

Neama Rahmani (State Bar No. 223819)
efilings@westcoasttriallawyers.com
Ronald L. Zambrano (State Bar No. 255613)
ron@westcoasttriallawyers.com
Crystal F. Mohsin (State Bar No. 333299)
crystal@westcoasttriallawyers.com
WEST COAST EMPLOYMENT LAWYERS, APLC
1147 South Hope Street
Los Angeles, California 90015
Telephone: (213) 927-3700
Facsimile: (213) 927-3701

Attorneys for Plaintiffs,
MELISSA PEREZ, and
Other Aggrieved Employees

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

MELISSA PEREZ, as an Individual, and
on Behalf of Herself and Other Aggrieved
Employees, and On Behalf of the General
Public as Private Attorneys General;
Plaintiff,

v.

SPARC GROUP LLC dba NAUTICA, a
California Corporation; and DOES 1
through 250, inclusive,

Defendants.

Case No.: 22STCV21083

*Assigned for All Purposes to the Honorable
Judge Teresa A. Beaudet*

Department: 50

**DECLARATION OF RONALD L.
ZAMBRANO IN SUPPORT OF FURTHER
AMENDED MOTION FOR APPROVAL
OF THE PAGA SETTLEMENT**

Hearing Date: April 8, 2025

Time: 10:00 a.m.

Reservation Number: 366938963697

Action Filed: June 29, 2022

Trial: December 4, 2024 (Vacated)

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//DECLARATION OF RONALD ZAMBRANO

1. I am an Attorney at West Coast Employment Lawyers, APLC, and counsel for Plaintiff MELISSA PEREZ and Aggrieved Employees in the matter known as MELISSA PEREZ V. SPARC GROUP LLC dba NAUTICA.

2. Based thereon, if I were called to testify, I could and would be able to testify competently as to each of the facts set forth herein of my own personal knowledge.

3. The Parties have documented the proposed settlement in the Amended Settlement Agreement and General Release of Claims, attached as **Exhibit A**. Plaintiff is an Aggrieved Employee as she alleges she suffered the claimed violations in the PAGA period.

Procedural History

4. On May 3, 2022, Plaintiff provided written notice to the LWDA and Defendant as required by California Labor Code §2699.3(a)(1), of her intent to pursue PAGA penalties and the basis of the alleged violations (failure to provide meal and rest breaks, failure to provide earned overtime, failure to provide accurate wage statements and seeking waiting time penalties and civil penalties under the Private Attorney General Act, Labor Code Section 2698 *et seq.*) on behalf of Plaintiff and other aggrieved employees (“PAGA Claims”). (**Exh. B**).

5. On June 29, 2022, Plaintiff's counsel filed a Complaint in this matter in the Superior Court of California, for the County of Los Angeles. On June 29, 2022, Plaintiff filed a Complaint in this matter in the Superior Court of California, for the County of Los Angeles and a Second Amended Complaint was filed August 1, 2023. On August 30, 2023, Defendant filed an Answer to Plaintiff's Second Amended Complaint for Damages. Concurrently, the parties engaged in discovery. Counsel for all Parties have thoroughly investigated the facts relating to the claims alleged in the operative complaint and have made a thorough study of the legal principles applicable to the claims asserted against Defendant. Based on their investigation and evaluation of this case, Plaintiff's Counsel has concluded that the settlement is fair, reasonable, and adequate in light of all known facts and circumstances, including the defenses asserted by Defendant, potential adverse findings regarding liability, and numerous potential appellate issues.

6. Through private negotiation for settlement, the Parties agreed to fully resolve the

1 issues between them, including a PAGA Release as to Plaintiff and Aggrieved Employees. (**Exh. A**).

2 7. On November 22, 2024, Plaintiff provided notice of the Proposed Settlement of
3 PAGA to the LWDA. (**Exh. C**).

4 ***Reasonableness of Proposed Settlement***

5 8. Plaintiff alleged that she and Aggrieved Employees were denied their rest breaks and
6 their meal breaks in violation of *Brinker Rest. Corp. v. Sup. Ct.*, (2012) 53 Cal.4th 1004, 1036, 1049
7 and California Labor Code Section 226.7. Plaintiff alleged that she and the other Aggrieved
8 Employees were not provided with timely, uninterrupted 30-minute meal periods.

9 9. Plaintiff alleged that she and Aggrieved Employees were not paid for all overtime
10 hours worked in excess of eight hours per day.

11 10. Plaintiff also alleged that she and Aggrieved Employees were denied complete,
12 accurate wage statements in violation of Labor Code section 226(a). Because Plaintiff alleged, she
13 and Aggrieved Employees were routinely denied their rest breaks and their meal breaks and unpaid
14 for all overtime hours worked, Plaintiff alleges Defendant's timekeeping was inaccurate which
15 resulted in inaccurate wage statements for Plaintiff. Plaintiff further alleged that she and Aggrieved
16 Employees are entitled to additionally accruing wages at the regular daily rate of pay, up to a
17 maximum of thirty days, pursuant to California Labor Code sections 200-204 for Defendant's alleged
18 failure to pay Plaintiff's earned and unpaid wages at the time of discharge, allegedly in violation of
19 the aforementioned sections of the Labor Code.

20 11. Defendant denies any liability for any of the claims in the Action, as well as any other
21 potential or unknown claims based on wage and hour violations under state or federal law. Defendant
22 specifically denies that it has engaged in any unlawful or wrongful conduct against Plaintiff or the
23 PAGA Settlement Members.

24 12. The settlement sought to be approved here is reasonable in light of evidence and
25 plausibility of getting a fact finder to agree that Plaintiff's experience was the same as all other
26 potential aggrieved employees who Defendant contends some will testify they did receive timely
27 wages.
28

1 13. Because of the conflicting nature of the parties' respective positions, it is reasonable
2 that a fact-finder may disbelieve the Plaintiff, or find Defendant's evidence and testimony more
3 credible, leading to a finding of no Labor Code violation whatsoever. Consequently, a settlement of
4 \$10,000.00 is reasonable, fair and adequate in light of a reasonable risk of a finding of no violation.

