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*Attorneys for Plaintiffs & Plaintiff Class*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA  
FOR THE COUNTY OF ORANGE**

KATHLEEN GRACE, REGINA DELGADO,  
ALICIA GRIJALVA, JAVIER TERRAZAS,  
and all others similarly situated,

Plaintiffs,

v.

THE WALT DISNEY COMPANY, WALT  
DISNEY PARKS AND RESORTS US, INC.,  
SODEXO, INC., SODEXOMAGIC, LLC and  
Does 1-100,

Defendants.

Case No. 30-2019-01116850-CU-OE-CXC

**DECLARATION OF RANDY RENICK  
IN SUPPORT OF PLAINTIFFS'  
MOTION FOR FINAL APPROVAL OF  
DISNEY CLASS ACTION  
SETTLEMENT**

Judge: Hon. William D. Claster  
Dept.: CX101  
Date: September 12, 2025  
Time: 9:00 a.m.

Action Filed: December 6, 2019

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1. I am a partner at the law firm of Hadsell Stormer Renick & Dai LLP (HSRD). I am a member of the California Bar, and I am counsel for Plaintiffs in this case, as well as counsel for the certified Plaintiff Class. I offer this declaration in support of Plaintiffs' Motion for Final Approval of Disney Class Action Settlement.

3. My firm and co-counsel McCracken, Stemerman & Holsberry, LLP (MSH) are highly experienced class action lawyers, having handled dozens of similar wage and hour class actions, as well as other types of class and complex litigation. Both firms, based on their many years of experience, recommend the proposed settlement and believe it is in the best interests of the Settlement Class. The firms' qualifications are set forth in detail in the Declarations of Randy Renick and Sarah Grossman-Swenson in support of the Motion for Attorneys' Fees and Costs.

4. I was the HSRD attorney responsible for, inter alia, managing Plaintiffs' work with the economic expert on damages and penalties, participating in the parties' mediation with the Honorable Layn Philips, performing outreach to the class regarding the settlement agreement and managing the Class Notice program.

5. On December 6, 2019, Plaintiffs Kathleen Grace, Regina Delgado, Alicia Grijalva, and Javier Terrazas (“Plaintiffs”) filed a wage-and-hour class action on behalf of a class of workers against Defendants The Walt Disney Company and Walt Disney Parks and Resorts US, Inc. (“Disney Defendants”) and Defendants Sodexo, Inc. and SodexoMAGIC, LLC (“Sodexo Defendants”). Plaintiffs’ Complaint alleged that the Disney Defendants and the Sodexo Defendants had violated the City of Anaheim’s Living Wage Ordinance (adopted in 2018, and codified at Chapter 6.99 of the Anaheim Municipal Code, referred to as the “LWO”), Labor Code section 203 (waiting time penalties), Labor Code sections 510, 1194 and 1198 (overtime wages), Business and Professions Code section

1 17200 (the Unfair Competition Law or UCL), and Labor Code section 2698 (the Private Attorneys  
2 General Act or PAGA). Plaintiffs sought damages including back wages, as well as restitution,  
3 penalties, interest, declaratory and injunctive relief, costs, attorneys’ fees, and a jury trial. The UCL  
4 claim is duplicative of the LWO claim with regard to remedies, and it does not have any independent  
5 value nor extend the statute of limitations because underpayments did not start until January 1, 2019,  
6 when the Living Wage Ordinance went into effect, and the Complaint was filed less than one year later,  
7 on December 6, 2019.

8 6. In response to the Complaint, the Disney Defendants filed a demurrer, joined by the  
9 Sodexo Defendants, arguing that the Living Wage Ordinance did not apply to them. Plaintiffs opposed,  
10 and the Court overruled the demurrer. The Court held that “even under the Disney Defendants’  
11 definition [of a ‘rebate’], the Credit Enhancement Agreement could be construed as creating a City  
12 Subsidy.” (*Grace v. The Walt Disney Co.* (2023) 93 Cal.App.5th 549, 555 (quoting this Court’s decision  
13 on Defendants’ demurrer.))

