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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SANTA BARBARA

JUAN CARLOS NAVARETTE,

Plaintiff,

v.

BELLA VISTA DESIGNS dba FINAL TOUCH
S.B., TREVOR ZELLET, MARILYN JEAN
ZELLET, individually and dba FINAL TOUCH
S.B., a sole proprietorship, and DOES 1 through
20, inclusive,

Defendants.

Case No.: 23CV02958

Hon. Thomas P. Anderle
Dept. 3

**STIPULATION BY ALL PARTIES
FOR ORDER APPROVING
SETTLEMENT PURSUANT TO
CALIFORNIA LABOR CODE
PRIVATE ATTORNEYS' GENERAL
ACT AND ENTERING JUDGMENT;
[PROPOSED ORDER]**

Complaint Filed: March 6, 2023

Trial Date: October 9, 2024

Plaintiff JUAN CARLOS NAVARETTE ("Plaintiff") and BELLA VISTA DESIGNS
(separately and as) dba FINAL TOUCH S.B., TREVOR ZELLET, individually, and MARILYN
JEAN ZELLET, individually and dba FINAL TOUCH S.B., a sole proprietorship ("Defendants")
(collectively, "the Parties"), by and through their respective counsel of record, hereby
stipulate as follows:

1 **WHEREAS**, on or about August 26, 2022, Plaintiff by and through Plaintiff's
2 counsel, sent a notice to the California Labor Workforce Development Agency ("LWDA")
3 and to Defendants (the "PAGA Notice") alleging that Defendants engaged in violations of
4 the California Labor Code and California Wage Orders, seeking civil penalties pursuant to
5 the California Labor Code Private Attorneys' General Act ("PAGA");

6 **WHEREAS**, on or about March 6, 2023, Plaintiff filed a Complaint in the California
7 Superior Court for the County of Los Angeles entitled Juan Carlos Navarette v. Bella Vista
8 Designs dba Final Touch S.B., et al., Case Number 23STCV04851 (the "Action") alleging
9 individual employment claims and seeking civil penalties pursuant to the PAGA;

10 **WHEREAS**, on or about May 10, 2024, the parties stipulated to transfer venue to
11 Santa Barbara Superior Court, Case Number 23CV02958.

12 **WHEREAS**, on or about July 24, 2023, Plaintiff filed his First Amended Complaint
13 ("FAC") adding Defendant Marilyn Jean Zellet, individually and dba Final Touch S.B., a sole
14 proprietorship, as a Defendant.

15 **WHEREAS**, for purposes of this PAGA Agreement, the alleged aggrieved
16 individuals ("Aggrieved Employees") are defined as all individuals employed by Defendants
17 in California and classified as non-exempt, who worked for Defendants during the PAGA
18 Period, from the time period within one year prior to filing the Lawsuit through and including
19 the date of execution of this Agreement;

20 **WHEREAS**, Defendants have materially represented that there are 154 such
21 aggrieved employees that meet the above definition;

22 **WHEREAS**, Defendants vigorously dispute and deny the allegations and various
23 causes of action asserted in the Action, including, without limitation, Plaintiff's and the
24 Aggrieved Employees' claim for civil penalties pursuant to PAGA;

25 **WHEREAS**, on February 26, 2024, the Parties participated in a full day mediation
26 with Nikki Tolt, Esq., a well-respected mediator in the area of employment law. Through
27 good faith arms-length negotiations, the Parties reached a mutual understanding of the
28 material terms of settlement of the PAGA claim, memorialized in this Agreement. Prior to

1 mediation, Plaintiff obtained the following data through formal and informal discovery: data
2 regarding the total number of Aggrieved Employees.