5 ***Distribution and Division of Total Settlement Payment***

6 14. The **Total Settlement Payment is \$10,000.00**. Pursuant to the Settlement
7 Agreement, the PAGA Net Fund is what remains after deducting the following: **20% as attorney's**
8 **fees** of the Gross Settlement Fund (\$10,000.00) and third-party **administration expenses up to**
9 **\$2,900.00. (Exh. A.)**

10 15. After deducting fees and administrative costs, **the Remaining PAGA Net Fund of**
11 **\$5,100.00** is allocated to PAGA penalties, which is split between **75% (or \$3,825.00) to the LWDA**
12 **and 25% (or \$1,275.00) to the Aggrieved Employees. (Exh A)**. Seventy-five percent (75%) of the
13 PAGA Fund will be sent to the LWDA and twenty-five percent (25%) of the PAGA Net Fund will
14 be allocated among the PAGA Settlement Members, based on each member's proportionate share of
15 the weeks worked during the PAGA Period, and they will be issued an IRS Form 1099. Defendant
16 represents that there are approximately 63 PAGA Settlement Members through March 8, 2024.
17 Plaintiff has no evidence to dispute this assertion.

18 16. The Aggrieved Employees (of which there are 63) are defined as: all persons
19 employed by Defendant as non-exempt employees in California at any time during the PAGA Period.
20 "PAGA Period" shall mean May 3, 2021, through the date of entry of an order by the Court in this
21 Action approving this Settlement. This is a non-reversionary, cash settlement. A third-party
22 administrator, which counsel proposes to be Simpluris, will be retained for the mailing of notices
23 and payments as detailed below.

24 17. Within 7 days after the Court enters an order approving the settlement, Defendant
25 shall provide the Settlement Administrator with a list of the names and addresses of the PAGA
26 Settlement Members. Based upon this data, the Settlement Administrator will determine the amounts
27 it will pay each of the Aggrieved Employees. At that time the Settlement Administrator is also
28

1 authorized to disperse to itself the amount of court-approved Settlement Administration fees.

2 18. Within seven (7) days after the receipt of necessary funding, the Settlement
3 Administrator shall pay to the LWDA an amount equivalent to the court-approved seventy-five
4 percent (75%) of the PAGA Fund. Within seven (7) days after the receipt of necessary funding, the
5 Settlement Administrator shall distribute to PAGA Settlement Members their court-approved
6 individual portion of the PAGA Fund (the "Individual Payment"), or as otherwise directed by the
7 Court. Within seven (7) days after the receipt of necessary funding, the Settlement Administrator
8 shall distribute to the Plaintiff's Counsel their court-approved attorneys' fees, either via wire transfer
9 payment or check, as specified by Plaintiff's Counsel. The Settlement Administrator will send the
10 Individual Payment to the PAGA Settlement Members by postmarked First Class U.S. Mail.

11 18. To provide the best notice and delivery of Individual Payments practicable, any
12 Individual Payment returned to the Settlement Administrator as non-delivered shall be sent by post-
13 marked First Class U.S. Mail to the forwarding address affixed thereto, if any. If no forwarding
14 address is provided for an Individual Payment that is returned as non-deliverable, the Settlement
15 Administrator shall use the best available technology accessible (e.g. skip tracing, address
16 verification, etc.) to the Settlement Administrator or other mutually agreeable method to locate
17 PAGA Settlement Members and will then mail the Individual Payment to the address identified by
18 the best available technology accessible to the Settlement Administrator or other mutually agreeable
19 method. If no current address is located, the Individual Payment for that individual will be deemed
20 undeliverable. If any PAGA Settlement Members cannot be located within two attempts at mailings
21 by the Settlement Administrator, the Individual Payment for that individual will be deemed
22 undeliverable.

23 19. The Settlement Administrator shall maintain a list of the postmark date for the original
24 mailing of the Individual Payment to the PAGA Settlement Members, the postmark date of any
25 subsequent mailing to any PAGA Settlement Members, and a list of PAGA Settlement Members
26 who did not receive the Individual Payment due to the inability to locate a valid address using the
27 procedures described herein or who otherwise could not be located within two attempts at mailing.
28

1 20. All settlement checks will remain valid and negotiable for 180 days from the date of
2 their mailing by the Settlement Administrator. After 180 days from the date of their mailing by the
3 Settlement Administrator, any uncashed checks will be void and escheat to the Legal Aid Foundation
4 of Los Angeles (<https://lafla.org/>). No later than January 31 of the year following payment of their
5 individual portion of the PAGA Fund, the Settlement Administrator will prepare and issue an IRS
6 Form 1099 to PAGA Settlement Members who received a payment.

7 ***Reasonableness of Requested Attorney's Fees and Costs.***

8 21. Lodestar: The approximate 75 hours spent on prosecution of this action were spent in
9 reviewing the intake of Plaintiff, drafting the PAGA notice and claim, drafting and filing the
10 complaint, investigation, propounding and responding to discovery, taking depositions,
11 communicating with defense counsel time keeping records for the 63 aggrieved employees, pay
12 stubs, and extrapolating that data to assess all potential Labor Code violations, calculating PAGA
13 penalties, drafting a mediation brief and participating in an all-day mediation.

14 22. Plaintiff's counsel has been practicing employment law exclusively in the greater Los
15 Angeles metropolitan area since July 2008; over 15 years. Plaintiff's counsel's reasonable hourly
16 rate for his experience is \$700.00. For the approximate 75 hours of work on the case, Plaintiff would
17 ordinarily seek the \$52,500.00.

18 23. However, because of the small nature of this monetary settlement, Plaintiff's counsel
19 only wishes to cap fees to 20% of the total of \$10,000.00, or \$2,000.00, which is less than half the
20 reasonable value of work done.

21
22 I declare the foregoing under penalty of perjury for the laws of the State of California.
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1 Dated: February 18, 2025

WEST COAST EMPLOYMENT LAWYERS, APLC

3 

4 By: _____
5 Ronald L. Zambrano, Esq.

EXHIBIT A

Ronald L. Zambrano, Esq. (SBN 255613)
Crystal F. Mohsin, Esq. (SBN 333299)
WEST COAST EMPLOYMENT LAWYERS
1147 South Hope Street
Los Angeles, CA 90015
Tel: (800) 247-9235
Fax: (213) 927-3701
Email: ron@westcoasttriallawyers.com
crystal@westcoasttriallawyers.com

Attorneys for Plaintiff,
MELISSA PEREZ

Stacey McKee Knight, Esq. (SBN 181027)
Janella T. Gholian, Esq. (SBN 258155)
KATTEN MUCHIN ROSENMAN LLP
2121 Avenue of the Stars, Suite 1100
Los Angeles, CA 90067-3012
Tel: (310) 788-4400
Fax: (310) 788-4471
Email: stacey.knight@katten.com
janella.gholian@katten.com

Attorneys for Defendant,
SPARC GROUP LLC

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

MELISSA PEREZ, as an Individual, and On
Behalf of Herself and Other Aggrieved
Employees, and On Behalf of the General
Public as Private Attorneys General,

Plaintiff,

v.

