

DANIEL F. GAINES, ESQ. SBN 251488
daniel@gaineslawfirm.com
ALEX P. KATOFISKY, ESQ. SBN 202754
alex@gaineslawfirm.com
EVAN S. GAINES, ESQ. SBN 287668
evan@gaineslawfirm.com
GAINES & GAINES, APLC
4550 East Thousand Oaks Boulevard, Suite 100
Westlake Village, CA 91362
Telephone: (818) 703-8985
Facsimile: (818) 703-8984

Attorneys for Plaintiffs Rick Jaramillo and Walter Sinnott, on behalf of themselves, all others similarly situated, the general public, and all “aggrieved employees” pursuant to Labor Code § 2698 *et seq.*

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO

RICK JARAMILLO, WALTER SINNOTT,
on behalf of themselves and all others
similarly situated and on behalf of the
general public,

Plaintiffs,

v.

PAPPY’S BARBER SHOPS, INC., a
California corporation, PAPPY’S BARBER
SHOP POWAY, INC., a California
corporation, MARC BENNETT, an
individual, and DOES 1 through 10,
inclusive,

Defendants.

CASE NO: 37-2023-00026619-CU-OE-CTL

Assigned to the Hon. Richard S. Whitney, Dept. C-68

**STIPULATION AND [PROPOSED] ORDER
APPROVING SETTLEMENT OF PRIVATE
ATTORNEYS GENERAL ACT CLAIMS
AND ENTERING JUDGMENT THEREON**

Complaint Filed: June 26, 2023

STIPULATION

IT IS HEREBY STIPULATED BY AND BETWEEN THE PARTIES AS FOLLOWS:

1. On April 4, 2023, Plaintiff Rick Jaramillo complied with the requirements set forth in Labor Code § 2698 *et seq.*, the Labor Code Private Attorneys General Act (hereinafter, “PAGA”) by sending a letter, by online submission to the Labor and Workforce Development Agency (“LWDA”) and by certified mail to Defendants Pappy’s Barber Shops, Inc., Pappy’s Barber Shop Poway, Inc., and Marc Bennett (collectively “Defendants”), setting forth the facts and theories of the violations alleged against Defendants. (Declaration of Daniel F. Gaines [“Gaines Decl.”] at ¶ 6; Exhibit “B”). Thereafter, on May 19, 2023, Plaintiffs Rick Jaramillo and Walter Sinnott (collectively, “Plaintiffs”) sent a supplemental letter to the LWDA and by certified mail to Defendants alleging claims on behalf of Plaintiff Walter Sinnott. (Gaines Decl. at ¶ 6; Exhibit “C”) Plaintiffs later submitted a second supplemental letter to the LWDA on August 2, 2023, which was sent to Defendants by certified mail, alleging claims on behalf of Amber Hand. *Id.* However, Amber Hand was not included in the present lawsuit as a named Plaintiff.

2. Plaintiffs filed their Class and Representative Action Complaint on June 26, 2023 seeking damages and penalties on a class wide and representative basis, on behalf of themselves, all others similarly situated, the general public, and all “aggrieved employees” pursuant to Labor Code § 2698 *et seq.* for Defendants’ alleged: (1) Failure to Pay All Minimum and Overtime Wages Earned (Labor Code §§ 226.8, 510, 1174, 1174.5, 1194, and 1194.2); (2) Failure to Provide Meal Periods or Compensation in Lieu Thereof (Labor Code §§ 226.7, 510, 512, 1174, 1174.5, and 1194; IWC Wage Order 4-2001); (3) Failure to Provide Rest Periods or Compensation in Lieu Thereof (Labor Code § 226.7; IWC Wage Order 4-2001); (4) Failure to Comply with Itemized Employee Wage Statement Provisions (Labor Code § 226(a), (e)); (5) Failure to Timely Pay Wages Due at Separation of Employment (Labor Code §§ 201-203); (6) Violation of Business and Professions Code § 17200 *et seq.*; and (7) Civil Penalties Pursuant to Labor Code § 2699(f) for Violations of Labor Code §§ 201, 202, 226(a), 226.7, 226.8, 510, 512, 1174, 1174.5, and 1194 and pursuant to Labor Code § 2699(a) for Violations of Labor Code §§ 226.3, 558, and 558.1, all stemming from

1 alleged misclassification of Defendants' barbers as independent contractors ("the Action"). The
2 alleged violations occurred when Plaintiffs worked for Defendants in San Diego County,
3 California. (Gaines Decl. at ¶ 7).

