COUNTY OF SAN BERNARDING RANCHO CUCAMONGA DISTRICT

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DEPUTY

## SUPERIOR COURT FOR THE STATE OF CALIFORNIA

## FOR THE COUNTY OF SAN BERNARDINO

ALEX ARREGUIN, JR., individually and on behalf of all others similarly situated,

Plaintiff,

VS.

TELEBRANDS, a New Jersey Corporation, and DOES 1 through 10, inclusive,

Defendants.

CASE NO. CIVRS1307798

(Assigned for All Purposes to the Honorable Keith D. Davis, Dept. R12)

## **CLASS ACTION**

## ORDER GRANTING PRELIMINARY APPROVAL OF CLASS **ACTION SETTLEMENT**

[Declaration of Sara D. Avila, and [Proposed] Order filed concurrently herewith]

Date: January 30, 2014

Time: 8:30 a.m. Dept.: R12

Trial Date: None Set

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WHEREAS, Plaintiff in the above-captioned action, Alex Arreguin, Jr., ("Plaintiff"), and Defendant Telebrands ("Defendant") have reached a proposed settlement and compromise of the disputes between them in the above actions, which is embodied in the Settlement Agreement and Release (the "Settlement Agreement") filed with the Court with Plaintiffs' Motion for Preliminary Settlement Approval;

WHEREAS, the Parties have applied to the Court for preliminary approval of the proposed Settlement of the Action, the terms and conditions of which are set forth in the "Settlement Agreement";

AND NOW, the Court, having read and considered the Settlement Agreement and accompanying documents and the Motion For Preliminary Settlement Approval and Supporting Papers, and the Parties to the Settlement Agreement having consented to the entry of this order, and all capitalized terms used herein having the meaning defined in the Settlement Agreement, IT IS HEREBY ORDERED AS FOLLOWS:

- 1. The Court, for purposes of this Order, adopts all defined terms as set forth in the Settlement Agreement.
- 2. Subject to further consideration by the Court at the time of the Final Approval Hearing, the Court preliminarily approves the Settlement as fair, reasonable and adequate to the Settlement Class, as falling within the range of possible final approval, and as meriting submission to the Settlement Class for its consideration.
- 3. For purposes of the Settlement only, the Court certifies the Settlement Class, which consists of:

All persons who purchased Covered Products (as defined in the Settlement Agreement) for personal use and not for resale, in the United States, its territories, or at any United States military facility or exchange November 6, 2009 through the date of this order.

Excluded from the Settlement Class are all persons who validly exclude themselves from the Settlement Class in a timely manner, counsel of record (and their respective law firms) for the Parties, Defendant and any of its parents, affiliates, subsidiaries, independent service providers and all of their respective employees, officers and directors, the presiding judge in this Action and all of his or her relatives within the third degree of consanguinity, any persons who received remuneration from Defendant to act as an endorser of the Covered Products, and any natural person or entity that entered into a release with Defendant prior to the Effective Date concerning any Covered Products.

- 4. The Court preliminary finds, solely for purposes of considering this Settlement, that the requirements of Cal. Code Civ. Proc. § 382 appear to be satisfied, including requirements for the existence of an ascertainable class, a community interest, and manageability of the Settlement Class, that common issues of law and fact predominate, and that a settlement class is superior to alternative means of resolving the claims and disputes at issue in this action.
- 5. The Court appoints Alex Arreguin, Jr. as the Class Representative.

  The Court also appoints Milstein Adelman, LLP as Class Counsel for purposes of this Settlement. The Court preliminarily finds that the Class Representative and Class Counsel fairly and adequately represent and protect the interests of the absent Settlement Class Members in accordance with Cal. Code Civ. Proc. § 382.
- 6. The Court appoints Epiq Systems, Inc. as Settlement Administrator.
- 7. A Final Approval Hearing shall be held before this Court at 8:30 a.m on

  August 14, 2014 in Dept. R12 of the Rancho Cucamonga Superior Court, to
  address: (a) whether the Settlement should be finally approved as fair, reasonable
  and adequate, and whether the Final Approval Order and Judgment should be
  entered; and (b) whether Class Counsel's application for attorneys' fees, costs,
  expenses and incentive awards should be approved. Consideration of any
  application for an award of attorneys' fees, costs, expenses and incentive awards

- shall be separate from consideration of whether or not the Settlement should be approved, and from each other, and shall be embodied in separate orders.
- 8. With the exception of such proceedings as are necessary to implement, effectuate and grant final approval to the terms of the Settlement Agreement, all proceedings are stayed in this Action and all Settlement Class Members are enjoined from commencing or continuing any action or proceeding in any court or tribunal asserting any claims encompassed by the Settlement Agreement, unless the Settlement Class Member timely files a valid Request for Exclusion as defined in the Settlement Agreement.
- 9. The Court approves, as to form and content, the Long Form Notice and the Publication Notice, substantially in the forms attached as Exhibits C and E to the Settlement Agreement.
  - a. The Long Form Notice will be published on the Internet at the settlement website set up by the Settlement Administrator.
  - b. The Publication Notice will be published once in the following publications, formatted as one-quarter page advertisements:
    - i. USA Weekend; and,
    - ii. People Magazine.
  - c. Internet advertisements linking to the settlement website and Notice will be published in accordance with the internet notice plan created by the Settlement Administrator.
  - d. A link to the settlement website set up by the Settlement Administrator, which will contain the Long Form Notice and Claim form, will be published on Defendant's corporate website (www.pockethose.com). No later than 10 days prior to the Final Approval Hearing, the Settlement Administrator shall file with the Court declarations attesting

to compliance with this Order.