3 **WHEREAS**, according to the PAGA Settlement Agreement, Plaintiff's "PAGA
4 Claims" are defined as any and all claims for civil penalties pursuant to PAGA based on the
5 allegations in Plaintiff's Complaints and/or PAGA Notices, broadly construed, including, but
6 not limited to, civil penalties based on or arising from California Labor Code Sections 204,
7 226(a), 226.7, 510, 512, 558 and 1194, California Business and Professions Code Section 17200
8 *et seq.*, and the California Wage Orders, whether known or unknown, suspected or
9 unsuspected, concealed or hidden, that were alleged in the Action and/or the PAGA Notice,
10 or that could have been alleged in the Action and/or PAGA Notices, which Plaintiff and any
11 Aggrieved Employee have or had at any time through and including the Approval Date,
12 against any of the Releasees identified in the PAGA Settlement Agreement. A true and
13 correct copy of the PAGA Settlement Agreement is attached hereto as **Exhibit A**, and its
14 defined terms are hereby incorporated by reference;

15 **WHEREAS**, California Labor Code Section 2699(1)(2) requires that this Court
16 review and approve any settlement pursuant to PAGA;

17 **WHEREAS**, the Parties' PAGA Settlement Agreement contemplates:
18 (a) issuance of a Court order approving the PAGA Settlement; (b) discharge of Releasees
19 from and with respect to Plaintiff's PAGA Claims; (c) release by Plaintiff, the State of
20 California, and all Aggrieved Employees with respect to the PAGA Claims; and (d) barring
21 and enjoining Plaintiff, the State of California, and all Aggrieved Employees from instituting
22 or prosecuting, either directly or indirectly, individually, collectively, and/or
23 representatively, any and all PAGA Claims, such that the PAGA Settlement Agreement may
24 be pleaded by any Releasee as a full and complete defense to, and may be used as the basis
25 for an injunction against, any action, suit or other proceeding that has been or may be
26 instituted, prosecuted or attempted, asserting any PAGA Claims;

27 **WHEREAS**, the Parties recognize that the issues presented in the Action are likely
28 only to be resolved with extensive and costly discovery, pretrial and trial proceedings, and

1 that further litigation will cause inconvenience, distraction, disruption, delay and expense
2 disproportionate to the potential benefits of litigation. The Parties have taken into account
3 the risk and uncertainty of the outcome inherent in any litigation;

4 **WHEREAS**, based on their own independent investigations and evaluations, the
5 Parties and their respective counsel are of the opinion that the settlement of the PAGA Claims
6 on the terms set forth in the PAGA Settlement Agreement are fair, reasonable and adequate
7 and is in the best interests of the Parties, the LWDA, and Aggrieved Employees in light of
8 all known facts and circumstances and the risks inherent in litigation;

9 **WHEREAS**, the Parties recognize that this Court may, pursuant to California Labor
10 Code Section 2699(e)(2), award a lesser amount than the maximum civil penalty amount
11 permitted under PAGA if, based on the facts and circumstances of the particular case, to do
12 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory;

13 **WHEREAS**, the counsel for Plaintiff and Defendants hereby attest that herein that they
14 have no knowledge of any other class action or PAGA lawsuits pending against Defendants
15 for any or all of the labor law violations asserted in this action;

16 **WHEREAS**, the Parties have provided a copy of this Joint Stipulation and the
17 proposed PAGA Settlement Agreement to the LWDA in accordance with Labor Code
18 Section 2699(l)(2), and a proof of service to the LWDA is attached hereto as **Exhibit B**;

19 **WHEREAS**, the Parties have prepared an objectively worded cover letter to be sent
20 to the aggrieved employees with their penalty checks to explain the purposes of the checks,
21 which is attached hereto as **Exhibit C**;

22 **WHEREAS**, in consideration of the terms and conditions set forth in the PAGA
23 Settlement Agreement, the Parties agree to be bound to the terms and conditions set forth in
24 the PAGA Settlement Agreement, including that:

25 Within sixty (60) calendar days after the Approval Date, the Company shall
26 pay the One Hundred and Twenty-Five Dollars and Zero Cents (\$125,000.00) (the
27 “Settlement Sum”) on account of disputed and alleged civil penalties as follows:
28

