

1 WORKMAN LAW FIRM, PC
2 Robin G. Workman (Bar #145810)
3 robin@workmanlawpc.com
4 177 Post Street, Suite 900
5 San Francisco, CA 94108
6 Telephone: (415) 782-3660
7 Facsimile: (415) 788-1028

8 *Attorneys for Daniel Fredrick, Marvin Merklin,*
9 *and all others similarly situated*

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

APR - 1 2016

L. Hall

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA
11 COUNTY OF RIVERSIDE

12 DANIEL FREDRICK AND MARVIN
13 MERKLIN, on behalf of themselves
14 individually and all others similarly situated,

15 Plaintiff,

16 vs.

17 ACE SECURITY SYSTEMS, INC. dba ASC
18 SECURITY USA, MARK SESSA, and Does 1
19 through 50, inclusive,

20 Defendants.
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No. RIC1505009

Assigned for all purposes to the
Honorable Sharon J. Waters, Dept. 10

(PROPOSED) ORDER:

- a) GRANTING PRELIMINARY
APPROVAL OF CLASS
SETTLEMENT AND
PROVISIONALLY CERTIFYING
THE SETTLEMENT CLASS;
- b) APPROVING THE FORM AND
MANNER OF NOTICE TO
PROVIDE TO THE PROPOSED
SETTLEMENT CLASS AND
DIRECTING THAT A
NEUTRAL THIRD PARTY GIVE
SUCH NOTICE TO THE
PROPOSED SETTLEMENT
CLASS;
- c) APPROVING SIMPLURIS, INC.,
A NEUTRAL THIRD PARTY, AS
CLAIMS ADMINISTRATOR;

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- d) SETTING A HEARING FOR
FINAL APPROVAL OF THE
PROPOSED SETTLEMENT AND
AWARD OF ATTORNEYS' FEES
AND COSTS TO CLASS
COUNSEL AND
ENHANCEMENTS TO CLASS
REPRESENTATIVES;
- e) APPOINTING WORKMAN LAW
FIRM, PC AS CLASS COUNSEL;
AND,
- f) APPOINTING NAMED
PLAINTIFFS DANIEL
FREDRICK AND MARVIN
MERKLIN AS CLASS
REPRESENTATIVES

DATE: March 22, 2016
TIME: 8:30 a.m.
DEPT: 10

1 On March 22, 2016, the Court held a hearing on the application of Plaintiffs and Class
2 Representatives Daniel Fredrick and Marvin Merklin ("Plaintiffs") for preliminary approval of the
3 parties' proposed settlement; approval of the notice to be sent to the class about the settlement,
4 appointment of the claims administrator; and the setting of a date for the hearing on the parties'
5 motion for Final Approval of the Settlement and Plaintiffs' motion for the Class Representative
6 Incentive Payments and Class Counsel's attorneys' fees and costs. Robin G. Workman of
7 Workman Law Firm, PC, appeared for Plaintiffs and Susan Laffer, of the Law Office of Greg
8 Ozhekim, appeared on behalf of Defendants ACE Security Systems, Inc. dba ASC Security USA,
9 and Mark Sessa ("Defendants"). Following the hearing, the parties filed additional materials.

10 The Court having read and considered the papers on the motion, the arguments of counsel,
11 and the law, and good cause appearing therefore,

12 **IT IS ORDERED:**

13 The motion to grant preliminary approval of the proposed Stipulation for Settlement and
14 Release of Class Action Claims ("Settlement"), attached as Exhibit A to the Second Supplemental
15 Declaration of Robin G. Workman, filed on March 28, 2016, is granted as it meets the criteria for
16 preliminary settlement approval. The Settlement falls within the range of possible approval as
17 fair, adequate and reasonable, and appears to be the product of non-collusive, arm's length and
18 informed negotiations and to treat all class members fairly.

