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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF ORANGE

HAMID KONDORI and JOHN JEROME, on behalf of themselves, those similarly situated, and all aggrieved California-based non-exempt employees,

Plaintiffs,

vs.

MISSION IMPORTS, a California Corporation; and DOES 1 through 25, inclusive,

Defendants.

Case No. 30-2022-01295280-CU-OE-CXC

Assigned to the Honorable Melissa R. McCormick, Department CX105

PLAINTIFFS' SUPPLEMENTAL BRIEF IN SUPPORT OF PLAINTIFFS' MOTION FOR APPROVAL OF PAGA SETTLEMENT (RELATED TO ROA #62)

Date: May 14, 2026
Time: 2:00 p.m.
Dept.: CX105

Complaint Filed: December 6, 2022
Trial Date: Not Set

Plaintiffs Hamid Kondori and John Jerome ("Plaintiffs") hereby submit this Supplemental Brief in Support of Plaintiffs' Motion for Approval of PAGA Settlement ("Supplemental Brief") in support of Plaintiffs' Motion for Approval of PAGA Settlement, Award of PAGA Counsel's Fees, PAGA Counsel's Costs, Enhancement Awards, and Administration Costs ("Motion for Approval") (ROA #62).

I. INTRODUCTION

On December 13, 2024, Plaintiffs filed the Motion for Approval (ROA #62) and supporting documents (ROA #63, ROA #64, and ROA #65) seeking approval of the Private Attorneys General Act Settlement Agreement and Release ("Original Agreement"). (Supplemental Declaration of Jonathan M. Genish in Support of Plaintiffs' Motion for Approval of PAGA Settlement ["Supplemental Declaration of Jonathan M. Genish" or "Supp. Genish Decl."], ¶ 2).

On July 11, 2025, pursuant to the Court's inquiries in its April 24, 2025 Minute Order (ROA #72), Plaintiffs filed supplemental papers in support of the Motion for Approval (ROA #82, ROA #83, and ROA #85), Original Agreement, and Amendment No. 1 to Private Attorneys General Act Settlement Agreement and Release ("Amendment No. 1"). (*Id*., ¶ 3). Also on July 11, 2025, the Court entered a Minute Order ("July 11, 2025 Minute Order") (ROA #75), which denied without prejudice the Joint Stipulation to Amend Complaint; [Proposed] Order seeking to add Foothill Ranch Imports, LLC as a defendant for lack of "sufficient explanation for the court to conclude the requested amendment should be permitted at this juncture." (Ibid).

On December 31, 2025, pursuant to the Court's inquiries in its July 24, 2025 Minute Order (ROA #87), Plaintiffs filed further supplemental papers in support of the Motion for Approval (ROA #105), Original Agreement, Amendment No. 1, and Amendment No. 2 to Private Attorneys General Act Settlement Agreement and Release ("Amendment No. 2"). (*Id*., ¶ 4).

On January 15, 2026, the Court entered a Minute Order (ROA #112) ("January 15, 2026 Minute Order") wherein it posed additional inquiries regarding the Motion for Approval, Original Agreement, Amendment No. 1, and Amendment No. 2 (collectively, "Settlement Agreement" or "Settlement"). (*Id*., ¶ 5 and Exh. 1).

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In its January 15, 2026 Minute Order, the Court, among other inquiries, inquired into whether Plaintiffs have standing to maintain PAGA claims against Foothill Ranch Imports, LLC, given that neither of the Plaintiffs were a direct employee of the Foothill Ranch Imports, LLC, and requested legal authority supporting its inclusion in the Settlement. (January 15, 2026 Minute Order, Item 1; Supp. Genish Decl., ¶ 6.a).

This Supplemental Brief is submitted in direct response to the issues which were identified by the Court in its July 11, 2025 Minute Order and January 15, 2026 Minute Order related to the addition of Foothill Ranch Imports, LLC as a defendant.

Filed concurrently herewith is the Supplemental Declaration of Jonathan M. Genish, which addresses the other issues raised in the January 15, 2026 Minute Order: 1) the number of Aggrieved Employees; 2) the adequacy of contemporaneous time records; and 3) attachment of the Settlement Agreement, all amendments, and the notice letter (in all languages) as exhibits to the proposed order. This Supplemental Brief also makes reference to the Declaration of Jonathan M. Genish in Support of Motion for Approval of PAGA Settlement filed on December 31, 2025 ("Genish Declaration" or "Genish Decl.") (ROA #105).

