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8 Attorneys for WENDY SGONTZ

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**

10 **COUNTY OF ORANGE**

11
12 WENDY SGONTZ, as an individual and
on behalf of all others similarly
13 aggrieved employees,

14 Plaintiffs,

15
16 vs.

17
18 CROSSMARK, INC., a Delaware
corporation; and DOES 1 to 50,
19 inclusive,

20 Defendants.
21
22

Case No.: 30-2021-01204377-CU-OE-CXC

Assigned for All Purposes to:
Hon. Randall J. Sherman
Dept. CX105

**[PROPOSED] ORDER GRANTING MOTION
FOR APPROVAL OF SETTLEMENT
UNDER PRIVATE ATTORNEYS GENERAL
ACT**

Date: August 9, 2024
Time: 10:00 a.m.
Dept.: CX-105

Reservation No.: 74284280

1 Under Labor Code section 2699(I)(2) of the Private Attorneys General Act of 2004
2 (“PAGA”), the Motion for Approval of Settlement under PAGA by Plaintiffs Wendy Sgontz,
3 Nicole Gregory, Vicky Wright, and Mary Shellenbaum, came before the Court on a regularly
4 noticed motion on August 9, 2024.

5 Plaintiffs’ operative complaint seeks civil penalties on behalf of the State of California
6 and similarly situated aggrieved employees, defined as all current and former employees of
7 defendant CROSSMARK, Inc. (“CROSSMARK”) or a subsidiary or affiliate of CROSSMARK
8 who were or are employed in the State of California and worked or performed services for
9 CROSSMARK as hourly or non-exempt employees during the Settlement Period of December
10 8, 2019 through December 1, 2023 (the “Aggrieved Employees”), as authorized by PAGA under
11 Labor Code § 2699, in relation to alleged violations of the predicate statutes set forth in
12 Plaintiffs’ complaint and their letters to the Labor Workforce & Development Agency
13 (“LWDA”).

14 Under PAGA, in any action brought by an aggrieved employee, the Court “shall review
15 and approve any settlement of any civil action filed pursuant to this part.” Labor Code section
16 2699(I)(2). Accordingly, the Court, having considered the proposed settlement set forth in the
17 Settlement Agreement, including the proposed PAGA penalties under Labor Code section
18 2699(I)(2) and having considered the papers filed in support of the proposed settlement and the
19 arguments of counsel, and good cause appearing, HEREBY ORDERS AS FOLLOWS:

- 20 1. The Court finds the instant Action presents a good faith dispute of the claims alleged;
- 21 2. The Court finds in favor of settlement approval, and therefore approves the Settlement of
22 the above-captioned action, as set forth in the Settlement Agreement and each of the releases and other
23 terms, as fair, reasonable, and adequate;
- 24 3. The Court finds further that the LWDA, all Aggrieved Employees, including
25 Plaintiffs, and their successors, assigns, and/or agents, and the LWDA, shall be deemed to have
26 fully and finally released and forever discharged CROSSMARK, CHI Management Group, LP,
27 CHI Management Group, LLC, Sam’s West, Inc., WellPath Management, Inc., Walmart Inc.,
28 CVS Health Corporation, CVS Pharmacy, Inc., Target Corporation, Target Brands, Inc., Rite

1 Aid Corporation, The Kroger Co., Albertsons Companies, Inc., and each of their past, present,
2 and future agents, employees, servants, officers, directors, partners, trustees, representatives,
3 shareholders, stockholders, attorneys, parents, subsidiaries, equity sponsors, related
4 companies/corporations and/or partnerships, divisions, assigns, predecessors, successors,
5 insurers, consultants, joint venturers, joint employers, affiliates, alter-egos, and affiliated
6 organizations, and all of their respective past, present and future employees, directors, officers,
7 agents, attorneys, stockholders, fiduciaries, parents, subsidiaries, and assigns, and each of them
8 (collectively, the “Released Parties”), from the “PAGA Released Claims.” For purposes of this
9 Agreement, the “PAGA Released Claims” constitute any and all claims, debts, liabilities,
10 demands, actions, or causes of action for civil penalties that were alleged or which could have
11 been alleged based on the factual allegations in the Operative Complaint, as amended, that
12 occurred during the Settlement Period, including all claims for civil penalties for Released
13 Parties’ alleged failure to pay all wages due, including minimum wages, overtime wages and
14 regular wages; failure to pay for all hours worked; off-the clock work; failure to pay overtime
15 compensation at the regular rate of pay; failure to pay meal and/or rest period penalties at the
16 regular rate of pay; the calculation of the regular rate of pay; failure to provide meal and/or rest
17 periods; failure to pay proper meal or rest period penalties; refusal to make and/or falsely denied
18 payments due; failure to provide paid sick days; failure to pay sick pay at the regular rate of pay;
19 failure to place employees on notice of their workplace rights, including paid sick leave rights;
20 failure to maintain accurate records documenting the hours worked and paid sick days accrued
21 and used; unlawfully retaining paid sick leave; failure to keep accurate and complete time
22 records; rounding; failure to provide and maintain accurate itemized wage statements; unlawful
23 deductions; failure to keep accurate employee payroll records; failure to timely pay wages
24 during employment; failure to timely pay wages at separation of employment; failure to
25 reimburse business expenses; failure to provide suitable seating; unlawful non-compete and/or
26 non-solicitation agreements; misclassification; unlawful criminal and/or financial background
27 checks as a condition of hire and/or continued employment; unlawful request to disclose arrests
28 not resulting in convictions and/or to disclose convictions prior to extending an offer of