SPARC GROUP LLC dba NAUTICA, a
California corporation; and DOES 1-250,
inclusive,

Defendants.

CASE NO.: 22STCV21083

**AMENDED JOINT SETTLEMENT AND
RELEASE OF CLAIMS**

Dept.: 50
Judge: Hon. Teresa A. Beaudet
Filed: June 29, 2022
Trial: December 4, 2024

SETTLEMENT AGREEMENT AND RELEASE OF PAGA CLAIMS

Plaintiff MELISSA PEREZ, individually and in her capacity as representative of the State of
California on behalf of other aggrieved employees, and Defendant SPARC GROUP LLC, a Delaware

Limited Liability Company, hereby enter into this Settlement Agreement and Release of Private Attorneys General Act of 2004 Claims (“Settlement”) as follows:

DEFINITIONS

As used in this Settlement, the following terms shall have the following meanings:

1. “Action” shall mean the PAGA action entitled *Melissa Perez v. SPARC Group LLC dba Nautica* filed on June 29, 2022, in the Superior Court for the County of Los Angeles and designated as Case No. 22STCV21083.

2. “Defendant” shall mean Defendant SPARC GROUP LLC, a Delaware limited liability company.

3. “Defense Counsel” shall mean Stacey McKee Knight, Esq. and Janella Gholian, Esq. of Katten Muchin Rosenman LLP.

4. “Effective Date” refers to the date upon which both of the following have occurred: (i) approval of the Settlement is granted by the Superior Court of California for the County of Los Angeles, or other court assuming jurisdiction of this matter, and (ii) the Court’s Judgment approving the Settlement becomes Final. If there is an appeal of the Court’s Judgment, the date the Judgment is affirmed on appeal, the date of dismissal of such appeal, or the expiration of the time to file a petition for writ of certiorari to the California Supreme Court shall be the date the Settlement is Final. If there is an intervenor, but no appeal is filed, the expiration date of the time for filing or noticing any appeal of the Judgment shall be the date the Settlement is Final. If there is no intervenor in the action, the date the Court enters an order approving this Settlement shall be the date the Settlement is Final.

5. “Individual Payment” shall refer to the amount paid to PAGA Settlement Members for their court-approved individual portion of the PAGA Net Fund.

6. “LWDA” refers to the California Labor & Workforce Development Agency.

7. “PAGA” refers to the Labor Code Private Attorneys General Act of 2004, California Labor Code Sections 2698 *et seq.*

8. “PAGA Period” shall mean May 3, 2021, through the date of entry of an order by the Court in this Action approving this Settlement.

1 9. “PAGA Settlement Members” shall mean all persons employed by Defendant at as
2 non-exempt employees in California at any time during the PAGA Period. For purposes of this
3 Settlement only, and not otherwise as an admission of any misconduct or wrongdoing by Defendant or
4 any of the defendants, Defendant and Plaintiff stipulate that all PAGA Settlement Members are
5 aggrieved employees pursuant to PAGA.

6 10. “PAGA Net Fund” shall mean the Total Settlement Payment, less Plaintiff’s Counsel
7 Payment, and the Settlement Administrative Costs.

8 11. “Plaintiff” refers to Melissa Perez, individually and in her capacity as representative of
9 the State of California on behalf of other aggrieved employees.

10 12. “Plaintiff’s Counsel” collectively refers to West Coast Employment Lawyers, APLC.

11 13. “Parties” collectively refers to Plaintiff and Defendant.

12 14. “Released Claims” shall mean any and all claims, whether known or unknown, to
13 recover civil penalties pursuant to PAGA for any violations alleged in the Action, the LWDA Notice,
14 or the Operative Complaint, or that could have been alleged in the Action, the LWDA Notice, or the
15 Operative Complaint, that are based on the alleged meal and rest break, minimum wage, overtime
16 compensation, wage statement, final pay violations, and any resulting claim for penalties under PAGA
17 alleged to have been violated in the Action during the PAGA Period. Released Claims include, but are
18 not limited to, alleged violations by Defendant of the California Labor Code sections 98.6, 201, 202,
19 203, 204, 226(a), 510, 1102.5, 1194, 1197, 1198, 1770-1773, 2441, et seq.

20 15. “Released Parties” shall mean Defendant, and all of its subsidiary companies, affiliates,
21 holding companies, successors, partners, owners, shareholders, insurers, legal representatives, assigns,
22 employees, officers, directors, attorneys, and agents.

23 16. “Settlement Administrator” refers to Simpluris a qualified, third-party settlement
24 administrator agreed to by the Parties to administer the terms of the Settlement.

25
26 **RECITALS**

27 17. On May 3, 2022, Plaintiff’s Counsel sent a letter to the LWDA on behalf of Plaintiff,
28 in compliance with California Labor Code § 2699.3. Plaintiff seeks to represent herself and all PAGA

1 Settlement Members (the “LWDA Notice”). More than 65 days passed after the letter was sent to the
2 LWDA, and the LWDA has not indicated that it intends to investigate the alleged violations referenced
3 in the letter.

4 18. On June 29, 2022, Plaintiff filed a Complaint in Los Angeles Superior Court, Case No.
5 22STCV21083 alleging individual wage and hour claims against Defendant.

6 19. On July 7, 2022, Plaintiff filed a First Amended Complaint adding a PAGA claim for
7 civil penalties.

8 20. On August 1, 2023, Plaintiff filed a Second Amended Complaint adding individual Fair
9 Employment & Housing Act causes of action (“Second Amended Complaint”). The Second Amended
10 Complaint is the operative complaint in the Action (the “Operative Complaint.”).