- 19 1. The Court grants the parties' request to provisionally certify the proposed
20 Settlement Class, which is defined in the Settlement as follows: All persons who
21 worked ACE Security Systems, Inc. dba ASC Security USA as sales
22 representatives, team leaders and managers, from April 24, 2011, through the date
23 this Court grants preliminary approval.
- 24 2. The Court provisionally finds that the proposed class is sufficiently numerous such
25 that class administration of the claims is warranted. The Court further
26 provisionally finds that the claims presented in the complaint filed by Plaintiffs
27 give rise to predominant common questions of law and fact among members of the
28 settlement class, that Plaintiffs' claims are typical of those of the class, and that

1 efficient administration of the claims of individual class members recommends
2 certification of the class. The Court further provisionally finds Workman Law
3 Firm, PC, to be sufficiently experienced and proficient in class action proceedings
4 such that they may act as Class Counsel. The Court further provisionally finds that
5 Daniel Fredrick and Marvin Merklin may act as Class Representatives.

6 3. The Court appoints Simpluris, Inc. ("Simpluris") to act as the Settlement
7 Administrator, pursuant to the terms set forth in the Settlement.

8 4. The Court directs Defendants to provide the Class Member information to
9 Simpluris within 7 calendar days after the date of this Order, as specified by the
10 Settlement Agreement.

11 5. Plaintiffs' proposed notice plan is constitutionally sound because individual notices
12 will be mailed to all class members, and such notice is the best notice practicable.
13 Plaintiffs' proposed form of Notice of Class Action Settlement and Final Approval
14 Hearing (hereafter, "Class Notice," Attachment A hereto) is sufficient to inform
15 Class Members of the terms of the Settlement, their rights under the Settlement,
16 their rights to object to the Settlement, their right to receive a Settlement Award,
17 and their right to elect not to participate in the Settlement, the processes for doing
18 so, and the date and location of the final approval hearing; and therefore the Court
19 approves them all. Accordingly, by no later than April 18, 2016 (17 calendar days
20 after the date of this Order), the parties, through Simpluris, shall distribute the
21 Class Notice to all Settlement Class Members by First Class U.S. Mail to their last
22 known address, according to the information that will be provided to the Settlement
23 Administrator by Defendants pursuant to the Settlement and in accordance with the
24 procedures set forth in the Settlement. Simpluris shall make such efforts as are
25 reasonable (if any) to locate each Settlement Class Member whose original Class
26 Notice is returned as undeliverable.

27 6. Simpluris will fill in the blank portions of the Class Notice to reflect the
28 appropriate deadlines for Class Members to object to or exclude themselves from

1 the Settlement prior to mailing the notice and to reflect the appropriate address to
2 which Class Members should send their objections or exclusions. Simpluris also
3 shall send with the Class Notice, the Objection Form and Exclusion Form,
4 (Attachments B and C hereto.) Simpluris also shall fill in the estimated Individual
5 Settlement Payments to the Class Members in the Class Notice. The parties will
6 submit proof of distribution of notice at or prior to the final approval hearing.
7 Simpluris shall provide Class Counsel, Defendants' Counsel and the Court with the
8 identification of any Class Member(s) who request exclusion from the Settlement
9 prior to the final approval hearing.

- 10 7. Any Class Member who wishes to be excluded from the Settlement has until thirty
11 (30) calendar days after the mailing of the Class Notice to submit his or her request
12 for exclusion or submit his or her objection pursuant to the procedures set forth in
13 the Class Notice. To be timely, all Exclusion requests and/or Objections must be
14 postmarked no later than thirty (30) calendar days from the date on which the
15 Settlement Administrator mailed the Class Notice, the Class Notice Response Date.
- 16 8. The Court will hold a hearing on June 9, 2016 at 9:30 a.m., to determine whether
17 the Court should grant final approval of the Settlement as fair, reasonable, and
18 adequate. The Court will hear all evidence and argument necessary to evaluate the
19 Settlement, and will consider Plaintiffs' request for the Class Representative
20 Enhancements and Class Counsel's request for attorneys' fees and costs. Class
21 members and their counsel may support or oppose the Settlement and the motion
22 for awards of the Class Representative Enhancements and Class Counsel's
23 attorneys' fees and costs, if they so desire, as set forth in the Class Notice.
- 24 9. Any Class Member may appear at the final approval hearing in person or by his or
25 her own attorney, and show cause why the Court should not approve the
26 Settlement, or object to the motion for awards of the Class Representative
27 Enhancement and Class Counsel's attorneys' fees and costs. For any objections to
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be considered at the hearing, the Class Member must provide the written objection to Simpluris indicating briefly the nature of the Class Member's objection.

