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7 Attorneys for Plaintiff Nathan Arellano, on behalf of himself and all “aggrieved employees”
8 pursuant to Labor Code § 2698 *et seq.*

9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF MERCED**

11 NATHAN ARELLANO, on behalf of
12 himself and all “aggrieved employees”
13 pursuant to Labor Code § 2698 *et seq.*,

14 Plaintiffs,

15 v.

16 ALL AMERICAN LOCK
17 CORPORATION, a California corporation,
and DOES 1 through 10, inclusive,

18 Defendants.

Case No. 22CV-02461

Assigned to the Hon. Brian McCabe, Courtroom 8

**STIPULATION AND [PROPOSED] ORDER
APPROVING SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIMS,
AND ENTRY OF JUDGMENT DISMISSING
ACTION WITH PREJUDICE**

Complaint Filed: August 3, 2022

STIPULATION

IT IS HEREBY STIPULATED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. On February 23, 2022, Plaintiff Nathan Arellano (“Plaintiff”) complied with the requirements set forth in Labor Code § 2698 *et seq.*, the Labor Code Private Attorneys General Act (hereinafter, “PAGA”) by sending a letter, by online submission to the Labor and Workforce Development Agency (“LWDA”) and by certified mail to Defendant ALL AMERICAN LOCK CORPORATION (“Defendant”) (hereinafter Plaintiff and Defendant are collectively referred to as the “Parties”), setting forth the facts and theories of the violations alleged against Defendant. (Declaration of Daniel F. Gaines [“Gaines Decl.”] at ¶ 6; Exhibit “B” to Gaines Decl.).

2. Plaintiff filed his Representative Action Complaint on August 3, 2022 seeking penalties pursuant to Labor Code § 2699(f) for violations of Labor Code §§ 201, 202, 221, 226(a), 226.7, 510, 512, 1194, and 2802 and penalties pursuant to Labor Code § 2699(a) for violations of Labor Code §§ 225.5, 226.3, and 558 (“the Action”). (Gaines Decl. at ¶ 7).

3. Prior to filing the Representative Action Complaint, the Parties engaged in informal discovery, which provided Plaintiff’s counsel sufficient information to ascertain the size of the aggrieved employee group, the number of affected pay periods at issue among them, and the strength of Plaintiff’s claims. (Gaines Decl. at ¶ 8).

4. Defendant denied and continues to deny any liability to Plaintiff or any other allegedly aggrieved employee for any violations alleged in the Action. (Gaines Decl. at ¶ 9).

5. The Parties directly negotiated the settlement without the assistance of a mediator in the interest of avoiding unnecessary costs that would have inevitably been borne from the PAGA Settlement Sum and the Aggrieved Employees. (Gaines Decl. at ¶ 10).

6. Based on the information and documents obtained through informal discovery, Plaintiff assessed the value of the PAGA claims (without stacking) to be approximately \$175,500 (at the rate of a \$100 penalty for 1,755 pay periods at issue). (Gaines Decl. at ¶ 11).

7. The amount of the settlement is \$90,000, which represents a recovery of over 51% of the possible discretionary penalties and includes an apportionment of attorneys’ fees and costs

1 and a modest general release payment to Plaintiff Arellano. This discount was warranted based on
2 the risk inherent in continued litigation. (Gaines Decl. at ¶ 12).

3 8. The Parties agree that the settlement amount represents a fair compromise of the
4 claims, including the related costs of litigation and risk, which was reached as a result of informed
5 and non-collusive arm's-length negotiations. (Gaines Decl. at ¶ 13).

6 9. Based on their extensive experience litigating over 100 representative actions,
7 counsel for Plaintiff believes the settlement here is fair, reasonable and just, is not arbitrary,
8 oppressive or confiscatory, and warrants approval by the Court. (Gaines Decl. at ¶¶ 2-5; Exhibit
9 "A" to Gaines Decl.).

10 10. The Parties request that the Court enter the accompanying order, approving their
11 settlement (attached to the Gaines Declaration as Exhibit "C"), as permitted by Labor Code §
12 2699(1), and dismissing this Action with prejudice.