14 7. On April 30, 2021, the Disney Defendants filed a motion for summary judgment, and the  
15 Sodexo Defendants joined. On May 10, 2021, Plaintiffs filed a motion for class certification. Following  
16 a stipulation by Defendants to certain class issues, the Court certified the following class of Plaintiffs on  
17 July 2, 2021:

18 All nonexempt current and former individuals employed by Defendants in Disney  
19 theme parks and hotels in Anaheim, California, on or after January 1, 2019, who  
20 reside in California, and who were not paid hourly wages of at least \$15/hour at  
21 any time from January 1, 2019, to December 31, 2019; and/or who were not paid  
22 hourly wages of at least \$16/hour at any time from January 1, 2020, to December  
23 31, 2020; and/or who were not paid hourly wages of least \$17/hour at any time  
24 from January 1, 2021 to the present.

25 8. On August 13, 2021, the Court issued an Order re Plan of Notice to the Class, and  
26 Plaintiffs provided notice to the Class in compliance with the notice.

27 9. On November 1, 2021, the Court granted Defendants’ motion for summary judgment.  
28 Plaintiffs appealed. On July 13, 2023, the Court of Appeal reversed the grant of summary judgment,  
explaining that the “sole issue in this appeal is whether Disney benefits from a ‘City Subsidy’ under the  
LWO.” (93 Cal.App.5th at p. 556.) The Court concluded: “In short, we hold Disney receives a ‘City

Subsidy’ within the meaning of the LWO and is therefore required to pay its employees a living wage.” (*Id.* at p. 560.) It reversed the order granting summary judgment, ordered Defendants to pay Plaintiffs costs on appeal, and remanded for further proceedings. Shortly thereafter, the Disney Defendants petitioned for review in the California Supreme Court, and the Sodexo Defendants joined. On October 25, 2023, the California Supreme Court denied review, and the case was remanded to the trial court for a trial on damages and penalties.

10. On December 1, 2023, Plaintiffs filed an amended complaint adding a claim for violation of Labor Code section 226, seeking statutory penalties and PAGA penalties for alleged wage statement violations. Both the Disney Defendants and the Sodexo Defendants answered. The Parties also stipulated to an amended class definition and updated notice to additional class members. On December 18, 2023, the Court adopted the following amended Class definition:

All nonexempt current and former individuals employed by Defendants in Disney theme parks and hotels in Anaheim, California, on or after January 1, 2019, who reside in California, and who were not paid hourly wages of at least the amounts required by Title 6, Chapter 6.99 of the Anaheim Municipal Code at any time from January 1, 2019, to the entry of judgment in this action.

11. On February 16, 2024, Plaintiffs provided notice to all class members identified by Defendants who fell within the updated class definition. Plaintiffs and the Disney Defendants conducted extensive discovery related to damages in 2024 and participated in a mediation with the Honorable Layn Phillips on July 12, 2024. Pursuant to a mediator’s proposal, the case reached a settlement in principle on July 17, 2024. Plaintiffs and the Disney Defendants negotiated a long form settlement agreement, which is attached hereto as Exhibit 1 to the Swenson Declaration. In December 2024, Plaintiffs filed a Second Amended Complaint, which added a claim for unpaid service charges under the LWO that is also addressed in the proposed Settlement Agreement, and filed their Motion for Preliminary Approval.

12. **Plaintiffs.** Plaintiffs Javier Terrazas, Alicia Grijalva, and Regina Delgado are all current or former employees of Disney Parks and Resorts U.S., Inc., who work or worked at its theme parks and hotels on Anaheim, California during the class period. In its Order Granting Preliminary Approval, the Court determined that all three plaintiffs are adequate class representatives and appointed them such. Order Granting Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement (“MPA Order”),

1 Plaintiff Thomas Bray was also named in the complaint but subsequently withdrew as a class  
2 representative.

3       13.     **The Agreement Was Reached After Extensive Arm’s-Length Negotiations.** The  
4 Settlement was the result of arm’s-length bargaining. At all times, the Parties and their counsel have  
5 negotiated vigorously with each other and over an extended time period. The Parties have investigated  
6 the facts relating to the claims alleged in this action and have made a thorough study of the legal  
7 principles applicable to the claims asserted against Defendant.

