

LIDMAN LAW, APC

Scott M. Lidman (SBN 199433)
slidman@lidmanlaw.com
Milan Moore (SBN 308095)
mmoore@lidmanlaw.com
Tiara Gose-Hardy (SBN 323823)
tgose@lidmanlaw.com
2155 Campus Drive, Suite 150
El Segundo, California 90245
Tel: (424) 322-4772
Fax: (424) 322-4775

Attorneys for Plaintiffs
MONICA FERNANDEZ and EVA ZAVALA

HAINES LAW GROUP, APC

Paul K. Haines (SBN 248226)
phaines@haineslawgroup.com
2155 Campus Drive, Suite 180
El Segundo, California 90245
Tel: (424) 292-2350
Fax: (424) 292-2355

Attorneys for Plaintiffs
MONICA FERNANDEZ and EVA ZAVALA

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

MONICA FERNANDEZ, as an individual;
EVA ZAVALA, as an individual; and
on behalf of all others similarly situated,

Plaintiffs,

v.

MICHAEL NICHOLAS DESIGNS, a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No. 30-2023-01362788-CU-OE-CXC

*[Assigned for all purposes to the Hon. Layne H.
Melzer, Dept. CX102]*

**PLAINTIFFS' SUPPLEMENTAL BRIEF IN
SUPPORT OF MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

Date: February 19, 2026
Time: 2:00 p.m.
Dept.: CX102

Action Filed: November 17, 2023
Trial Date: None Set

1 **TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:**

2 Plaintiffs Monica Fernandez and Eva Zavala (collectively, “Plaintiffs”), individually and on
3 behalf of a class of similarly situated individuals, hereby submit this Supplemental Brief in Support of
4 Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement (the “Motion”).

5 **I. PROCEDURAL HISTORY**

6 Plaintiffs filed their Motion for Preliminary Approval of Class Action Settlement on May 23,
7 2025, with the hearing being held on October 30, 2025.

8 On October 30, 2025, the Court issued a Minute Order detailing the issues that need to be
9 addressed in subsequent briefing. Consistent therewith, Plaintiffs hereby submit the instant
10 supplemental brief (and accompanying declaration) to address the issues identified by the Court. Each
11 of the issues are addressed in the same order as they were identified by the Court in its Minute Order.

12 In connection with addressing the issues identified by the Court, Plaintiffs and Defendants have
13 executed a First Amendment to Class Action and PAGA Settlement Agreement and have modified the
14 Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval. The
15 following documents are being submitted concurrently herewith as Exhibits to the Supplemental
16 Declaration of Milan Moore (“Supp. Moore Decl.”), as follows:

17 Attached as **Exhibit A** to the Supp. Moore Decl. is the Class Action and PAGA First Amendment
18 to Class Action and PAGA Settlement Agreement, executed by the Parties.

19 Attached as **Exhibit B** to the Supp. Moore Decl. is the redlined version of the revised Court
20 Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval.

21 Attached as **Exhibit C** to the Supp. Moore Decl. is the final version of the revised Court
22 Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval with the
23 changes accepted.

24 **II. ISSUES IDENTIFIED IN THE COURT’S OCTOBER 30TH MINUTE ORDER**

25 **A. Defendants’ Payment Plan**

26 In the Minute Order, the Court orders Plaintiffs to explain why Defendants will fund the Gross
27 Settlement Amount in two installment payments rather than one lump sum.

28 After debating opposing legal positions, the likelihood of certification of Plaintiffs’ claims, and
the legal basis for the claims and defenses, the Parties agreed to a mediator’s proposal to resolve the

1 matter for \$773,360.00. Supp. Moore Decl., ¶ 6. The Settlement represents a compromise and settlement
2 of highly disputed claims however, in order for Defendants to be able to fund the GSA and employer-
3 side payroll taxes, they needed be able to make two installment payments. *Id.* This is likely due to the
4 fact that on January 2, 2025, an airplane crashed into Defendants' factory, causing a temporary closure
5 and financial strain on Defendants. *Id.*

6 As such, the Parties request that the Court approve Defendants funding the GSA in two
7 installment payments rather than one lump sum.

