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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

LEAH RABINOWITZ,

Plaintiff,

v.

LEMONLIGHT MEDIA, INC., a California
corporation; and DOES 1-50, Inclusive,
Defendants.

CASE NO. 23STCV18822

**JOINT STIPULATION REQUESTING
PAGA APPROVAL**

Judge: Hon. Colin P. Leis

Dept:74

Complaint filed: August 8, 2023

FAC filed: October 6, 2023

IT IS HEREBY STIPULATED by and between Plaintiff LEAH RABINOWITZ ("Plaintiff"),
on behalf of herself and the State of California and as an allegedly "aggrieved employee" under the

JOINT STIPULATION REQUESTING APPROVAL OF REPRESENTATIVE ACTION SETTLEMENT

1 *Labor Code Private Attorneys General Act of 2004, section 2699, et seq. ("PAGA")*, and Defendant
2 LEMONLIGHT MEDIA, INC. ("Defendant") (collectively, the "Parties"), with reference to the
3 following facts:

- 4 1. WHEREAS, Plaintiff was employed by Defendant between April 25, 2022 and
5 September 21, 2022;
- 6 2. WHEREAS, on August 8, 2023, Plaintiff filed her Complaint, and on October 6, 2023,
7 Plaintiff filed her First Amended Complaint
- 8 3. WHEREAS, on August 1, 2023, Plaintiff filed a letter with the Labor and Workforce
9 Development Agency ("LWDA Letter") and mailed a letter via certified mail to Defendant giving
10 notice of her intent to pursue a representative, non-individual Labor Code Private Attorneys General
11 Act ("PAGA") action, Labor Code section 2698, *et seq.* on behalf of herself and the State of California
12 as an "aggrieved employee" pursuant to PAGA;
- 13 4. WHEREAS, the LWDA did not notify Plaintiff that it intended to further investigate or
14 pursue these allegations within sixty-five (65) days of Plaintiff's filing of her PAGA letter;
- 15 5. WHEREAS, on October 6, 2023, after waiting the statutory period, Plaintiff filed her
16 First Amended Complaint containing a representative action pursuant to PAGA, on behalf of herself
17 and any other allegedly aggrieved employees, as well as asserting various individual claims against
18 Defendant on her behalf alone;
- 19 6. WHEREAS, Plaintiff's assertion of claims for civil penalties detailed in the LWDA
20 letter and First Amended Complaint were largely based on the following alleged facts and theories:
21 Plaintiff was misclassified as an exempt employee and therefore was not paid all wages owed and due,
22 including not receiving meal and rest breaks. Defendants deny these allegations;
- 23 7. WHEREAS, Defendants at all times dispute and denied, and continue to dispute and
24 deny, that they ever were liable to Plaintiff for any of the claims asserted in the First Amended
25 Complaint, including the claims for penalties under PAGA;
- 26 8. WHEREAS, the Parties agreed to settle all of Plaintiff's individual claims against
27 Defendant, as well as all claims asserted under the PAGA;
- 28 9. WHEREAS, the Parties agree to settle the PAGA claims for a Gross Settlement

JOINT STIPULATION REQUESTING APPROVAL OF REPRESENTATIVE ACTION SETTLEMENT

1 Amount of \$32,000.00 (the "PAGA Settlement"). The Parties arrived at this settlement amount based
2 on the following facts and theories:

3 a. Besides Plaintiff, there are 31 similarly situated employees;

4 b. There are approximately 950 pay periods in the one-year PAGA statute of limitations,
5 meaning Defendant's maximum exposure is \$95,000 (\$100/pay period);

6 10. WHEREAS civil penalties recovered on the state's behalf are intended to "remediate
7 present violations and deter future ones," not to redress employees' injuries.'" *Turrieta v. Lyft, Inc.*
8 (2021) 69 Cal.App.5th 955, 972; *Williams v. Sup. Ct.* (2017) 3 Cal.5th at p. 531, 547, fn. 4 ("absent
9 employees do not own a personal claim for PAGA civil penalties"); *Amalgamated Transit Union,*
10 *Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003 (an aggrieved employee cannot
11 assign a PAGA claim because the employee does not own an assignable interest.); *Iskanian v. CLS*
12 *Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 381 (nonparty employees' personal claims
13 for relief are not at stake in a PAGA representative action); *id.* at pg. 386 (Every PAGA action is "a
14 dispute between an employer and the state"); *Kim v. Reins International California, Inc.* (2020) 9
15 Cal.5th 73, 81 ("A PAGA claim is legally and conceptually different from an employee's own suit for
16 damages and statutory penalties."); *Arias v. Sup. Ct.* (2009) 46 Cal.4th 969, 986 (an aggrieved
17 employee suing under PAGA "does so as the proxy or agent of the state's labor law enforcement
18 agencies").

