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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

JOSE GARAY GUTIERREZ, individually, and
on behalf of all others similarly situated,

Plaintiff,

vs.

PATTON SALES CORP., a California
corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 24STCV16019

[Hon. Elaine Lu, Dept. 9]

**~~PROPOSED~~ ORDER AND
JUDGMENT GRANTING APPROVAL
OF PRIVATE ATTORNEYS GENERAL
ACT (LABOR CODE § 2698, *ET SEQ.*)
SETTLEMENT AGREEMENT AND
RELEASE OF CLAIMS**

[Notice of Motion and Motion for Approval
of Private Attorneys General Act (Labor
Code § 2698, et seq.) Settlement Agreement
and Release of Claims and Declaration of
Kane Moon filed concurrently herewith]

Hearing Date: August 27, 2025
Hearing Time: 10:00am
Hearing Place: Department 9

Complaint Filed: June 26, 2024
FAC Filed: August 29, 2024

1 This matter has come before the Honorable Elaine Lu in Department 9 of the Los
2 Angeles County Superior Court, located at 111 North Hill Street, Los Angeles, California 90012,
3 Plaintiff Jorge Garay Gutierrez’s (“Plaintiff”) Motion for Approval of Private Attorneys General
4 Act (Labor Code § 2698, *et seq.*) Settlement Agreement and Release of Claims. This Court
5 reviewed the papers submitted by Plaintiff in support of approval of the Parties’ Private
6 Attorneys General Act (“PAGA”) Settlement Agreement and Release of Claims (“Settlement
7 Agreement,” “Settlement,” and “Agreement”) pursuant to Labor Code section 2698, *et seq.* The
8 Settlement Agreement is attached hereto as **Exhibit 1**. Based upon this review, and the findings
9 below, the Court finds good cause to enter this Order and Judgment.

10 **FINDINGS:**

11 Unless otherwise specified, defined terms in this Order and Judgment have the same
12 definition as the terms in the Settlement Agreement.

13 The Court has jurisdiction over the subject matter of this litigation brought by Plaintiff,
14 individually and in his capacity as a private attorney general proxy or agent of the State, against
15 Defendant Patton Sales Corp. dba Patton’s Steel (“Defendant”).

16 On June 22, 2024, Plaintiff provided written notice to the LWDA and Defendant.

17 On June 26, 2024, Plaintiff filed a Class Action Complaint against Defendant, alleging
18 (1) Failure to Pay Minimum Wages (Cal. Lab. Code §§ 204, 1194, 1194.2, and 1197); (2) Failure
19 to Pay Overtime Compensation (Cal. Lab. Code §§ 1194 and 1198); (3) Failure to Provide Meal
20 Periods (Cal. Lab. Code §§ 226.7 and 512); (4) Failure to Authorize and Permit Rest Breaks
21 (Cal. Lab. Code §§ 226.7); (5) Failure to Indemnify Necessary Business Expenses (Cal. Lab.
22 Code § 2802); (6) Failure to Time Pay Final Wages at Termination (Cal. Lab. Code §§ 201-203);
23 (7) Failure to Provide Accurate Itemized Wage Statements (Cal. Lab. Code § 226); and (8)
24 Unfair Business Practices (Cal. Bus. & Prof. Code §§ 17200, *et seq.*).

25 On August 29, 2024, Plaintiff filed a First Amended Class and Representative Action
26 Complaint (“FAC”), adding a ninth cause of action for Civil Penalties Under the Private
27 Attorneys General Act of 2004 (“PAGA”) (Cal. Lab. Code § 2699, *et seq.*)
28

1 On April 1, 2025, Plaintiff filed a Request for Dismissal of Class Action Allegations
2 Pursuant to California Rules of Court Rule 3.770 From the First Amended Complaint Without
3 Prejudice (“Request for Dismissal of Class Action Allegations”), which requested dismissal of
4 the class claims without prejudice and informed the Court that Plaintiff would arbitrate his
5 individual wage-and-hour claims and individual PAGA claims. Plaintiff’s Request for Dismissal
6 of Class Action Allegations was granted. Thus, the only remaining cause of action in the
7 operative complaint is the representative PAGA claim for Civil Penalties under PAGA.

8 Plaintiff and Defendant (collectively, the “Parties”) expressly acknowledge the
9 Settlement Agreement is entered solely for the purpose of compromising the significantly
10 disputed PAGA claim and that nothing contained therein is an admission of liability or
11 wrongdoing by Defendant.