11 21. Counsel for all Parties have thoroughly investigated the facts relating to the claims
12 alleged in the Operative Complaint and have made a thorough study of the legal principles applicable
13 to the claims asserted against Defendant. Based on their investigation and evaluation of the Action and
14 the claims in the LWDA Notice and the Operative Complaint, Plaintiff’s Counsel has concluded that
15 the Settlement is fair, reasonable, and adequate in light of all known facts and circumstances, including
16 the defenses asserted by Defendant, potential adverse findings regarding liability, and numerous
17 potential appellate issues.

18 22. Defendant denies, and continues to deny, each and every claim and contention alleged
19 in the Action, the LWDA Notice, and the Operative Complaint, and has always maintained that it never
20 engaged in any unlawful acts regarding any of the matters alleged in the Action, the LWDA Notice
21 and/or the Operative Complaint.

22 **NOW, THEREFORE,** in consideration of the mutual covenants, promises, and conditions set
23 forth, the Parties agree as follows:

24 **NON-ADMISSION OF LIABILITY**

25 23. Based on the factual and legal issues involved, the expense and time necessary to
26 prosecute the Action through trial, the risks, uncertainty and costs of further prosecution, the difficulty
27 of proof necessary to establish a class for purposes of liability, and the relative benefits to the PAGA
28

1 Settlement Members of an expeditious resolution to the Action, the Parties have concluded that the
2 terms set forth in this Settlement are fair, reasonable, adequate and in the best interests of the PAGA
3 Settlement Members.

4 24. By entering into this Settlement, Defendant denies any liability for any of the claims in
5 the Action, the LWDA Notice and the Operative Complaint, as well as any other potential or unknown
6 claims based on wage and hour violations under state or federal law. Neither this Settlement, nor any
7 document referred to or contemplated herein, nor any action taken to carry out this Settlement, is, may
8 be construed as, or may be used as, an admission, concession, or indication by Defendant, or against
9 any defendant in this Action, of any unlawful conduct, fault, wrongdoing or liability whatsoever.
10 Defendant specifically denies that it has engaged in any unlawful or wrongful conduct against Plaintiff
11 or the PAGA Settlement Members.

12 **TERMS OF THE PAGA SETTLEMENT**

13 **Total PAGA Settlement Payment**

14 25. Defendant shall pay a settlement payment in a total amount not to exceed \$10,000.00
15 (Ten Thousand Dollars and Zero Cents) (the "Total Settlement Payment"). The Total Settlement
16 Payment shall include settlement administrative fees and costs, attorneys' fees to Plaintiff's counsel,
17 and the PAGA Fund.

18 26. Defendant represents that there are approximately 63 PAGA Settlement Members
19 through June 12, 2024. Plaintiff has no evidence to dispute this assertion.
20

21 **Plaintiff's Counsel Payment of Attorneys' Fees and Costs**

22 27. Plaintiff's Counsel will apply to the Court for an award of attorneys' fees not to exceed
23 twenty percent (20%) or \$2,000.00 of the Total Settlement Payment (referred to as "Plaintiff's Counsel
24 Payment"). Plaintiff's Counsel will be responsible for submitting evidence to this Court to support
25 their request for attorneys' fees. Defendant will not oppose or object to Plaintiff's Counsel's application
26 for attorneys' fees, not to exceed twenty percent (20%) of the Total Settlement Payment.
27

28 28. Plaintiff's Counsel Payment shall be paid from the Total Settlement Payment. Any

1 reductions by the Court of Plaintiff's Counsel's request for attorneys' fees or costs shall revert to the
2 PAGA Fund.

3
4 **Settlement Administration Fees and Costs**

5 29. Settlement administration shall be done by a qualified, third-party settlement
6 administrator agreed to by the Parties and approved by the Court ("Settlement Administrator") -
7 Simpluris. The Parties agree that the Settlement Administrative Costs shall be paid from the Total
8 Settlement Payment. This includes all fees and costs for postage, envelopes, and computer searches to
9 locate addresses; and expenses of the Settlement Administrator to implement and complete the
10 settlement process according to the terms of this Settlement, to calculate payments to individual PAGA
11 Settlement Members, any cost associated with the escheatment process for any uncashed or
12 undeliverable settlement checks, to prepare any necessary tax documents for PAGA Settlement
13 Members, and any other related fees and costs (the "Settlement Administrative Costs").

14 30. The Settlement Administrative Costs should not exceed more than \$2,900.00 (Two
15 Thousand Nine Hundred Dollars and Zero Cents). The Settlement Administrative Costs shall be paid
16 from the Total Settlement Payment. Any reductions by the Court or any unused amount shall revert to
17 the PAGA Fund.

18 **PAGA Net Fund**

19 31. After deducting the Plaintiff's Counsel Payment in the amount of \$2,000.00 and
20 Settlement Administration Costs in the amount of \$2,900.00, the remainder of the Total Settlement
21 Payment (the "PAGA Net Fund") in the amount of \$5,100.00 shall be allocated toward payment to the
22 Labor & Workforce Development Agency and PAGA Settlement Members.

23 32. Seventy-five percent (75%) of the PAGA Net Fund in the amount of \$3,825.00 will be
24 sent to the LWDA and twenty-five percent (25%) of the PAGA Net Fund in the amount of \$1,275.00
25 will be allocated among the PAGA Settlement Members, based on each member's proportionate share
26 of the weeks worked during the PAGA Period.
27
28

1 **COMPUTATION AND DISTRIBUTION OF TOTAL SETTLEMENT FUND**

2 **Deposit of Total Settlement Payment**

3 33. The Settlement Administrator shall establish a Qualified Settlement Fund pursuant to
4 Section 468B(g) of the Internal Revenue Code for purposes of administering the Settlement. The
5 Settlement Administrator shall furnish the Qualified Settlement Fund with its own Employer ID
6 Number and calculate all settlement checks and withholdings required under law based on information
7 that will be confidentially furnished by Defendant. There are no payroll deductions to be calculated
8 under this Settlement, since no part of the Settlement will be classified as wages.

9 34. Within thirty (30) calendar days after the Effective Date, Defendant shall deposit the
10 Total Settlement Payment with the Settlement Administrator.