8       14.     **Class Counsel.** In its Order Granting Preliminary Approval, the Court determined that  
9 Hadsell Stormer Renick & Dai LLP and McCracken, Stemerman & Holsberry, LLP have adequately  
10 and competently represented the Class and appointed the two firms as Class Counsel in this matter.  
11 MPA Order, 4. As set forth in my declaration in Support of Motion for Attorneys’ Fees and  
12 Reimbursement of Costs, my firm has handled dozens of similar wage and hour class actions, as well as  
13 other types of class and complex litigation. Counsel has agreed to the allocate fees awarded by this  
14 Court as follows: 36.66666% to Hadsell Stormer Renick & Dai LLP and 63.33333% to McCracken,  
15 Stemerman & Holsberry, LLP. The three Disney and one Sodexo Named Plaintiffs have consented to  
16 this allocation of fees in writing.

17       15.     **Settlement Class.** The Settlement Class, conditionally approved by the Court at the  
18 Motion for Preliminary Approval is defined as “all nonexempt current and former individuals employed  
19 by Disney in Disney theme parks and hotels in Anaheim, California, on or after January 1, 2019, who  
20 reside in California, and who were not paid hourly wages or service charges of at least the amounts  
21 required by Title 6, Chapter 6.99 of the Anaheim Municipal Code at any time from January 1, 2019, to  
22 the date of the order on the Preliminary Approval Motion.” (Swenson Decl. ¶ 2 & Exh. 1  
23 (“Agreement”) at § 1.32.)

24       16.     **Settlement Amount:** The total settlement amount is \$233,000,000 and is non-  
25 reversionary. This includes payment to the Class, PAGA payment to the State of California Labor and  
26 Workforce Development Agency (“LWDA”), service awards to the named plaintiffs, administration and  
27 notice-related costs, employees’ share of payroll taxes, interest, attorneys’ fees and reimbursement of  
28 reasonable litigation costs and expenses. It does not include the employer’s share of payroll taxes,

which shall be paid separately by the Disney Defendants. After deductions for fees, costs, administration, and service awards, the net settlement amount will be at least \$197,050,000, and the amount distributed to the class after the payment to the LWDA will be approximately \$179,862,467.15, whereas the amount owed to the Class in lost income with interest is \$141,499,851.

## II. Plan of Allocation

17. All Class Members who did not opt out by timely filing a request for exclusion will release all claims they had against the Disney Defendants arising from the facts alleged in the Second Amended Complaint and occurring during the Class Period.

18. Class Members who are PAGA Aggrieved Employees will be releasing their representative PAGA claims regardless of whether they submitted an exclusion request if the Settlement Agreement is approved by the Court. The three Class Members who elected to exclude themselves from the Class will still be entitled to their portion of the PAGA settlement amount, which will be calculated separately.

19. Each Class Member who does not opt out of the Settlement will receive their share of the wages, service charges, and 401(k) contributions which Plaintiffs allege the Disney Defendants failed to pay during the Class Period before the Disney Defendants came into compliance with the LWO. The amounts have been calculated using the Disney Defendants' records, including payroll and service charge data for the Class Period, and allocated based on those calculations, as follows:

20. **Unpaid Wages.** \$133,394,332 has been allocated to Claims for Alleged Lost Wages, including the actual amount of wages, \$102,746,720, plus interest on those wages of \$30,647,612. Each Class Member will receive all of their alleged lost income from wages lower than those required by the LWO during the Class Period as follows:

- a. Straight-time hourly income differentials for each Class Member have been calculated as the difference between the hourly rate paid and the LWO rate in effect in the pay period when the work was performed, multiplied by the number of straight-time hours worked by the Class Member during the pay period, then totaled for all pay periods in which the Class Member performed work.

- b. Overtime incurred during the Class Period has been recalculated using the higher hourly wage rates provided in the LWO, with the difference included in this allocation.
- c. Premium pay and shift differential rates are not considered in these calculations (i.e., they are not credited toward compliance with the LWO).
- d. Each Class Member's share of the allocation includes 10% annual interest from the time the payment was due until July 1, 2025.

21. **Unpaid Service Charges Plus Interest.** \$7,430,213 has been allocated to Claims for Unpaid Service Charges, which includes \$5,686,193 in Charges plus \$715,593 in Interest. Each Class Member who performed work for which the Disney Defendants collected a service charge but did not pay the entirety to the Class Member during the Class Period will receive all of their alleged lost income from this practice based on hours worked and the services performed by the employees. Each Class Member's share of the allocation includes 10% annual interest from the time the payment was allegedly due until July 1, 2025.