13 **IT IS SO STIPULATED.**

14 Dated: August 17, 2022

15 For Plaintiff:

For Defendant:

16
17 GAINES & GAINES, APLC

JEFFER MANGELS BUTLER &
MITCHELL LLP

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19 By: Daniel F. Gaines
20 DANIEL F. GAINES

By: B. Arnold
BARBRA A. ARNOLD

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ORDER AND JUDGMENT

The Court, having reviewed the Parties' Private Attorneys General Act (Labor Code § 2698 *et. seq.*) Settlement Agreement (the "Settlement" or "Settlement Agreement") attached as Exhibit "C" to the concurrently-filed Declaration of Daniel F. Gaines, together with the Stipulation of the Parties and the Declaration of Daniel F. Gaines and exhibits attached thereto, hereby ORDERS AND ADJUDGES AS FOLLOWS:

1. All defined terms contained herein shall have the same meaning as set forth in the Settlement Agreement between the Parties.

2. The Action consists of a representative action by Plaintiff Nathan Arellano ("Plaintiff") against Defendant All American Lock Corporation ("Defendant") under PAGA for penalties on behalf of the State of California and all individuals who worked for Defendant in California as non-exempt employees at any time between February 23, 2021 and June 22, 2022 ("Aggrieved Employees") for claims for failure to pay all wages due and owing during employment, provide all meal and rest periods or premium compensation in lieu thereof, reimburse all necessary business expenses, timely pay all wages due upon separation of employment, and issue complete and accurate wage statements based on alleged violations of Labor Code §§ 201, 202, 221, 225.5, 226(a), 226.3, 226.7, 510, 512, 558, 1194, and 2802.

3. The Court has jurisdiction over the subject matter of the Action, Plaintiff, the Aggrieved Employees, and Defendant. This Judgment shall be binding not only on the named parties to the Action, but also on all Aggrieved Employees and the State of California, who are hereby barred by the doctrine of res judicata from re-litigating the PAGA Released Claims and Plaintiff Released Claims. *See Arias v. Superior Court* (2009) 46 Cal.4th 969, 986 (holding that a judgment in a representative action brought by an aggrieved employee under PAGA is binding not only on the named employee plaintiff but also on state labor law enforcement agencies and any aggrieved employee not a party to the proceeding).

4. The Court finds the Settlement was entered into in good faith, that the settlement is, in all respects, fair, reasonable, adequate and just and is not arbitrary, oppressive or confiscatory.

1 The Court finds that the Settlement has been reached as a result of informed and non-collusive
2 arm's length negotiations. The Court further finds that the Settlement satisfies the standards and
3 applicable requirements for approval of PAGA representative actions under California law and
4 directs the Parties to effectuate the Settlement according to its terms.

5 5. The Settlement is not an admission by Defendant, nor is this Order a finding of the
6 validity of any allegations or of any wrongdoing by Defendant. Neither this Order, the Settlement
7 Agreement, nor any document referred to herein, nor any action taken to carry out the Settlement,
8 may be used as an admission of any fault, wrongdoing, omission, concession, or liability
9 whatsoever by or against Defendant.

10 6. In accordance with the Settlement Agreement, the Court hereby approves based on
11 good cause showing for the reasons set forth in the Parties' Stipulation and the Declaration of Daniel
12 F. Gaines, and with no objections received from the LWDA: (a) The total payment under the
13 Settlement Agreement is Ninety Thousand Dollars (\$90,000.00) (the "PAGA Settlement Sum"),
14 which includes any and all payments to the Aggrieved Employees, payment to the LWDA pursuant
15 to PAGA, the general release payment to the Plaintiff, Plaintiff's counsel's fees and costs, and all
16 third-party costs of the Parties' chosen Settlement Administration; and (c) the LWDA and all
17 Aggrieved Employees (including Plaintiff) are hereby permanently enjoined from pursuing, or
18 seeking to reopen, any Released Claims against any Released Parties.

19 7. The Court has determined that the amount sought for Plaintiff's Counsel's fees
20 (\$31,500.00) and costs (\$1,000.00) as set forth in the Settlement Agreement, are reasonable within
21 the meaning of Labor Code section 2699(g)(1).

