

SUPERIOR COURT OF CALIFORNIA, COUNTY OF RIVERSIDE

Historic Court House

Hearing on Motion for Approval of PAGA Settlement by CARL SCHMIDT

03/12/2025

8:30 AM

Department 1

CVPS2300271

SCHMIDT vs THE EUCLID CHEMICAL COMPANY

Honorable Harold W. Hopp, Judge

E. Escobedo, Courtroom Assistant

Court Reporter: None

APPEARANCES:

SCHMIDT, CARL [PLA] Represented by Chris Hellmich appearing remotely in Court.

THE EUCLID CHEMICAL COMPANY [DEF] Represented by Luis Lorenzama appearing remotely in Court.

At 08:37 AM, the following proceedings were held:

Motion by Plaintiff regarding Approval of PAGA Settlement is called for hearing.

Appearances requested.

Counsel presents argument.

Court makes the following order(s):

Motion for Approval of PAGA Settlement is granted.

Hearing re: Final Report (Nonappearance) set 10/30/2025 at 08:30 AM in Department 1

Formal order signed in court.

Case Management Conference - Complex () on 04/28/2025 at 08:30 AM vacated.

Hearing on Motion for Approval of PAGA Settlement on 04/08/2025 at 08:30 AM vacated.

Notice waived.

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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE**

CARL SCHMIDT,

Plaintiff,

vs.

EUCLID CHEMICAL COMPANY, INC., et
al.,

Defendants.

Case No. **CVPS2300271**

**[PROPOSED] ORDER AND FINAL
JUDGMENT APPROVING PAGA
SETTLEMENT; DISMISSAL**

Reservation Number: 337174418048

Hearing: March 12, 2025

Time: 8:30 a.m.

Judge: Hon. Harold W. Hopp

Dept.: 1

1 The Motion for Order Approving the PAGA Settlement and Dismissal of Entire Action filed
2 by Plaintiff Carl Schmidt (“Plaintiff”) came on for a Noticed hearing before the Court (“Motion”) on
3 March 12, 2025. Defendants The Euclid Chemical Company, erroneously sued as Euclid Chemical
4 Company, Inc., (“Euclid”) and RPM International, Inc. (collectively “Defendants”) and
5 Plaintiff (collectively “the Parties”) agree on these issues, which are set forth in the Parties’ PAGA
6 Settlement Agreement and the documents filed in support of the Motion.

7 After submitting his initial PAGA notice to the California Labor & Workforce Development
8 Agency (“LWDA Notice”) on October 6, 2022, Plaintiff filed his Complaint on January 20, 2023, the
9 First Amended Complaint (“FAC”) on March 15, 2023, and pursuant to a stipulated order, Plaintiff
10 filed a Second Amended Complaint (“SAC” or “Operative Complaint”) in federal court on March 30,
11 2023.

12 The SAC asserted twelve (12) individual causes of action as follows: Breach of Contract;
13 Wrongful Termination; Retaliation-Labor Code § 98.6; Intentional Infliction of Emotional Distress;
14 Failure to Pay Wages-Labor Code § 204; Inaccurate Wage Statements- Labor Code § 226(a); Failure to
15 Keep Payroll Records-Labor Code § 1174(d); Deficient Pay Penalties-Labor Code § 210; Unreimbursed
16 Business Expenses-Labor Code § 2802; Waiting Time Penalties-Labor Code § 203; Violation of Unfair
17 Competition Law-Bus. & Prof. Code § 17200, and Age Discrimination - Govt. C. 12940 (collectively,
18 the “Individual Claims”).

19 The Parties have agreed to settle all Individual Claims as provided in the Individual Settlement
20 Agreement, which are to be dismissed with prejudice.