22. **Unpaid 401(k) Contributions.** \$935,454 has been allocated to Claims for Unpaid 401(k) Contributions, which includes \$715,593 in Unpaid Contributions plus \$219,861 in Interest. Each Class Member who was a participant in the Disney Defendants' 401(k) plan during the Class Period and made elective deferrals will receive a share of this allocation in cash based on the amount of the Disney Defendants matching contributions that Plaintiffs claim was lost because the match was measured against the alleged underpayment of wages due under the LWO. Each Class Member's share of the allocation includes 10% annual interest from the time the payment was allegedly due until July 1, 2025.

23. **Statutory Penalties for Wage Statement Claims.** \$17,098,860 has been allocated to Claims for Statutory Penalties for Wage Statement Violations. Each Class Member will receive a pro rata share of the allocation based on the number of relevant weeks worked with an alleged underpayment of wages during the Class Period ("Work Weeks").<sup>1</sup> This is calculated by dividing the

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<sup>1</sup> Disney has weekly pay periods, so each work week constitutes a separate potential alleged violation. The total statutory penalties available for distribution are allocated 46.549% to waiting time penalties and 53.451% to wage statement penalties, consistent with the respective percentages of total potential statutory penalties shown in Johnson Decl., Exh. 1, Table 6. (See Pls. Mot. for Prelim. App. at 10 n. 7.)

individual Class Member's Work Weeks with an alleged underpayment by the total Work Weeks with an alleged underpayment for the Class and multiplying the allocation by that number.

24. **Statutory Penalties for Waiting Time Claims.** \$14,891,141 has been allocated to Claims for Statutory Penalties for Waiting Time Claims. Each Class Member whose employment with Disney ended between July 14, 2023, and the Date of Preliminary Approval will receive a per capita share of this allocation. This is calculated by dividing the allocation by the number of class members whose employment ended during this time.

25. **Private Attorney General Act ("PAGA") Penalties.** Ten percent of the Settlement, or \$23,300,000, is allocated to PAGA penalties, of which 75% (\$17,475,000) will be paid to the California Labor and Workforce Development Agency ("LWDA"), as required by law. The remaining 25% (\$5,825,000) will be distributed among all "aggrieved employees" under PAGA, including those Class Members who opted out of the Settlement ("PAGA Member"), and allocated as follows:<sup>2</sup>

26. **PAGA Penalties for Wage Statement Claims.** \$5,049,354 has been allocated to PAGA Penalties for Wage Statement Claims. Each PAGA Member will receive a pro rata share of the allocation based on their individual relevant Work Weeks with an alleged underpayment of wages during the Class Period. This is calculated by dividing the PAGA Member's total number of Work Weeks with an alleged underpayment by the total number of Work Weeks with an alleged underpayment for the entire Class and multiplying the allocation by that number.

27. **PAGA Penalties for Overtime Claims.** \$538,521 has been allocated to PAGA Penalties for Overtime Claims. Each PAGA Member will receive a pro rata share of the allocation based on their individual Work Weeks with allegedly underpaid overtime during the Class Period. This is calculated by dividing the PAGA Member's total number of Work Weeks with allegedly underpaid overtime by the total number of Work Weeks with allegedly underpaid overtime for the entire Class and multiplying the allocation by that number.

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<sup>2</sup> The total PAGA penalties available for distribution are allocated 86.684% to wage statement PAGA penalties, 9.245% to overtime PAGA penalties, and 4.071% to waiting time PAGA penalties, consistent with the respective percentages of the total potential PAGA penalties shown in Johnson Decl., Exh. 1, Table 7. (See Pls. Mot. for Prelim. App. at 11 n. 8.)

28. **PAGA Penalties for Waiting Time Claims.** \$237,125 has been allocated to PAGA Penalties for Waiting Time Claims. Each PAGA Member whose employment ended during the Class Period will receive a per capita share of the allocation. This is calculated by dividing the total allocation by the number of Class members whose employment ended during the Class Period.

### **III. NOTICE PROGRAM**

29. On July 2, 2021, the Court certified the following class:

All nonexempt current and former individuals employed by Defendants in Disney theme parks and hotels in Anaheim, California, on or after January 1, 2019, who reside in California, and who were not paid hourly wages of at least \$15/hour at any time from January 1, 2019, to December 31, 2019; and/or who were not paid hourly wages of at least \$16/hour at any time from January 1, 2020, to December 31, 2020; and/or who were not paid hourly wages of least \$17/hour at any time from January 1, 2021 to the present.