10. The Court reserves the right to continue the date of the final approval hearing and to enter judgment upon granting final approval without further notice to class members. The Court retains jurisdiction to consider all further applications arising out of or in connection with the Settlement.

IT IS SO ORDERED.

Dated: April 1, 2016

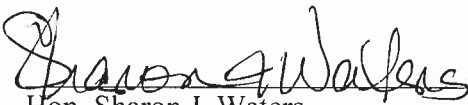

Hon. Sharon J. Waters
Judge of the Superior Court of California

EXHIBIT A

IMPORTANT LEGAL NOTICE

If you worked for ACE Security Systems, Inc., dba, ASC Security USA in California between April 25, 2011 and _____ (the date of Preliminary Approval), as a Manager, Team Leader, or Sales Representative, a class action settlement will affect your rights.

A court authorized this Notice. Fredrick, et a. v. ACE Security, et al., Case No. RIC 1505009

YOU ARE HEREBY NOTIFIED that the Court has granted preliminary approval of a proposed class settlement (the "Settlement") of the above-captioned purported class action ("the Action") filed in Riverside County Superior Court ("the Court"). The proposed Settlement will resolve all class claims in this Action. The Court has ordered that this Notice be sent to you because you may be a Class Member. The purpose of this Notice is to inform you of the Settlement of this Action and your legal rights under the Settlement.

SUMMARY OF THE CASE

On April 25, 2015, Daniel Fredrick and Marvin Merklin ("Plaintiffs") filed a complaint in the Superior Court of California for the County of Riverside against ACE Security Systems dba ASC Security USA (together, "Defendants") on behalf of themselves and other similar employees who worked for Defendants as Managers, Team Leaders and Sales Representatives. They filed an amended complaint on May 20, 2015 naming Mark Sessa as a defendant. The Action alleges, among other things, that the Class Members are owed compensation for alleged unpaid wages, missed meal and rest breaks, unreimbursed necessary business expenses, non-compliant wage statements, and penalties. The Action seeks damages for unpaid wages and overtime wages, restitution, penalties, interest, attorneys' fees and costs and other relief. The Action includes claims under the California Labor Code, related Wage Orders of the Industrial Welfare Commission, and California Business and Professions Code Section 17200 *et seq.*

After thorough investigation and an exchange of relevant information, the Parties mediated the Action and reached the Settlement that is memorialized in the Stipulation of Settlement on file with the Court.

POSITIONS OF THE PARTIES AND REASONS FOR SETTLEMENT

Defendants contend that they pay employees in full compliance with the law. They deny each of the claims and contentions alleged by Plaintiffs in the Action. Although Defendants believe they have strong defenses to the Action, they concluded that a lengthy and expensive lawsuit is not in the best interests of either side. Defendants have, therefore, agreed to settle this Action in the manner and on the terms set forth in the proposed Settlement to put to rest all claims that are or could have been asserted against it in the Action. Nothing regarding the Settlement may be construed as, or may be used as, an admission, concession or indication by or against Defendants of any fault, wrongdoing or liability whatsoever.

Class Counsel recognizes the expense and length of continued proceedings necessary to continue the Action against Defendants through certification, trial and any possible appeals, the uncertainty and the risk of the outcome of further litigation, the risk that the class might not be certified, as well as the difficulties and delays generally inherent in such litigation, the burdens of proof necessary to establish liability for the claims, and of the difficulties in establishing damages for the Class Members. Class Counsel believes the proposed Settlement is fair, adequate and reasonable and in the best interests of the Class Members.

The Court has made no ruling on the merits of the Class Members' claims and has determined only that certification of the Class for settlement purposes is appropriate under California law.

