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**UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA**

DAVID PAZ, an individual and on  
behalf of all other similarly situated,  
  
Plaintiff,  
  
vs.  
  
AG ADRIANO GOLDSCHMEID,  
INC., a California corporation, et al.,  
  
Defendants.

CASE NO. 14cv1372 DMS (DHB)  
  
**ORDER GRANTING PLAINTIFF’S  
MOTION FOR PRELIMINARY  
APPROVAL OF CLASS ACTION  
SETTLEMENT**

This case comes before the Court on Plaintiff’s motion for preliminary approval of class action settlement. Defendant did not file an opposition to the motion, and also did not file a notice of non-opposition, as required by Civil Local Rule 7.1.f.3.a. After reviewing the motion, the Court requested supplemental briefing from Plaintiff, which he has now submitted. After reviewing the supplemental brief, and for the reasons set out below, the Court grants Plaintiff’s motion.

**I.  
BACKGROUND**

This putative class action case concerns the sale and marketing of Defendant AG’s products. AG is a designer and manufacturer of denim jeans products for men and women. (Compl. ¶ 6.) It sells its products through its own retail stores, online and through other high end retailers such as Defendant Nordstrom. (*Id.*)

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1 One of AG’s products is “The Protégé” brand jean. (*Id.*) This product, like many  
2 of AG’s other products, is marked with a “Made in the U.S.A.” label. (*Id.* ¶ 19.)  
3 Plaintiff David Paz alleges that on May 16, 2014, he purchased a pair of “The Protégé”  
4 brand jeans at a Nordstrom store in San Diego, California. (*Id.*) Plaintiff alleges he  
5 relied on the “Made in the U.S.A.” label when purchasing the jeans, and that he  
6 “believed at the time he purchased THE PROTÉGÉ that he was supporting U.S. jobs  
7 and the U.S. economy.” (*Id.* ¶ 20.)

8 Despite the “Made in the U.S.A.” label, Plaintiff alleges the jeans “actually  
9 contain[ ] component parts made outside of the United States.” (*Id.*) Specifically, he  
10 alleges the fabric, thread, buttons, rivets, and/or certain subcomponents of the zipper  
11 assembly of the jeans (and presumably all other offending AGAG apparel products) are  
12 manufactured outside the United States. (*Id.* ¶ 15.)

13 In light of this alleged disparity, Plaintiff filed the present case on behalf of “all  
14 persons in the United States who purchased one or more of Defendants’ AGAG apparel  
15 products during the relevant four-year statutory time period that bore a ‘Made in the  
16 U.S.A.’ country of origin designation but that contained foreign-made component  
17 parts[.]” (*Id.* ¶ 26.) He also alleges claims on behalf of a subclass of “all of  
18 Defendants’ California customers who purchased AGAG apparel products that were  
19 labeled as ‘Made in the U.S.A. OF IMPORTED FABRIC’ that contained foreign-made  
20 component parts beyond the fabric (e.g., rivets, thread, buttons, and/or subcomponents  
21 of the zipper assembly) during the relevant four-year statutory time period[.]” (*Id.* ¶  
22 27.) In the Complaint, Plaintiff alleges the following claims for relief: (1) violation of  
23 California’s Consumer Legal Remedies Act, California Civil Code § 1750, *et seq.*, (2)  
24 violation of California’s Unfair Business Practices Act, California Business and  
25 Professions Code § 17200, *et seq.* and (3) violation of California Business and  
26 Professions Code § 17533.7.