30. On October 5, 2021, Notice was provided to all class members identified by Defendants by the prior claims administrator, CAC Services, Inc. ("CAC"). CAC received 19 Requests for Exclusion.

31. The Complaint was amended on December 1, 2023, to add a Cause of Action for violation of Labor Code 226 seeking statutory penalties and PAGA penalties for alleged wage statement violations, and on December 18, 2023, the Court certified the following Class:

- a. All nonexempt current and former individuals employed by Defendants in Disney theme parks and hotels in Anaheim, California, on or after January 1, 2019, who reside in California, and who were not paid hourly wages of at least the amounts required by Title 6, Chapter 6.99 of the Anaheim Municipal Code at any time from January 1, 2019, to the entry of judgment in this action.

32. On February 16, 2024, CAC provided notice to all class members identified by Defendants who fell within the updated class definition. CAC received 6 Requests for Exclusion. One individual had also filed a Request for Exclusion to the 2021 Notice.

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33. On December 7, 2024, this Court granted leave to file a Second Amended Complaint, which included an additional Claim for Unpaid Service Charges. On March 25, 2025, the following class was preliminarily approved and conditionally certified:

- a. The Settlement Class is defined as “all nonexempt current and former individuals employed by Disney in Disney theme parks and hotels in Anaheim, California, on or after January 1, 2019, who reside in California, and who were not paid hourly wages or service charges of at least the amounts required by Title 6, Chapter 6.99 of the Anaheim Municipal Code at any time from January 1, 2019, to the date of the order on the Preliminary Approval Motion.”

34. Preliminary Approval. On March 25, 2025, this Court granted preliminary approval of the Class Action Settlement Agreement, conditionally certified the Settlement Class, approved the Class Notice, and appointed A.B. Data, Ltd. (“AB Data” or “Administrator”) to serve as the Settlement Administrator.

35. The Notice program began on May 20, 2025, and the Request for Exclusion Postmark deadline was August 4, 2025. The Claims Administrator, AB Data, received five requests for exclusion, two of which were rescinded. Accordingly, there are three valid Requests for Exclusion: Gregory D'Ambrosio, Alex Martinez, and Merri Robinson.

36. As for the 25 individuals who filed a Request for Exclusion to the 2021 or 2024 Notices, they received the 2025 Settlement Class Notice based on the updated and expanded class definition, which now included service charges. None filed a Request for Exclusion to the 2025 Settlement Class. A letter was emailed or sent by US Mail to each of the 25 advising them that because the Class definition had been amended to include additional claims, they were members of the 2025 Settlement Class unless they advised Class Counsel otherwise. None of the 25 responded that they wished to be excluded from the Settlement Class.

37. **Disputes.** AB Data received 17 disputes, which they reviewed in conjunction with Econ One, Class Counsel, and counsel for the Disney Defendants. The deadline for AB Data to resolve the disputes is August 18, 2025. Class Counsel has reached out to all 17 Class Members who filed a dispute and communicated with 14. The remaining three have not responded to voicemail messages or emails

1 encouraging them to call to discuss their disputes. To date, Class Counsel has identified one Class  
2 Member whose dispute was well founded. The Court set an August 18, 2025 deadline for AB Data to  
3 make a final decisions on all disputes.

4       38.     **Self-IDs.** AB Data received communications from 55 individuals who did not receive  
5 notice and self-identified as class members. Of those individuals, 53 were current or former Disney  
6 employees who did not have wages below the LWO minimum at any time during the class period and  
7 thus were properly excluded from the class. Two individuals were found to have damages during the  
8 Class Period, were provided Notice and will be added to the Class.

9       39.     **Objections.** Finally, AB Data did not receive any objections from Class Members prior  
10 to the August 4, 2025, deadline for members of the Class to submit written objections.

11       40.     On or about August 18, 2025, when all of the disputes have a final resolution, expert  
12 Econ One and AB Data will be asked to recalculate each Class Member's allocation taking into account  
13 the three (3) Opt-Outs, any disputes found to be sustained and the two (2) additional Self-IDs.

14       41.     **Payments to the Class.** Class members were given the option of receiving their share of  
15 the settlement by electronic means, Venmo, PayPal, or Automated Clearing House ("ACH") transfer.  
16 For those who did not elect to do so, their share will be distributed by check sent by US Mail within 60  
17 days of the Settlement being effectuated.