21 Plaintiff’s SAC also asserts one cause of action (No. 13) under the California Private Attorneys
22 General Act of 2004 (Labor Code §§ 2698, et. seq.), to recover penalties with respect to himself and
23 other allegedly “Aggrieved Employees” in California, in connection with the alleged: failure to timely
24 pay all wages to Plaintiff and/or the allegedly aggrieved employees; failure to timely pay all wages to
25 Plaintiff and/or the allegedly aggrieved employees; failure to pay all sales commission wages to Plaintiff
26 and/or the allegedly aggrieved employees; failure to timely pay all sales commission wages to Plaintiff
27 and/or the allegedly aggrieved employees; failure to disclose all sales commission wage calculations to
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1 Plaintiff and/or the allegedly aggrieved employees; failure to provide accurate wage statements,
2 including those related to COVID-19 Supplemental Paid Sick Leave Labor Code § 248.6 to Plaintiff
3 and/or the allegedly aggrieved employees; failure to indemnify employees for incurred business
4 expenses to Plaintiff and/or the allegedly aggrieved employees; failure to pay all wages due upon
5 termination to Plaintiff and/or the allegedly aggrieved employees; failure to indemnify employees for
6 incurred business expenses upon termination to Plaintiff and/or the allegedly aggrieved employees;
7 failure to provide disclosures of earned vacation pay each pay period and/or upon termination to
8 Plaintiff and/or the allegedly aggrieved employees; and retaliation under Labor Code §§ 98.6, 1102.5.
9 (the “PAGA Claim”). Plaintiff’s PAGA Claim include, but are not limited to, alleged violations of
10 Labor Code §§ 98.6, 200, 201, 202, 203, 204, 204.1, 210, 216, 218.5, 223, 225.5, 226, 226.3, 226.7,
11 227.3, 246, 247.5, 248.5, 248.6, 510, 512(a), 551, 552, 558, 558.1, 1102.5, 1174, 1174.5, 1194, 1197,
12 1197.1, 1197.5, 1198, 2698, 2699, 2699.3, 2751, 2753, 2800, 2802, 2810.3, 2802, and 2804, as well as
13 Unfair Competition Law – Bus. & Prof. Code § 17200.

14 The “Aggrieved Employees” is defined as all current and former employees in a sales role who
15 received a commission payment and who were employed by Defendant Euclid in California during the
16 PAGA Period. The PAGA Period means the period between January 20, 2022, through the date the
17 Court signs this Order and Final Judgment Approving the PAGA Settlement.

18 The Parties have agreed to also settle the Plaintiff’s PAGA Claim and dismiss it with prejudice.

19 Having reviewed and considered the Motion, supporting documentation filed with the Motion,
20 the pleadings and papers filed in this Action, and oral argument in support of Plaintiff’s Motion, and
21 finding good cause thereon,

22 **THE COURT ORDERS THE FOLLOWING:**

- 23 1. The PAGA settlement and release of claims between the Parties are approved;
- 24 2. This Order and Judgment hereby adopts and incorporates by reference the terms and
25 conditions of the Parties’ PAGA Settlement Agreement.
- 26 3. The Court has considered all relevant factors for determining whether the PAGA
27 penalty of Five Thousand and 0/100 dollars (\$5,000), with Three Thousand Seven Hundred and Fifty

1 and 0/100 dollars (\$3,750) payable to the LWDA, is fair, adequate, and reasonable, and it has concluded
2 that all such factors weigh in favor of granting approval.

3 4. Plaintiff's Individual Claims (i.e., SAC Causes of Action Nos. 1 - 12) are hereby
4 dismissed with prejudice;

5 5. Plaintiff's PAGA Claim (as to himself and other Aggrieved Employees) is dismissed
6 with prejudice;

7 6. Upon this entry of Final Judgment by the Court in accordance with the PAGA
8 Settlement Agreement, Plaintiff, as the representative of the State of California, and on behalf of all
9 Aggrieved Employees, shall fully and finally release and discharge Defendants and the "Released
10 Parties", as the defined in the PAGA Settlement Agreement as Defendants and, as applicable, each of
11 their past, present, or future, directors, officers, employees and agents, from the claims released in the
12 Settlement, which include the PAGA Claim, defined above, i.e., claims for the statutory penalties that
13 were or could have been sought by the Labor Commissioner for the violations identified in Plaintiff's
14 PAGA Notice, as defined above, whether under the California Labor Code, applicable Wage Order(s),
15 regulations, and/or other provisions of law, and as they are or could have been alleged in the Operative
16 Complaint.