27 On September 25, 2015, Plaintiff filed a Notice of Settlement. (Decl. of John  
28 Donboli in Supp. of Mot., Ex. 1.) The terms of that Settlement are as follows:

1 Defendant AG has agreed to provide “Qualifying Claimants”<sup>1</sup> with either (1) a \$20  
2 Promotional Code per product purchased, which can be used toward the purchase of any  
3 product available on [www.agjeans.com](http://www.agjeans.com), or (2) a pair of AG pants of AG’s selection.  
4 (*Id.* at 10-11.) Defendant AG has also agreed to revise the labels on its products to  
5 address the concerns raised in this case. (*Id.* at 11-12.) Pursuant to the Settlement,  
6 Plaintiff’s counsel will move for an award of attorneys fees of no more than \$175,000,  
7 and for an incentive award to Plaintiff of no more than \$5,000. (*Id.* at 17.) Although  
8 Plaintiff sought certification of a nationwide class in the Complaint, the Settlement  
9 defines the “Settlement Class” as “all California persons who made a Qualifying  
10 Transaction.”<sup>2</sup> (*Id.* at 8.)

11 The notice provision of the Settlement is as follows: The proposed Claim  
12 Administrator will arrange for publication of the Notice of Settlement in publications  
13 that adequately cover consumers of Defendant AG’s products. Defendants AG and  
14 Nordstrom will each post a link to the Settlement on their respective websites. To the  
15 extent Defendant AG has any customer information in its records, it will provide that  
16 information to the Claim Administrator, who will then mail notice of the Settlement to  
17 those customers. Within twenty (20) days of the notice being provided, the Claim  
18 Administrator will activate a Settlement Website where class members can receive more  
19 detailed information about the settlement, including claim forms.

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24 <sup>1</sup> “Qualifying Claimant” means a Class Member who submits a timely,  
25 completed, and fully executed Claim Form, indicating that he or she engaged in a  
26 Qualifying Transaction, and whose claim is not rejected by the Claims Administrator  
and is not disputed by the Claims Administrator under the procedures set forth in  
Section F” of the Settlement. (*Id.* at 8.)

27 <sup>2</sup> “Qualifying Transaction” is defined as “a purchase in California of an AGAG-  
28 brand Product that was sold with a “MADE IN USA,” “MADE IN THE USA,” or  
“MADE IN USA OF IMPORTED FABRIC” label during the Class Period for non-  
commercial use but that contains one or more foreign-made component parts that were  
not disclosed on the label.” (*Id.*)

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**II.**  
**DISCUSSION**

“Because class actions present the risk that the named parties will negotiate a bad deal for the absent members of the class, the Federal Rules of Civil Procedure require that any settlement that binds class members must be approved by a court.” *Relente v. Viator, Inc.*, No. 12-cv-05868-JD, 2014 U.S. Dist. LEXIS 160350, at \*5 (N.D. Cal. Nov. 14, 2014). “The Court’s approval involves a two-step process in which the Court first determines whether a proposed class action settlement deserves preliminary approval and then, after notice is given to class members, whether final approval is warranted.” *Id.*

Preliminary approval of the settlement “requires conditionally approving the class[.]” *Id.* at \*6. *See also Carr v. Tadin, Inc.*, No. 12-cv-3040 JLS (JMA), 2014 U.S. Dist. LEXIS 179835, at \*3-4 (S.D. Cal. Apr. 18, 2014) (citing *Amchem Products, Inc. v. Windsor*, 521 U.S. 591, 620 (1997)) (“Before granting preliminary approval of a class action settlement agreement, the Court must first determine whether the proposed class can be certified.”) The court must also “make a preliminary determination as to whether the proposed settlement is ‘fair, reasonable, and adequate’ pursuant to” Federal Rule of Civil Procedure 23(e)(2). *Id.* at \*13. When the parties reach a settlement prior to formal class certification, as they did in this case, “settlement approval requires a ‘higher standard of fairness.’” *Lane v. Facebook, Inc.*, 696 F.3d 811, 820 (9<sup>th</sup> Cir. 2012). “The reason for more exacting review of class settlements reached before formal class certification is to ensure that class representatives and their counsel do not secure a disproportionate benefit ‘at the expense of the unnamed plaintiffs who class counsel has a duty to represent.’” *Id.* Also, “[t]he dangers of collusion between class counsel and the defendant . . . weigh in favor of a more probing inquiry than may normally be required under Rule 23(e).” *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9<sup>th</sup> Cir. 1997).