1 employment or otherwise impermissible inquired into employee criminal history on employment
2 applications; requirement that employees agree in writing to terms or conditions that violate the
3 law as a condition of employment; failure to provide a safe and healthful place of employment;
4 waiting-time penalties; and claims based on the facts of the Operative Complaint for alleged
5 violations of California Labor Code Sections 201-204, 208, 210, 216, 218.5, 218.6, 221 223,
6 225.5, 226, 226.3, 226.6, 226.7, 226.8, 227.3, 233, 234, 245-248.6, 256, 351, 432, 432.5, 432.7,
7 510, 511, 512, 551, 552, 558, 558.1, 1024.5, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1,
8 1198-1199, 1198.5, 2350, 2802, 2804, 2810.5, 2698 *et seq.*, 6400-6404, 6406-6407, 6409.6,
9 6432, for alleged violations of California Code of Regulations, title 9, sections 1527, 3203,
10 3364, 3365, 3366, 3457, and 8397.4, and applicable California Industrial Welfare Commission
11 (“IWC”) Wage Orders during the Settlement Period, against the Released Parties.

12 4. The Court finds further that the foregoing release shall be binding on Plaintiffs and the
13 State of California as to those claims brought in the Action, and shall bar any claim under PAGA brought
14 by any person, including the Aggrieved Employees, on behalf of the State of California, as to the Released
15 Claims and Released Parties.

16 5. The Parties are directed to comply with all terms of the Settlement Agreement, and
17 Defendant is directed to make all payments required by the Settlement Agreement;

18 6. Under the Settlement Agreement, Defendant agrees to pay the Gross Settlement Amount
19 of One Million One Hundred Seventy Thousand Dollars and No Cents (\$1,170,000.00), which is inclusive
20 of payments to the LWDA and Aggrieved Employees, Plaintiffs’ enhancements, Attorney’s Fees and
21 Costs, and Administration costs. No portion of the Gross Settlement Amount will revert to Defendant.
22 Plaintiffs’ Counsel requests an award of attorney’s fees of \$389,961 and reimbursement of actual litigation
23 expenses of \$25,000, and Plaintiffs request service awards in the amount of \$10,000.00 each, from the
24 Gross Settlement Amount. Defendant does not oppose these requests. The Court finds the Gross Settlement
25 Amount and the Settlement are fair, reasonable and adequate, and approves the above payments. The Court
26 therefore directs the Settlement Administrator to make the following payments from the Gross Settlement
27 Amount:

28 a. \$389,961.00 in attorney’s fees to Crosner Legal, PC and Blumenthal Nordehaug

1 Bhowmik De Blouw;

2 b. \$25,000.00 in litigation costs to Crosner Legal, PC and Blumenthal;

3 c. \$10,000.00 to each to Plaintiff as a service award; and

4 d. \$19,500.00 in administration costs to ILYM Group, Inc.

5 7. After deducting the foregoing payments, the estimated remainder of approximately
6 \$710,539 shall form the Net Settlement Amount ("NSA"). Pursuant to Labor Code section 2699(i), the
7 NSA will then be distributed 75 percent (approximately \$532,904.25) to the LWDA, and the remaining
8 25 percent (approximately \$177,634.75) to the Aggrieved Employees on a pro rata basis, as set forth in
9 the Settlement Agreement. The Court approves these payments, and directs the Settlement Administrator to
10 issue checks to the LWDA and Aggrieved Employees, as set forth in the Settlement Agreement, and to
11 otherwise carry out its duties as set forth in the Settlement Agreement.

12 8. A distribution compliance hearing is set for August 8, 2025, at 2:00 p.m. in Department
13 CX-105 of the Orange County Superior Court. Plaintiff is ordered to file a compliance declaration at least
14 five (5) Court days beforehand.

15 9. This document shall constitute a Judgment for purposes of California Rule of Court
16 3.769(h). The Court reserves exclusive and continuing jurisdiction over the Action and the Parties for the
17 purpose of supervising implementation, enforcement, construction, administration, and interpretation of the
18 Settlement Agreement and this Judgment.

19 **IT IS SO ORDERED.**

20
21
22 Dated: _____

Judge of the Superior Court