8 **B. The Escalator Clause and Defendants' Election**

9 In the Minute Order, the Court asks Plaintiffs to address the escalator clause and Defendants'
10 election options. The Court states: "In the Settlement Agreement, the escalator clause includes an option
11 allowing Defendants to shorten the Class Period. This is problematic because it renders the Class Period
12 uncertain and may result in eliminating otherwise eligible Class Members from the settlement."

13 The Class Notice will be mailed to Class Members subsequent to the Settlement Administrator
14 receiving the Class Data and informing Class Counsel of the total number of Workweeks worked by the
15 Class. Supp. Moore Decl., ¶ 7. Should the Escalator Clause be triggered, Class Counsel will inform
16 Defendants' counsel and discuss Defendants' election, all before the Class Notice is mailed and Class
17 Members are informed. *Id.* The Class Period will be certain and those individuals who are eliminated
18 from being eligible Class Members will be excluded from the releases and retain their right to pursue
19 wage and hour claims against Defendants. *Id.*

20 **C. Maximum Value for Plaintiffs' Wage Statement Claim**

21 In the Minute Order, the Court orders the Parties to offer an explanation for how the value was
22 calculated for Plaintiff' wage statement claim.

23 There were 917 estimated Class Members and a total of 21,019 pay periods during the Class
24 Period. Supp. Moore Decl., ¶ 8. Plaintiffs argue that all wage statements issued by Defendants during
25 that time were inaccurate as a result of the alleged unpaid wages and unpaid meal and rest period
26 premium wages. *Id.* Plaintiffs attributed \$50.00 to each Class Member for their initial inaccurate wage
27 statement (per Labor Code § 226) for every member of the Class, resulting in damages of \$45,850.00.
28 *Id.* In addition, the remaining 20,102 wage statements that were subsequently issued account for
\$2,010,200.00 in damages. *Id.* In total, Plaintiffs calculated Defendants' maximum exposure for wage

statement violations at approximately \$2,056,050.00 [(\$50 x 917 initial violations) + (\$100 x 20,102 subsequent violations)]. *Id.*

D. Number of Defendants' Former Employees

The Court ordered Plaintiffs to explain why the number of former employees differs in Class Counsel's declaration and the Motion for Preliminary Approval.

In Plaintiffs' Motion for Preliminary Approval of Settlement, the stated number of former employees is 551, while the supporting declaration of Milan Moore states the number of former employees is 203. Supp. Moore Decl., ¶ 9. The error is in the supporting declaration; the correct number of estimated former employees is 551. *Id.*

E. Response Deadline

In the Minute Order, the Court orders the deadline for responses to the Class Notice after remailing to be at least 30 days after remailing.

The First Amendment to Class Action and PAGA Settlement Agreement makes it so that Class Members have 30 days from remailing to respond to the Class Notice. Supp. Moore Decl., ¶ 10.

F. Ultimate Decision Maker on Requests for Exclusion

In the Minute Order, the Court orders that "the Settlement Agreement must provide that the Court has final say on the validity and authenticity of Requests for Exclusion."

The First Amendment to Class Action and PAGA Settlement Agreement makes it so that, "While the Administrator will attempt to resolve any question of validity and authenticity of Requests for Exclusion, the Court ultimately will decide any unresolved issues." Supp. Moore Decl., ¶ 11.

G. Court's Continuing Jurisdiction Pursuant to C.C.P. § 664.6 and C.R.C. Rule 3.769

In the Minute Order, the Court states: "The Settlement Agreement should specify that the Court's continuing jurisdiction is pursuant to both California Code of Civil Procedure section 664.6 and California Rules of Court, rule 3.769(h)."

