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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF SACRAMENTO

EDWARD VIRGEN III, HOLLY ALSOP,
and CHRISTOPHER SHEA O'DONNELL,
on behalf of the State of California, as private
attorney generals, and as individuals, on behalf
of themselves and on behalf of all persons
similarly situated,

Plaintiff,

vs.

CURALEAF CA, INC., a California
Corporation; CURA CA LLC, a California
Limited Liability Company; CURA CS INC.,
a Corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: 34-2022-00314655-CU-OE-GDS

**[PROPOSED] PRELIMINARY
APPROVAL ORDER**

Hearing Date: April 26, 2024

Hearing Time: 9:00 a.m.

Reservation # **A-314655-001**

Judge: Hon. Lauri A. Damrell

Dept: 22

Date Filed: January 31, 2022

Trial Date: Not set

This matter came before the Honorable Lauri A. Damrell of the Superior Court of the State of California, in and for the County Sacramento, on April 26, 2024, for hearing on the unopposed motion by Plaintiffs Holly Alsop, Christopher Shea O'Donnell, and Edward Virgen III

PRELIMINARY APPROVAL ORDER

1 (“Plaintiffs”) for preliminary approval of the Settlement with Defendants Curaleaf CA, Inc., Cura
2 CA LLC, and Cura CS Inc. (“Defendants”). The Court, having considered the briefs, argument of
3 counsel and all matters presented to the Court and good cause appearing, hereby GRANTS
4 Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement.

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6 **IT IS HEREBY ORDERED:**

7 1. The Court preliminarily approves the Class Action and PAGA Settlement
8 Agreement (“Agreement”) attached as Exhibit #1 to the Declaration of Kyle Nordrehaug in
9 Support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement. This is based
10 on the Court’s determination that the Settlement set forth in the Agreement is within the range of
11 possible final approval, pursuant to the provisions of Section 382 of the California Code of Civil
12 Procedure and California Rules of Court, rule 3.769.

13 2. This Order incorporates by reference the definitions in the Agreement, and all
14 terms defined therein shall have the same meaning in this Order as set forth in the Agreement.

15 3. The Gross Settlement Amount that Defendants shall pay is Five Hundred Fifty-One
16 Thousand Four Hundred Fifty-Nine Dollars (\$551,459). It appears to the Court on a preliminary
17 basis that the settlement amount and terms are fair, adequate and reasonable as to all potential
18 Class Members when balanced against the probable outcome of further litigation and the
19 significant risks relating to certification, liability and damages issues. It further appears that
20 investigation and research have been conducted such that counsel for the Parties are able to
21 reasonably evaluate their respective positions. It further appears to the Court that the Settlement
22 will avoid substantial additional costs by all Parties, as well as avoid the delay and risks that
23 would be presented by the further prosecution of the Action. It further appears that the Settlement
24 has been reached as the result of serious and non-collusive, arm’s-length negotiations.

25 4. The Court preliminarily finds that the Settlement appears to be within the range of
26 reasonableness of a settlement that could ultimately be given final approval by this Court. The
27 Court has reviewed the monetary recovery that is being granted as part of the Settlement and
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1 preliminarily finds that the monetary settlement made available to the Class is fair, adequate, and
2 reasonable when balanced against the probable outcome of further litigation and the significant
3 risks relating to certification, liability, and damages issues.

4 5. The Agreement specifies for an attorneys' fees award not to exceed one-third of the
5 Gross Settlement Amount, an award of litigation expenses incurred, not to exceed \$25,000, and
6 proposed Class Representative Service Payments to the Plaintiffs in an amount not to exceed
7 \$12,500 each. The Court will not approve the amount of attorneys' fees and costs, nor the amount
8 of any service award, until the Final Approval Hearing. Plaintiffs will be required to present
9 evidence supporting these requests, including lodestar, prior to final approval.

10 6. The Court recognizes that Plaintiffs and Defendants stipulate and agree to
11 representative treatment and certification of a class for settlement purposes only. This stipulation
12 will not be deemed admissible in this or any other proceeding should this Settlement not become
13 final. For settlement purposes only, the Court conditionally certifies the Class which consists of
14 "all individuals who are or previously were employed by Defendants Curaleaf CA, Inc., Cura CA
15 LLC, and Cura CS Inc. in the State of California on a non-exempt basis at any time during the
16 Class Period." The "Class Period" is January 27, 2018 through November 16, 2023.

