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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SACRAMENTO

14 NINA MCPHERSON and DOREEN HUPP,
15 individuals, on behalf of themselves and on
16 behalf of all persons similarly situated,

17 Plaintiffs,

18 vs.

19 GENERAL LOGISTICS SYSTEMS US,
20 INC., a California Corporation; and DOES 1
through 50, inclusive,

21 Defendants.

CASE NO.: 34-2022-00318236-CU-OE-GDS
[consolidated with Case No.
34-2022-00318125]

**[PROPOSED] PRELIMINARY
APPROVAL ORDER**

Hearing Date: March 28, 2025
Hearing Time: 9:00 a.m.

Judge: Hon. Jill H. Talley
Dept: 23

Date Filed: April 13, 2022
Trial Date: Not set

25 This matter came before the Honorable Jill H. Talley of the Superior Court of the State of
26 California, in and for the County Sacramento, on March 28, 2025, for hearing on the unopposed
27 motion by Plaintiffs Nina McPherson and Doreen Hupp ("Plaintiffs") for preliminary approval of

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PRELIMINARY APPROVAL ORDER

1 the Settlement with Defendant General Logistics Systems US, Inc. (“Defendant”). The Court,
2 having considered the briefs, argument of counsel and all matters presented to the Court and good
3 cause appearing, hereby GRANTS Plaintiffs’ Motion for Preliminary Approval of Class Action
4 Settlement.

5 **IT IS HEREBY ORDERED:**

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

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

14 3. The Gross Settlement Amount is Two Million Five Hundred Thousand Dollars
15 (\$2,500,000). It appears to the Court on a preliminary basis that the settlement amount and terms
16 are fair, adequate, and reasonable as to all potential Class Members when balanced against the
17 probable outcome of further litigation and the significant risks relating to certification, liability and
18 damages issues. It further appears that investigation and research have been conducted such that
19 counsel for the Parties are able to reasonably evaluate their respective positions. It further appears
20 to the Court that the Settlement will avoid substantial additional costs by all Parties, as well as
21 avoid the delay and risks that would be presented by the further prosecution of the Action. It
22 further appears that the Settlement has been reached as the result of serious and non-collusive,
23 arm’s-length negotiations.

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

3 5. The Agreement specifies for an attorneys' fees award not to exceed one-third of the
4 Gross Settlement Amount, an award of litigation expenses incurred, not to exceed \$50,000, and
5 proposed Class Representative Service Payments to the Plaintiffs in an amount not more than
6 \$10,000 each. The Court will not approve the amounts of attorneys' fees and costs, nor the
7 amount of any service award, until the Final Approval Hearing. Plaintiffs will be required to
8 present evidence supporting these requests, including lodestar, prior to final approval.

9 6. The Court recognizes that Plaintiffs and Defendant stipulate and agree to
10 certification of a class for settlement purposes only. This stipulation will not be deemed
11 admissible in this or any other proceeding should this Settlement not become final. For settlement
12 purposes only, the Court conditionally certifies the Class which consists of "all individuals who
13 are or previously were employed by Defendant who were classified as non-exempt and all
14 individuals who are or previously were employed by Defendant who were classified as Inside
15 Sales Employees in the State of California at any time during the Class Period (August 30, 2019
16 through July 31, 2024), excluding drivers."

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, and Aparajit Bhowmik
2 of Blumenthal Nordrehaug Bhowmik De Blouw LLP as Class Counsel.

3 9. The Agreement provides for a PAGA Penalty out of the Gross Settlement Amount
4 of \$50,000, which shall be allocated \$37,500 to the Labor & Workforce Development Agency
5 (“LWDA”) as the LWDA’s 75% share of the settlement of civil penalties paid under this
6 Agreement pursuant to the PAGA and \$12,500 to the Aggrieved Employees. “Aggrieved
7 Employees” are all individuals who are or previously were employed by Defendant who were
8 classified as non-exempt in the State of California, excluding drivers, at any time during the
9 PAGA Period (January 14, 2021 through July 31, 2024). Pursuant to Labor Code section 2699,
10 subdivision (l)(2), the LWDA will be provided notice of the Agreement and these settlement
11 terms. The Court finds these PAGA Penalties to be reasonable.