19 11. WHEREAS, there are potential practicality issues proving misclassification claims on a
20 non-individual basis given the duties of each aggrieved employee varies day-to-day, week-to-week,
21 and position-by-position;

22 12. WHEREAS, the PAGA Settlement includes all PAGA claims which were asserted in
23 the LWDA Letter and Plaintiff's First Amended Complaint filed in this action or reasonably could
24 have been asserted in the action based upon the facts alleged in the LWDA Letter and Plaintiff's First
25 Amended Complaint (the "PAGA Released Claims");

26 13. WHEREAS, the PAGA creates a means of "deputizing" citizens as private attorney
27 generals to enforce the *Labor Code* on behalf of the state of California. *Brown v. Ralphs Grocery*
28 *Co.* (2011) 197 Cal.App.4th 489, 501. "[T]he only effect of the new statute was to allow private

1 parties ... to recover penalties that previously could have been recovered only by the state Labor
2 Commissioner" or to the provisions of the *Labor Code* specifically identified in *Labor Code*
3 Section 2699. *Amaral v. Cintas Corp. No.2* (2008) 163 Cal.App.4th 1157, 1197. In bringing a
4 PAGA action, the aggrieved employee acts as the proxy or agent of the state labor law
5 enforcement agencies, representing the same rights and interest of the state of California who
6 remains the real party in interest. *Iskanian v. CLS Trans., Los Angeles, LLC* (2014) 59 CaL4th
7 348,383 (holding "[e]very PAGA action, whether seeking penalties for Labor Code violations as
8 to only one aggrieved employee ... or as to other employees as well, is a representative action on
9 behalf of the state). As explained by the California Supreme Court in *Arias v. Superior Court*
10 (2009) 46 Cal. 4th 969, the Parties are not obligated to follow class action procedural rules in
11 PAGA cases and therefore do not need to follow the class action procedures for obtaining an
12 approval of the settlement;

13 14. WHEREAS, pursuant to *Labor Code Section 2699(1)(2)* the Parties are required to
14 obtain Court approval of the settlement of a PAGA claim and therefore the Parties file the instant Joint
15 Stipulation;

16 15. WHEREAS, concurrently with the submission of this filing, Plaintiff provided the
17 LWDA with a copy of the proposed settlement as required by the PAGA;

18 16. WHEREAS, the Parties seek to obtain the Court's approval of the PAGA settlement in
19 the most efficient manner possible given that Defendant is out of business and no additional money is
20 available to settle these claims;

21 17. WHEREAS, The parties engaged in a full-day mediation with the Honorable Margaret
22 Nagle (Ret.) on February 12, 2024. The Parties did not settle on the date of the mediation, but
23 continued arms-length settlement negotiations for months with the assistance of Judge Nagle to
24 reach a resolution.

25 18. WHEREAS, Plaintiff and his counsel, who have considerable experience litigating and
26 evaluating PAGA claims, believe that the Gross Settlement Amount of \$32,000.00 is fair and
27 reasonable in light of Defendant's defenses against liability; the potential value of the case; the risk
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factors associated with this case; and the fact that the Court has discretion under the PAGA to award penalties in a lesser amount if it determines the reduction is warranted.

IT IS HEREBY STIPULATED AND PROPOSED BY THE PARTIES HERETO AS FOLLOWS:

The Parties stipulate and jointly propose that the Court approve the PAGA Settlement, as memorialized in the Parties PAGA Settlement Agreement, which contains the following key terms:

- a) A Gross Settlement Amount of \$32,000.00;
- b) Payment within 60 days of the Court signing this order to an experienced third-party administrator to distribute the PAGA Settlement after deduction of the third party's administrator's costs;
- c) Seventy-five percent (75%) of civil penalties recovered, to be paid to the LWDA as required by *Labor Code* section 2699, *et seq.* after pro-rata deduction of the third party's administrator's costs and attorneys' fees;
- d) Twenty-five percent (25%) of civil penalties recovered after deduction of the third party's administrator's costs and attorneys' fees, to be split and distributed on a pro-rata basis to each employee in the statutory period.
- e) All uncashed settlement checks after 120 days shall sent to the California State Controller's Unclaimed Property division.
- f) Because all of the PAGA Payment is for penalties under the PAGA, the payments will be classified as 1099-MISC income to the aggrieved employees;
- g) 33.3% of the Gross Amount to Plaintiff's counsel as attorney's fees for this PAGA claim.
- h) The PAGA Settlement is not all admission by Defendant of any wrongdoing by Defendant; and
- i) Upon the Court's execution of the Proposed Order and Final Judgment, Plaintiff shall release Defendant and its past, present and/or future, officers, members, board members, directors, employees, agents (including, without limitation, any investment bankers, accountants, insurers, reinsurers, attorneys and any past, present or future officers, directors and employees), representatives, attorneys, insurers, customers, partners, investors, shareholders, members,

JOINT STIPULATION REQUESTING APPROVAL OF REPRESENTATIVE ACTION SETTLEMENT

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administrators, parent companies, subsidiaries, affiliates, divisions, predecessors, successors
and/or assigns, from any and all PAGA Released Claims during the PAGA Period.
j) Each employee during the PAGA Period will be sent notice with the settlement check advising
them of the PAGA Released Claims, which notice is attached hereto as Exhibit 1.