22 8. The Court has determined that the general release payment in the amount of
23 \$7,500.00 to Plaintiff is reasonable.

24 9. The Court has determined that payment in an amount of up to \$3,000.00 to the
25 Settlement Administrator is reasonable.

1 10. The Settlement Administrator shall make the payments to the LWDA, the
2 Aggrieved Employees, Plaintiff, Plaintiff's Counsel, and the Settlement Administrator as provided
3 for in the Settlement Agreement.

4 11. Each Aggrieved Employee must receive or cash his or her individual settlement
5 check within 180 calendar days after it is mailed to him or her. If a check is returned to the
6 Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail
7 it to the Aggrieved Employee at his or her correct address by using an address refresher database.
8 If an Aggrieved Employee cannot be located, or if an Aggrieved Employee fails to cash his or her
9 individual settlement check within 180 days after it is mailed to him or her, the Settlement
10 Administrator will distribute the funds represented by the uncashed check to the California State
11 Controllers' Office – Unclaimed Property Fund.

12 12. The Court further orders, adjudges and decrees that upon the Court's signing of an
13 order approving the settlement, the LWDA and Aggrieved Employees fully release and forever
14 discharge the Released Parties from any and all known and unknown claims under PAGA against
15 the Released Parties, which were alleged or which could have been alleged based on the facts or
16 arising from the facts asserted in the operative complaint in the Action and/or Plaintiff's PAGA
17 notice to the California Labor and Workforce Development Agency, arising during the period
18 February 23, 2021 through June 22, 2022, including, without limitation, claims for failure to pay
19 all wages due, provide lawful meal periods or compensation in lieu thereof, authorize or permit
20 lawful rest breaks or provide compensation in lieu thereof, reimburse necessary business expenses,
21 provide accurate itemized wage statements, and timely pay all wages due upon separation of
22 employment, and for violation and/or based on California Labor Code §§ 201, 202, 221, 225.5,
23 226, 226.3, 226.7, 510, 512, 558, 1194, 2802, IWC Wage Order No. 16-2001, and all claims for
24 attorneys' fees and costs in connection therewith. The Aggrieved Employees' PAGA Released
25 Claims include all such claims, whether known or unknown by the releasing party. Thus, even if
26 an Aggrieved Employees discovers facts in addition to or different from those that they now know
27 or believe to be true with respect to the subject matter of the Aggrieved Employees' PAGA Released
28

1 Claims, e.g. the claims brought in Plaintiff's operative complaint in the Action or that could have
2 been brought based on the facts therein, those claims will remain released and forever barred.
3 Therefore, with respect to those PAGA Released Claims, Plaintiff, the Aggrieved Employees, and
4 the State of California expressly waive and relinquish the provisions, rights and benefits of
5 California Civil Code section 1542, which provides:

6 A general release does not extend to claims that the creditor or
7 releasing party does not know or suspect to exist in his or her favor
8 at the time of executing the release and that, if known by him or her,
9 would have materially affected his or her settlement with the debtor
10 or released party.

11 13. All of the PAGA Released Claims are deemed adjudicated and extinguished with
12 prejudice as to the Plaintiff, all of the Aggrieved Employees, and the State of California.

13 14. The Court finds that, under California law (which is applicable here), class action
14 procedural rules do not apply to representative PAGA actions that do not involve putative class
15 claims, such as the Action. *See Arias v. Superior Court* (2009) 46 Cal.4th 969. Therefore, the
16 Court finds that the notice requirements and other procedures applicable to class action settlement
17 do not apply to the settlement approval process for this Action.

18 15. The Court further finds that notice of the settlement has been provided to the LWDA
19 as required by PAGA and Labor Code section 2699, subdivision (l)(2), in particular.

20 16. Any request to intervene in the Action and/or in the settlement that is filed after the
21 date this Judgment is entered shall be and hereby is deemed untimely.

