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individually, and on behalf of Aggrieved
Employees pursuant to the California
Private Attorneys General Act

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

CORINA MARTINEZ, individually, and on
behalf of Aggrieved Employees pursuant to
the California Private Attorneys General Act,

Plaintiffs,

vs.

STAGNARO BROS. SEAFOOD, INC., a
California corporation; and DOES 1 through 25,
inclusive,

Defendants.

Case No. 24CV00082

*Assigned for all purposes to Hon. Timothy Schmal,
Dept. 10*

**[PROPOSED] ORDER AND JUDGMENT
GRANTING PLAINTIFF'S MOTION FOR
APPROVAL OF PAGA SETTLEMENT AND
AWARD OF ATTORNEYS' FEES AND
COSTS, GENERAL RELEASE FEE, AND
SETTLEMENT ADMINISTRATION COSTS**

Date: November 27, 2024
Time: 8:30 a.m.
Department: 10

Complaint Filed: January 8, 2024
Trial Date: None Set

1 **[PROPOSED] ORDER AND JUDGMENT**

2 On November 27, 2024 at 8:30 a.m. in Department 10 of the above-entitled Court, located at
3 the Santa Cruz Courthouse, 701 Ocean Street, Santa Cruz, California 95060, Plaintiff Corina
4 Martinez's ("**Plaintiff**") Motion for Approval of PAGA Settlement and Award of Attorneys' Fees and
5 Costs, General Release Fee, and Settlement Administration Costs ("**Motion**") came on for hearing
6 before the Honorable Timothy Schmal. Blackstone Law, APC appeared on behalf of Plaintiff, and
7 Hoge, Fenton, Jones & Appel, Inc. appeared on behalf of Defendant Stagnaro Bros. Seafood, Inc.
8 ("**Defendant**").

9 Plaintiff and Defendant (collectively, the "**Parties**") have executed the Private Attorneys
10 General Act Settlement Agreement and Release ("**Settlement**," "**Agreement**," or "**Settlement**
11 **Agreement**").

12 The Court, having carefully considered the papers, argument of counsel, and all matters
13 presented to the Court, and good cause appearing, hereby **GRANTS** Plaintiff's Motion.

14 **IT IS HEREBY ORDERED THAT:**

15 1. Plaintiff's Motion is granted in its entirety.

16 2. This Order and Judgment incorporates by reference the definitions in the Settlement
17 Agreement, and all capitalized terms defined therein shall have the same meaning in this Order and
18 Judgment as set forth in the Settlement Agreement.

19 3. The Court finds that Plaintiff has satisfied the prerequisites under the California Private
20 Attorneys General Act (Cal. Labor Code § 2698, et seq.) ("**PAGA**"), including, but not limited to,
21 providing the California Labor and Workforce Development Agency ("**LWDA**") and Defendant with
22 notice of the specific provisions of the California Labor Code alleged to have been violated, including,
23 but not limited to, the facts and theories to support the alleged violations, in conformity with California
24 Labor Code § 2699.3(a).

25 4. The Court also finds that the Settlement Agreement has been submitted to the LWDA
26 in conformity with California Labor Code § 2699(1)(2) and that the LWDA has not sought to intervene
27 or appear in the above-captioned action ("**Action**").

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1 5. The individuals covered under the Settlement consist of the following: “all current and
2 former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California
3 at any time during the PAGA Period (“**Aggrieved Employees**”). The “**PAGA Period**” is defined as
4 the period from November 2, 2022 to November 21, 2024, subject to Section 3(a)(6) of the Settlement
5 Agreement.

6 6. The Court finds that the Parties reached the Settlement as a result of arm’s-length
7 negotiations.

8 7. Pursuant to California Labor Code section 2699(1)(2), the Court has reviewed the sum
9 allocated for payment of penalties under PAGA (“**Net Settlement Amount**”), and determines that it
10 is fair, just, reasonable, and adequate. The Court hereby approves the Net Settlement Amount, which
11 shall be the Gross Settlement Amount (\$350,000.00) less the approved Attorneys’ Fees and Costs to
12 Plaintiff’s Counsel, General Release Fee to Plaintiff, and Settlement Administration Costs to ILYM
13 Group, Inc. (“**Settlement Administrator**”). Seventy-five percent (75%) of the Net Settlement
14 Amount shall be distributed to the LWDA (“**LWDA Payment**”) and twenty-five percent (25%) of the
15 Net Settlement Amount (“**Employees’ Portion**”) shall be distributed to the Aggrieved Employees in
16 accordance with this Order and Judgment and the Settlement Agreement.