18       42.     **Uncashed Checks.** All payments issued to Settlement Class Members via check will  
19 state on the face of the check that it will expire and become null and void unless cashed within one  
20 hundred eighty (180) days after the date of issuance. To the extent that a check issued to a Settlement  
21 Class Member is returned to the Settlement Administrator as undeliverable or not cashed within one  
22 hundred eighty (180) days after the date of issuance, the Administrator will provide notice to Class  
23 Counsel of any uncashed checks, and the Administrator shall have responsibility to attempt to locate the  
24 impacted Settlement Class Members, including by conducting skip traces on uncashed checks, and to  
25 re-issue checks with an expiration date of 90 days or an expiration date of 180 days after the initial  
26 issuance, whichever is later. If a check is returned as non-deliverable, the Settlement Administrator will  
27 perform an NCOA check and skip-trace. Where a new address is identified, the Settlement  
28 Administrator shall re-mail the check with an expiration date of 90 days or an expiration date of 180

1 days after the initial issuance, whichever is later.

2 43. In the event any Class Member(s) cannot be located within 180 days of date of mailing  
3 of the initial settlement checks or 90 days after the re-issuance of a check, whichever is later, uncashed  
4 settlement check(s) will be sent to the California State Controller's Office Unclaimed Property Fund.  
5 Any funds transmitted to the Unclaimed Property Fund shall be held for the benefit of the Settlement  
6 Class Member to whom the payment was designated in accordance with state law.

7 44. Pursuant to Rule of Court 3.771(b), the Administrator will post the final judgment  
8 entered in this action on its publicly accessible website for a minimum of 30 days.

#### 9 IV. Additional Items

10 45. **Anticipated Recovery.** The total settlement is \$233,000,000, which includes payment to  
11 the Class Members, the named Plaintiffs' service awards, the LWDA payment for PAGA penalties,  
12 attorneys' fees and costs, the employees' share of payroll taxes, and administration costs. Plaintiffs seek  
13 a service award for each of the four Class Representatives of \$20,000, for a total of \$60,000. Payment to  
14 the LWDA for PAGA penalties will be \$17,475,000.00. The administration costs are \$200,000.  
15 Plaintiffs' counsel has separately applied for attorneys' fees in the amount of \$34,950,000, 15% of the  
16 total settlement, and for the reimbursement of at least \$452,532.85 in costs.<sup>3</sup> This means that class  
17 members will share in the sum of approximately \$179,862,467.15. Plaintiffs will file a supplemental  
18 declaration on August 29, two weeks prior to the hearing, that identifies any additional litigation costs,  
19 including costs to compensate Econ One for allocation calculations that are needed to be performed to  
20 distribute the final settlement notice. Plaintiffs' supplemental declaration will also include the  
21 recalculation of Class member shares after accounting for the 3 Opt-Outs, Self-IDs, and disputes.  
22 Because the amount of additional allocation for the dispute(s) and Self-IDs is far less than the difference  
23 between Plaintiff's original estimated costs (\$740,000) and actual costs (less than \$500,000), these  
24 calculations will not result in any decrease to the estimated allocations provided in the customized  
25 notices provided to class members.

26 46. In reaching the Settlement, the Parties have taken into account the information they

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27 <sup>3</sup> Plaintiffs' Counsel's billing records in support of their fee request are lodged herewith. In  
28 addition, Plaintiffs counsel has lodged invoices for all expenses greater than \$1,000 for the Court's review.

1 obtained from Plaintiffs, Class Members, and percipient witnesses, the deposition testimony of  
2 Defendant, Plaintiffs, and third parties, as well as tens of thousands of pages of documents produced by  
3 Defendant detailing Defendant's operations and employment policies, practices, and procedures and  
4 more than 35 million lines of payroll data. The available information enabled the parties to determine  
5 the potential value and strength of the claims and to estimate the potential claim of each putative class  
6 member, in preparation for the mediation. The Settlement considers the strengths and weaknesses of  
7 each side's position and the uncertainty of how the case might have concluded at certification, trial,  
8 and/or appeals. Plaintiffs' counsel believes that the settlement is fair, reasonable and adequate.