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1 **A. Preliminary Class Certification**

2 As stated above, “[i]n order to obtain preliminary approval, the parties must  
3 demonstrate that the class action meets the requirements of Rule 23.” *Boyd v.*  
4 *Avanquest N. Am., Inc.*, No. 12-cv-04391-WHO, 2015 U.S. Dist. LEXIS 93458, at \*5  
5 (N.D. Cal. July 17, 2015) (citing *Amchem*, 521 U.S. at 614). In this case, Plaintiff  
6 moves for preliminary class certification under Rules 23(a) and (b)(3).

7 Federal Rule of Civil Procedure 23(a) sets out four requirements for class  
8 certification. Those requirements are:

- 9 (1) the class is so numerous that joinder of all members is impracticable;  
10 (2) there are questions of law or fact common to the class; (3) the claims  
11 or defenses of the representative parties are typical of the claims or  
12 defenses of the class; and (4) the representative parties will fairly and  
13 adequately protect the interests of the class.

14 Fed. R. Civ. P. 23(a) Rule 23(b)(3) requires “that the questions of law or fact common  
15 to class members predominate over any questions affecting only individual members,  
16 and that a class action is superior to other available methods for fairly and efficiently  
17 adjudicating the controversy.” Fed. R. Civ. P. 23(b)(3).

18 1. Federal Rule of Civil Procedure 23(a)

19 Turning to the first requirement of Rule 23(a), numerosity, Plaintiff asserts this  
20 requirement is met because Defendant AGAG sold approximately 1 million class  
21 products in California during the class period. (Mem. of P. & A. in Supp. of Mot. at 5.)  
22 These alleged sale numbers are sufficient to meet Plaintiff’s preliminary showing of  
23 numerosity.

24 The second requirement is commonality. This requirement is met through the  
25 existence of a “common contention” that is of “such a nature that it is capable of  
26 classwide resolution[.]” *Wal-Mart Stores, Inc. v. Dukes*, 564 U.S. 338, 389 (2011). As  
27 summarized by the Supreme Court:

28 What matters to class certification ... is not the raising of common  
“questions” – even in droves – but, rather the capacity of a classwide  
proceeding to generate common *answers* apt to drive the resolution of the  
litigation. Dissimilarities within the proposed class are what have the  
potential to impede the generation of common answers.

1 *Id.* at 390 (quoting Richard A. Nagareda, *Class Certification in the Age of Aggregate*  
2 *Proof*, 84 N.Y.U. L. Rev. 97, 132 (2009)).

3 Here, Plaintiff asserts the commonality requirement is satisfied because the  
4 claims of all class members arise from the same facts, namely the purchase of AGAG  
5 jeans that contained foreign-made component parts but were labeled “Made in the  
6 U.S.A.” He also stated the claims raise common legal questions, namely whether  
7 Defendant’s labeling violated the relevant California statutes. The answer to these legal  
8 questions is common to all the class members, and satisfies Plaintiff’s preliminary  
9 showing of commonality.

10 The next requirement is typicality, which focuses on the relationship of facts and  
11 issues between the class and its representatives. “[R]epresentative claims are ‘typical’  
12 if they are reasonably co-extensive with those of absent class members; they need not  
13 be substantially identical.” *Hanlon*, 150 F.3d at 1020. “The test of typicality is whether  
14 other members have the same or similar injury, whether the action is based on conduct  
15 which is not unique to the named plaintiffs, and whether other class members have been  
16 injured by the same course of conduct.” *Hanon v. Dataproducts Corp.*, 976 F.2d 497,  
17 508 (9th Cir. 1992) (citation and internal quotation marks omitted).

18 Here, Plaintiff asserts his claims are typical of the other class members because  
19 they are based on the same facts and the same legal theories. The Court agrees, and  
20 thus finds that Plaintiff has made a preliminary showing of typicality.