17 8. The Court has considered the Settlement, and the monetary allocations provided
18 thereby, and finds that they are fair, just, reasonable, and adequate. The Court hereby directs the
19 Settlement Administrator to administer the Settlement and to make the payments as provided for by,
20 and consistent with, this Order and Judgment and the Settlement Agreement.

21 9. The Court approves the payment of \$122,500 to Plaintiff’s Counsel for attorneys’ fees.
22 This amount shall be paid from the Gross Settlement Amount and shall be disbursed in accordance
23 with this Order and Judgment and the Settlement Agreement.

24 10. The Court approves the payment of \$19,334.06 to Plaintiff’s Counsel for
25 reimbursement of actual litigation costs and expenses incurred in the Action. This amount shall be
26 paid from the Gross Settlement Amount and shall be disbursed in accordance with this Order and
27 Judgment and the Settlement Agreement.

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1 11. The Court approves the payment in the amount of \$5,000.00 to Plaintiff for a General
2 Release Fee. This amount shall be paid from the Gross Settlement Amount and shall be distributed in
3 accordance with this Order and Judgment and the Settlement Agreement.

4 12. The Court approves payment in the amount of up to \$5,000.00 to the Settlement
5 Administrator for the Settlement Administration Costs. This amount shall be paid from the Gross
6 Settlement Amount and shall be disbursed in accordance with this Order and Judgment and the
7 Settlement Agreement.

8 13. The Court approves the cover letter (“**Cover Letter**”), attached hereto as **Exhibit 1**,
9 and the Settlement Administrator shall distribute the Cover Letter to Aggrieved Employees at the same
10 time that it distributes Individual PAGA Payment checks to the Aggrieved Employees.

11 14. No later than twenty-one (21) calendar days after the date of this Order and Judgment,
12 Defendant will provide the Settlement Administrator with a list of all Aggrieved Employees,
13 containing each Aggrieved Employee’s first and last name, last known address, last known telephone
14 number, Social Security number, and number of Pay Periods (collectively, “**Aggrieved Employee**
15 **List**”).

16 15. No later than twenty-one (21) calendar days after the date of this Order and Judgment,
17 Defendant will transmit the Gross Settlement Amount to a qualified settlement account established by
18 the Settlement Administrator for administration of the Settlement.

19 16. No later than seven (7) calendar days after the Settlement Administrator receives the
20 Aggrieved Employees List and Gross Settlement Amount, the Settlement Administrator will distribute
21 the Individual PAGA Payments to Aggrieved Employees, the LWDA Payment to the LWDA, the
22 General Release Fee to Plaintiff, the Attorneys’ Fees and Costs to Plaintiff’s Counsel, and the
23 Settlement Administration Costs to itself.

24 17. The Individual PAGA Payment checks issued to Aggrieved Employees will remain
25 valid and negotiable for one hundred and eighty (180) calendar days, and thereafter, will be canceled.
26 Any funds associated with such canceled checks will be distributed to the State Controller’s Office
27 Unclaimed Property Division in the name of the Aggrieved Employee at issue and in the amount of
28 their respective Individual PAGA Payment(s).

1 18. If the actual number of Pay Periods worked by the Aggrieved Employees during the
2 PAGA Period increases by more than 10% above 3,173 (i.e., by more than 3,490 Pay Periods),
3 Defendant shall have the choice of either (1) increasing the Gross Settlement Amount by the
4 percentage increase in the number of Pay Periods above 10% (e.g., if the number of Pay Periods
5 increases by 11% to 3,522 Pay Periods, then the Gross Settlement Amount will increase by 1%); or
6 (2) rolling back the PAGA Period to the date that the Pay Periods reach but do not exceed 3,490 Pay
7 Periods.

8 19. Aggrieved Employees shall not have the right to opt out of or object to the Settlement.

9 20. Upon the Court's approval of the Settlement Agreement and full funding of the Gross
10 Settlement Amount, Plaintiff and the State of California with respect to Aggrieved Employees, will be
11 deemed to have fully, finally, and forever released, settled, compromised, relinquished, and discharged
12 Defendant and its current and former Board Members, officers, directors, managers, members,
13 employees, independent contractors, investors, insurers, trustees, shareholders, parent and subsidiary
14 companies, affiliated entities, counsel, heirs, and assigns from any and all claims arising from any of
15 the factual allegations in the Operative Complaint and PAGA Notice, arising during the PAGA Period,
16 for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections
17 2698 *et seq.*, for Defendant's alleged failure to pay overtime and minimum wages, provide compliant
18 meal and rest periods and associated premium payments, timely pay wages during employment and
19 upon termination, provide complaint wage statements, keep requisite payroll records, and reimburse
20 necessary business-related expenses in violation of California Labor Code sections 201, 202, 203, 204,
21 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable
22 Industrial Welfare Commission Wage Orders.

