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Superior Court of California
County of Santa Cruz
December 15, 2023
Clerk of the Court by Deputy,

Helena J. Hanson

DOUGLAS HAN (SBN 232858)
SHUNT TATAVOS-GHARAJEH (SBN 272164)
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Attorneys for Plaintiff

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA CRUZ**

CHRISTOPHER RAMIREZ, individually, and
on behalf of other members of the general
public similarly situated and on behalf of
aggrieved employees pursuant to the Private
Attorneys General Act ("PAGA");

Plaintiff,

v.

THRESHOLD ENTERPRISES LTD., a
Delaware corporation; and DOES 1 through
100, inclusive;

Defendants.

Case No.: 22CV00051

Assigned for All Purposes to:
Honorable Timothy Volkman
Department 5

CLASS ACTION

**[PROPOSED] ORDER OF FINAL
APPROVAL AND JUDGMENT**

Hearing Date: December 13, 2023
Hearing Time: 8:30 a.m.
Hearing Place: Department 5

Complaint Filed: January 7, 2022
FAC Filed: March 29, 2022
Trial Date: None Set

1 The Court, having read the papers filed regarding Plaintiff Christopher Ramirez's
2 ("Plaintiff") Motion for Final Approval of Class Action Settlement, and considering the papers
3 submitted in support of the motion, including the Joint Stipulation and Settlement Agreement
4 ("Settlement Agreement," "Settlement," or "Agreement"), hereby **FINDS AND ORDERS:**

5 Plaintiff and Defendant Threshold Enterprises, LTD. ("Defendant") entered the
6 Settlement Agreement on or about April 3, 2023 to settle this lawsuit.

7 The Court entered an order dated May 2, 2023 preliminarily approving the settlement of
8 this lawsuit ("Preliminary Approval Order"), consistent with the Code of Civil Procedure section
9 382 and California Rule of Court 3.769, ordering notice to be sent to Class Members, providing
10 Class Members with an opportunity to object to the Settlement or exclude themselves from the
11 Class, and scheduling a Final Approval Hearing.

12 The Court held a Final Approval Hearing on December 13, 2023 to determine whether to
13 give final approval to the Settlement of this lawsuit.

14 1. Incorporation of Other Documents. This Order of Final Approval and Judgment
15 ("Order and Judgment") incorporates the Settlement Agreement. Unless otherwise provided
16 herein, all capitalized terms in this Order and Judgment shall have the same meaning as set forth
17 in the Settlement Agreement.

18 2. Jurisdiction. Because adequate notice has been disseminated and the Class has
19 been given the opportunity to request exclusion, the Court has personal jurisdiction with respect
20 to the claims of all Class Members. The Court has subject matter jurisdiction over this lawsuit,
21 including jurisdiction to approve the Settlement and grants final certification of the Class.

22 3. Final Class Certification. The Court finds the Class satisfies all applicable
23 requirements of Code of Civil Procedure section 382, California Rule of Court 3.769, and due
24 process. The Court certifies the Class consisting of all current and/or former hourly paid, non-
25 exempt persons employed by Defendant in California at any time since July 12, 2017, through
26 and including February 10, 2023 ("Class," "Class Members," and "Class Period"). There are
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1,640 Class Members who did not submit valid and timely requests to exclude themselves from the Settlement (“Participating Class Members”).¹

4. Adequacy of Representation. Class Counsel fully and adequately represented the Class for the purposes of entering and implementing the Settlement and satisfied the requirements of Code of Civil Procedure section 382.

5. Notice Packet. The Court finds the Notice of Class Action Settlement (“Class Notice”) and the Election Not to Participate In (“Opt Out” From) Class Action Settlement (“Exclusion Form”) (collectively, the “Notice Packet”) and its distribution to Class Members were implemented pursuant to the Settlement and this Court’s Preliminary Approval Order. The Court also finds the Notice Packet:

- a. constitutes notice reasonably calculated to apprise Class Members of: (i) pendency of this lawsuit; (ii) material terms and provisions of the Settlement Agreement and their rights; (iii) their right to object to any aspect of the Settlement Agreement; (iv) their right to exclude themselves from the Settlement Agreement; (v) their right to receive settlement payments; (vi) their right to appear at the Final Approval Hearing; and (vii) binding effect of the orders and judgment in this lawsuit on all Participating Class Members;
- b. constitutes notice that fully satisfied the requirements of Code of Civil Procedure section 382, California Rule of Court 3.769, and due process;
- c. constitutes the best practicable notice to Class Members under the circumstances of this lawsuit; and
- d. constitutes notice reasonable, adequate, and sufficient to Class Members.

