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TANIA MARIE WARCHOL

SUPERIOR COURT OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

CESAR CORTES, individually and in his representative capacity on behalf of all Aggrieved Employees, Plaintiffs, v. JANT, INCORPORATED, a California corporation, TANIA MARIE WARCHOL, an individual; and DOES 1 through 50, Defendants.	**CASE NO. 37-2024-00009179-CU-OE-CTL** *[Assigned for all purposes to the Hon. Blaine K. Bowman, Dept C-74]* **STIPULATION AND [PROPOSED] ORDER APPROVING PAGA SETTLEMENT** Complaint Filed: February 28, 2024 Trial Date: None set

STIPULATION

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

1. The parties to this stipulation are Plaintiff Cesar Cortes (hereafter, "Plaintiff") and Defendants JANT, Incorporated and Tania Warchol (hereafter, "Defendants") (collectively, "Parties").

2. On or about January 10, 2024, on behalf of individual who was a former employee of Defendant and coworker of Plaintiff (hereafter "Coworker No. 1"), Pancer Law Corporation (hereafter, "Plaintiffs' counsel") transmitted a notice to the Labor Workforce Development Agency (LWDA) and to Defendants notifying both of the specific sections of the California Labor Code Defendants were alleged to have violated, and of Plaintiff's intent to pursue the claims under the PAGA. The case was assigned Case No. LWDA-CM-1004106-24 by the LWDA.

3. On January 12, 2024, Coworker No. 1, who was represented Plaintiff's counsel, filed a lawsuit against Defendants alleging the PAGA claims set forth in the January 10, 2024 PAGA notice (hereafter, "PAGA lawsuit No. 1"). PAGA lawsuit No. 1 was assigned San Diego Superior Court Case Number 37-2024-000091802-CU-OE-CTL.

4. Thereafter, Coworker No. 1 and Defendants, without the participation of Counsel, resolved Coworker No. 1's claims, and Plaintiff's counsel was instructed to dismiss PAGA lawsuit No. 1.

5. On January 24, 2024, Plaintiff's counsel dismissed the PAGA lawsuit No. 1 with prejudice.

6. On February 26, 2024, Plaintiffs' counsel submitted to the Labor Workforce Development Agency (LWDA) an amended PAGA notice that substituted instant Plaintiff Cesar Cortes in place of Coworker No. 1 in connection with the PAGA notice that had been filed by Coworker No. 1 in LWDA Case No. LWDA-CM-1004106-24. The amended PAGA notice notified Defendants of the Labor Code Sections they were alleged to have violated, and of Plaintiff's intent to pursue the claims under the PAGA on behalf of Plaintiff.

7. Thereafter, Plaintiff caused the February 26, 2024 PAGA notice to be transmitted to Defendants.

8. The LWDA did not respond regarding the January 12, 2024 PAGA notice sent by Coworker No. 1 nor the amended PAGA notice that was transmitted on February 26, 2024.

9. On February 28, 2024, Plaintiff CESAR CORTES ("Plaintiff") filed his complaint against JANT, INCORPORATED, and TANIA MARIE WARCHOL ("Defendants") (collectively, "Parties") alleging 1. PAGA Claim for Failure to Pay State Minimum/Regular/Overtime Wages; 2. PAGA Claim for Failure to Pay State Overtime Wages; 3. PAGA Claim for Failure to Timely Pay Wages; 4. PAGA Claim for Meal and Rest Break Labor Code Violations; 5. PAGA Claim for Inaccurate Wage Statements; 6. PAGA Claim for Failure to Maintain Payroll Records; 7. PAGA Claim for Failure to Comply with California Sick Pay Laws; and 8. PAGA Claim for Miscellaneous Labor Code Provisions, and 9. Claim for Alter Ego Liability.

10. On April 19, 2024, Plaintiff propounded discovery to defendants consisting of inspection demands and special interrogatories.

11. On May 21, 2024, defendants responded to the discovery.

12. Thereafter, the Parties agreed to attend mediation, to participate in an informal exchange of documents and information, and to stay formal discovery pending the outcome of mediation.