23 21. No individualized notice of this Order and Judgment is required to be provided to the
24 Aggrieved Employees. This Order and Judgment shall be submitted to the LWDA through the online
25 system established for the filing of notices and documents, in conformity with California Labor Code
26 § 2699(l)(3).

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1 22. A Non-Appearence Final Accounting Hearing is set for _____ at
2 _____ in Department 10 of the above-entitled Court. A Final Report is due to be filed no later
3 than _____ confirming that disbursements were made pursuant to the Settlement.

4
5 **IT IS SO ORDERED.**

6
7 Dated: _____

Honorable Timothy Schmal
Judge of the Superior Court

EXHIBIT 1

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

Re: Settlement Payment from *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court Case No. 24CV00082

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

Please find enclosed a check in the amount of <<amount of payment>> (“Individual PAGA Payment”). This check is your payment from the settlement in the lawsuit entitled *Corina Martinez v. Stagnaro Bros. Seafood, Inc.*, Santa Cruz County Superior Court Case No. 24CV00082 (“Action”).

The Action was filed on January 8, 2024 by Corina Martinez (“Plaintiff”) against her former employer Stagnaro Bros. Seafood, 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 Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”), for multiple alleged violations of the California Labor Code and Industrial Welfare Commission Wage Orders, including, *inter alia*, for failure to properly pay minimum and overtime wages, failure to provide compliant meal and rest periods and associated premiums, failure to pay wages during employment and upon termination, failure to provide compliant wage statements, failure to keep requisite payroll records, and failure to reimburse business expenses. Prior to initiating the lawsuit, on November 2, 2023, Plaintiff submitted a letter to the California Labor and Workforce Development Agency (“LWDA”), pursuant to PAGA, to provide notice of her intent to seek civil penalties under PAGA for Defendant’s alleged violations of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Orders, thereby initiating LWDA Case Number LWDA-CM-991439-23 (“PAGA Notice”).

Defendant denies all of Plaintiff’s allegations and denies any wrongdoing of any kind associated with Plaintiff’s allegations. A settlement was reached between Plaintiff and Defendant.

On <<Date>>, the settlement was approved by the Court, with a portion to be paid to the LWDA and a portion to be paid to all current and former hourly-paid and/or non-exempt employees who worked for Defendant in the State of California at any time during the PAGA Period (“Aggrieved Employees”). The period November 2, 2022 to November 21, 2024 is the “PAGA Period.”

You are receiving a portion of the settlement (the enclosed Individual PAGA Payment) because you have been identified as an Aggrieved Employee. Your Individual PAGA Payment is based on the total number of pay periods that you worked for Defendant in California during the PAGA Period. The Individual PAGA Payment is considered to be 100% penalties, which will be reported on an IRS Form 1099 (if applicable). 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.

Under the settlement, as of <<date of Court’s approval of the Settlement Agreement and full funding of the Gross Settlement Amount>>, the Released Parties were fully, finally, and forever released, settled, compromised, relinquished, and discharged from the Released Claims.

“Released Parties” means Defendant and its current and former Board Members, officers, directors, managers, members, employees, independent contractors, investors, insurers, trustees, shareholders, parent and subsidiary companies, affiliated entities, counsel, heirs, and assigns.

“Released Claims” means any and all claims arising from any of the factual allegations in the Operative Complaint and PAGA Notice, arising during the PAGA Period, for civil penalties under the Private Attorneys General Act of 2004, California Labor Code sections 2698 *et seq.*, for Defendant’s alleged failure to pay overtime and minimum wages, provide compliant meal and rest periods and associated premium payments,

COVER LETTER

timely pay wages during employment and upon termination, provide complaint wage statements, keep requisite payroll records, and reimburse necessary business-related expenses in violation of California Labor Code sections 201, 202, 203, 204, 226(a), 226.7, 510, 512(a), 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802, and the applicable Industrial Welfare Commission Wage Orders.

The enclosed check is valid for 180 calendar days from the original date of issuance and mailing, and if it is not cashed, deposited, or otherwise negotiated within the 180-day timeframe, it will be canceled, and the funds associated with the canceled check will be transmitted to the State Controller's Office Unclaimed Property Division in your name and in the amount of your Individual PAGA Payment.

Do not call or write the Court, Office of the Clerk of the Court, Defendant, or Defendant's counsel to ask questions about the settlement or to ask tax-related questions. If you have any such questions, you may contact [Settlement Administrator] at [toll-free phone number].