hana Group agrees to pay a “Gross Settlement Amount” of \$750,000.00. All payments from the Gross Settlement Amount must be approved by the Court. Payments requested for approval include those (i) to Class Counsel for Attorneys’ Fees and Costs associated with the litigation and resolution of the Lawsuit, (ii) to Plaintiff for her effort and work in prosecuting the Lawsuit on behalf of Class Members (the “Incentive Award”), (iii) to the Settlement Administrator for costs for administering the settlement, including, but not limited to, printing, distributing, or tracking notices, processing any required tax payments or reportings, providing any required tax forms, depositing settlement funds in an interest bearing account, distributing the settlement payments, or providing necessary reports and declarations (“Settlement Administration Costs”), and (iv) to the State of California Labor & Workforce Development Agency as required by the Labor Code (the “LWDA Payment”).

Except for and excluding any Court approved payments from the Gross Settlement Amount, the Total Net Settlement Amount will be allocated to Class Members. No sums will revert or be returned to Hana Group.

a. Individual Settlement Payments and Individual PAGA Payments

The Total Net Settlement Amount shall be distributed to Participating Class Members and Aggrieved Employees without the need to submit a claim. \$25,000.00 of the Total Net Settlement Amount shall be designated as PAGA penalties and allocated as Individual PAGA Payments among Aggrieved Employees (i.e., Class Members who worked during the PAGA Period). The remainder of the Total Net Settlement Amount shall be allocated as Individual Settlement Payments among Participating Class Members.

Each Aggrieved Employee's Individual PAGA Payment will be calculated and apportioned based on his or her number of PAGA Qualifying Pay Periods—i.e., pay periods during the PAGA Period that the Aggrieved Employee either (i) earned overtime and non-discretionary compensation, including the Ooiri bonus, in the same month, or (ii) were not paid within seven days of the last day of the pay period.

Each Participating Class Member's Individual Settlement Payment will be calculated and apportioned based on his or her total number of Qualifying Months and Qualifying Pay Periods. Qualifying Months are months during the Overtime Class Period in which a Class Member earned both overtime and non-discretionary compensation. Qualifying Pay Periods are pay periods that Class Members worked during the Late Paid Class Period.

20% of each Individual Settlement Payment will be designated as wages subject to an IRS Form W-2. The remainder and all Individual PAGA Payments will be subject to an IRS Form 1099-MISC. Class Members are advised and understand that they shall be solely responsible for paying applicable taxes on any settlement payments and shall hold harmless the Released Parties (defined as Hana Group and all of its parent, subsidiary, affiliated and related companies and entities, including all of its/their officers, directors, employees, partners, shareholders, investors, and agents, and any entities or partnerships which they are affiliated with) from any claim or liability for taxes or penalties for the payments.

All uncashed or undeliverable settlement checks will expire after 180 calendar days after the postmarked date of their initial mailing. After 180 calendar days, the Settlement Administrator shall direct the principal for any expired checks be distributed to the State Controller Unclaimed Property Fund in the name of the Class Member.

b. Attorneys' Fees and Costs

You do not need to pay individually any portion of Class Counsel's attorneys' fees and costs. Any payments for those attorneys' fees and costs will be deducted from the Gross Settlement Amount. Class Counsel intends to request that the Court approve an Attorneys' Fees and Costs Award in the amount of (a) 33⅓% of the of the Gross Settlement Amount, or \$250,000.00, and (b) up to \$30,000.00 in litigation costs.

c. Incentive Award

Class Counsel intends to request that the Court approve an Incentive Award of \$10,000.00 to Plaintiff both for the general release required of Plaintiff by the Agreement and for her effort and work in prosecuting the Lawsuit on behalf of Class Members.

d. Settlement Administration Costs

Class Counsel intends to request that the Court approve Administration Costs of up to \$6,750.00, payable to the Settlement Administrator for administering the settlement, including, but not limited to, printing, distributing, or tracking Notices, providing any required tax forms, processing any required tax payments, or reporting, and calculating and distributing settlement payments.

e. LWDA Payment

The Agreement designates \$100,000.00 as PAGA penalties. Pursuant to statute, Class Counsel intends to request that the Court approve payment of 75% of the PAGA penalties as an LWDA Payment. Also pursuant to statute, 25% of PAGA Penalties would be payable to Aggrieved Employees as Individual PAGA Payments.

f. All Payments Subject to Court Approval

All of the payments listed above will be made if and only if the Court grants final approval of the settlement and concludes it is reasonable, fair, and adequate for the Class. The Court may adjust the amounts of payments.