13. The Parties scheduled mediation on October 29, 2024 before well-respected mediator and former San Diego Superior Court Judge Ronald Prager (Ret.).

14. In preparation for mediation, Defendant produced substantial documentation, including employment policies as well as time records and pay records for the vast majority of nonexempt individuals employed by Defendant in the State of California during the PAGA period. Defendant's production was thorough, and included pay and time data for approximately 100 of Defendant's 115 nonexempt employees during the PAGA period.

15. Plaintiff's counsel engaged Employment Research Corporation (see www.employmentresearch.com) to analyze the data and provide a report concerning, among other things, Defendant's total civil penalty exposure in this case.

16. Based on the data provided, Plaintiff's retained analyst was able to extrapolate time and pay data and civil penalty exposure for the small minority of employees whose records were (counsel presumes inadvertently) not produced.

17. On October 29, 2024, the Parties participated in an all day mediation with Hon Judge Prager (Ret.).

18. The matter not having resolved at mediation on October 29, 2024, Judge Prager made a mediator's proposal.

19. After additional back-and-forth between the parties, facilitated by Judge Prager, the Parties accepted and finalized the mediator's proposal, with certain amendments and clarifications, on November 4, 2024.

20. Thereafter, the Parties negotiated the terms of a long form settlement agreement.

21. After considerable, additional back-and-forth communications regarding the long form agreement, a long form settlement agreement was eventually fully executed on February 27, 2025.

TERMS OF THE SETTLEMENT

22. A true and correct copy of the PAGA settlement agreement is attached hereto as Exhibit 1 to the Declaration of Ian Pancer ISO Stipulation for Approval of PAGA Settlement ("Pancer Decl."). Exhibit B attached to the PAGA settlement agreement is the letter which the Parties propose will be included in the mailing to each aggrieved employee.

23. The gross settlement payment to be made pursuant to the settlement agreement is $195,000. (Exhibit 1, para. 1.12). The aggrieved employees covered by the settlement include all current and former non-exempt employees of Defendant in the State of California at any time during the Settlement Period, which is defined as all pay periods between February 28, 2023 and October 29, 2024. (Exhibit 1, para. 1.2, 1.29).

24. Defendant estimated in the settlement agreement that the number of pay periods within the Settlement Period equals 1,945. (Exhibit 1, para. 6.2).

25. Based on updated calculations, Defendant now represents in a sworn declaration that the number of pay periods within the Settlement Period equals 1,960. (Declaration of Tania Warchol, para. 3).

26. Based on the pay and time records produced by Defendant at the time of mediation, Plaintiff believed the number of employees in the PAGA group was 115.

27. Based on updated calculations, Defendant now represents in a sworn declaration that the number of employees in the PAGA group was 141. (Declaration of Tania Warchol, para. 4).

28. The Settlement Agreement contained an escalator clause in the event the estimated PAGA pay periods in the Settlement Period exceeded 1,945 by more than 5%. However, the escalator clause was not triggered.

29. The gross settlement of $195,000 equates to an average of **$99.49 per pay period or $1,382.98 per employee** for the release of civil penalties, assuming all employees receive an equal amount of the gross settlement. (Pancer Decl., para. 2).

30. The settlement agreement permits Plaintiff's counsel to seek attorney fees of up to 35% of the gross settlement, equaling $68,250, and Plaintiff's counsel seeks that sum. (Exhibit 1, para. 6.6). This case was principally prosecuted by Pancer Law Corporation ("PLC"). The referring law firm in this case is Abramson Labor Group ("ALG"). With client consent, PLC and ALG agreed to divide the fees as follows: 2/3 to PLC; 1/3 to ALG. Subject to the Court's approval, the fees will be paid as follows:

Pancer Law Corporation: $45,500

Abramson Labor Group: $22,750

(Pancer Decl., para. 3).

31. The cost of settlement administration, to be provided by established and respected settlement administrator Phoenix Settlement Administrators, is a flat fee of $4,000 (four thousand dollars). (See Phoenix Bid, Exhibit 2 to Pancer Decl.)