17 7. The Court concludes that, for settlement purposes only, the Class meets the
18 requirements for certification under section 382 of the California Code of Civil Procedure in that:
19 (a) the Class is ascertainable and so numerous that joinder of all members of the Class is
20 impracticable; (b) common questions of law and fact predominate, and there is a well-defined
21 community of interest amongst the members of the Class with respect to the subject matter of the
22 litigation; (c) the claims of the Plaintiffs are typical of the claims of the members of the Class; (d)
23 the Plaintiffs will fairly and adequately protect the interests of the members of the Class; (e) a
24 class action is superior to other available methods for the efficient adjudication of this controversy;
25 and (f) counsel for the Class is qualified to act as counsel for the Class and the Plaintiffs are
26 adequate representatives of the Class.

27 8. The Court provisionally appoints Plaintiffs as the representatives of the Class. The
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1 Court provisionally appoints Norman B. Blumenthal, Kyle R. Nordrehaug, Aparajit Bhowmik,
2 Nicholas J. De Blouw and Christine T. LeVu of Blumenthal Nordrehaug Bhowmik De Blouw
3 LLP as Class Counsel for the Class.

4 9. The Agreement provides for a PAGA Penalty out of the Gross Settlement Amount
5 of \$10,000, which shall be allocated \$7,500 to the Labor & Workforce Development Agency
6 (“LWDA”) as the LWDA’s 75% share of the settlement of civil penalties paid under this
7 Agreement pursuant to the PAGA and \$2,500 to the Aggrieved Employees. “Aggrieved
8 Employees” are all individuals who were employed by Defendants Curaleaf CA, Inc., Cura CA
9 LLC, and Cura CS Inc. in California and classified as non-exempt employees at any time during
10 the PAGA Period (January 27, 2021 through November 16, 2023). Pursuant to Labor Code
11 section 2699, subdivision (1)(2), the LWDA will be provided notice of the Agreement and these
12 settlement terms. The Court finds the PAGA Penalty to be reasonable.

13 10. The Court hereby approves, as to form and content, the Class Notice attached to the
14 Agreement as Exhibit A. The Court finds that the Class Notice appears to fully and accurately
15 inform the Class of all material elements of the proposed Settlement, of the Class Members’ right
16 to be excluded from the Class by submitting a written opt-out request, and of each member’s right
17 and opportunity to object to the Settlement. The Court further finds that the distribution of the
18 Class Notice substantially in the manner and form set forth in the Agreement and this Order meets
19 the requirements of due process, is the best notice practicable under the circumstances, and shall
20 constitute due and sufficient notice to all persons entitled thereto. The Court orders the mailing of
21 the Class Notice by first class mail pursuant to the terms set forth in the Agreement. If a Class
22 Notice Packet is returned because of an incorrect address, the Administrator will promptly search
23 for a more current address for the Class Member and re-mail the Class Notice Packet to any new
24 address for the Class Member no later than seven (7) days after the receipt of the undelivered
25 Class Notice.

26 11. The Court hereby appoints ILYM Group as the Administrator. No later than thirty
27 (30) days after this Order, Defendants will provide the Class Data to the Administrator. The
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1 Administrator will perform address updates and verifications as necessary prior to the first
2 mailing. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14)
3 days after receiving the Class Data, the Administrator will mail the Class Notice Packet to all
4 Class Members via first-class regular U.S. Mail to their last known address.

5 12. The Court hereby preliminarily approves the proposed procedure for exclusion
6 from the Settlement. Any Class Member may individually choose to opt out of and be excluded
7 from the Class as provided in the Class Notice by following the instructions for requesting
8 exclusion from the Class that are set forth in the Class Notice. All requests for exclusion must be
9 postmarked or received no later than forty-five (45) calendar days after the date of the mailing of
10 the Class Notice (“Response Deadline”). If a Class Notice Packet is re-mailed, the Response
11 Deadline for requests for exclusion will be extended an additional fourteen (14) days. A Request
12 for Exclusion may also be faxed or emailed to the Administrator as indicated in the Class Notice.
13 Any such person who chooses to opt out of and be excluded from the Class will not be entitled to
14 any recovery under the Class Settlement and will not be bound by the Class Settlement or have
15 any right to object, appeal or comment thereon. Class Members who have not requested exclusion
16 shall be bound by all determinations of the Court, the Agreement and the Judgment. A request for
17 exclusion may only opt out that particular individual, and any attempt to effect an opt-out of a
18 group, class, or subclass of individuals is not permitted and will be deemed invalid.