SUMMARY OF SETTLEMENT TERMS

Settlement Amount. The Stipulation of Settlement provides that Defendants will pay a maximum of \$270,000.00 (the "Maximum Settlement Amount") to fully resolve the claims in the Action. The following deductions will be made from this Maximum Settlement Amount:

- Settlement Administration. The Court has tentatively approved a payment of not to exceed \$10,000.00 to the Settlement Administrator, Simpluris, for the costs incurred in notifying the Class of this Settlement and processing any claims.
- Attorneys' Fees and Expenses. The Court preliminarily appointed WORKMAN LAW FIRM, PC, 177 Post St., Suite 900, San Francisco, CA 94108, as Class Counsel to represent the Class in this Action.
- Class Counsel will ask the Court to approve a Fee and Expense Award of up to \$89,100, plus reimbursement of the actual litigation costs/expenses they incurred, not to exceed \$15,000.00. Class Members are not personally responsible for any fees or litigation costs/expenses.
- Named Plaintiff Awards to Class Representatives. Class Counsel will also ask the Court to approve Named Plaintiff Awards in the amount of \$7,500.00 for Class Representatives Daniel Fredrick and Marvin Merklin for acting as the representatives on behalf of the Class.
- PAGA Payment. An amount of \$2,500.00 is allocated to pay all applicable penalties under California Labor Code's Private Attorneys General Act of 2004 ("PAGA"). 75% of this PAGA Payment will be paid to California's Labor and Workforce Development Agency and 25% of this PAGA Payment will be paid to Class Members.

Payment to Class Members: Plan of Allocation. Class Members who do not request exclusion from the class on or before the deadline will receive an Individual Settlement Payment, as set forth below.

Calculation of Individual Settlement Payments to Class Members. The balance of the Maximum Settlement Amount after the deductions described above is called the "Net Settlement Proceeds." The Net Settlement Proceeds are currently estimated to be approximately \$150,000, which is the total amount that will be available to Class Members. Each Class Member will receive an Individual Settlement Payment out of the Net Settlement Proceeds based on the dates of his/her employment and his/her number of weeks of employment with Defendants as a Class Member, as reflected by Defendants' payroll records, exclusive of leaves of absence ("Individual Work Weeks"). Approximations and averages will be used to cover periods where data is missing or otherwise not available. **Based on Defendants' records, which reflect that you worked ----- work weeks, your Individual Settlement Payment is estimated to be -----.**

If you do not agree with the work weeks estimate, you may contact the Settlement Administrator at --- ----. Please provide any documentation that you have that supports or relates to your weeks worked with Defendants. Time worked with the Defendants prior to April 25, 2011, is not included. Unless you present evidence to the contrary, the Defendants' records regarding your weeks worked will be presumed to be correct.

Tax Information. Except for those Class Members whose share of the settlement does not exceed \$25.00, from which no withholdings shall be taken, IRS Forms W-2 and 1099 (and the equivalent California forms) will be distributed to Class Members reflecting the payments they receive under the Settlement. For tax purposes, 5% of each Class Member's Individual Settlement Payment will be treated as damages for unpaid wages and reported on a W-2, and 95% will be treated as reimbursements,

interest and penalties under the California Labor Code and reported on a Form 1099. Class Members should consult with their tax advisors concerning the tax consequences of the payments they receive under the Settlement. The usual and customary employee payroll deductions will be taken out of the amounts attributable to unpaid wages.

Release of Claims. If the Settlement is approved by the Court, it will bar any Class Member who does not timely exclude themselves from the Settlement from bringing certain claims against Defendants, described below. The Settlement will fully release and discharge Defendants, their past or present officers, directors, employees and agents (the "Released Parties") from all claims, demands, rights, liabilities and causes of action that were or could have been asserted (whether in tort, contract or otherwise) for violation of the California Labor Code, the California Business and Professions Code, the Private Attorneys General Act ("PAGA"), the applicable Industrial Welfare Commission Orders or any similar local, state or federal law, whether for economic damages, non-economic damages, liquidated damages, punitive damages, restitution, penalties, other monies, or other relief based on any facts, transactions, events, policies, occurrences, acts, disclosures, statements, omissions or failures to act pled in the complaint, which are or could be the basis of claims that Defendants failed to pay all wages due, failed to pay overtime wages due, failed to reimburse necessary business expenses, failed to provide accurate wage statements, failed to provide rest and meal periods, and for penalties under PAGA, penalties for any violations enumerated above, or penalties for any other provision of the Labor Code, at any time on or before the date of Preliminary Approval. These claims that Class Members agree to release and discharge are referred to as "Class Released Claims," as that term is more fully defined in the Stipulation of Settlement.

