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FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF SAN BERNARDINO
SAN BERNARDINO DISTRICT

MAR 05 2026

BY Chris Goldstein
CHRIS GOLDSTEIN, DEPUTY

8 Attorneys for Plaintiff

9
10 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
11 **FOR THE COUNTY OF SAN BERNARDINO**

12 MARKELY LEWIS, individually, and on behalf of
13 all others similarly situated,

14 Plaintiff,

15 vs.

16 ARVATO DIGITAL SERVICES, LLC; and DOES
17 1 through 10, inclusive,

18 Defendants

Case No.: CIVSB2413083

[Assigned for all purposes to the Honorable
Wilfred J. Schneider, Jr. Department S32]

~~PRELIMINARY~~ **ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
AND REPRESENTATIVE ACTION
SETTLEMENT**

[Filed with Plaintiff's Notice of Motion and
Memorandum of Points and Authorities, the
Declaration of Kane Moon, the Declaration of
Plaintiff, the Declaration of Sean Hartranft]

PRELIMINARY APPROVAL HEARING:

Date: March 5, 2026
Time: 8:30 a.m.
Dept.: S32

Action Filed: May 6, 2024
Trial Date: Not Set

1 California Labor and Workforce Development Agency (the “LWDA”); and (f) a Class
2 Representative Service Payment to Plaintiff of not more than \$7,500.00.¹

3 3. The Court finds on a preliminary basis that: (1) the settlement amount is fair and
4 reasonable to the Class Members when balanced against the probable outcome of further litigation
5 relating to class certification, liability and damages issues, and potential appeals; (2) significant
6 class-wide discovery, investigation, research, and litigation have been conducted such that counsel
7 for the respective Parties at this time are able to reasonably evaluate their respective positions; (3)
8 settlement at this time will avoid substantial costs, delay, and risks that would be presented by the
9 further prosecution of the litigation; and (4) the proposed Settlement has been reached as the result
10 of serious, informed, adversarial, and arm’s-length negotiations between the Parties. Accordingly,
11 the Court preliminarily finds that the Settlement was entered into in good faith and meets the
12 requirements for preliminary approval.

13 4. A final approval hearing on the question of whether the proposed Settlement, the
14 Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, the Administration
15 Expenses Payment, the PAGA Penalties, and the Class Representative Service Payment should be
16 finally approved as fair, reasonable, and adequate as to the members of the Class is hereby set in
17 accordance with the Implementation Schedule set forth below.

18 5. The Court provisionally certifies, for settlement purposes only, the following class
19 (the “Class”): all persons currently or formerly employed by ADS in the State of California as
20 hourly paid, non-exempt employees during the Class Period. The “Class Period” means September
21 18, 2020 to September 21, 2025. Excluded from the Class will be any Class Member who opts out
22 of the Settlement by sending the Administrator a valid and timely Request for Exclusion, pursuant
23 to the instructions provided in the Class Notice.

24 6. The Court provisionally certifies, for settlement purposes only, the following
25 individuals (the “Aggrieved Employees”): all persons currently or formerly employed by ADS in
26

27 ¹ Pursuant to ¶ 4.3 of the Settlement, ADS shall fully fund the Gross Settlement Amount of \$715,000.00
28 and the amounts necessary to fully pay ADS’s share of payroll taxes by transmitting the funds to the
Administrator no later than thirty (30) days after the Effective Date of the Settlement. (Settlement, ¶ 4.3.)

1 the State of California as hourly paid, non-exempt employees during the PAGA Period. The
2 “PAGA Period” means February 29, 2023 to September 21, 2025.

3 7. The Court finds, for settlement purposes only, that the Class meets the
4 requirements for certification under California Code of Civil Procedure section 382 in that: (1)
5 the Class is so numerous that joinder is impractical; (2) there are questions of law and fact that are
6 common, or of general interest, to all Class Members, which predominate over individual issues;
7 (3) Plaintiff’s claims are typical of the claims of the Class Members; (4) Plaintiff and Class
8 Counsel will fairly and adequately protect the interests of the Class Members; and (5) a class
9 action is superior to other available methods for the fair and efficient adjudication of the
10 controversy.