6. Final Settlement Approval. The terms and provisions of the Settlement Agreement have been entered into in good faith and are the product of arm’s-length negotiations by experienced counsel who have carried out a meaningful investigation of the claims. The

¹ The Settlement Administrator mailed Notice Packets to 1,646 Class Members and received six (6) requests for exclusion. Thus, there are 1,640 Participating Class Members.

1 Settlement Agreement and all its terms and provisions are fully and finally approved as fair,
2 reasonable, adequate, and in the best interests of the Parties. The Parties are hereby directed to
3 implement the Settlement Agreement according to its terms and provisions.

4 7. Binding Effect. The terms and provisions of the Settlement Agreement and this
5 Order and Judgment are binding on Plaintiff, Participating Class Members, Eligible Private
6 Attorneys General Act of 2004 (“PAGA”) Employees, and their spouses, heirs, registered
7 domestic partners, executors, administrators, successors, and assigns. In addition, those terms
8 shall have res judicata and other preclusive effect in all pending and future claims, lawsuits, or
9 other proceedings maintained by or on behalf of any such persons to the extent those claims,
10 lawsuits, or other proceedings involve matters that were or could have been raised in this lawsuit
11 and are encompassed by the Released Claims and PAGA Released Claims. The Settlement
12 Agreement will have no binding effect upon, and provide no res judicata preclusion to, those
13 Class Members who have submitted timely requests for exclusion.

14 8. Enforcement of Settlement. Nothing in this Order and Judgment shall preclude
15 any action to enforce the terms and provisions of the Settlement Agreement.

16 9. Release of Claims. Upon Defendant’s fulfillment of its payment obligations
17 pursuant to section III (J)(9)(a) of the Agreement, Plaintiff and Participating Class Members will
18 fully and finally release and discharge the Released Parties from the Released Claims.

19 a. Effect of PAGA Settlement. Upon Defendant’s fulfillment of its payment
20 obligations pursuant to section III (J)(9)(a) of the Agreement, Plaintiff, California
21 Labor and Workforce Development Agency (“LWDA”), and any other
22 representative, proxy, or agent thereof, including, but not limited to, any and all
23 Eligible PAGA Employees, are barred from pursuing any action for civil penalties
24 defined within the PAGA Released Claims against the Released Parties.

25 b. Plaintiff’s Release of Claims and General Release. Upon Defendant’s fulfillment
26 of its payment obligations pursuant to section III (J)(9)(a) of the Agreement, in
27 exchange for the Class Representative Enhancement Payment to Plaintiff in
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1 recognition of his work and efforts in prosecuting the claims and obtaining the
2 settlement, and undertaking the risk for the payment of costs if this matter had not
3 successfully resolved, Plaintiff provides a general release of claims for himself
4 and his spouses, heirs, successors, and assigns. Plaintiff's Release of Claims and
5 General Release also includes a waiver of Civil Code section 1542.

- 6 c. Released Parties. The Released Parties include Defendant and each of its
7 respective current, former, and future parent companies, owners, subsidiaries,
8 joint ventures, divisions, and current and former affiliated or related individuals
9 and entities, legal successors, predecessors (including companies they have
10 acquired, purchased, or absorbed), assigns, joint ventures, and each and all of
11 their respective officers, directors, employees, executors, partners, directors,
12 owners, stockholders, servants, agents, shareholders, members, managers,
13 principals, investment advisors, consultants, employees, representatives,
14 attorneys, accountants, lenders, underwriters, benefits administrators, investors,
15 funds, and insurers, past, present, and future, and all persons acting under, by,
16 through, or in concert with any of them.

17 10. Class Representative Enhancement Payment. The Court finds the Class
18 Representative Enhancement Payment of \$10,000, to be paid by Defendant to Plaintiff out of the
19 Gross Settlement Amount, to be reasonable and appropriate. Class Representative Enhancement
20 Payment is to be paid pursuant to the terms and provisions set forth in the Agreement.

- 21 a. The rationale for making enhancement payments is class representatives should
22 be compensated for the expense and risk they incurred in conferring a benefit on
23 the Class. Criteria courts consider include: (1) risk to the class representatives in
24 commencing suit; (2) notoriety and personal difficulties; (3) amount of time and
25 effort spent by the class representatives; (4) duration of the litigation; and (5)
26 personal benefit (or lack thereof) enjoyed by class representatives.

b. The Court reviewed Plaintiff's declaration outlining his involvement. Given the risks inherent in the services as the class representative, duration of the case and time involved, and benefits created for the Class, the Court approves the payment of the Class Representative Enhancement Payment of \$10,000 to Plaintiff.