21 The fourth and final requirement under Rule 23(a) is adequacy. This requirement  
22 asks whether “the representative parties will fairly and adequately protect the interests  
23 of the class.” Fed. R. Civ. P. 23(a)(4). This requirement is grounded in constitutional  
24 due process concerns; “absent class members must be afforded adequate representation  
25 before entry of judgment which binds them.” *Hanlon*, 150 F.3d at 1020 (citing  
26 *Hansberry v. Lee*, 311 U.S. 32,42-43 (1940)). In reviewing this issue, courts must  
27 resolve two questions: “(1) do the named plaintiffs and their counsel have any conflicts  
28 of interest with other class members, and (2) will the named plaintiffs and their counsel

1 prosecute the action vigorously on behalf of the class?" *Id.* (citing *Lerwill v. Inflight*  
2 *Motion Pictures, Inc.*, 582 F.2d 507, 512 (9th Cir. 1978)). The named plaintiffs and  
3 their counsel must have sufficient "zeal and competence" to protect the interests of the  
4 rest of the class. *Fendler v. Westgate-California Corp.*, 527 F.2d 1168, 1170 (9th Cir.  
5 1975).

6 Here, Plaintiff asserts he and his counsel have no conflicts with the other class  
7 members. The Court agrees there are no apparent conflicts. Plaintiff also argues he and  
8 his counsel will prosecute this case vigorously on behalf of the class, and the Court  
9 agrees with that, also. Plaintiff and his counsel mounted a successful opposition to  
10 Defendants' motion to dismiss and negotiated the present settlement. Under these  
11 circumstances, Plaintiff has shown that the adequacy requirement is preliminarily  
12 satisfied.<sup>3</sup>

## 13 2. Federal Rule of Civil Procedure 23(b)(3)

14 Having made a preliminary showing on the requirements of Rule 23(a), the next  
15 issue is whether Plaintiff has shown that the requirements of Rule 23(b)(3) are met.  
16 *Amchem*, 521 U.S. at 614-15. Certification under Rule 23(b)(3) is proper "whenever  
17 the actual interests of the parties can be served best by settling their differences in a  
18 single action." *Hanlon*, 150 F.3d at 1022 (internal quotations omitted). Rule 23(b)(3),  
19 as discussed, calls for two separate inquiries: (1) do issues of fact or law common to the  
20 class "predominate" over issues unique to individual class members, and (2) is the  
21 proposed class action "superior" to other methods available for adjudicating the  
22 controversy. Fed. R. Civ. P. 23(b)(3). In adding the requirements of predominance and  
23 superiority to the qualifications for class certification, "the Advisory Committee sought  
24 to cover cases 'in which a class action would achieve economies of time, effort, and  
25 expense, and promote ... uniformity of decisions as to persons similarly situated,  
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27 <sup>3</sup> A corollary requirement for class certification is ascertainability.  
28 Ascertainability looks to whether the class is sufficiently definite or adequately defined.  
*Turcios v. Carma Labs, Inc.*, 296 F.R.D. 638, 645 (C.D. Cal. 2014). That requirement  
is met in this case.



1 without sacrificing procedural fairness or bringing about other undesirable results.”  
2 *Amchem*, 521 U.S. at 615 (quoting Fed. R. Civ. P. 23(b)(3) advisory committee notes).

3 Here, Plaintiff argues the predominance requirement is satisfied because  
4 Defendant engaged in the same conduct, namely labeling its products as “Made in the  
5 U.S.A.” despite the inclusion of foreign made component parts. This conduct is at the  
6 crux of this case, and is likely to predominate over any individual issues. Thus,  
7 Plaintiff has made a preliminary showing of predominance under Rule 23(b)(3).

8 Turning to the superiority requirement, Rule 23(b)(3) provides a list of factors  
9 relevant to this requirement:

10 (A) the class members' interests in individually controlling the prosecution  
11 or defense of separate actions;

12 (B) the extent and nature of any litigation concerning the controversy  
13 already begun by or against class members;

14 (C) the desirability or undesirability of concentrating the litigation of the  
15 claims in the particular forum; and

(D) the likely difficulties in managing a class action.