12 The Court finds the Settlement was entered in good faith and that the Parties have
13 satisfied the standards and applicable requirements for approval of a settlement of the PAGA
14 claim.

15 The Court finds, pursuant to Labor Code sections 2699(s)(2) and (s)(4), the LWDA was
16 given timely notice of the Agreement. On May 12, 2025, Plaintiff submitted the Settlement to the
17 LWDA. Plaintiff’s notice of Settlement complied with the requirements of Labor Code section
18 2699(s)(2).

19 The Court, having reviewed the evidence and papers submitted, and considered any
20 argument of counsel, hereby grants the motion and approves the terms of the settlement as set
21 forth in the Settlement Agreement under Labor Code section 2699(s)(2) as fair, adequate, and
22 reasonable.

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IT IS HEREBY ORDERED THAT:

1. The “Aggrieved Employees” are defined as any and all past and present non-exempt, hourly-paid employees of Defendant who worked in California during the applicable PAGA Period (i.e., any time starting on and including June 22, 2023, through June 5, 2025).

2. The “Released Parties” means Defendant, and each and all of its respective current and former parents, subsidiaries, predecessors and successors, affiliates, corporate members, administrators, operators, shareholders, and their affiliated entities and each of their respective owners, officers, directors, employees, partners, shareholders, and agents, and any other successors, heirs, assigns, or legal representatives, any attorneys, insurers, claim representatives, and their future trustees, parent companies, subsidiaries, divisions, agents, employees, attorneys, representatives, consultants, insurers and reinsurers.

3. Simpluris, Inc. is hereby appointed as the “Settlement Administrator.”

4. Defendant shall pay the Settlement Sum of \$230,000.00 in accordance with the Settlement Agreement.

5. The Court approves the requests for attorneys’ fees to Moon Law Group, PC (“Plaintiff’s Counsel”) of \$76,666.67 (1/3 of the Settlement Sum); reimbursement of Plaintiff’s Counsel’s litigation costs of ~~\$25,500.00~~ ^{\$24,019.41}; and the Settlement Administrator’s costs of ~~up to~~ \$6,350.00, all payable from the Settlement Sum. The Court finds the amounts requested are fair and reasonable.

6. After deducting the above-mentioned payments, the balance of the settlement amount will be ~~\$121,483.33~~ ^{\$122,963.92} (“Net Settlement Amount”). Under the terms of the Settlement Agreement, sixty-five (65%) of the Net Settlement Amount (i.e., ~~\$78,964.16~~ ^{\$79,926.55}) will be paid to the LWDA (“LWDA Net Settlement Amount”), and the remaining thirty-five percent (35%) of the Net Settlement Amount (i.e., ~~\$42,519.17~~ ^{\$43,037.37}) will be paid to the Aggrieved Employees (“Employee Net Settlement Amount”) using the formula set forth in the Settlement Agreement.

1 7. The Court authorizes the Settlement Administrator to calculate and pay the
2 Employee Net Settlement Amount to the Aggrieved Employees in accordance with the terms set
3 forth in the Settlement.

4 8. No later than twenty-one (21) calendar days after the Effective Date, the
5 Defendant shall provide the Settlement Administrator with a list of all Aggrieved Employees
6 (“Aggrieved Employees List”).

7 9. No later than thirty (30) calendar days after the Effective Date, the Defendant
8 shall deposit the Settlement Sum with the Settlement Administrator.

9 10. No later than forty-five (45) calendar days after the Effective Date, the Settlement
10 Administrator shall mail the Employee Settlement Share checks to all Aggrieved Employees by
11 first-class United States mail, postage prepaid, to the last known address of each recipient with
12 directions to the Postmaster to forward the Employee Settlement Share checks to any forwarding
13 addresses, and to return all undeliverable Employee Settlement Share checks to the Settlement
14 Administrator. A letter approved by the Parties (“Notice of PAGA Settlement” attached to the
15 Settlement Agreement as Exhibit A) in advance of the motion to be filed by Plaintiff in
16 connection with the Parties’ submission of the [Proposed] Order for Judicial Approval of the
17 Parties’ Private Attorneys General Act Settlement Agreement and Release of Claims, will be
18 included in the mailing of each Aggrieved Employee’s Employee Settlement Share check. It
19 will be conclusively presumed that an Aggrieved Employee’s Employee Settlement Share check
20 was received if such check has not been returned within twenty-one (21) calendar days of the
21 original mailing. The date of the initial mailing of the Employee Settlement Share check shall be
22 conclusively determined according to the records of the Settlement Administrator.