The First Amendment to Class Action and PAGA Settlement Agreement reflects that the Court will retain jurisdiction over the Parties, Action and Settlement pursuant to Code of Civil Procedure section 664.6 and California Rules of Court rule 3.769(h). Supp. Moore Decl., ¶ 12.

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1 **H. Concurrent Pending Cases**

2 In the Minute Order, the Court orders Class Counsel to attest to whether there are any concurrent
3 pending cases involving similar claims against Defendants or confirm that there are none.

4 Class Counsel confirms that they are not aware of any concurrent pending cases involving similar
5 claims against Defendants. Supp. Moore Decl., ¶ 13.

6 **I. Releases**

7 In the Minute Order, the Court orders that the settlement agreement be amended to eliminate the
8 “and/or ascertained in the course of the Action” language from the Class and PAGA releases.

9 The First Amendment to Class Action and PAGA Settlement Agreement removes the “and/or
10 ascertained in the course of the Action” language from the Class and PAGA releases. Supp. Moore
11 Decl., ¶ 14.

12 **J. Class Notice**

13 In the Minute Order, the Court ordered the following corrections be made to the class notice:

- 14 1. The notice should be revised so as to be consistent with the resolution of the
15 issues identified with the Settlement Agreement and moving papers.
- 16 2. Page numbering should start at 1.
- 17 3. All dates that can now be determined should be filled in.
- 18 4. The notices states that Class Members cannot object to the PAGA settlement.
19 This is incorrect, as they can object – they just cannot opt out.
- 20 5. The notice should inform Class Members that they may submit opt out requests,
21 objections, and disputes by fax, email, and mail.
- 22 6. The instructions in the notice should explicitly reference the forms provided for
23 submitting opt out requests, objections, and disputes.
- 24 7. The “Allocation Form” should be renamed to “Workweek Challenge Form” so
25 that the form’s purpose is clear and consistent with the options provided in the
26 notice.

1 8. The following sentences on current p. 26 should be bolded: “Your legal rights
2 are affected whether you act or not act. Read this Notice carefully. You will be
3 deemed to have carefully read and understood it.”

4 Plaintiffs have made the following revisions to the class notice:

- 5 1. The class notice has been revised to be consistent with the resolution of the
6 issues identified above.
- 7 2. All pages now restart at 1.
- 8 3. All dates that can now be determined are filled in.
- 9 4. The Class Notice reflects that Participating Class Members can object to the
10 PAGA portion of the settlement.
- 11 5. The Notice informs Class Members that they may submit opt out requests,
12 objections, and disputes by fax, email, or mail.
- 13 6. The instructions in the Class Notice explicitly reference the Request for
14 Exclusion, Workweek Challenge, and Objection forms.
- 15 7. The “Allocation Form” has been renamed to “Workweek Challenge Form”.
- 16 8. The following language is now bolded: “Your legal rights are affected whether
17 you act or not act. Read this Notice carefully. You will be deemed to have
18 carefully read and understood it.”

19 Supp. Moore Decl., ¶ 15.

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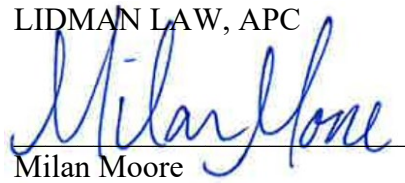
1 **III. CONCLUSION**

2 For the foregoing reasons and the reasons discussed in Plaintiffs' Motion, Plaintiffs respectfully
3 request that the Court preliminarily approve the proposed First Amendment to Class Action and PAGA
4 Settlement Agreement, provisionally certify the Settlement Class, and enter the Amended Proposed
5 Order Granting Preliminary Approval of Class Action Settlement submitted concurrently herewith.

6
7 Dated: January 26, 2026

Respectfully submitted,
LIDMAN LAW, APC

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9 By:


Milan Moore

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11 Attorneys for Plaintiffs
12 MONICA FERNANDEZ and EVA ZAVALA
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