The Class Members agree not to sue or otherwise make a claim against any of the Released Parties for any known or unknown Class Released Claims. The Individual Settlement Payments are paid to Class Members specifically in exchange for the release of the Released Parties from the Class Released Claims and for their agreement not to sue concerning the Class Released Claims.

YOUR OPTIONS UNDER THE SETTLEMENT

Option 1 – Do Nothing

If you would like to receive money from the Settlement, you need not take any action. Your portion of the Settlement will be sent to you unless you request exclusion from the Settlement.

If you choose **Option 1**, and if the Court grants Final Approval of the Settlement, you will be mailed a check for your Individual Settlement Payment. In addition, you will be deemed to have released and waived the Class Released Claims against the Released Parties.

Option 2 – Exclude Yourself from the Settlement

If you do not wish to participate in the Settlement, you may request to be excluded from the Settlement. To do so, you must submit an Exclusion Form to the Settlement Administrator stating that you decided not to participate in the Settlement and desire to be excluded from the Settlement.

You must sign, date, and either fax the Exclusion Form to (***) ***-**** or mail it by First Class U.S. Mail or equivalent no later than _____ [30 days from mailing of the Notice], 2016, to _____.

If you choose **Option 2**, you will no longer be a Class Member. You will not be deemed to have released the Class Released Claims, but you also will not receive an Individual Settlement Payment from the Settlement and you will be barred from filing any objection to the Settlement.

Option 3 – Object to the Settlement

If you wish to object to the Settlement, you may do so by completing the enclosed objection form. Your objection must be delivered to the Settlement Administrator no later than _____ [30 days from mailing of the Notice] by either fax or first class mail. Unless otherwise ordered by the Court, late objections will not be considered. If you file an objection, you are not excluding yourself from the Settlement. To exclude yourself from the Settlement, you must follow the directions described above in Option 2. Please note that you cannot both object to the Settlement and exclude yourself. You must choose one option only.

If you submit a timely objection, you may also, if you wish, appear at the Final Approval hearing on the Settlement, set for _____ at ____:____.m. in the Superior County Superior Court and discuss your objection with the Court and the parties at your own expense. The date and time of the hearing may change without notice.

If the Court overrules your objections and approves the Settlement, you will still receive an Individual Settlement Payment, and you will be deemed to have released the Class Released Claims against the Released Parties.

ADDITIONAL INFORMATION

This Notice is only a summary of the Action and the basic terms of the Settlement. For a more detailed statement of the matters involved in the Action and the Settlement, you may:

- Refer to the pleadings, and other papers filed in the Action, which you will find at the Office of the Clerk of the Riverside County Superior Court located at 4100 Main St., Riverside, California 92501, during regular business hours of each court day.
- Review the Stipulation of Settlement on file with the Court. You may find a copy of the Stipulation of Settlement as Exhibit A to the Second Supplemental Declaration of Robin G. Workman in Support of Plaintiffs' Application for Preliminary Approval filed on March 28, 2016.
- Contact Class Counsel at:

Robin G. Workman
WORKMAN LAW FIRM, PC
177 Post Street, Suite 900
San Francisco, California 94108
(415) 782-3660
robin@workmanlawpc.com

- Visit www.workmanlawpc.com to view this notice and other documents in this case.

Please direct all inquiries regarding this Notice and/or the Settlement to the Settlement Administrator at (***) ***-****.

PLEASE DO NOT CONTACT THE CLERK OF THE COURT, THE JUDGE, DEFENDANTS OR DEFENDANTS' ATTORNEYS WITH INQUIRIES.