11
12 **Formula for Calculating Share of PAGA Fund**

13 35. The portion of the PAGA Fund that is paid to each PAGA Settlement Member shall be
14 determined based on the following formula:

- 15 (a) The payment to PAGA Settlement Members will be based on the number of
16 weeks worked by each PAGA Settlement Member during the PAGA Period.
17 Partial weeks will be counted as full work weeks.
- 18 (b) The amount to be paid per week worked by a PAGA Settlement Member will
19 be calculated by dividing the value of the portion of the PAGA Net Fund that
20 will be paid to PAGA Settlement Members by the total number of weeks
21 worked by all PAGA Settlement Members during the PAGA Period.
- 22 (c) Defendant's records shall be determinative for purposes of calculating the
23 number of weeks worked and any payments to PAGA Settlement Members.

24 **Distribution of PAGA Net Fund**

25 36. Defendant shall provide the Settlement Administrator with a list of the names and
26 addresses of the PAGA Settlement Members, to be furnished within seven (7) days after the Court
27 issues an Order approving the Settlement. The contact information is being provided confidentially to
28 the Settlement Administrator only, and the Settlement Administrator shall treat the information as

1 private and confidential and take all necessary precautions to maintain the confidentiality of contact
2 information of the PAGA Settlement Members. This information is to be used only to carry out the
3 Settlement Administrator's duties as specified in this Settlement.

4 37. Within seven (7) days after receipt of the necessary funding, the Settlement
5 Administrator shall distribute to the Plaintiff's Counsel their court-approved litigation costs either via
6 wire transfer payment or check, as specified by Plaintiff's Counsel. At that time the Settlement
7 Administrator is also authorized to disperse to itself the amount of court-approved Settlement
8 Administration fees.

9 38. Within seven (7) days after the receipt of necessary funding, the Settlement
10 Administrator shall pay to the LWDA an amount equivalent to the court-approved seventy-five percent
11 (75%) of the PAGA Net Fund.

12 39. Within seven (7) days after the receipt of necessary funding, the Settlement
13 Administrator shall distribute to PAGA Settlement Members their court-approved individual portion
14 of the PAGA Net Fund (the "Individual Payment"), or as otherwise directed by the Court.

15 40. Within seven (7) days after the receipt of necessary funding, the Settlement
16 Administrator shall distribute to the Plaintiff's Counsel their court-approved attorneys' fees, either via
17 wire transfer payment or check, as specified by Plaintiff's Counsel.

18 41. The Settlement Administrator will send the Individual Payment to the PAGA
19 Settlement Members by postmarked First Class U.S. Mail.

20 42. To provide the best notice and delivery of Individual Payments practicable, any
21 Individual Payment returned to the Settlement Administrator as non-delivered shall be sent by post-
22 marked First Class U.S. Mail to the forwarding address affixed thereto, if any. If no forwarding address
23 is provided for an Individual Payment that is returned as non-deliverable, the Settlement Administrator
24 shall use the best available technology accessible (e.g. skip tracing, address verification, etc.) to the
25 Settlement Administrator or other mutually agreeable method to locate PAGA Settlement Members
26 and will then mail the Individual Payment to the address identified by the best available technology
27 accessible to the Settlement Administrator or other mutually agreeable method. If no current address
28

1 is located, the Individual Payment for that individual will be deemed undeliverable. If any PAGA
2 Settlement Members cannot be located within two attempts at mailings by the Settlement
3 Administrator, the Individual Payment for that individual will be deemed undeliverable.

4 43. The Settlement Administrator shall maintain a list of the postmark dates for the original
5 mailing of the Individual Payment to the PAGA Settlement Members, the postmark date of any
6 subsequent mailing to any PAGA Settlement Members, and a list of PAGA Settlement Members who
7 did not receive the Individual Payment due to the inability to locate a valid address using the procedures
8 described herein or who otherwise could not be located within two attempts at mailing.

9 44. All settlement checks will remain valid and negotiable for 180 days from the date of
10 their mailing by the Settlement Administrator. After 180 days from the date of their mailing by the
11 Settlement Administrator, any uncashed checks will be void and escheat to the Legal Aid Foundation
12 of Los Angeles (<https://lafla.org/>).

13 45. No later than January 31 of the year following payment of the Individual Payment, the
14 Settlement Administrator will prepare and issue an IRS Form 1099 to PAGA Settlement Members who
15 received an Individual Payment.

16 **CLAIMS RELEASED BY PAGA SETTLEMENT MEMBERS**

17 **Claims Released by the LWDA and All PAGA Settlement Members**

18 46. Upon the date of entry of an order by the Court in this Action approving this Settlement,
19 the LWDA and PAGA Settlement Members, including Plaintiff, fully release and forever discharge
20 the Released Parties from any and all Released Claims. As a result of this release, the PAGA Settlement
21 Members will be unable to bring a claim under, or recover in any other claim brought under, the
22 California Private Attorneys General Act, California Labor Code § 2698 *et seq.*, for any violations of
23 the Released Claims.

24 **Tax Treatment and Tax Indemnification**

25 47. PAGA Settlement Members will assume any tax obligations or consequences which
26 may arise from this Settlement. PAGA Settlement Members release any and all claims that they have
27 or may have against Defendant for any claims, demands, deficiencies, levies, assessments, executions,
28

1 judgments, penalties, taxes, indemnification, and any other recoveries related to any payments made
2 under this Settlement or any compensation provided at any time by Defendant or any of the Released
3 Parties. If any state or federal taxing authority contacts, investigates, or pursues any action against any
4 PAGA Settlement Members for their individual share of taxes related to any payments made under this
5 Settlement or any compensation provided at any time by Defendant or any of the Released Parties, each
6 PAGA Settlement Member shall be responsible for their own defense of, and payment for, any claim
7 of unpaid taxes, interest, or penalties brought by any state or federal taxing authority for the PAGA
8 Settlement Member's share of any state or federal tax obligation. If a PAGA Settlement Member has
9 questions about any liability to any state or federal taxing authority, they shall contact the Settlement
10 Administrator. The PAGA Settlement Members shall not contact Defendant, any of the Released
11 Parties, or Defense Counsel.

12 **MISCELLANEOUS PROVISIONS**

13 **Voiding the Settlement**

14
15 48. A failure of the Court to approve any material condition of this Settlement shall render
16 the entire Settlement voidable and unenforceable as to Plaintiff and Defendant, at the option of Plaintiff
17 or Defendant. Each party may exercise its option to void this Settlement as provided above by giving
18 notice, in writing, to the other, and to the Court within fifteen (15) days after the Order denying approval
19 of the Settlement has been received by the party seeking to void the Settlement.