11 8. **Releases of Claims.** Effective on the date when ADS fully funds the entire Gross
12 Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class
13 Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as
14 follows: (Settlement, ¶ 5.)

15 a. **Released Parties.** “Released Parties” means: ADS and each of its past, present and future
16 subsidiaries, parents, affiliated and related companies, divisions, successors, predecessors
17 or assigns; and their past, present, and future officers, directors, shareholders, partners,
18 agents, insurers, employee, advisors, accountants, representatives, trustees, heirs,
19 executors, administrators, predecessors, successors or assigns. (*Id.* at ¶ 1.41.)

20 b. **Plaintiff’s Release.** Plaintiff and his respective former and present spouses, representatives,
21 agents, attorneys, heirs, administrators, successors, and assigns generally, release and
22 discharge Released Parties from all claims, transactions, or occurrences that occurred
23 during the Class Period, including, but not limited to: (a) all claims that were, or reasonably
24 could have been, alleged, based on the facts contained, in the Operative Complaint and (b)
25 all PAGA claims that were, or reasonably could have been, alleged based on facts
26 contained in the Operative Complaint, Plaintiff’s PAGA Notice, or ascertained during the
27 Action and released under 5.2, below. (“Plaintiff’s Release.”) (*Id.* at ¶ 5.1.) Plaintiff’s
28 Release does not extend to any claims or actions to enforce this Agreement, or to any

1 claims for vested benefits, unemployment benefits, disability benefits, social security
2 benefits, workers' compensation benefits that arose at any time, or based on occurrences
3 outside the Class Period. (*Id.*) Plaintiff acknowledges that Plaintiff may discover facts or
4 law different from, or in addition to, the facts or law that Plaintiff now knows or believes
5 to be true but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in
6 all respects, notwithstanding such different or additional facts or Plaintiff's discovery of
7 them. (*Id.*)

8 1) Plaintiff's Waiver of Rights Under California Civil Code Section 1542.

9 For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
10 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code,
11 which reads: A general release does not extend to claims that the creditor or
12 releasing party does not know or suspect to exist in his or her favor at the time of
13 executing the release, and that if known by him or her would have materially
14 affected his or her settlement with the debtor or Released Party. (*Id.* at ¶ 5.1.1.)

15 c. Release by Participating Class Members: All Participating Class Members, on behalf of
16 themselves and their respective former and present representatives, agents, attorneys, heirs,
17 administrators, successors, and assigns, release Released Parties from all claims that were
18 alleged, or reasonably could have been alleged, based on the Class Period facts stated in
19 the Operative Complaint and ascertained in the course of the Action. (*Id.* at ¶ 5.2.) Except
20 as set forth in Section 5.3 of the Settlement, Participating Class Members do not release
21 any other claims, including claims for vested benefits, wrongful termination, violation of
22 the Fair Employment and Housing Act, unemployment insurance, disability, social
23 security, workers' compensation, or claims based on facts occurring outside the Class
24 Period. (*Id.*)

25 d. Release by Participating and Non-Participating Class Members Who Are Aggrieved
26 Employees: All Participating and Non-Participating Class Members who are Aggrieved
27 Employees are deemed to release, on behalf of themselves and their respective former and
28 present representatives, agents, attorneys, heirs, administrators, successors, and assigns,

1 the Released Parties from all claims for PAGA penalties that were alleged, or reasonably
2 could have been alleged, based on the PAGA Period facts stated in the Operative
3 Complaint, the PAGA Notice, and ascertained in the course of the Action. (*Id.* at ¶ 5.3.)

4 9. The Court, for purposes of this Preliminary Approval Order, refers to all terms and
5 definitions as set forth in the Settlement.

