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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SACRAMENTO**

DAVID LONG, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

CAPITOL COMPLIANCE
MANAGEMENT, LLC, et al.,

Defendants.

DAVID LONG, as an individual and on
behalf of all others similarly situated,

Plaintiff,

vs.

CAPITOL COMPLIANCE
MANAGEMENT, LLC, et al.

Defendants.

FILED
Superior Court of California
County of Sacramento
08/25/2023
V. Aleman, Deputy

Case No.: 34-2021-00301119-CU-OE-GDS

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR FINAL
APPROVAL OF CLASS ACTION
SETTLEMENT AND JUDGMENT**

Date: August 25, 2023
Time: 9:00 a.m.
Dept.: 28

RELATED CASE: 34-2021-00302928-CU-OE-GDS

BY FAX



1
2 Plaintiff David Long (“Plaintiff”) and the settling Defendants Capital Compliance
3 Management, LLC; CC101, Inc.; Alternative Medical Center, Inc.; Sharp Source; Doc’s Inc.;
4 Perchta, Inc.; and C9 Alliance, Inc. (collectively, “Defendants”) (together with Plaintiff, the
5 “Parties”) have entered into the Joint Stipulation of Class Action and PAGA Settlement
6 (“Agreement” or “Settlement Agreement”) to settle the above-captioned class action subject to
7 the Court’s approval (the “Settlement”).

8 This matter is now before the Court on Plaintiff’s Motion for Final Approval of Class
9 Action Settlement, including approval of an incentive payment for the Named Plaintiff and Class
10 Counsel’s application for attorneys’ fees and costs. The Court has read, heard, and considered all
11 the pleadings and documents submitted, and the presentations made in connection with the
12 Motion which was scheduled for hearing on August 25, 2023.

13 **I. BACKGROUND**

14 On May 20, 2021, Plaintiff filed a class action complaint in the Superior Court of the
15 State of California for the County of Sacramento on behalf of himself and all similarly situated
16 employees (the “Action”). On June 21, 2021, Plaintiff filed a related action in the Superior Court
17 of the State of California for the County of Sacramento. On February 14, 2022, Plaintiff filed a
18 first amended consolidated class and representative action complaint, consolidating the claims of
19 the class action and the related action. The first amended complaint is the operative complaint
20 (“Complaint”).

21 The Complaint asserted claims for: (1) violation of Labor Code §§ 510, 558, and 1194;
22 (2) violation of Labor Code § 226.7 and 512; (3) violation of Labor Code § 226.7; (4) violation
23 of Labor Code § 2802; (5) violation of Labor Code § 226; (6) violation of Business and
24 Professions Code § 17200, *et seq.*; and (7) violation of Labor Code § 2698, *et seq.*

25 Specifically, Plaintiff alleged that each of the Defendants operated as a single entity
26 despite their purported separate corporate forms. Plaintiff alleged that Defendants scheduled their
27 employees to work across multiple marijuana dispensaries during the workday, to avoid paying
28 overtime wages. This scheduling practice also resulted in employees being unable to take off-

1 duty meal and rest breaks. Further, Plaintiff alleged that Defendants failed to pay premium pay
2 for missed meal and rest breaks, failed to reimburse work-related expenses, failed timely pay all
3 wages and upon separation of employment, and issued deficient wage statements.

4 **A. Class Members**

5 The “Class” is defined as “all current and former non-exempt employees of Defendants
6 in the State of California who worked during the Class Period (the period of May 20, 2017,
7 through January 1, 2022).” The escalator provision of the Settlement Agreement was triggered
8 and Defendants exercised their option to limit the class period to close on January 1, 2022, so as
9 to comply with the terms of the Agreement.

10 **B. Operation of the Settlement**

11 Pursuant to the Preliminary Approval Order dated April 17, 2023, this Court
12 conditionally certified the Class and granted preliminary approval to the Settlement. The
13 Preliminary Approval Order also approved of the proposed forms of notice and notice plan. The
14 Court entered the Preliminary Approval Order after review and consideration of the pleadings
15 filed in connection herewith, and the oral presentations made by counsel at the hearing. On May
16 11, 2023, the Court approved a Second Amended Notice of Class Action Following Preliminary
17 Approval, which modified the end of the Class Period given that the escalator provision of the
18 agreement was triggered.

19 In compliance with the Preliminary Approval Order, the Class Notice was sent to all
20 Class Members via first class mail. The notice process was timely completed.