16 Fed. R. Civ. P. 23(b)(3). This inquiry “requires the court to determine whether  
17 maintenance of this litigation as a class action is efficient and whether it is fair,” such  
18 that the proposed class is superior to other methods for adjudicating the controversy.  
19 *Wolin v. Jaguar Land Rover N. Am., LLC*, 617 F.3d 1168, 1175-76 (9<sup>th</sup> Cir. 2010).

20 Plaintiff argues the class members have little interest in bringing separate actions  
21 given the limited amount of any potential recovery. The Court agrees that the potential  
22 recovery for each class member provides little incentive for class members to bring their  
23 own individual claims. The Court also finds that the common questions in this case  
24 make the class action procedure superior to the prosecution of individual cases. Thus,  
25 Plaintiff has made a preliminary showing of superiority.

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1 **B. Preliminary Fairness Determination**

2 Having addressed the issue of preliminary certification of the class, the Court  
3 now turns to a preliminary consideration of whether the settlement is “fair, reasonable,  
4 and adequate.” This determination involves a consideration of:

5 “(1) the strength of the plaintiff’s case; (2) the risk, expense, complexity,  
6 and likely duration of further litigation; (3) the risk of maintaining class  
7 action status throughout the trial; (4) the amount offered in settlement; (5)  
8 the extent of discovery completed, and the stage of the proceedings; (6)  
9 the experience and views of counsel; (7) the presence of a governmental  
10 participant; and (8) the reaction of the class members to the proposed  
11 settlement.”

12 *Boyd*, 2015 U.S. Dist. LEXIS 93458, at \*5 (quoting *Villegas v. J.P. Morgan Chase &*  
13 *Co.*, No. CV 09-00261 SBA EMC, 2012 U.S. Dist. LEXIS 166704, at \*5 (N.D. Cal.  
14 Nov. 21, 2012)).

15 Plaintiff does not address the first factor, the strength of his case. Obviously,  
16 Plaintiff’s claims were sufficiently stated to withstand Defendants’ motion to dismiss.  
17 And, Defendant AGAG admits in its Answer that the fabric used in its Protégé jeans is  
18 manufactured outside the United States, as are the rivets and buttons, which are made  
19 in Italy. (Answer ¶ 15.) In light of these facts, Plaintiff’s case appears to be relatively  
20 strong.

21 The second factor looks at the risk, expense, complexity and likely duration of  
22 further litigation. Given the facts mentioned above, there would appear to be little risk  
23 to Plaintiff in further litigation and some risk to Defendants. Regardless of the risk,  
24 litigation is always expensive, and both sides would bear those costs if the litigation  
25 continued. This factor, therefore, weighs in favor of preliminary approval.

26 The third factor, the risk of maintaining class status throughout the trial, does not  
27 appear to be great. As discussed above, Plaintiff has made a preliminary showing that  
28 the requirements for class certification are met, and there is no argument offered for  
why those requirements would not be found if the litigation were to continue.

The fourth factor, the amount offered in settlement, “is generally considered the  
most important, because the critical component of any settlement is the amount of relief

1 obtained by the class.” *In re Celera Corp. Securities Litig.*, No. 5:10-cv-02604-EJD,  
2 2015 U.S. Dist. LEXIS 157408, at \*18 (N.D. Cal. Nov. 20, 2015) (quoting *Bayat v.*  
3 *Bank of the West*, No. C-13-2376 EMC, 2015 U.S. Dist. LEXIS 50416, 2015 WL  
4 1744342, at \*4 (N.D. Cal. Apr. 15, 2015)). Here, the amount offered in settlement is  
5 difficult to determine. Defendant has agreed to provide qualifying claimants with either  
6 a \$20 promotional code good towards the purchase of any product on Defendant’s  
7 website or a new pair of AGAG pants. There is no evidence of the value of those pants,  
8 and thus it is difficult to determine the amount of relief being provided to the class.  
9 Assuming, however, the pants are worth at least \$20, and there are at least 1 million  
10 potential members of the class, the value of the settlement could be at least \$20 million.