12 10. The Court hereby approves, as to form and content, the Class Notice attached
13 hereto as Exhibit #1, which is incorporated herein by reference. The Court finds that the Class
14 Notice appears to fully and accurately inform the Class of all material elements of the proposed
15 Settlement, of the Class Members’ right to be excluded from the Class by submitting a written opt-
16 out request, and of each Class Member’s right and opportunity to object to the Settlement. The
17 Court further finds that the distribution of the Class Notice substantially in the manner and form
18 set forth in the Agreement and this Order meets the requirements of due process, is the best notice
19 practicable under the circumstances, and shall constitute due and sufficient notice to all persons
20 entitled thereto. The Court orders the mailing of the Class Notice by first class mail pursuant to
21 the terms set forth in the Agreement. If a Class Notice Packet is returned because of an incorrect
22 address, the Administrator will promptly search for a more current address for the Class Member
23 and re-mail the Class Notice Packet to any new address for the Class Member no later than seven
24 (7) days after the receipt of the undelivered Class Notice.

25 11. The Court hereby appoints ILYM Group, Inc. as the Administrator. No later than
26 15 days after this Order, Defendant will provide the Class Data to the Administrator. The
27 Administrator will perform address updates and verifications as necessary prior to the first
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1 mailing. Using best efforts to mail it as soon as possible, and in no event later than fourteen (14)
2 days after receiving the Class Data, the Administrator will mail the Class Notice Packet to all
3 Class Members via first-class regular U.S. Mail to their last known address.

4 12. The Court hereby preliminarily approves the proposed procedure for exclusion
5 from the Settlement. Any Class Member may individually choose to opt out of and be excluded
6 from the Class as provided in the Class Notice by following the instructions for requesting
7 exclusion from the Class that are set forth in the Class Notice. All requests for exclusion must be
8 postmarked or received no later than sixty (60) calendar days after the date of the mailing of the
9 Class Notice (“Response Deadline”). If a Class Notice Packet is re-mailed, the Response Deadline
10 for requests for exclusion will be extended an additional fourteen (14) days. A Request for
11 Exclusion may also be faxed or emailed to the Administrator as indicated in the Class Notice.
12 Any such person who chooses to opt out of and be excluded from the Class will not be entitled to
13 any recovery under the Class Settlement and will not be bound by the Class Settlement or have
14 any right to object, appeal or comment thereon. Class Members who have not requested exclusion
15 shall be bound by all determinations of the Court, the Agreement and the Judgment. A request for
16 exclusion may only opt out that particular individual, and any attempt to effect an opt-out of a
17 group, class, or subclass of individuals is not permitted and will be deemed invalid.

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

1 14. A final approval hearing shall be held before this Court on August 15, 2025 at 9:00
2 a.m. in Department 23 at the Gordon D. Schaber Courthouse of the Sacramento County Superior
3 Court to hear the motion for final approval and for attorneys' fees and costs, and to determine all
4 necessary matters concerning the Settlement, including: whether the proposed settlement of the
5 Action on the terms and conditions provided for in the Agreement is fair, adequate and reasonable
6 and should be finally approved by the Court; whether the Final Approval Order and Judgment
7 should be entered herein; whether the plan of allocation contained in the Agreement should be
8 approved as fair, adequate and reasonable to the Class Members; and to finally approve attorneys'
9 fees and costs, service awards, and the fees and expenses of the Administrator. All papers in
10 support of the motion for final approval and for attorneys' fees, costs and service awards shall be
11 filed with the Court and served on all counsel no later than sixteen (16) court days before the
12 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 Defendant 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 Defendant as, an admission or
17 indication in any way, including with respect to any claim of any liability, wrongdoing, fault or
18 omission by Defendant 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 Defendant, including, but not limited to,
23 evidence of a presumption, concession, indication or admission by Defendant 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. JILL H. TALLEY
17 JUDGE OF THE SUPERIOR COURT OF CALIFORNIA
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