23 11. The settlement checks issued to the Aggrieved Employees shall remain valid for
24 one hundred eighty (180) days. Thereafter, those checks will be cancelled and all unclaimed
25 funds shall be transmitted to the California State Controller to be held in the name of the
26 Aggrieved Employee in the unclaimed property fund.

1 12. Upon entry of the Approval Order by the Court approving payment of the PAGA
2 penalties as described in this Agreement, Plaintiff, all Aggrieved Employees, and the State of
3 California shall be deemed to have fully, finally, and forever released, relinquished, and
4 discharged each and all of the Released Parties from any and all claims, demands, rights,
5 liabilities, and/or causes of action for penalties under PAGA that accrued during the PAGA
6 Period and that were asserted in Plaintiff's LWDA notice letter or the Action as well as those
7 that could have been alleged in the Action based on the facts contained therein, including,
8 without limitation, Labor Code Sections 201, 202, 203, 101-203, 204, 210, 218.5, 218.6, 223,
9 226, 226.3, 226.7, 510, 512, 558, 1174(d), 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2698, et
10 seq., 2698.6, et seq., 2699, et seq., 2699.3, 2802, Business and Professions Code sections 17200,
11 et seq., 17201, and Code of Civil Procedure section 1021.5, and the applicable Industrial Welfare
12 Commission Orders including, but not limited to, Order No. 5-2001. Plaintiff and the Aggrieved
13 Employees shall be deemed to have acknowledged and agreed that their claims in this Action are
14 disputed, and that the payments to them set forth in this Agreement constitute payment of all
15 sums allegedly due to them arising from the PAGA Claims and constitute settlement of all
16 PAGA Claims.

17 13. Nothing in this Agreement is intended to or shall preclude Plaintiff and Aggrieved
18 Employees from filing a complaint and/or charge with any appropriate federal, state, or local
19 government agency and/or cooperating with said agency in its investigation. Plaintiff and
20 Aggrieved Employees retain the right to file a charge with, and to participate in an investigation
21 conducted by, any appropriate government agency charged with enforcement of any law and the
22 right to engage in concerted activity granted by Section 7 of the National Labor Relations Act.
23 Plaintiff and Aggrieved Employees, however, shall not be entitled to receive any civil penalties
24 for the PAGA Claims in connection with any complaint or charge brought against any Released
25 Party for claims arising on or before the date Plaintiff executes this Agreement, without regard as
26 to who brought said complaint or charge.

1 14. Pursuant to Code of Civil Procedure section 664.6, the Court shall retain
2 continuing jurisdiction over this matter and the Parties to the fullest extent necessary to enforce
3 and effectuate the terms and intent of the Settlement Agreement.

4 15. Nothing in this Order and Judgment or Settlement Agreement shall be construed
5 as evidence of an admission or concession by any of the Parties. This Order and Judgment and
6 Settlement Agreement simply represent a compromise of significantly disputed allegations.

7 16. Within ten (10) days of entry of this Order and Judgment, Plaintiff shall provide a
8 copy of this Order and Judgment to the LWDA, pursuant to Labor Code section 2699(s)(3) and
9 (s)(4).

10 17. The Court sets a non-appearance case review for September 3, 2026, ~~2025~~
11 in Department 9. At least five (5) court days before this date, Plaintiff shall file a compliance
12 status report. Pursuant to Code of Civil Procedure section 384, the compliance status report shall
13 specify the total amount paid to Aggrieved Employees and the residual of the unclaimed
14 settlement funds that will be paid to the entity identified as the recipient of such funds in the
15 Settlement Agreement.

16 18. Upon the Court's approval of the Settlement Agreement and payment of all sums
17 required by the Settlement Agreement, Plaintiff shall file a request for dismissal of this matter in
18 its entirety as to Defendant with prejudice following the Court's non-appearance case review
19 regarding compliance.

20 **IT IS SO ORDERED.**

21
22 Dated: 09/08/2025



HONORABLE ELAINE LU
JUDGE OF THE SUPERIOR COURT