17 7. As is noted in CMO # 1, Section (D)(6)(b), the dismissal of Plaintiff's PAGA Claim
18 (i.e., SAC Cause of Action No. 13) does not extend to or otherwise affect the ability of an aggrieved
19 employee of Defendants to bring individual, non-representative claims against Defendants for alleged
20 violations of the Labor Code.

21 8. As of the Effective Date of the PAGA Settlement Agreement, February 27, 2025,
22 Plaintiff, as the representative for the State of California, and on behalf of all PAGA Employees, will
23 forever completely release and discharge Defendants and the Released Parties, as the defined above,
24 from any claim for the recovery of civil penalties under the California Private Attorneys General Act,
25 California Labor Code § 2698, et. seq. only. It is expressly understood and agreed that this settlement
26 includes a release of all PAGA Representative Claims based on alleged violations of the California
27 Labor Code, the relevant Industrial Wage Orders that were cited or could have been cited in Plaintiff's
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1 LWDA Notice and amended LWDA Notices and/or alleged in the SAC (the “PAGA Claims”). The
2 release shall be effective as of the Effective Date, , as the defined above, and it shall apply to claims
3 within the above scope impacting the PAGA Employees arising within the PAGA Period, , as the
4 defined above. This settlement agreement shall not impact any PAGA Employee's ability to assert
5 Labor Code claims other than the PAGA Claims (i.e., a claim brought under California Labor Code §
6 2698, et. seq.).

7 9. In accordance with California law as stated in *inter alia* *Arias v. Superior Court* (2009) 46
8 Cal.4th 969, 985, a judgment in “a representative action brought by an aggrieved employee under the
9 Labor Code Private Attorneys General Act of 2004 ... is binding not only on the named employee
10 plaintiff but also on government agencies and any aggrieved employee not the named employee plaintiff
11 but also on government agencies and any aggrieved employee not a party to the proceeding.” Thus,
12 both the named employee plaintiff and nonparty aggrieved employees (i.e. all PAGA Aggrieved
13 Employees) are bound by this Order and Final Judgment. *Id.* at 986. However, the Parties’ Settlement
14 Agreement shall not impact any PAGA Aggrieved Employee’s ability to assert Labor Code claims other
15 than the PAGA Claims (i.e., a claim brought under California Labor Code § 2698, et seq.) unless such
16 claim is subject to res judicata, issue preclusion, or claim estoppel.

17 10. Pursuant to CMO # 1, Section (D)(11)(b), the Final Accounting (Nonappearance)
18 Hearing shall take place on October 30, 2025, at 8:30 AM.

19 11. No less than five (5) court days before the Final Accounting (Nonappearance) Hearing,
20 Claim Administrator Defendant Euclid shall file a report concerning the distribution of money and, if
21 applicable, uncashed checks.

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1 12. This Court shall retain jurisdiction pursuant to C.C.P. § 664.6 with respect to all matters
2 related to the administration and consummation of the Settlement, and any and all claims asserted in,
3 arising out of, or related to the subject matter of the lawsuit, including but not limited to all matters
4 related to the settlement and the determination of all controversies relating thereto.

5 **IT IS SO ORDERED AND ADJUDGED. LET FINAL JUDGMENT BE**
6 **FORTHWITH ENTERED ACCORDINGLY**

7
8 DATED: _____

The Honorable Harold Hopp
Judge of the Superior Court