32. The Parties have agreed to a PAGA Representative Award in the amount of $7,5000 (seven thousand five hundred dollars) to be paid from the gross settlement. (Exhibit 1, para. 1.23)

33. The parties agreed for Plaintiffs' counsel's actual costs to be paid out of the gross settlement, not to exceed $14,000.00. (Exhibit 1, para. 1.6.) The costs incurred by Plaintiff's counsel are:

$710.75	to Onelegal for filing fees and service of process
$6,147.50	to Employment Research Corporation for data analysis of pay and time records
$75	To LWDA for PAGA filing
$5,495.00	Mediator services for Hon. Ronald Prager (Ret.)
$21.76	Certified mailings
$12,450.01	TOTAL

34. The net settlement in this case after payment of fees, costs, the representative award, and settlement administrator fees is $102,799.99:

Gross	$195,000
Attorney fees	$68,250
Costs	$12,450.01
PAGA Representative Award	$7,500
Settlement administration fee	$4,000
Net Settlement	**$102,799.99**

35. Of the net settlement, 75% will be paid to the LWDA and 25% will be paid to the PAGA members. Thus, the breakdown of the $102,799.99 net settlement will be as follows:

To LWDA	$77,099.99
To Employees	$25,700

36. The payment to each aggrieved employee shall be determined on a pro-rata basis based on the number of pay periods that each aggrieved employee worked during the Settlement Period divided by the total number of pay periods worked by all aggrieved employees during the Settlement Period. With 141 PAGA members, the average share to individual employees will be as follows (Pancer Decl., para. 5):

Average net individual employee share	**$182.26**

EXPERIENCE AND VIEWS OF COUNSEL

37. Plaintiff's counsel Ian Pancer is experienced in wage and hour class action litigation. Mr. Pancer became a member of the State Bar of California in December 2006. Mr. Pancer focuses his practice on prosecuting employment law claims on behalf of employee-plaintiffs, and personal injury cases. A very small amount of Mr. Pancer's practice is devoted to other matters. Mr. Pancer has personally represented hundreds of plaintiffs in individual employment cases and over 100,000 (one hundred thousand) class members in class actions.

38. Mr. Pancer has substantial experience in employment-related, representative actions in that he is or has been lead or co-lead counsel in more than 15 (fifteen) representative action cases – i.e., putative class action or PAGA cases. Of these cases, some have resulted in court approved settlements, some are ongoing, and some resolved on an individual basis.

39. In the opinion of Plaintiff's counsel, the settlement is very good in view of the facts of the case and particularly given the risks inherent in further litigation. The settlement is favorable given that the PAGA members and the LWDA will be promptly compensated, rather than face uncertainties and delays inherent in further litigation. Based on all considerations, this settlement is highly favorable, fundamentally fair, adequate, and a reasonable resolution of disputed issues and is in the best interests of the Settlement Class. (Pancer Decl., 6).

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PLAINTIFF'S RELEASE OF CLAIMS AND REASONABLENESS OF THE INCENTIVE AWARD

40. In addition to the resolution reached on the PAGA claims, the Parties reached a resolution concerning Plaintiff's individual claims, some of which had previously been adjudicated in separate litigation. As part of his release, Plaintiff also waived all known and unknown claims under California Civil Code Section 1542.

41. Plaintiff respectfully requests that the Court approve the agreed upon incentive award of $7,500 (seven thousand five hundred dollars) to Plaintiff in consideration for his services as named Plaintiff and for his release of claims.

THE PARTIES REQUEST THE COURT APPROVE THE PAGA SETTLEMENT

42. The parties now request that the Court enter the accompanying order approving the settlement as reflected in the Parties' Settlement Agreement (Exhibit 1 to Pancer Decl.) as permitted by Labor Code § 2699(1), and dismissing this Action with prejudice.

43. The parties further agree that, after entry of this Order and pursuant to California Code of Civil Procedure section 664.6, the Court shall retain jurisdiction of the Action to construe, interpret, implement, and enforce the Settlement Agreement and this Order.