9       47.     **Submission of the Settlement Agreement to the LWDA.** On December 6, 2019, my  
10 firm served a Labor Code § 2699.3 Notice Letter to the California Labor and Workforce Development  
11 Agency ("LWDA") stating that on December 6, 2019, the Named Plaintiffs in this action filed a civil  
12 complaint against Defendants on behalf of themselves and other similarly situated employees, alleging  
13 violations of the Anaheim Living Wage Ordinance ("LWO"); Labor Code § 203 (Waiting Time  
14 Penalties); Business and Professions Code § 17200 et seq.; Labor Code §§ 510, 1194 & 1198 (Overtime  
15 Wages); and the Private Attorneys General Act. A true and correct copy of the December 6, 2019,  
16 Notice to the LWDA and proof of service is attached hereto as **Exhibit A**.

17       48.     There are no government entities participating in the Settlement. The Labor &  
18 Workforce Development Agency ("LWDA") has been aware of the Settlement since December 13,  
19 2024, when Plaintiffs submitted a copy of the Settlement to LWDA in accordance with Labor Code §  
20 2699(1)(2). The LWDA has filed no objection to the Settlement. A true and correct copy of the  
21 December 13, 2024, notice to the LWDA is attached hereto as **Exhibit B**. Indeed, at over \$17 million,  
22 this settlement will provide a significant recovery for the LWDA.

23       49.     **Released Claims.** The Released Claims under the Settlement include the legal claims  
24 and legal theories that were alleged in the Complaint or reasonably could have been asserted based on  
25 the facts actually alleged in the Complaint, including (1) failure to pay the minimum wage or service  
26 charges required by Anaheim Municipal Code Title 6, Ch. 6.99; (2) waiting time penalties / failure to  
27 timely pay all wages due at separation (Labor Code §§ 201, 202, 203); (3) violation of the Unfair  
28 Competition Law (Business & Professions Code § 17200, et seq.); (4) failure to pay overtime wages

(Labor Code §§ 510, 553, 558, 1194, 1198); (5) failure to provide accurate itemized wage statements (Labor Code § 226); and (6) violation of the Private Attorneys General Act, Labor Code § 2698 et seq. The Released Claims only include claims based on the facts alleged in the Complaint.

50. **Released PAGA Claims.** The Released PAGA Claims include (1) failure to pay the minimum wage or service charges required by Anaheim Municipal Code Title 6, Ch. 6.99; (2) waiting time penalties / failure to timely pay all wages due at separation (Labor Code §§ 201, 202, 203); (3) violation of the Unfair Competition Law (Business & Professions Code § 17200, et seq.); (4) failure to pay overtime wages (Labor Code §§ 510, 553, 558, 1194, 1198); (5) failure to provide accurate itemized wage statements (Labor Code § 226); and (6) violation of the Private Attorneys General Act, Labor Code § 2698 et seq. Aggrieved employees cannot request exclusion from the Released PAGA Claims and will be paid their pro rata share of the PAGA payment for the Aggrieved Employees.

51. **Administration Costs.** On March 25, 2025, this Court granted preliminary approval of the Settlement Agreement, approved the Class Notice, and appointed AB Data to serve as the Settlement Administrator. MPA Order, 3–6. The have estimated the cost of administering the Settlement, including but not limited to giving notice to the Class, calculating the Individual Settlement Awards, and making the payments authorized under the Settlement, will be no greater than \$200,000, which has already been funded to an escrow account by Disney. These costs, supported by the concurrently filed Declaration of Jack Sobczak, are reasonable and amount to less than .1% of the settlement.

52. **Taxes.** The settlement allocation was made upon the precise amount of wages, penalties and interest owed to each class member. Accordingly, AB Data will apply the actual ratio of wage, penalties and interest allocated to each class member for tax reporting purposes. The wage portion will be subject to withholdings, for which IRS W-2 Forms shall be issued with penalties and interest to be reported on an IRS 1099 Form.

53. **Service Awards.** The Settlement Agreement provides for additional compensation in an amount not to exceed \$20,000 for each of the three named Disney plaintiffs in recognition of the risks and burdens they undertook in the litigation, mediation, and settlement of this case. The service award payment is in addition to whatever portion of the settlement proceeds each such individual is otherwise

entitled to receive. The enhancements are intended to compensate these individuals fairly in relationship to the rest of the class in light of the additional burdens and risks they have undertaken by assisting in the prosecution of the lawsuit. They faced the financial risk of paying for costs or a judgment against them if Defendant prevailed.