11. Attorney Fee Award and Cost Award. The Court finds the Attorney Fee Award of \$525,000, to be paid by Defendant to Class Counsel out of the Gross Settlement Amount, to be reasonable and appropriate. In addition, the Court finds the Cost Award as reimbursement for actual litigation costs incurred of \$19,119.36, to be paid by Defendant to Class Counsel out of the Gross Settlement Amount, to be reasonable and appropriate. Such fees and costs are to be paid pursuant to the terms and provisions set forth in the Settlement Agreement. Defendant shall not be required to pay for any other attorneys' fees and expenses, costs, or disbursements incurred by Class Counsel or any other counsel representing Plaintiff or Class Members. Defendant shall also not be required to pay for any other attorneys' fees and expenses, costs, or disbursements incurred by Plaintiff or Class Members in connection with or related in any manner to this lawsuit, Settlement Agreement, settlement administration, and/or Released Claims and PAGA Released Claims.

a. The Court has an independent right and responsibility to review the Attorney Fee Award and only award so much as it determines reasonable. (See *Garabedian v. Los Angeles Cellular Telephone Co.* (2004) 118 Cal.App.4th 123, 127-28.) The Attorney Fee Award of \$525,000 is thirty-five percent (35%) of the common fund created for the benefit of the Class and is supported by use of the percentage-fee method. (See *Laffitte v. Robert Half International, Inc.* (2016) 1 Cal.5th 480, 504.) Considering the exceptional results achieved, financial risk undertaken, novel and difficult nature of this litigation, skills required, percentage fees award in previous and other cases, and contingent fees charged in the marketplace, the Court finds the Attorney Fee Award is consistent with the marketplace, is reasonable, and is approved.

1 b. The Court reviewed the declaration of Douglas Han regarding the costs expended
2 in prosecuting this case. Under the terms of the Settlement, Class Counsel may
3 seek reimbursement of up to \$20,000 in litigation costs. The Court finds Class
4 Counsel expended \$19,119.36 in litigation costs, and such costs were reasonable.
5 Thus, the Court approves the payment of the Cost Award of \$19,119.36 from the
6 common fund for the reimbursement of Class Counsel's litigation costs.

7 12. Administration Costs. The Court finds Administration Costs of \$16,750, to be
8 paid by Defendant to the Settlement Administrator out of the Gross Settlement Amount, to be
9 reasonable and appropriate. The Administration Costs are to be paid pursuant to terms and
10 provisions set forth in the Settlement Agreement.

11 a. The Court reviewed the declaration of Jeremy Romero from CPT Group, Inc., the
12 Court-approved Settlement Administrator. The Court finds notice was provided to
13 the Class pursuant to the Preliminary Approval Order, constitutes the best
14 practicable notice to the Class, and satisfied due process. Thus, the Court
15 approves the payment of the Administration Costs of \$16,750 for the Settlement
16 Administrator's services in administering the Settlement.

17 13. PAGA Payment. The Court finds the PAGA Payment of \$80,000, seventy-five
18 percent (75%) of which (\$60,000) will be paid to the LWDA out of the Gross Settlement
19 Amount and twenty-five percent (25%) of which (\$20,000) shall be distributed to Eligible PAGA
20 Employees, on a pro rata basis, to be reasonable and appropriate. The PAGA Payment is to be
21 paid pursuant to the terms and provisions set forth in the Settlement Agreement.

22 14. Funding the Settlement. Within fourteen (14) calendar days after the Effective
23 Final Settlement Date, Defendant shall deposit fifty percent (50%) of the Gross Settlement
24 Amount (\$750,000) into the Qualified Settlement Fund ("First Payment"). Defendant shall
25 deposit the remaining fifty percent (50%) of the Gross Settlement Amount (\$750,000) into the
26 Qualified Settlement Fund, within six (6) months of the Effective Final Settlement Date ("Final
27 Payment"). At the time of the Final Payment, if not before, Defendant shall also provide any tax
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1 information that the Settlement Administrator may need to calculate each Participating Class
2 Member's Individual Settlement Share. Within fourteen (14) calendar days after the deadline for
3 the Second Payment, the Settlement Administrator shall calculate and disburse all payments due
4 under the Settlement Agreement.