WHEREAS, based on the foregoing, the Parties now request that the Court enter the [Proposed]
Order and Final Judgment, approving the PAGA Settlement, pursuant to Labor Code section 2699(1).

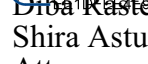
SO STIPULATED AND SUBMITTED.

Dated: 02/25/25

Labor Law PC
By: 

Danny Yadidsion
Attorneys for Plaintiff

Dated: March 6, 2025 | 7:46 AM PST

Gordon Rees Scully Mansukhani, LLP
Signed by: 
By: 

Diba Rastegar
Shira Astuti
Attorneys for Defendant LEMONLIGHT
MEDIA, Inc.

EXHIBIT 1

Exhibit 1
Employee Notice

<<Mailing Date>>

To: <<First Name>><<Last Name>>
<<Address>>
<<City>> <<State>> <<Zip>>

Re: Individual PAGA Settlement Payment from *Rabinowitz v. Lemonlight Media, Inc.*
Los Angeles County Superior Court, Case No. 23STCV18822

Dear <<First Name>><<Last Name>>:

Please find enclosed a check in the amount of <<**amount of payment**>> (“Individual Settlement Check”). This check is your payment from the settlement of a lawsuit entitled *Rabinowitz v. Lemonlight Media, Inc.* (“Action”), pending in the Superior Court of California for the County of Los Angeles (“Court”).

The lawsuit was filed by Leah Rabinowitz (“Plaintiff”), a former employee of Lemonlight Media, Inc. (“Defendant”), on behalf of the State of California with respect to herself and other alleged aggrieved employees, to seek recovery of civil penalties pursuant to the California Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”). Plaintiff alleged that Defendant violated the California Labor Code and Industrial Welfare Commission Wage Orders by failing to properly pay all wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, provide accurate itemized wage statements, and timely pay all wages during employment and upon separation of employment. Defendant denies these allegations and denies any wrongdoing of any kind associated with these allegations.

A settlement was reached between Plaintiff and Defendant, on behalf of Plaintiff, the State of California, and the following aggrieved employees: all current and former non-exempt employees who worked for Defendant within the State of California between August 8, 2022 and December 1, 2024 (“PAGA Employees”).

On <<Approval Date>>, the settlement was approved by the Court, with a portion to be paid to the State of California and a portion to be paid to the PAGA Employees. You are receiving a portion of the settlement (the enclosed Individual Settlement Check) because you have been identified as a PAGA Employee. The Individual Settlement Check is considered to be 100% penalties, which will be reported on an IRS Form 1099. You are responsible for paying any and all taxes that may be due as a result of any payment issued to you under the settlement and should consult a tax advisor regarding the tax consequences of such payment.

By way of the settlement, you are deemed to fully release and forever discharge the Released Parties from the Released Claims. The “Released Parties” means Defendant, and its current, past, and present, subsidiaries, affiliates, directors, officers, managing agents, and owners. The “Released Claims” means and refers to claims for civil penalties under the PAGA, California Labor Code § 2698, *et seq.*, that are based upon or arise from the factual allegations in the operative Complaint in the Action and/or Plaintiff’s PAGA notice to the California Labor and Workforce Development Agency, arising during the PAGA Period, including, for the failure to properly pay all minimum wages, overtime wages, provide lawful meal periods or compensation in lieu thereof, authorize or permit lawful rest breaks or provide compensation in lieu thereof, provide accurate itemized wage statements, and timely pay all wages during employment and upon separation of employment, and for violation of and/or based on California Labor Code §§ 201-204, 210, 218.5, 218.6, 226, 226(a), 226.2, 226.3, 226.7, 256, 432, 510, 512, 558, 1174, 1174.5, 1194, 1194.1, 1194.2, 1194.3, 1197, 1197.1, 1198.5, Wage Order 12, and all claims for attorneys’ fees and costs in connection therewith.

Your Individual Settlement Check is valid for 180 calendar days from the date of issuance, and if you do not cash, deposit, or otherwise negotiate the check within the 180-day timeframe, your Individual Settlement Check will be cancelled and the funds will be transmitted to the State Controller’s Office Unclaimed Property Fund in the name of the PAGA Employee whose check is voided.

Exhibit 1
Employee Notice

Do not call or write the Court or Office of the Clerk of the Court to ask questions about the settlement. If you have any questions concerning the settlement, you may contact the Settlement Administrator at <<INSERT CONTACT INFORMATION>>.