1 A. Forty-One Thousand, Six Hundred and Sixty-Six Dollars and Sixty-Six
2 Cents (\$41,666.66) of the Settlement Sum of \$125,000.00, shall be paid to Plaintiff's counsel,
3 Law Offices of Matthew Rabban, for PAGA Counsel Fees;

4 B. Five Thousand Five Hundred and Forty-Six Dollars and Sixty-Seven
5 cents (\$5,546.67) shall be paid to Plaintiff's Counsel, Law Offices of Matthew Rabban, for
6 PAGA Counsel Litigation Expenses;

7 C. Five Thousand Dollars and Zero Cents (\$5,000.00) shall be paid to
8 Defendants for Administration Expenses. Attached as **Exhibit D** is a declaration from
9 Defense Counsel, Trevor Zellet on behalf of Defendant BELLA VISTA DESIGNS in
10 Support of Defendant's Request for Admirative Expenses;

11 B. The remaining balance after deducting the amount being paid to
12 Plaintiff and her counsel for Plaintiff's attorneys' fees, costs and expenses, and the
13 Administration Expenses, \$72,786.67 (the "Net Settlement Amount") shall be distributed as
14 follows:

15 i. Seventy-Five Percent (75%) of the Net Settlement Amount,
16 \$54,590.00 shall be made payable to Plaintiff's counsel, who shall prepare a check in the
17 same amount, payable to the LWDA, and mail it directly to the LWDA within 10 days of
18 receipt of such payment from Defendant. This represents civil penalties payable to the
19 LWDA under the PAGA, Labor Code section 2698, *et seq.*;

20 ii. Twenty Five Percent (25%) of the Net Settlement Amount,
21 \$18,198.67, (the "Aggrieved Employee Amount") shall be paid to the 154 Aggrieved
22 Employees, which represents civil penalties allegedly owed on the PAGA Claims during the
23 PAGA Period as follows: by (a) dividing the amount of the Aggrieved Employees' 25% share
24 of PAGA Penalties (\$18,196.67) by the total number of PAGA Period Pay Periods worked
25 by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each
26 Aggrieved Employee's PAGA Period Pay Periods;

27 Defendants shall be the Settlement Administrator. All checks to Aggrieved
28 Employees will be sent by the Settlement Administrator or his designee to each Aggrieved

1 Employees' last known address on file with Defendants and shall remain valid and negotiable
2 for 180 days from the date of their issuance to Aggrieved Employees. If any checks are
3 returned as undeliverable, The Administrator must conduct an Aggrieved Employee Address
4 Search for all Aggrieved Employees whose checks are returned undelivered without a USPS
5 forwarding address. Within 7 days of receiving a returned check the Administrator must re
6 mail checks to the USPS forwarding address provided or to an address ascertained through
7 the Aggrieved Employee Address Search. If any checks are returned as undeliverable, the
8 Administrator shall transmit the funds represented by such checks to the California
9 Controller's Unclaimed Property Fund in the name of the Aggrieved Employee.

10 This Court shall retain jurisdiction to enforce the terms of the PAGA
11 Settlement Agreement pursuant to California Code of Civil Procedure Section 664.6; and

12 Subject to the Court's approval and order based upon this Stipulation, the
13 Parties shall bear their own respective costs and attorneys' fees, except as otherwise provided
14 in the PAGA Settlement Agreement;

15 **NOW THEREFORE**, the Parties jointly request that the Court approve the PAGA
16 Settlement set forth in the PAGA Settlement Agreement.

17
18 DATED: _____ BANA LEGAL GROUP, P.C.

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20 By: _____

21 Eli Banayan, Esq.

22 Koorosh Banayan, Esq.

23 Attorneys for Plaintiff
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DATED: _____

Fauver, Large, Archbald & Spray LLP

By: _____

Trevor D. Large, Esq.

Attorneys for Defendants

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[PROPOSED] ORDER

Upon good cause being shown as set forth in the stipulation of legal counsel for the parties,
the Court hereby adopts the Stipulation.

It is further ordered that: _____

IT IS SO ORDERED.

DATED: _____

Judge of the Santa Barbara County
Superior Court