DATED: _____, 2016

BY ORDER OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

EXHIBIT B

**[COMPLETE THIS FORM ONLY IF YOU CHOOSE TO
OBJECT TO THIS SETTLEMENT]**

OBJECTION TO CLASS ACTION SETTLEMENT

In The Matter of:
DANIEL FREDRICK and MARVIN MERKLIN vs. ACE SECURITY SYSTEMS, INC.
dba ASC SECURITY USA, MARK SESSA
Riverside Superior Court Case No.: RIC 1505009

INSTRUCTIONS: TO OBJECT TO THE SETTLEMENT, YOU MUST COMPLETE, SIGN AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL OR EQUIVALENT, POSTAGE PAID, POSTMARKED ON OR BEFORE _____, 2016, ADDRESSED AS FOLLOWS:

Fredrick/ACE Class Action Litigation
Claims Administrator [ADDRESS]
[TELEPHONE NUMBER]

Please fill in all of the following information (type or print):

NAME (First, Middle, Last): _____
STREET ADDRESS: _____
CITY, STATE, ZIP CODE: _____
FORMER NAMES (if any): _____
TELEPHONE NUMBERS: Home: _____ Work: _____

**IT IS STRONGLY RECOMMENDED THAT YOU RETAIN PROOF OF MAILING THIS FORM
POSTMARKED ON OR BEFORE _____, 2016.**

I, [insert your name] _____, object to the settlement in the case of *DANIEL FREDRICK and MARVIN MERKLIN vs. ACE SECURITY SYSTEMS, INC. dba ASC SECURITY USA, MARK SESSA*, Riverside Superior Court, Case No. RIC1505009 for the following reason(s):

Signed: _____ *

Date: _____

Print Name: _____ *

Last four digits of Social Security Number _____ *

(* Required Information)

EXHIBIT C

**[COMPLETE THIS FORM ONLY IF YOU CHOOSE TO
NOT PARTICIPATE IN THIS SETTLEMENT]**

REQUEST FOR EXCLUSION FROM CLASS ACTION SETTLEMENT

In The Matter of:

DANIEL FREDRICK and MARVIN MERKLIN vs. ACE SECURITY SYSTEMS, INC.

dba ASC SECURITY USA, MARK SESSA

Riverside Superior Court Case No.: RIC 1505009

INSTRUCTIONS: TO REQUEST EXCLUSION FROM THE SETTLEMENT, YOU MUST COMPLETE, SIGN AND MAIL THIS FORM BY FIRST CLASS U.S. MAIL OR EQUIVALENT, POSTAGE PAID, POSTMARKED ON OR BEFORE _____, 2016, ADDRESSED AS FOLLOWS:

Fredrick/ACE Class Action Litigation

Claims Administrator [ADDRESS]

[TELEPHONE NUMBER]

Please fill in all of the following information (type or print):

NAME (First, Middle, Last): _____

STREET ADDRESS: _____

CITY, STATE, ZIP CODE: _____

FORMER NAMES (if any): _____

TELEPHONE NUMBERS: Home: _____ Work: _____

**IT IS STRONGLY RECOMMENDED THAT YOU RETAIN PROOF OF MAILING THIS FORM
POSTMARKED ON OR BEFORE _____, 2016.**

I, [insert your name] _____, do not want to participate in and wish to be excluded from the settlement class in the case of *DANIEL FREDRICK and MARVIN MERKLIN vs. ACE SECURITY SYSTEMS, INC. dba ASC SECURITY USA, MARK SESSA*, Riverside Superior Court, Case No. RIC1505009. I understand I will not receive money from the class settlement.

I further verify that the following is true: My name, address, and other contact information are accurately set forth above. I received and had the opportunity to read the Notice of Class Action and Proposed Settlement that was sent to me along with this form. I understand that by signing this side of the form, I voluntarily choose to exclude myself from the proposed Settlement of this Class Action. **I understand that by excluding myself from the settlement, I will not accept any money from the proposed Settlement.** On the other hand, I also understand that if I wish to assert any claims related to those set forth in this lawsuit, I must do so separately. I understand that any such claims are subject to strict time limits, known as statutes of limitations, which restrict the time within which I may file any such claims. I understand that I should consult with an attorney if I wish to obtain advice regarding my rights with respect to this Settlement or my choice to exclude myself from the Settlement. I have not been coerced by anyone to exclude myself from this Class Action, and I choose to exclude myself of my own free will.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Signed: _____ * Date: _____

Print Name: _____ * Last four digits of Social Security Number _____ *

(* Required Information)