6 10. The Court appoints, for settlement purposes only, Plaintiff as the Class
7 Representatives. The Court approves, on a preliminary basis, a Class Representative Service
8 Payment from the Gross Settlement Amount of up to \$7,500.00 to Plaintiff, in addition to the
9 amount Plaintiff is eligible to receive as a Class Member, for initiating the Action and providing
10 services in support of the Action. To the extent the final amount awarded is less than the amount
11 requested, the remainder will be allocated to the Net Settlement Amount for distribution to
12 Participating Class Members.

13 11. The Court appoints, for settlement purposes only, Plaintiff's Counsel Moon Law
14 Group, PC as Class Counsel. The Court approves, on a preliminary basis, Class Counsel's ability
15 to request attorneys' fees of up to one-third of the Gross Settlement Amount, as well as
16 reimbursement for actual costs not to exceed \$26,000.00. To the extent actual costs are less and/or
17 the final amounts awarded for fees and/or costs are less than the amounts requested, the remainder
18 will be allocated to the Net Settlement Amount for distribution to Participating Class Members.

19 12. The Court appoints Apex Class Action Administration as the Administrator with
20 payment from the Gross Settlement Amount for reasonable administration costs not to exceed
21 \$6,990.00, except upon a showing of good cause and as approved by the Court. To the extent
22 administration costs are less, the remainder will be allocated to the Net Settlement Amount for
23 distribution to Participating Class Members.

24 13. The Administrator shall perform services and duties as provided for in the
25 Settlement, including, but not limited to, mailing the Class Notice via first-class U.S. Mail. Class
26 Members shall not be required to submit a claim form in order to receive individual settlement
27 payments.

28 14. The Court approves, as to form and content, the *Court-Approved Notice of Class*

1 *Action Settlement and Hearing Date for Final Court Approval* (the "Class Notice") attached hereto
2 as **Exhibit A** and incorporated by reference. The Court finds, on a preliminary basis, that the plan
3 for distribution of the Class Notice satisfies due process, provides the best notice practicable under
4 the circumstances, and constitutes due and sufficient notice to all persons entitled thereto.

5 15. The obligations set forth in the Settlement are deemed part of this Preliminary
6 Approval Order, and the Parties and Administrator are ordered to carry out the Settlement
7 Agreement according to its terms and provisions.

8 16. The Court orders the following Implementation Schedule:

9 Defendant to provide the Administrator 10 with the Class Data	Within 15 calendar days after entry of preliminary approval
11 Administrator to mail the Class Notice	12 Within 14 calendar days after receiving the Class Data
13 Response and Opt-Out Deadline	14 Within 60 calendar days after mailing (plus an additional 14 calendar days for any re-mailed Class Notices)
15 Final Approval Motion Filing Deadline	16 At least 16 court days before the Final Approval Hearing
17 Final Approval Hearing	18 9/8/8:30, D-532

19 17. The Court reserves the right to continue the date of the Final Approval Hearing without
20 further notice to Class Members.

21 18. The Court further orders that, pending further order of this Court, all proceedings in this
22 litigation, except those contemplated herein and in the Settlement Agreement, are stayed.

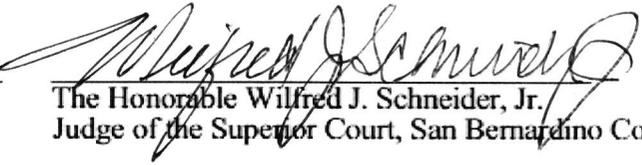
23 19. The Settlement is preliminarily approved but is not an admission by Defendant of the
24 validity of any claims in this class action, or of any wrongdoing by Defendant or of any violation of
25 law. Neither the Settlement nor any related document shall be offered or received in evidence in any
26 civil, criminal, or administrative action or proceeding other than as may be necessary to consummate
27 or enforce the Settlement.

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1 **IT IS SO ORDERED.**

2 DATED: _____

3/5/2026



The Honorable Wilfred J. Schneider, Jr.
Judge of the Superior Court, San Bernardino County

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