- 10. The Court finds that the Parties' plan for providing notice to the Settlement Class (the "Notice Plan") described in Section V of the Settlement Agreement constitutes the best notice practicable under the circumstances and shall constitute due and sufficient notice to the Settlement Class, the terms of the Settlement Agreement, and the Final Approval Hearing, and complies fully with the requirements of the California Rules of Court, the California Code of Civil Procedure, the California Civil Code, the Constitution of the State of California, the United States Constitution, and any other applicable state or federal law.
- 11. The Court further finds that the Notice Plan described in Section V of the Settlement Agreement will adequately inform members of the Settlement Class of their right to object to the proposed settlement or exclude themselves from the Settlement Class so as not to be bound by the terms of the Settlement Agreement.
- 12. Any member of the Settlement Class who desires to be excluded from the Settlement Class, and therefore not bound by the terms of the Settlement Agreement, must submit to the Settlement Administrator, pursuant to the instructions set forth in the Notice, a timely and valid written Request for Exclusion, postmarked at least twenty-one (21) days prior to the date set for the Final Approval Hearing in paragraph 7 above. Not later than ten (10) days before the Final Approval Hearing, the Settlement Administrator shall prepare and deliver to Class Counsel, who shall file it with the Court, a report stating the total number of Persons who have submitted timely and valid Requests for Exclusion from the Settlement Class, and the names of such Persons.
- 13. Any member of the Settlement Class who elects to be excluded shall not be entitled to receive any of the benefits of the Settlement Agreement, shall not be bound by the release of any claims pursuant to the Settlement Agreement, and

- shall not be entitled to object to the Settlement Agreement or appear at the Final Approval Hearing. The names of all Persons timely submitting valid Requests for Exclusion shall be provided to the Court.
- 14. Any member of the Settlement Class who desires to object to the Settlement must file with the Court, and serve on all counsel of record, a Notice of Objection and Intention to Appear, setting for the ground for objection, at least twenty-one (21) days prior to the Final Approval Hearing, and must appear at the Final Approval Hearing. Only Settlement Class Members who have filed and served valid and timely notices of objection together with supporting papers, and who appear at the Final Approval Hearing, shall be entitled to be heard at the Final Approval Hearing.
- 15. Any Settlement Class Member who does not make an objection in the time and manner provided shall be deemed to have waived such objection and forever shall be foreclosed from making any objection to the fairness or adequacy of the Settlement as incorporated in the Settlement Agreement, the payment of attorneys' fees and costs, or the Final Approval Order and Judgment.
- 16. Service of all papers on counsel for the Parties shall be made as follows: for Class Counsel, to Gillian L. Wade, Esq., Milstein Adelman, LLP, 2800 Donald Douglas Loop North, Santa Monica, California 90405; and for Defendant's Counsel, to Jeffrey Richardson, Esq., Mitchell, Silberberg & Knupp LLP, 11377 West Olympic Boulevard, Los Angeles, CA 90064. Only Settlement Class Members who have filed and served valid and timely notices of intention to appear, together with supporting papers, shall be entitled to be heard at the Final Approval Hearing.
- 17. In the event that the Settlement is not approved by the Court, or in the event that the Settlement Agreement becomes null and void pursuant to its terms, this Order and all orders entered in connection therewith shall become null and void.

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shall be of no further force and effect, and shall not be used or referred to for any purposes whatsoever in this civil action or in any other case or controversy; in such event the Settlement Agreement and all negotiations and proceedings directly related thereto shall be deemed to be without prejudice to the rights of any and all of the Parties, who shall be restored to their respective positions as of the date and time immediately preceding the execution of the Settlement Agreement.

18. As set forth in the Settlement Agreement, the Court sets the following schedule of events:

EVENT	CALCULATION	DATE
Date of Preliminary Approval		
("PA")		Thurs. January 30, 2014
Notice Period Begins	20 calendar days after PA	Wed. February 19, 2014
	60 days after publication period	
Notice Period Ends	begins	Mon. April 21, 2014
Objection/ Opt-Out Deadline	60 days after notice period ends	Fri. June 20, 2014
Claims Deadline	60 days after notice period ends	Fri. June 20, 2014
Briefs ISO Final Approval		
and Fees	21 days following claims deadline	Fri. July 11, 2014
	at least 2 business days before Final	
Response to Objections Due	Approval Hearing	Tues. August 12, 2014
Final Approval Hearing	30 days after claims deadline	Thurs. August 14, 2014

19. The Court may, for good cause, extend any of the deadlines set forth in this Order without further notice to the Settlement Class Members. The Final Approval Hearing may, from time to time and without further notice to the Settlement Class, be continued by order of the Court.

IT IS SO ORDERED.

Dated: 1 / 30 / 14

Honorable Keith D. Davis