5 15. Fairness of the Settlement. As noted in the Preliminary Approval Order, the
6 Settlement is entitled to a presumption of fairness. In the moving papers, Plaintiff contends the
7 Settlement was the product of arm's-length negotiations following extensive litigation,
8 discovery, and exchange of documentation. The negotiations were facilitated with the aid of
9 Deborah Crandall Saxe, an experienced and well-respected mediator.

10 a. The fairness of the Settlement is demonstrated by there being no objections to and
11 only six (6) requests for exclusion from the Settlement. The requests for exclusion
12 were received from Diana Swisher, Charles Shawn Prevost, Miguel Ruiz, Joseph
13 Pesl, Manuel Flores, and Alejandro Nieto.

14 16. Uncashed Checks. Participating Class Members and Eligible PAGA Employees
15 must cash or deposit their settlement payment checks within one hundred eighty (180) calendar
16 days after the checks are mailed to them. Uncashed Individual Settlement Shares will be
17 canceled and paid to the California State Controller: Unpaid Wage Fund while uncashed
18 individual shares of the PAGA Payment will be canceled and paid to the LWDA.

19 17. Modification of Settlement Agreement. The Participating Class Members are
20 hereby authorized, upon approval of the Court, to agree to and adopt amendments to or
21 modifications of the Settlement Agreement by an express written instrument signed by counsel
22 for all Parties or their successors-in-interest. Such amendments or modifications shall be
23 consistent with this Order and Judgment and cannot limit the rights of Participating Class
24 Members under the Settlement Agreement.

25 18. Final Accounting and Compliance. The Court sets a nonappearance case review
26 for February 7, 2025 in Department 5. Within five (5) court days before this hearing, Plaintiff
27 shall file a compliance status report. Pursuant to Code of Civil Procedure section 384, the
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1 compliance status report shall specify the total amount paid to Class Members and the residual of
2 the unclaimed settlement funds that will be paid to the entity identified as the recipient of such
3 funds in the Settlement Agreement.

4 19. Retention of Jurisdiction. The Court has jurisdiction to enter this Order and
5 Judgment. This Court expressly retains jurisdiction for the administration, interpretation,
6 effectuation, and/or enforcement of the Settlement Agreement and of this Order and Judgment,
7 and for any other necessary purpose, including, without limitation:

- 8 a. enforcing the terms and provisions of the Settlement and resolving any disputes,
9 claims, or causes of action in this lawsuit that, in whole or in part, are related to or
10 arise out of the Settlement or this Order and Judgment;
- 11 b. entering such additional orders as may be necessary or appropriate to protect or
12 effectuate this Order and Judgment approving the Settlement, and permanently
13 enjoining Plaintiff from initiating or pursuing related proceedings, or to ensure the
14 fair and orderly administration of the Settlement; and
- 15 c. entering any other necessary or appropriate orders to protect and effectuate this
16 Court's retention of continuing jurisdiction.

17 The Motion for Final Approval of Class Action Settlement, Attorney Fee Award, Cost
18 Award, and Class Representative Enhancement Payment is GRANTED. The Settlement
19 Administrator is directed to carry out the terms of the Settlement Agreement forthwith.

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1 THE PARTIES ARE HEREBY ORDERED TO COMPLY WITH THE TERMS OF
2 THE SETTLEMENT AGREEMENT. PURSUANT TO CALIFORNIA RULES OF COURT
3 3.769, THE COURT HEREBY ENTERS FINAL JUDGMENT BASED UPON THE TERMS
4 OF THIS ORDER AND SETTLEMENT AGREEMENT AND, WITHOUT AFFECTING THE
5 FINALITY OF THIS MATTER, RETAINS EXCLUSIVE AND CONTINUING
6 JURISDICTION TO ENFORCE THIS ORDER, THE SETTLEMENT AGREEMENT, AND
7 THE JUDGMENT THEREON.

8 IT IS SO ORDERED.

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10 DATED: 12/13/2023 11:56:04 AM



HONORABLE TIMOTHY VOLKMAN
SUPERIOR COURT JUDGE

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PROOF OF SERVICE
1013A(3) CCP

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Avenue, Suite 101, Pasadena, CA 91103 and my electronic service address is mluna@justicelawcorp.com

On December 18, 2023, I served the foregoing document described as

ORDER OF FINAL APPROVAL AND JUDGMENT

for the following case: **Ramirez v. Threshold Enterprises, LTD.**
LWDA/Court Case No.: **LWDA Case No.: CM-857104-21**
Court Case No.: 22CV00051
Santa Cruz County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

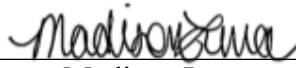
[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on December 18, 2023, at Pasadena, California.



Madison Luna