22 17. Neither the Settlement nor any act performed or document executed pursuant to or
23 in furtherance of the Settlement (a) is or may be deemed to be or may be used as an admission of,
24 or evidence of, the validity of any Released Claims, or of any wrongdoing or liability of the
25 Released Parties, or any of them; or (b) is or may be deemed to be or may be used as an admission
26 of, or evidence of, any fault or omission of the Released Parties, or any of them, in any civil,
27 criminal or administrative proceeding in any court, administrative agency or other tribunal.
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1 Defendant or any of the Released Parties may file the Settlement Agreement and/or the Judgment
2 from this Action in any other action that may be brought against it or them in order to support a
3 defense or counterclaim based on principles of *res judicata*, collateral estoppel, release, good faith
4 settlement, judgment bar or reduction or any theory of claim preclusion or issue preclusion or
5 similar defense or counterclaim.

6 18. This Action is hereby DISMISSED WITH PREJUDICE.

7 19. Upon entry of this Order, the Parties shall effectuate all terms of the Settlement
8 based on the provisions and timelines set forth in the Settlement Agreement.

9 20. This Court shall retain jurisdiction, pursuant to Code of Civil Procedure section
10 664.6, with respect to all matters related to the administration and consummation of the Settlement,
11 including but not limited to all matters related to the settlement and the determination of all
12 controversies relating thereto.

13 **IT IS SO ORDERED.**

14
15 Dated: _____

JUDGE OF THE SUPERIOR COURT

1 **PROOF OF SERVICE**

2 I am employed in the County of Ventura, State of California. I am over the age of 18 and not a party to the
3 within action. My business address is 4550 East Thousand Oaks Boulevard, Suite 100, Westlake Village, CA 91362.

4 _____ (For messenger) my business address is:

5 On August 22, 2022, I served the foregoing document described as **STIPULATION AND [PROPOSED]**
6 **ORDER APPROVING SETTLEMENT OF PRIVATE ATTORNEYS GENERAL ACT CLAIMS, AND ENTRY**
7 **OF JUDGMENT DISMISSING ACTION WITH PREJUDICE** on the interested parties in this action by placing a
8 true copy thereof enclosed in sealed envelopes addressed as follows:

9 **Barbra A. Arnold, Esq.**
10 **JEFFER MANGELS BUTLER & MITCHELL LLP**
11 **1900 Avenue of the Stars 7th Floor**
12 **Los Angeles, CA 90067**

13 On the above date:

14 X (BY x U.S. MAIL/ BY ☐ CERTIFIED MAIL, RETURN RECEIPT REQUESTED) The sealed envelope was
15 mailed with postage thereon fully prepaid. I am "readily familiar" with the firm's practice of collection and processing
16 correspondence for mailing. It is deposited with United States postal service on that same day in the ordinary course of
17 business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage
18 meter date is more that one day after date of deposit for mailing in affidavit.

19 _____ (BY FEDERAL EXPRESS OR OTHER OVERNIGHT SERVICE) I deposited the sealed envelope in a box or
20 other facility regularly maintained by the express service carrier or delivered the sealed envelope to an authorized
21 carrier or driver authorized by the express carrier to receive documents.

22 _____ (BY FACSIMILE TRANSMISSION) On August 22, 2022, at _____ a.m./p.m., at Westlake Village,
23 California, I served the above-referenced document on the above-stated addressee by facsimile transmission pursuant to
24 Rule 2008 of the California Rules of Court. The telephone number of the sending facsimile machine was (818)703-
25 8984 and the telephone number(s) of the receiving facsimile machine was () ____-____. A transmission report was
26 properly issued by the sending facsimile machine, and the transmission was reported as complete and without error.
27 Copies of the facsimile transmission cover sheet and the transmission report are attached to this proof of service.

28 _____ (BY PERSONAL DELIVERY) By causing a true copy of the within document(s) to be personally hand-
delivered to the office(s) of the addressee(s) set forth above, on the date set forth above.

 X (UPLOADED TO LWDA WEB PORTAL) I caused the above-described documents to be delivered to the
Labor & Workforce Development Agency via online process at the PAGA Filing website (www.dir.ca.gov) in
accordance with the procedure imposed by the LWDA.

I certify that the above document was printed on recycled paper.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on August 22, 2022, at Westlake Village, California.

25 Beatriz Franco
26 BEATRIZ FRANCO