19 13. Any Class Member who has not opted out may appear at the final approval hearing
20 and may object or express the Member’s views regarding the Settlement and may present evidence
21 and file briefs or other papers that may be proper and relevant to the issues to be heard and
22 determined by the Court as provided in the Class Notice. Class Members will have until the
23 Response Deadline to submit their written objections to the Administrator. Written objections
24 may also be faxed or emailed to the Administrator as indicated in the Class Notice. If a Class
25 Notice Packet is re-mailed, the Response Deadline for written objections will be extended an
26 additional fourteen (14) days. Alternatively, Class Members may appear at the Final Approval
27 Hearing to make an oral objection.

1 14. A final approval hearing shall be held before this Court on September 13, 2024 at
2 9:00 a.m. in Department 22 at the Gorden D. Schaber Courthouse of the Sacramento County
3 Superior Court to hear the motion for final approval and the motion for attorneys' fees and costs,
4 and to determine all necessary matters concerning the Settlement, including: whether the proposed
5 settlement of the Action on the terms and conditions provided for in the Agreement is fair,
6 adequate and reasonable and should be finally approved by the Court; whether the Final Approval
7 Order and Judgment should be entered herein; whether the plan of allocation contained in the
8 Agreement should be approved as fair, adequate and reasonable to the Class Members; and to
9 finally approve attorneys' fees and costs, service awards, and the fees and expenses of the
10 Administrator. All papers in support of the motion for final approval and for attorneys' fees, costs
11 and service awards shall be filed with the Court and served on all counsel no later than sixteen
12 (16) court days before the hearing and the motion shall be heard at this final approval hearing.

13 15. Neither the Settlement nor any exhibit, document, or instrument delivered
14 thereunder shall be construed as a concession or admission by Defendants in any way that the
15 claims asserted have any merit or that this Action was properly brought as a class or representative
16 action, and shall not be used as evidence of, or used against Defendants as, an admission or
17 indication in any way, including with respect to any claim of any liability, wrongdoing, fault or
18 omission by Defendants or with respect to the truth of any allegation asserted by any person.
19 Whether or not the Settlement is finally approved, neither the Settlement, nor any exhibit,
20 document, statement, proceeding or conduct related to the Settlement, nor any reports or accounts
21 thereof, shall in any event be construed as, offered or admitted in evidence as, received as or
22 deemed to be evidence for any purpose adverse to the Defendants, including, but not limited to,
23 evidence of a presumption, concession, indication or admission by Defendants of any liability,
24 fault, wrongdoing, omission, concession or damage.

25 16. In the event the Settlement does not become effective in accordance with the terms
26 of the Agreement, or the Settlement is not finally approved, or is terminated, canceled or fails to
27 become effective for any reason, this Order shall be rendered null and void and shall be vacated,
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1 and the Parties shall revert to their respective positions as of before entering into the Agreement,
2 and expressly reserve their respective rights regarding the prosecution and defense of this Action,
3 including all available defenses and affirmative defenses, and arguments that any claim in the
4 Action could not be certified as a class action and/or managed as a representative action. In such
5 an event, the Court's orders regarding the Settlement, including this Order, shall not be used or
6 referred to in litigation for any purpose. Nothing in this paragraph is intended to alter the terms of
7 the Agreement with respect to the effect of the Agreement if it is not approved.

8 17. The Court reserves the right to adjourn or continue the date of the final approval
9 hearing and all dates provided for in the Agreement without further notice to Class Members and
10 retains jurisdiction to consider all further applications arising out of or connected with the
11 proposed Settlement.

12 **IT IS SO ORDERED.**

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14 Dated: _____

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16 HON. LAURI A. DAMRELL
17 JUDGE OF THE SUPERIOR COURT OF CALIFORNIA
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