11  
12 The next factor in considering whether the proposed settlement is fair, reasonable  
13 and adequate is the extent of discovery completed and the stage of the proceedings. The  
14 parties had just entered into the discovery phase of the case when the case settled. It is  
15 unclear how much discovery the parties had completed, but they had completed initial  
16 motions and participated in several status conferences with the Magistrate Judge.  
17 Although the case was still in the relatively early stages, the case had progressed enough  
18 to allow for a considered evaluation of the parties’ positions. Accordingly, this factor  
19 weighs in favor of preliminary approval.

20 The next factor is the experience and views of counsel. Counsel appear to be  
21 sufficiently experienced in these matters, and believe the settlement is fair, reasonable  
22 and adequate and should be preliminarily approved. (Decl. of John Donboli in Supp.  
23 of Mot. ¶ 4.) Therefore, this factor weighs in favor of preliminary approval.

24 The final two factors are the presence of a governmental participant and the  
25 reaction of class members to the proposed settlement. There is no governmental  
26 participant in this case. Therefore this factor is neutral. The final factor also does not  
27 apply at this stage as the class has yet to receive notice of the settlement.

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1 with such modifications as may be agreed to by the parties, if appropriate, without  
2 further notice to the Settlement Class.

3 5. After the Fairness Hearing, the Court may enter a Final Order and Judgment in  
4 accordance with the Settlement Agreement that will adjudicate the rights of the  
5 Settlement Class Members (as defined in the Settlement Agreement) with respect to the  
6 claims being settled.

7 6. The Court hereby approves, as to form and content, the forms of notice annexed  
8 as Exhibits A and B to Settlement Agreement and the Notice Program set forth in  
9 paragraphs E.1 to E.7 of the Settlement. The Court finds that the Notice and  
10 Short-Form Notice meet the requirements of Federal Rule of Civil Procedure  
11 23(c)(2)(B) and (e).

12 7. The Court hereby approves the procedures set forth in the Settlement Agreement,  
13 and described below, for providing notice to the proposed Settlement Class. The Court  
14 finds that the procedures are fair, reasonable, and adequate; the best notice practicable  
15 under the circumstances; consistent with due process; and shall constitute due and  
16 sufficient notice to all persons entitled thereto.

17 8. Within twenty (20) days of the date of this Order, the Court hereby directs  
18 Defendants to distribute the Notice as set forth in paragraphs E.1 to E.5 of the  
19 Settlement. Defendant AGAG shall pay the costs of claims administration, including  
20 the costs associated with preparing, printing and disseminating to the Settlement Class  
21 the Notices as set forth in paragraphs E.1 to E.6 of the Settlement Agreement in amount  
22 not to exceed \$90,000.00.

23 9. At least thirty (30) days prior to the Fairness Hearing, Defendants, through their  
24 counsel of record, shall cause to be filed with the Court a sworn declaration evidencing  
25 compliance with the provisions of the Settlement Agreement as it relates to providing  
26 Notice.

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1 10. Pending resolution of these settlement proceedings, no other action now pending  
2 or hereinafter filed arising out of all or any part of the subject matter of the Action shall  
3 be maintained as a class action and, except as provided by further order of the Court,  
4 for good cause shown, all persons are hereby enjoined, during the pendency of these  
5 settlement proceedings, from filing or prosecuting purported class actions against  
6 Defendants with respect to any of the Released Claims as defined in the Settlement  
7 Agreement.

8 11. Upon the Settlement Effective Date, as defined in the Settlement Agreement, all  
9 members of the Settlement Class who have not opted out of the settlement shall be  
10 enjoined and barred from asserting any of the Released Claims against Defendants and  
11 the Released Parties, and each Class Member shall be deemed to release any and all  
12 such Released Claims as against Defendants and the Released Parties, as these terms are  
13 defined in the Settlement Agreement.