4. What Do I Release Under the Settlement?

If the Court grants final approval of the settlement and concludes it is reasonable, fair, and adequate for Class Members, Participating Class Members would release either or both Released Overtime Claims or Released Late Paid Claims, as applicable.

“Released Overtime Claims” means all claims, rights, demands, liabilities, and causes of action of Overtime Class Members which accrued during Overtime Class Period and which were pled or could have been pled based on the facts alleged in the First Amended Complaint, whether known or unknown, contingent or accrued, including but not limited to all claims, rights, demands, liabilities, and causes of action based on any federal, state, or local wage and hour law, including but not limited to: (i) claims for overtime wages (Cal. Lab. Code §§ 218, 510, 1194); (ii) claims for failure to timely pay wages during employment (Cal. Lab. Code §§ 204, 210); (iii) claims for failure to timely pay wages upon termination of employment (Cal. Lab. Code §§ 201-203); (iv) claims for failure to furnish accurate itemized wage statements (Cal. Lab. Code § 226(a)); (v) claims for violations of California Business & Professions Code, Section 17200, *et seq.*; and (vi) claims of the LWDA pursuant to the PAGA (Cal. Lab. Code §§ 2698 *et seq.*) for PAGA penalties against the Released Parties for Labor Code or Wage Order violations suffered by Aggrieved Employees which accrued during the PAGA Period and are based on the facts alleged in the First Amended Complaint.

“Released Late Paid Claims” means all claims, rights, demands, liabilities, and causes of action of Late Paid Class Members which accrued during Late Paid Class Period and which were pled or could have been pled based on the facts alleged in the First Amended Complaint for violations of Labor Code §§ 204 and 210, whether known or unknown, contingent or accrued, including but not limited to all claims, rights, demands, liabilities, and causes of action based on any federal, state, or local wage and hour law, including but not limited to (i) claims for failure to timely pay wages during employment (Cal. Lab. Code §§ 204, 210); and (ii) claims of the LWDA pursuant to the PAGA (Cal. Lab. Code §§ 2698 *et seq.*) for PAGA penalties against the Released Parties for Labor Code or Wage Order violations suffered by Aggrieved Employees which accrued during the PAGA Period and are based on the facts alleged in the First Amended Complaint for violations of Labor Code §§ 204 and 210.

5. How Do I Object to the Settlement?

If you want to participate in the settlement, you do not have to do anything and do not have to appear at the final approval hearing before the Court. You will receive your settlement payments automatically if the Court grants final approval of the settlement. If you want to object to the settlement, you must either appear at the final approval hearing or mail a Notice of Objection to the Settlement Administrator listed below.

A Notice of Objection must be postmarked by [60 calendar days from mailing of Class Notice] and include: (i) your full name, signature, address, and telephone number; (ii) a written statement of all grounds for the objection accompanied by any legal support for such objection (if any); (iii) copies of any papers, briefs, or other documents upon which the objection is based; and (iv) a statement describing whether you intend to appear at the final approval hearing.

If you submit an objection, you will remain bound by the settlement if finally approved. If you do not want to be bound by the settlement if finally approved, you must opt out of the settlement.

6. How Do I Opt Out of the Settlement?

If you do not want to participate in the settlement, you may opt out of the settlement by mailing a letter to the Settlement Administrator listed below. To be valid, the letter must be postmarked by [60 calendar days from mailing of Class Notice] and (i) include your full name, signature, address, telephone number, and last four digits

of your Social Security number and (ii) state “I wish to opt-out from this Settlement.” Any letter does not include all required information or that is not submitted on a timely basis will be deemed null, void, and ineffective.

If you opt out of the settlement, you may not object to the settlement, shall not receive any Individual Settlement Payment, and shall not be bound by the release provisions of the settlement.

7. Where Can I Get Additional Information?

This notice summarizes the Lawsuit, settlement, and related matters. For more information, you may contact the Settlement Administrator or Class Counsel:

Settlement Administrator:

Phoenix Settlement Administrators
P.O. Box 7208
Orange, California 92863
Telephone: (800) 523-5773

Class Counsel:

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PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THE SETTLEMENT