21 This Court finds that the Settlement appears to be the product of serious, informed, non-
22 collusive negotiations, has no obvious deficiencies, and does not improperly grant preferential
23 treatment to any individuals. The Court further finds that the Settlement is fair, reasonable, and
24 adequate and that Plaintiff has satisfied the standards for final approval of a class action
25 settlement under California law. Under the provisions of California Code of Civil Procedure
26 section 382 and Federal Rule of Civil Procedure 23, as approved for use by the California state
27 court in *Vasquez v. Superior Court*, 4 Cal. 3d 800, 821 (1971), the trial court has discretion to
28 certify a class where:

1 [Q]uestions of law or fact common to the members of the class
2 predominate over any questions affecting only individual members,
3 and that a class action is superior to the available methods for the
4 fair and efficient adjudication of the controversy...Fed. R. Civ.
5 Proc. 23.

6 Certification of a settlement class is the appropriate judicial device under these circumstances.

7 Based on the foregoing, IT IS HEREBY ORDERED, ADJUDGED AND DECREED AS
8 FOLLOWS:

9 1. The Court, for purposes of this Order, adopts all defined terms as set forth in the
10 Settlement Agreement filed in this case, with the modification of the end of the Class Period to
11 be January 1, 2022, pursuant to the Parties' agreement given the escalator clause.

12 2. The Court has jurisdiction over the subject matter of the litigation, the Class
13 Representative, the other Members of the Settlement Class, and Defendants.

14 3. The Court finds that the dissemination of the Notice of Class Action Settlement as
15 disseminated to the Class Members, constituted the best notice practicable under the
16 circumstances to all Persons within the definition of the Class, and fully met the requirements of
17 California law and due process under the United States Constitution.

18 4. The Court approves the settlement of the above-captioned action, as set forth in
19 the Settlement Agreement, as fair, just, reasonable, and adequate as to the Settling Parties. The
20 Settling Parties are directed to perform in accordance with the terms set forth in the Settlement
21 Agreement.

22 5. Except as otherwise provided in the Settlement Agreement, the Settling Parties
23 are to bear their own costs and attorneys' fees.

24 6. The Court hereby certifies the following Class for settlement purposes only: all
25 current and former non-exempt employees of Defendants in the State of California who worked
26 during the Class Period (the period of May 20, 2017, through January 1, 2022).

27 7. With respect to the Class and for purposes of approving the settlement only and
28 for no other purpose, this Court finds and concludes that: (a) the members of the Class are
ascertainable and so numerous that joinder of all members is impracticable; (b) there are

1 questions of law or fact common to the Class, and there is a well-defined community of interest
2 among Members of the Class with respect to the subject matter of the claims in the Litigation; (c)
3 the claims of Class Representative is typical of the claims of the members of the Class; (d) the
4 Class Representative has fairly and adequately protected the interests of the members of the
5 Class; (e) a class action is superior to other available methods for an efficient adjudication of this
6 controversy; and (f) the counsel of record for the Class Representative, *i.e.*, Class Counsel, are
7 qualified to serve as counsel for the Plaintiff in his individual and representative capacity and for
8 the Class.

9 8. Defendants shall fund \$500,000.00 of the total Gross Settlement Amount pursuant
10 to the terms of the Settlement Agreement.

11 9. The Court approves the Individual Settlement Payment amounts, which shall be
12 distributed pursuant to the terms of the Settlement Agreement.

13 10. Defendants shall pay (a) to Class Counsel attorneys' fees in the amount of
14 \$166,666.67 and reimbursement of costs in the amount of ^{\$14,221.56}~~\$14,231.74~~; (b) incentive payment to
15 the Class Representative David Long to reimburse him for his unique services in the following
16 amount: \$10,000.00; and (c) \$13,500.00 to the Settlement Administrator, Phoenix Settlement
17 Administrators, for its fees and costs relating to the settlement administration process. The Court
18 finds that these amounts are fair and reasonable. Defendants are directed to make such payments
19 in accordance with the terms of the Settlement Agreement.

20 11. The Court hereby enters final judgment in this case in accordance with the terms
21 of the Settlement, Preliminary Approval Order, and this Order. Without affecting the finality of
22 the Settlement or Judgment entered, this Court shall retain exclusive and continuing jurisdiction
23 over the action and the Parties, including all Participating Class Members, for purposes of
24 enforcing and interpreting this Order and the Settlement as per CRC 3.769(h).

25 12. As set forth in the Settlement Agreement, any uncashed funds will be disbursed to
26 Legal Aid at Work as a *cy pres* recipient, pursuant to Code of Civil Procedure § 384.

27 13. The Court sets April 10, 2025 as the date for the administrative compliance
28 hearing.

1 **IT IS SO ORDERED, ADJUDGED, AND DECREED.**

2
3 DATED: 08/25/2023

4 
5 HON. LAURI A. DAMRELL
6 SUPERIOR COURT OF CALIFORNIA