14 12. Any Class Member may enter an appearance through counsel of such member's  
15 own choosing and at such member's own expense or may appear individually and show  
16 cause, if he or she has any facts or arguments to present, as to: (a) why the proposed  
17 settlement of the Action as set forth in the Settlement Agreement should or should not  
18 be approved as fair, reasonable, and adequate; and (b) why the final approval order and  
19 judgment should or should not be entered on the proposed Settlement Agreement.  
20 However, no Class Member or any other person shall be heard or entitled to contest the  
21 approval of the terms and conditions of the proposed settlement, or, if approved, the  
22 Final Approval Order and Judgment to be entered thereon approving the same or the  
23 fees and expenses to be awarded, unless on or before **May 3, 2016**, that person has filed  
24 with the Court and served (by hand delivery or by First Class regular U.S. mail) written  
25 objections complying with the specifications in the Notice. Service of any objections  
26 shall be made to Class Counsel, Attn: John H. Donboli, DEL MAR LAW GROUP,  
27 LLP, 12250 El Camino Real, Suite 120, San Diego, CA 92130, and Defendants'  
28 Counsel: Mark T. Cramer, BUCHALTER NEMER, PC, 1000 Wilshire Boulevard.,

1 Suite 1500, Los Angeles, CA 90017. In addition, if a Class Member wishes to submit  
2 to the Court any brief in support of his or her objection, he or she must file the brief  
3 with the Court and serve it on both Class Counsel and Defendants' counsel no later than  
4 **May 3, 2016**.

5 13. Any Class Member who does not make his or her objection in the manner  
6 provided for in this Preliminary Approval Order shall be deemed to have waived such  
7 objection and shall forever be foreclosed from making any objection to or appeal of the  
8 fairness, reasonableness, or adequacy of the proposed settlement, and to the award of  
9 fees and expenses to Class Counsel and other costs, all as set forth in the Settlement  
10 Agreement and Preliminary Order.

11 14. Any member of the Settlement Class may choose to exclude himself or herself  
12 from the Settlement. Any such person who chooses to be excluded from the Settlement  
13 will not be entitled to any recovery and will not be bound by the Settlement Agreement  
14 or have any right to object, appear, or comment thereon. Any such person who chooses  
15 to request exclusion may do so by submitting a written statement requesting exclusion  
16 from the class on or before **May 3, 2016**. Such written request for exclusion must  
17 contain the name, address, and telephone number of the person requesting exclusion,  
18 reference the name and number of this litigation (*Paz v AG Adriano Goldschmied, Inc.*  
19 *et al*, United States District Court, Case No. 3:14-cv-1372-DMS-DHB), be signed  
20 personally by the person requesting exclusion, and be mailed to Class Counsel and  
21 Defendants' counsel and postmarked on or before **May 3, 2016**.

22 15. Neither the Settlement Agreement, nor any of its terms or provisions, nor any of  
23 the negotiations or proceedings connected with it, shall be construed in this or any  
24 lawsuit as an admission or concession by Defendant of the truth of any of the  
25 allegations of the Action, or of any liability, fault, or wrongdoing of any kind, or by the  
26 named Plaintiff Paz or any other member of the Settlement Class of the merit of any  
27 defense or lack of merit of any claim.


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1 16. The Court reserves the right to continue or adjourn the date of the Fairness  
2 Hearing without further notice to the Settlement Class, and retains jurisdiction to  
3 consider all further applications arising out of or connected with the proposed  
4 settlement.

5 17. Class Counsel and Defense Counsel are hereby authorized to use all reasonable  
6 procedures in connection with approval and administration of the settlement that are not  
7 materially inconsistent with this Preliminary Approval Order or the Agreement,  
8 including making, without further approval of the Court, minor changes to the form or  
9 content of the Notice, Summary Notice, and other exhibits that they jointly agree are  
10 reasonable or necessary to effectuate the Settlement and the purposes of this  
11 Preliminary Approval Order.

12 **IT IS SO ORDERED.**

13 DATED: February 29, 2016



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15 HON. DANA M. SABRAW  
16 United States District Judge  
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