II. LEAVE TO AMEND

1. <u>Leave to amend the complaint should be allowed</u>:

California courts liberally grant leave to amend, and the established policy of this state is that amendments to pleadings may be made at any stage of proceedings in furtherance of justice. (*Beckley v. Reclamation Board*, (1957) 48 Cal.2d 710, 716). As the Supreme Court observed over a century ago, "it can very rarely happen that a court would be justified in refusing a party leave to amend his pleading so that he may properly present his case." (*Crosby v. Clark*, (1901) 132 Cal. 1, 8). The rule is one of liberality: "where such an amendment can be made in furtherance of justice without jeopardizing the rights of an adverse party, it should be allowed," provided the amendment does not radically change the cause of action or issues involved. (*Abbott v. Limited Mut. Compensation Ins. Co.*, (1938) 30 Cal.App.2d 157, 161–62).

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The proposed amendment satisfies that standard in every dimension. The defendant Plaintiffs seek to add, Foothill Ranch Imports, LLC ("Foothill Ranch"), is wholly owned by existing Defendant Mission Imports ("Mission Imports") and/or its executive managers, and has stipulated to being added as a defendant in this action. Because the same individuals operate and control both entities, Foothill Ranch has had actual knowledge of this litigation and the nature of Plaintiffs' claims since its inception. The proposed amended complaint introduces no new causes of action and raises no new issues beyond those already before the Court.

For the foregoing reasons, Plaintiffs respectfully request that the Court grant leave for Plaintiffs to file the proposed amended complaint. California's policy of liberal amendment exists precisely for circumstances like these, where adding a defendant causes no prejudice, changes nothing about the underlying claims, and serves only to ensure that all responsible parties are brought before the Court in a single proceeding. Foothill Ranch is not a stranger to this litigation; it is under common ownership and control with Mission Imports, has been aware of Plaintiffs' claims since the outset, and has stipulated to its own addition. There is no cognizable basis to deny the amendment, and every reason rooted in fairness and judicial economy to grant it.

III. STANDING AND BASIS FOR INCLUDING FOOTHILL RANCH IMPORTS, LLC AS A DEFENDANT IN THE SETTLEMENT

1. <u>The Joint Employer Doctrine Supports the Settlement Structure</u>:

Under California law, two or more entities may be considered joint employers when they share or co-determine matters governing the essential terms and conditions of employment. (*County of Ventura v. Public Employment Relations Bd.,* 42 Cal. App. 5th 443 (2019), *Mattei v. Corporate Management Solutions, Inc*., 52 Cal. App. 5th 116 (2020)). The determination of joint employer status focuses on the degree of control exercised over workers and the integration of operations between the entities. (*Mattei v. Corporate Management Solutions, Inc*., 52 Cal. App. 5th 116 (2020)).

California courts consider multiple factors when determining joint employer status. No single factor is determinative; courts examine the totality of circumstances. (*St. Myers v. Dignity Health*, 44 Cal. App. 5th 301 (2019), *Becerra v. McClatchy Co*., 69 Cal. App. 5th 913 (2021). California courts have considered the use of a parent company's forms, logos, and policies as relevant factors in determining whether the parent company exercised control over the subsidiary's employees. In *Castaneda v. Ensign Group, Inc*., the court emphasized that such shared practices could indicate the parent's involvement in employment matters, thereby creating a triable issue of fact regarding joint employer status. (*Castaneda v. Ensign Group, Inc*., 229 Cal. App. 4th 1015 (2014)). Functional integration of operations is also a factor considered when assessing whether two entities should be treated as a single employer. (*Mathews v. Happy Valley Conference Center, Inc*., 43 Cal. App. 5th 236 (2019)).