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44. Concurrent with the filing of this Stipulation, Plaintiff's will submit the Settlement Agreement to the LWDA in compliance with Labor Code section 2699(1)(2). (Pancer Decl., para. 30).

Dated: May 23, 2025 FERRIS & BRITTON

By: ______________________________

ELYSSA K. KULAS
Attorneys for Defendants
JANT, Incorporated and Tania Warchol

Dated: 5/23/2025 PANCER LAW CORPORATION

By: */s/Ian Pancer*________________

IAN PANCER
Attorneys for Plaintiffs

[PROPOSED] ORDER

Pursuant to Labor Code § 2699(l)(2) of the Private Attorneys General Act of 2004 ("PAGA"), Plaintiff Cesar Cortes ("Plaintiff") and Defendants Jant, Incorporated and Tania Marie Warchol (collectively "Defendants") (collectively the "Parties") jointly filed a Stipulation to Approve the PAGA Settlement (the "Stipulation").

Having considered the Stipulation, the Declaration of Ian Pancer, the Declaration of Tania Warchol and all legal authorities submitted in support, the fully-executed Private Attorneys General Act Settlement Agreement (the "Settlement Agreement"), and good cause appearing, **IT IS ORDERED** as follows:

a) This Court has jurisdiction over the claims of the PAGA Members asserted in this proceeding and over the Parties to the Action;

b) The Settlement Agreement is incorporated herein as if expressly set forth, and has the full force and effect of an Order of this Court. The Settlement Agreement shall be enforced according to its terms;

c) The Court approves the Gross Settlement Amount by Defendants of $195,000, payable in two equal installments of 60 days and 180 days after the Effective Date;

d) The Court approves the PAGA Penalty of $102,799.99, from which:

   i. $77,099.99 (*75%*) shall be paid to the California Labor and Workforce Development Agency ("LWDA"), and

   ii. $25,700 (*25%*) shall be paid to all PAGA Members to be distributed on a proportionate basis;

e) The Court approves and awards Pancer Law Corporation attorney fees of $45,500;

f) The Court approves and awards Pancer Law Corporation costs of $12,450.01

g) The Court approves and awards Abramson Labor Group attorney fees of $22,750;

h) The Court approves and awards the PAGA Representative, Plaintiff Cortes, $7,500 as an enhancement award;

i) The Court finds the payment of $4,000 to Phoenix Settlement Administrators, the

Settlement Administrator, is fair and reasonable, and orders the Administrator to make this payment to itself in accordance with the Settlement Agreement;

j) If any PAGA Members fail to cash their individual settlement payment checks within 180 days after they are mailed by the Settlement Administrator, the checks will become void and shall be sent by the Settlement Administrator to the San Diego County Bar Foundation;

k) Upon the Court's entry of this Order and Judgment, as well as Defendant's funding of the Settlement as required by the Settlement Agreement: (1) all of the PAGA Claims, as defined in the Settlement Agreement, are dismissed *with prejudice* as to Plaintiff and the PAGA Members, and (2) the PAGA Members shall release the Released Claims as defined in the Settlement Agreement. The Parties are to bear their own costs, except as otherwise provided in the Settlement Agreement;

l) Pursuant to California Labor Code § 2699(l)(3), a copy of this Order shall be submitted to the LWDA within 10 days after entry of this Order;

m) This document shall constitute a Judgment. Without affecting the finality of this Judgment, the Court reserves exclusive and continuing jurisdiction over the Lawsuit and the Parties, including all PAGA Members, for the purposes of supervising the implementation, enforcement, construction, administration, and interpretation of the Settlement Agreement and this Judgment

n) Under California Code of Civil Procedure § 664.6, the Court shall have and retain continuing jurisdiction over this action, the Parties, and the aggrieved employees, including after the entry of this Order, to the fullest extent necessary to interpret, enforce, and effectuate the terms and intent of the Settlement Agreement and this Order.

GOOD CAUSE APPEARING, the Court hereby approves this Stipulation and Protective Order.

IT IS SO ORDERED.

Dated: _______________ ______________________________________

JUDGE OF THE SUPERIOR COURT