4 3. During the course of the litigation, the Plaintiffs and Defendants (hereinafter
5 Plaintiffs and Defendants are collectively referred to as the "Parties") engaged in informal
6 discovery and shared the information necessary for all sides to conduct a legitimate investigation
7 into the allegations of the action and potential defenses thereto. The Parties have reached this
8 settlement only after such discovery and investigation was performed. (Gaines Decl. at ¶¶ 8-11).

9 4. On September 1, 2023, the Parties mediated with mediator Steven McAvoy, Esq.,
10 and reached a settlement of the Action which was memorialized in a Private Attorneys General Act
11 (Labor Code § 2698 *et. seq.*) Settlement Agreement signed by all Parties. (Gaines Decl. at ¶ 12;
12 Exhibit "D" thereto (the "Settlement Agreement"))).

13 5. The Parties engaged in arm's-length negotiations and reached a resolution of only
14 the PAGA claims asserted in the Action. Based on the information and documents obtained through
15 informal discovery and during mediation, Plaintiffs assessed the maximum value of the PAGA
16 claims (without stacking) to be approximately \$82,700 (at the rate of a \$100 penalty for
17 approximately 827 workweeks at issue for approximately 15 aggrieved employees during the
18 applicable time frame). (Gaines Decl. at ¶¶ 12-15).

19 6. Defendants denied and continue to deny any liability to Plaintiffs or any other
20 allegedly aggrieved employee for any violations alleged in the Action. (Gaines Decl. at ¶ 13).

21 7. The amount of the Settlement is \$50,000 which recovers all of the maximum
22 recoverable discretionary penalties sought and includes an apportionment of attorneys' fees and
23 costs. (Gaines Decl. at ¶ 16).

24 8. The Parties agree that the settlement amount represents a fair compromise of the
25 claims, including the related costs of litigation and risk. (Gaines Decl. at ¶¶ 13-16).

26 9. Based on their extensive experience litigating over 100 representative actions,
27 counsel for Plaintiffs believes the Settlement here is fair and reasonable and warrants approval by
28

1 the Court. (Gaines Decl. at ¶¶ 2-5; Exhibit “A” to Gaines Decl.).

2 10. The Parties agree that this Stipulation should be sufficient for purposes of approving
3 the settlement of the Action as set out in the Settlement Agreement pursuant to the requirements
4 set out in Labor Code § 2699(1)(2). Accordingly, the Parties respectfully request that the Court enter
5 the accompanying Order and Judgment, approving the Settlement (attached to the Gaines Decl. as
6 Exhibit “D”), as permitted by Labor Code § 2699(1), and dismissing Plaintiffs’ class claims without
7 prejudice. (Gaines Decl. at ¶ 18).

8 11. The Parties further agree that, after entry of this Order and Judgment, the Court will
9 have continuing jurisdiction under California Code of Civil Procedure § 664.6 and as otherwise
10 allowed by law solely for purposes of addressing: (i) the interpretation and enforcement of the terms
11 of the Settlement, (ii) settlement administration matters; and (iii) such post-Final Order and
12 Judgment matters as may be appropriate under court rules or as set forth in the Settlement. (Gaines
13 Decl. at ¶ 19).

14 ///

15 ///

16 ///

17 ///

18 ///

19 ///

20 ///

21 ///

22 ///

23 ///

24 ///

25 ///

26 ///

27 ///

12. Plaintiffs have submitted a copy of the Settlement Agreement, together with this Stipulation, and Declaration of Daniel F. Gaines to the LWDA as required by PAGA. (Gaines Decl. at ¶ 20; Exhibit "E").

IT IS SO STIPULATED.

ATTORNEYS FOR PLAINTIFFS:

Dated: December 13, 2023

Respectfully submitted,

GAINES & GAINES
A Professional Law Corporation

By: 
Daniel F. Gaines
Alex P. Katofsky

ATTORNEYS FOR DEFENDANTS:

Dated: December 13, 2023

JACKSON LEWIS P.C.

By: 
Michelle K. Meek

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

1. The Court finds the Settlement was entered into in good faith, that the Settlement is fair, reasonable and adequate, and that the Settlement satisfies the standards and applicable requirements for approval of PAGA representative actions under California law.

10
11
12
13

14
15
16

17

18

19

20
21
22
23
24

25

26
27

JUDGE OF THE SUPERIOR COURT