The facts here establish joint employer status. Both Mission Imports and Foothill Ranch operate as Mercedes-Benz car dealerships. (Declaration of Jodie Robison in Support of Plaintiff's Motion for Preliminary Approval of Class and PAGA Representative Action Settlement ["Robison Decl."], ¶ 3). Mission Imports owned 51% of Foothill Ranch, with the remaining 49% owned by a member of the executive management team, and both entities were operated by the same shared executive management and ownership structure. (Supplemental Declaration of Jodie Robison in Support of Plaintiff's Motion for Approval of PAGA Representative Action Settlement ["Supplemental Declaration of Jodie Robison" or "Supp Robison Decl."], ¶ 3)). That shared leadership was not merely nominal; the executive team made decisions regarding the policies and procedures in place at both locations to ensure uniformity, and exercised discretion over employees' hours, schedules, and titles at each. (Supp Robison Decl., ¶¶ 3-8).

The operational integration between the two entities is extensive. Both entities maintained identical employee handbooks and wage and hour policies throughout the PAGA Period. (Supp Robison Decl., ¶ 4; Genish Decl., ¶ 7.iii.B(3)). They used the same timekeeping systems and payroll providers, issued identically formatted wage statements, and provided employees with the same meal waiver forms, meal and rest period policies, and piece-rate payment structure for eligible employees. (Supp Robinson Decl., ¶¶ 5-7). Employees regularly worked shifts across both locations. (Id., ¶ 8). Mission Imports and Foothill Ranch provided time and payroll data for both entities without distinction, and Plaintiffs' expert accordingly analyzed the combined data as a unified whole. (Genish Decl., ¶ 7.iii.B(3)-(4)). Indeed, both entities concede that their wage and hour practices were identical during the PAGA Period. (Supp Robison Decl., ¶¶ 4-7).

This joint employer relationship has direct consequences for PAGA standing. Under PAGA, a representative plaintiff who personally suffered a Labor Code violation may pursue penalties on behalf of all aggrieved employees of an entity by which he or she was employed. (Cal Lab Code §§ 2699 and § 2699.5). For wage-and-hour purposes, employer status (including joint-employer status) is controlled by the Industrial Welfare Commission (IWC) wage orders, which define employment through three alternative formulations: (1) to exercise control over wages, hours, or working conditions (directly or indirectly, or through an agent or any other person); (2) to "suffer or permit" work; or (3) to "engage" the employee. (*Medina v. Equilon Enters*., 68 Cal. App. 5th 868). Case law indicates that whether a joint employer is held responsible under PAGA depends on whether an employee can allege at least one Labor Code violation was committed against them by the joint employer. (*Howitson v. Evans Hotels, LLC*, 81 Cal. App. 5th 475).

Here, Foothill Ranch's liability is not limited to theoretical shared or vicarious responsibility, but instead is attributable to its direct control and management of the aggrieved employees placed at both locations. Foothill Ranch committed Labor Code violations against the aggrieved employees in its own right because it was directly involved in workforce management and operational decision-making affecting those employees. By establishing the policies and practices that Plaintiffs alleged were unlawful, and which governed both Foothill Ranch and Mission Imports employees, Plaintiffs assert that Foothill Ranch was a direct cause of the violations suffered by Mission Imports employees, not merely a passive co-employer. The settlement structure here, allocating payments between the two entities based on their respective numbers of employees and pay periods, properly reflects that shared responsibility and ensures that all aggrieved employees receive their proportionate share of the recovered penalties. (Genish Decl., ¶ 7.iii (B)(6)).

For these reasons, the inclusion of Foothill Ranch as a defendant is not only appropriate but compelled by the evidence. The record establishes that Mission Imports and Foothill Ranch operated as joint employers: sharing ownership, management, policies, payroll systems, and operational control over the wages, hours, and working conditions of their employees. Plaintiffs and the Aggrieved Employees were subject to the same unlawful practices across both entities, and both entities bear responsibility for the resulting Labor Code violations. To exclude Foothill Ranch would be to ignore the reality of how these businesses operated. California's joint employer doctrine exists precisely to prevent that result, and the Court should apply it here accordingly.

IV. CONCLUSION

Based on the foregoing, the concurrently filed Supplemental Declaration of Jonathan M. Genish, Supplemental Declaration of Jodie Robison, all exhibits thereto, and Plaintiffs' original Motion for Approval, Plaintiffs respectfully request that the Court approve the PAGA settlement, attorneys' fees and costs, enhancement awards, and administration costs.

Dated: April 30, 2026

BLACKSTONE LAW, APC

By: Jonathan M. Genish

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