20 **Mutual Full Cooperation**

21 49. Plaintiff, Defendant, Plaintiff's Counsel, and Defendant's Counsel agree to fully
22 cooperate with each other to accomplish the terms of this Settlement, including, but not limited to,
23 execution of such documents and to take such other action as may reasonably be necessary to
24 implement the terms herein. The Parties agree to use their best efforts and any other efforts that may
25 become necessary by Order of the Court, or otherwise, to effectuate this Settlement.

26 **Parties' Authority**

27 50. The signatories hereto represent that they are fully authorized to enter into this
28 Settlement.

Binding Nature of the Settlement

51. This Settlement shall be binding upon, and inure to the benefit of, the successors or assigns of the Released Parties. Plaintiff represents, covenants, and warrants that she has not directly or indirectly, assigned, transferred, encumbered, any claim, demand, action, cause of action or rights released in the Released Claims in this Settlement. This Settlement also shall be binding upon Plaintiff and the PAGA Settlement Members.

52. This Settlement may be amended or modified only by a written instrument signed by Plaintiff's Counsel and Plaintiff, as well as Defendant's Counsel and Defendant in this Action. No rights under this Settlement may be waived except in writing.

53. This Settlement and any attached exhibits constitute the entire agreement between Plaintiff and Defendant in this Action relating to the terms contained herein. All prior or contemporaneous agreements, understandings and statements, whether oral or written, whether express or implied, and whether by a party or its counsel, concerning this Settlement are merged herein. No oral or written representations, warranties or inducements have been made to any party concerning this Settlement or its exhibits other than the representations, warranties and covenants contained and memorialized in such documents.

54. Paragraph titles or captions contained herein are inserted as a matter of convenience and for reference, and in no way define, limit, extend, or describe the scope of this Settlement or any of its provisions. Each term of this Settlement is intended to be contractual and not merely a recital.

Joint Drafting of Settlement Documents

55. Plaintiff's Counsel and Defendant's Counsel have arrived at this Settlement as a result of a series of arm's-length negotiations, taking into account all relevant factors, present and potential.

56. This Settlement has been drafted jointly by Plaintiff's Counsel and Defendant's Counsel and, therefore, in any construction or interpretation of this Settlement, the same shall not be construed against any of the Parties.

57. Plaintiff and Plaintiff's Counsel agree that none of the documents provided to them by the Defendant in this Action shall be used for any purpose other than the settlement of this Action. Specifically, none of the documents provided shall be used to pursue any subsequent claims or litigation

1 against Defendant or the Released Parties.

2 **Execution of the Settlement**

3 58. This Settlement may be executed in one or more counterparts and by facsimile. All
4 executed copies of this Settlement and photocopies thereof shall have the same force and effect and
5 shall be as legally binding and enforceable as the original.

6 **No Press Release or Publicity Regarding the Terms Of Settlement**

7 59. Plaintiff and Plaintiff's Counsel, as well as Defendant and Defendant's Counsel, agree
8 that they will not issue any media or press release, initiate any contact with the media or the press,
9 respond to any media or press inquiry or have any communications with the media or the press about
10 the fact, amount or terms of this Settlement. Plaintiff and Plaintiff's Counsel shall not publicize or refer
11 to the fact or amount of the Settlement, on their websites, social media, any other marketing materials,
12 or legal publication. Plaintiff and Plaintiff's Counsel will not state on their websites, social media, any
13 other marketing materials, or legal publications, that Defendant engaged in any act contrary to
14 California law, or denied payment owed to employees, or otherwise disparage Defendant, or otherwise
15 identify Defendant. Plaintiff and Plaintiff's counsel agree to keep the terms of the Settlement
16 confidential, except as reasonably necessary to obtain judicial approval of the Settlement. To the extent
17 limited public disclosures are required to effectuate the Settlement or to notify courts or parties, such
18 limited and necessary details may be revealed with the consent of all Parties. However, any such
19 disclosures shall not constitute a waiver of confidentiality with respect to any information not publicly
20 disclosed. Defendant shall be allowed to report the Settlement or results of this lawsuit if required to
21 do so by public disclosure regulatory requirements or with respect to any financial or other disclosures
22 which in their judgment are necessary.

23 **Continuing Jurisdiction of the Court**

24 60. Pursuant to California Code of Civil Procedure section 664.6, the Parties agree that the
25 Court shall retain jurisdiction over the Parties, and over this Settlement, in order to: (i) monitor and
26 enforce compliance of Settlement, and/or (ii) resolve any disputes over this Settlement or the
27 administration of the benefits of this Settlement.
28

1 **Representations by Plaintiff**

2 61. Plaintiff acknowledges the following:

- 3 (a) Plaintiff has carefully read and fully understands all of the provisions of this
4 Settlement;
- 5 (b) Plaintiff knowingly and voluntarily agrees to all of the terms set forth in this
6 Settlement and has not been coerced, threatened, or intimidated into executing
7 this Settlement;
- 8 (c) Plaintiff was advised, and hereby is advised in writing, to consider the terms of
9 this Settlement and consult with his attorney before signing this Settlement.
- 10 (d) Other than the fees and costs awarded pursuant to the terms of this Settlement,
11 Plaintiff acknowledges that all Parties shall bear their own fees and costs
12 through the conclusion of this Action.

13 **Representations by Defendant**

14 62. Defendant acknowledges the following:

- 15 (a) Released Parties have carefully read and fully understand all of the provisions
16 of this Settlement;
- 17 (b) Released Parties knowingly and voluntarily agree to all of the terms set forth in
18 this Settlement and have not been coerced, threatened, or intimidated into
19 executing this Settlement;
- 20 (c) Released Parties were advised, and hereby are advised in writing, to consider
21 the terms of this Settlement and consult with their attorney before signing this
22 Settlement.
- 23 (d) Other than the fees and costs awarded pursuant to the terms of this Settlement,
24 Released Parties acknowledge that all Parties shall bear their own fees and costs
25 through the conclusion of this Action.

