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SUPERIOR COURT OF CALIFORNIA
IN AND FOR THE COUNTY OF ORANGE

DIANA SERMENO, on behalf of the State
of California, and others similarly situated
and aggrieved,

Plaintiff,

v.

CAFE RIO, INC., a California
Corporation; and DOES 1-100,
inclusive,

Defendants.

Case No.: 30-2023-01304494-CU-OE-CX
*Assigned for all purposes to the Hon. Layne
H. Melzer; Dept. CX102*

~~[PROPOSED]~~ ORDER GRANTING MOTION
FOR APPROVAL OF SETTLEMENT UNDER
PRIVATE ATTORNEYS GENERAL ACT,
AND JUDGMENT THEREON

1 Under Labor Code section 2699(1)(2) of the Private Attorneys General Act of 2004
2 (“PAGA”), Plaintiff Diana Sermeno’s Motion for Approval of Settlement under PAGA came
3 before the Court on a regularly noticed motion.

4 Plaintiff’s Complaint seeks civil penalties on behalf of the State of California and
5 similarly situated aggrieved employees (the “Aggrieved Employees”), as authorized by PAGA
6 under Labor Code § 2699, in relation to alleged violations of the predicate statutes set forth in
7 Plaintiff’s complaint and her letter to the Labor Workforce & Development Agency (“LWDA”)
8 dated November 22, 2022 (the “LWDA Notice”), on behalf of all non-exempt, hourly-paid
9 persons who Defendant Cafe Rio, Inc. (“Defendant”) employed in any of the Covered Positions
10 (as defined in the Parties’ PAGA Settlement Agreement (the “Settlement Agreement”), Exhibit
11 1 hereto, at its California locations at any time from during the PAGA Period and who received
12 pay for at least two (2) regular hours of work during a PAGA Pay Period.

13 Under PAGA, in any action brought by an aggrieved employee, the Court “shall review
14 and approve any settlement of any civil action filed pursuant to this part.” Labor Code section
15 2699(1)(2). Accordingly, the Court, having considered the proposed settlement set forth in the
16 Settlement Agreement, including the proposed PAGA penalties under Labor Code section
17 2699(1)(2) and having considered the papers filed in support of the proposed settlement and the
18 arguments of counsel, and good cause appearing, HEREBY ORDERS AS FOLLOWS:

- 19 1. The Court finds the instant Action presents a good faith dispute of the claims alleged;
- 20 2. The Court finds in favor of settlement approval, and therefore approves the Settlement of
21 the above-captioned action, as set forth in the Settlement Agreement and each of the releases and other
22 terms, as fair, reasonable, and adequate;
- 23 3. The Court finds further that Plaintiff, on her own behalf, on behalf of all Aggrieved
24 Employees, and on behalf of the State of California in her capacity as a private attorney general
25 “aggrieved employee” acting on behalf of herself and as a proxy or agent of the LWDA and
26 State of California, and all Aggrieved Employees, release all Released Parties (as defined in the
27 Settlement Agreement) from any and all claims for PAGA civil penalties that were alleged or
28 could reasonably have been alleged in the operative complaint based on the alleged facts and

1 violations as set forth in Plaintiff's Complaint filed January 27, 2023, or corresponding PAGA
2 Notice (including but not limited to claims based on violations related to unpaid wages,
3 overtime, meal periods, rest periods, wage statements, reporting time pay, reimbursement of
4 business expenses, uniform maintenance, and failure to timely pay wages) which arose during
5 the PAGA Period (as defined in the Parties' Settlement Agreement) of November 22, 2021
6 through September 4, 2024.

7 4. The Court finds further that Plaintiff timely served her Motion for Approval on the Labor
8 and Workforce Development Agency in accordance with Labor Code section 2699(l)(2).

9 5. The Parties are directed to comply with all terms of the Settlement Agreement, and
10 Defendant is directed to make all payments required by the Settlement Agreement;

11 6. Under the Settlement Agreement, Defendant agrees to pay Two Hundred Forty Thousand
12 Dollars and No Cents (\$240,000.00) (the "Gross Settlement Amount"). The Gross Settlement Amount is
13 inclusive of payments to the LWDA and Aggrieved Employees, Plaintiff's Service Award, Attorney's
14 Fees and Costs, and Administration costs. No portion of the Gross Settlement Amount will revert to
15 Defendant. Plaintiff's Counsel requests an award of attorney's fees of \$80,000.00 and reimbursement of
16 actual litigation expenses of \$12,868.53, and Plaintiff requests a service award of \$10,000.00. Defendant
17 does not oppose these requests. The Court finds the Gross Settlement Amount is fair, reasonable and
18 adequate, and directs the Settlement Administrator to make the following payments from the Gross
19 Settlement Amount:

- 20 a. \$72,000.00 in attorney's fees to Crosner Legal, PC (reduced from the requested amount);
- 21 b. \$12,868.53 in litigation costs to Crosner Legal, PC;
- 22 c. \$5,000.00 for a release award to Plaintiff Diana Sermeno (reduced from the requested
23 amount); and
- 24 d. \$12,000.00 in administration costs to Phoenix Settlement Administrators, which is
25 approved by the Court as the Settlement Administrator.

26 7. After deducting the foregoing payments, the estimated remainder of approximately
27 \$138,131.47 shall form the Net Settlement Amount ("NSA"). Pursuant to Labor Code section 2699(i), the
28 NSA will then be distributed 75 percent (approximately \$103,598.60) to the LWDA, and the remaining

1 25 percent (approximately \$34,532.87) to the Aggrieved Employees on a pro rata basis, as set forth in the
2 Settlement Agreement. The Court approves these payments, and directs the Settlement Administrator to
3 issue checks to the LWDA and Aggrieved Employees, along with the Notice of PAGA Settlement
4 (Exhibit 2 hereto, including its Spanish language translation), as set forth in the Settlement Agreement, and
5 to otherwise carry out its duties as set forth in the Settlement Agreement. Any unclaimed funds will be
6 distributed to State Controller's Office Unclaimed Property Fund.

7 8. The Court sets a Compliance Hearing for February 4, 2027, at 2:00 pm in
8 Department CX-102 of the Orange County Superior Court, 751 West Santa Ana Blvd., Santa
9 Ana, California, 92701. Plaintiff is ordered to file a compliance report at least sixteen (16) court
10 days before the Compliance Hearing.

11 9. This document shall constitute a Judgment for purposes of California Rule of Court
12 3.769(h). The Court reserves exclusive and continuing jurisdiction over the Action and the Parties under
13 Code of Civil Procedure § 664.6 for the purpose of supervising implementation, enforcement,
14 construction, administration, and interpretation of the Settlement Agreement and this Judgment.

15 **IT IS SO ORDERED AND ADJUDGED.**

16
17 Dated: March 3, 2026



Hon. Layne H. Melzer
Judge of the Superior Court