26

27 **AGREED TO BY PLAINTIFF:**

28

1 Dated: February 7, 2025

MELISSA PEREZ, individually and on behalf of
other aggrieved employees

3 
4 Melissa Perez (Feb 7, 2025 10:54 PST)

5 AGREED TO BY DEFENDANT:

6 Dated: February 7, 2025

SPARC GROUP LLC, a Delaware Limited Liability
Company

8
9 _____
Title

10
11 AGREED TO BY PLAINTIFF'S COUNSEL:

12 WEST COAST EMPLOYMENT LAWYERS

13
14 Dated: February 7, 2025

15 

Ronald L. Zambrano, Esq.
Crystal F. Mohsin, Esq.
Counsel for Plaintiff

16
17 KATTEN MUCHIN ROSENMAN LLP

18 Dated: February 7, 2025

19 _____
Stacey McKee Knight, Esq.
Janella Gholian, Esq.
Counsel for Defendant

1 Settlement.

2 (d) Other than the fees and costs awarded pursuant to the terms of this Settlement,
3 Released Parties acknowledge that all Parties shall bear their own fees and costs
4 through the conclusion of this Action.
5

6 AGREED TO BY PLAINTIFF:

7 Dated: February 14, 2025

MELISSA PEREZ, individually and on behalf of
other aggrieved employees

10 AGREED TO BY DEFENDANT:

11 Dated: February 14, 2025

SPARC GROUP LLC, a Delaware Limited Liability
Company

Signed by:

Colette Stanford

A2823E88AFB3412

Colette Stanford

Chief Legal Officer
Title

16 AGREED TO BY PLAINTIFF'S COUNSEL:

WEST COAST EMPLOYMENT LAWYERS

20 Dated: February 14, 2025

Ronald L. Zambrano, Esq.
Crystal F. Mohsin, Esq.
Counsel for Plaintiff

KATTEN MUCHIN ROSENMAN LLP

24 Dated: February 14, 2025

Stacey McKee Knight
Stacey McKee Knight, Esq.
Janella Gholian, Esq.
Counsel for Defendant

EXHIBIT B

ST COAST
MENT LAWYERS

Professional Law Corporation
South Hope Street
Glendale, California 90015

SPARC Group LLC DBA Nautica
c/o Corporation System
Agent for Service of Process
330 N Brand Blvd. Ste 700
Glendale, California 91203



7022 0410 0002 3808 4852	
PLACE STICKER AT TOP OF ENVELOPE TO THE RIGHT OF THE RETURN ADDRESS. FOLD AT DOTTED LINE	
CERTIFIED MAIL®	
	
7022 0410 0002 3808 4852	7022 0410 0002 3808 4852
U.S. Postal Service™ CERTIFIED MAIL® RECEIPT <i>Domestic Mail Only</i>	
For delivery information, visit our website at www.usps.com ®.	
OFFICIAL USE	
Certified Mail Fee \$	Postmark Here
Extra Services & Fees (check box, add fee as appropriate)	
☐ Return Receipt (hardcopy) \$	
☐ Return Receipt (electronic) \$	
☐ Certified Mail Restricted Delivery \$	
☐ Adult Signature Required \$	
☐ Adult Signature Restricted Delivery \$	
Postage \$	
Total Postage and Fees \$	
Sent To _____ Street and Apt. No., or PO Box No. _____ City, State, ZIP+4® _____	
PS Form 3800, April 2015 PSN 7530-02-000-9047 See Reverse for Instructions	

WCEL WEST COAST[®]

EMPLOYMENT LAWYERS

May 3, 2022

Via Certified Mail 7022 0410 0002 3808 4852

SPARC Group LLC DBA Nautica
c/o Corporation System
Agent for Service of Process
330 N Brand Blvd. Ste 700
Glendale, California 91203

In re Melissa Perez-Notice of PAGA Claim

Dear Sir or Madam:

This office has been retained by, Melissa Perez (hereinafter "Plaintiff"), an employee of SPARC Group LLC DBA Nautica. Pursuant to Labor Code § 2699.3(a), we are providing written notice that SPARC Group LLC DBA Nautica, violated various provisions of the California Labor Code. Plaintiff intends on filing a complaint against SPARC Group LLC DBA Nautica, in Los Angeles County Superior Court pursuant to Labor Code §§ 2699 et. seq. on behalf of herself and all hourly employees for SPARC Group LLC DBA Nautica, ("Aggrieved Employees").

During the entirety of their employment with SPARC Group LLC DBA Nautica, Plaintiff and Aggrieved Employees were denied uninterrupted meal and rest breaks. Sometimes, Plaintiff and all Aggrieved Employees were denied meal and rest breaks entirely. Furthermore, Plaintiff and Aggrieved Employees were denied overtime pay at an overtime rate for their overtime hours worked. Moreover, Plaintiff and all Aggrieved Employees were not provided with accurate wage statements. Additionally, Plaintiff was issued write-ups in retaliation shortly after her complaints of denied meal and rest breaks in violation of Labor Code §§ 98.6 and 1102.5.

Accordingly, SPARC Group LLC DBA Nautica, is in violation of the following provisions under California Labor Code §§ 2699.5: §§ 226.7 and 512 (Meal and Rest Periods), Labor Code § 226 (Wage Statement Accuracy), Labor Code §§ 510-515 (Unpaid Overtime) and Labor Code §§ 201-204 (Waiting Time Penalties), Labor Code § 98.6 (Workplace Retaliation), and Labor Code § 110.25 (Whistleblower Protection). Please be advised Plaintiff intends to enforce these claims against all owners, directors, officers, and managing agents of that SPARC Group LLC DBA Nautica, under section 558.1 of the Labor Code. Finally, pursuant to Labor Code § 2699.3(a)(1), Plaintiff will serve the same written notice to that SPARC Group LLC DBA Nautica, by and through its respective agents of service of process by certified mail.

Very truly yours,



Ronald L. Zambrano, Esq.

CC: California Labor and Workforce
Development Agency

1147 South Hope Street, Los Angeles, California 90015
Phone (800) 247-WCEL (9235) Fax (213) 927-3701
www.employmentattorneylosangeles.com

EXHIBIT C

From: [DIR PAGA Unit](#)
To: [EFilings](#)
Subject: Thank you for your Proposed Settlement Submission
Date: Friday, November 22, 2024 12:39:18 PM

11/22/2024 12:38:50 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement

If you have questions or concerns regarding this submission or your case, please send an email to pagainfo@dir.ca.gov.

DIR PAGA Unit on behalf of
Labor and Workforce Development Agency

Website: http://labor.ca.gov/Private_Attorneys_General_Act.htm

PAGA Case Detail

[Print to PDF](#)

Case Information

Case Number: LWDA-CM-881829-22**Plaintiff for PAGA Case:** Melissa Perez**Filer/Attorney for PAGA Case:** Ronald Zambrano**Law Firm for PAGA Plaintiff:** West Coast Employment Lawyers, APLC**Employer:** SPARC Group LLC DBA "Nautica"**Date Case Received:****Filer for Employer:****Employer Filer Firm:****Court Type:****Court Name:** Los Angeles**PAGA Court Case Number:****Violation Type:****Related BOFE Case:**

Submission Details

Please note that certain documents, including court related documents (i.e. court complaints, proposed settlements, and court orders/judgments) are available for download. PAGA Claim Notices, Amended Claim Notices, Employer Responses or Cure Notices, Employee's Cure Dispute, Other Response or Documents are not available at this time. To access these documents please submit a Public Record Acts Request via email at PAGAInfo@dir.ca.gov.

Actions	Submission Name	Description	Date Submitted	Type
--	AP-3464165	PAGA Melissa Perez.pdf	5/3/2022 8:25 PM	PAGA Notice
View/Download	AP-5605103	Perez- Joint Settlement and Release of Claims (perez and sparc executed).pdf	11/22/2024 8:38 PM	Proposed Settlement

Showing 1 to 2 of 2 entries

[Previous](#) [1](#) [Next](#)

1 **PROOF OF SERVICE**

2 I am employed in the County of Los Angeles, State of California. I am over the age of
3 eighteen and not a party to the within action. My business address is 1147 South Hope Street, Los Angeles, California 90015.

4 On February 18, 2025, I served the foregoing documents described as: **DECLARATION**
5 **OF RONALD L. ZAMBRANO IN SUPPORT OF MOTION FOR APPROVAL OF THE**
6 **PAGA SETTLEMENT** on the interested parties in this action by placing a true copy or original thereof enclosed in a sealed envelope, addressed as follows:

7 Stacey McKee Knight, Esq.

8 *Stacey.knight@katten.com*

9 Janella T. Gholian, Esq.

10 *Janella.gholian@katten.com*

11 KATTEN MUCHIN ROSENMAN LLP

12 2029 Century Park East, Suite 2600

13 Los Angeles, CA 90067-3012

Attorneys for Defendant,

SPARC GROUP LLC

14 ☐ **BY MAIL (CCP §1013(a) and CCP §2015.5):** I am readily familiar with the firm's practice
15 of collection and processing documents for mailing. Under that practice it would be deposited
16 with U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles,
17 California, in the ordinary course of business. I am aware that on motion of the party served,
18 service is presumed invalid if postal cancellation date or postage meter date is more than one
19 day after date of deposit for mailing in affidavit.

20 ☐ **BY FACSIMILE TRANSMISSION (CCP §1013(e)(f) and CCP §2015.5):** I caused such
21 documents to be delivered via facsimile transmittal to the office of the addressee. The
22 transmission(s) reported as complete and without error.

23 ☒ **BY ELECTRONIC MAIL (CCP §1010.6; CCP §1013(g) and CCP §2015.5):** I caused such
24 documents to be to be sent from the e-mail address marlyn@westcoasttriallawyers.com to the
25 persons at the e-mail address(es) listed in the mailing list. I did not receive, within a
26 reasonable time after the transmission, any electronic message or other indication that the
27 transmission was unsuccessful.

28 ☐ **BY OVERNIGHT DELIVERY (CCP §1013(c)(d) and CCP §2015.5):** I caused such
documents to be delivered via express service carrier to the office of the addressee.

☐ **BY PERSONAL SERVICE (CCP §1011 and CCP §2015.5):** I caused such documents to be
hand-delivered to the office of the addressee.

☒ State ☐ Federal

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

Executed on February 18, 2025, at Los Angeles, California.



Marlyn Cortez

1 **PROOF OF SERVICE**

2 I am employed in the County of Los Angeles, State of California. I am over the age of
3 eighteen and not a party to the within action. My business address is 1147 South Hope Street, Los
4 Angeles, CA 90015.

5 On February 18, 2025, I served the foregoing document **DECLARATION OF RONALD**
6 **L. ZAMBRANO IN SUPPORT OF FURTHER AMENDED MOTION FOR APPROVAL**
7 **OF THE PAGA SETTLEMENT** on the interested parties in this action by placing a true copy or
8 original thereof enclosed in a sealed envelope, addressed as follows:

9 California Labor & Workforce Development Agency
10 LWDA
11 800 Capitoll Mall, Suite 5000
12 Sacramento, California 95814
13 email@labor.ca.gov

14 X **BY MAIL (CCP §1013(a) and CCP §2015.5):** I am readily familiar with the firm's practice
15 of collection and processing documents for mailing. Under that practice it would be deposited
16 with U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles,
17 California, in the ordinary course of business. I am aware that on motion of the party served,
18 service is presumed invalid if postal cancellation date or postage meter date is more than one
19 day after date of deposit for mailing in affidavit.

20 X **BY ELECTRONIC MAIL (CCP §1010.6; CCP §1013(g) and CCP §2015.5):** I caused the
21 document(s) to be sent from e-mail address *marlyn@westcoasttriallawyers.com* to the
22 persons at the electronic notification address listed in the service list. I did not receive, within
23 a reasonable time after the transmission, any electronic message or other indication that the
24 transmission was not successful.

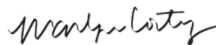
25 ☐ **BY OVERNIGHT DELIVERY (CCP §1013(c)(d) and CCP §2015.5):** I caused such
26 documents to be delivered via express service carrier to the office of the addressee.

27 ☐ **BY PERSONAL SERVICE (CCP §1011 and CCP §2015.5):** I caused such documents to be
28 hand-delivered to the office of the addressee.

X State ☐ Federal

21 I declare under penalty of perjury pursuant to the laws of the State of California that the
22 foregoing is true and correct.

23 Executed February 18, 2025, at Los Angeles, California.

24 

25

Marlyn Cortez