54. The named Plaintiffs have also agreed to a general release of all claims they might have against Defendant. SA ¶ 3.3. Plaintiffs invested a great deal of personal time and effort into the investigation, prosecution, and settlement of the case, which included taking on the risks of serving as class representatives, providing factual information and documentation necessary to the prosecution of this class action, sitting for depositions, and maintaining contact and working closely with Plaintiffs' counsel. The information they provided and their contact with the other class members were essential for bringing and pursuing the case on a class-wide basis; thus, Class Counsel relied on each of them heavily. The \$20,000 award requested for each named plaintiff is consistent with the amount awarded by courts in Southern California.

55. **Strength of Plaintiffs' Case and the Risk, Expense, Complexity, and Likely Duration of Further Litigation.** Plaintiffs recognize the inherent risks and uncertainty of litigation, including that the Class could receive nothing, and understand the benefit of providing significant settlement payments to the Class now. Plaintiffs' claims involve disputed legal issues and fact-specific arguments that the Parties have been litigating fiercely since inception of the action. While Plaintiffs are confident in the strength of their claims, the Disney Defendants' defenses create a possibility that claims for penalties may fail or be lower than the amounts allotted in the Settlement Agreement.

56. In assessing the value of all of the claims, Plaintiffs' counsel considered the Disney Defendants' defenses to penalties, the chances of prevailing on penalties, applicable case law and regulations, the circumstances of the case, and potential risks and delays. The strength of Plaintiffs' claims, with consideration of the Disney Defendant's defenses and the risks if the Parties were to litigate through final judgment and appeal, balanced against the proposed settlement amount that fully makes all Class Members whole for the damages they sustained from Disney not complying with the LWO, weigh strongly in favor of finding that the Settlement is fair, adequate, and reasonable.

57. The settlement wholly compensates the Plaintiff Class for all damages incurred, as well as full interest, in addition to a meaningful recovery of highly disputed penalties. This is an outstanding result compared with what Plaintiffs might obtain at trial. Plaintiffs' Counsel are highly experienced in class action and other complex litigation. We have substantial litigation experience litigating living wage ordinance class actions and wage and hour class actions and are fully familiar with the legal and factual issues in this case. We believe that the settlement is fair, reasonable, and adequate.

I declare under penalty of perjury pursuant to the laws of the United States and the State of California that the foregoing is true and correct and that this declaration was executed on August 13, 2025, at Pasadena, California.

/s/ Randy Renick  
Randy Renick

RANDY RENICK DECLARATION

## EXHIBIT A

December 6, 2019

**VIA ONLINE FILING**

State of California Labor & Workforce Development  
Agency/Department of Industrial Relations

**Re: Labor Code Section 2699.3 Notice Letter**

**On Behalf of All Aggrieved Employees Against The Walt Disney  
Company, Walt Disney Parks and Resorts, US Inc., Sodexo, Inc., and  
SodexoMAGIC, LLC**

Dear Secretary Julie Su:

This office represents Kathleen Grace, Thomas Bray, Regina Delgado, Alicia Grijalva, and Javier Terrazas, employees of The Walt Disney Company, Walt Disney Parks and Resorts, US Inc., Sodexo, Inc., and SodexoMAGIC, LLC. (collectively, “Defendants”), who, on December 6, 2019, filed a civil complaint against Defendants, on behalf of themselves and other similarly situated employees, alleging violations of Anaheim Living Wage Ordinance (‘LWO’) Anaheim Municipal Code, Chapter 6.99, violation of Labor Code § 203 (Waiting Time Penalties), Unfair Business Practices in violation of Business and Professions Code § 17200 *et seq.*, Violation of Labor Code Sections 510, 1194 & 1198 (Overtime Wages), and the Private Attorneys General Act. This letter is intended to provide notice pursuant to Labor Code section 2698 *et seq.*

The complaint alleges that Defendants failed to compensate Plaintiffs in accordance with Anaheim’s Living Wage Ordinance, Anaheim Municipal Code Chapter 6.99 (“Living Wage Ordinance” or “Chapter 6.99”), enacted by initiative as Measure L in November, 2018, which became effective on December 4, 2018. The Living Wage Ordinance requires all businesses in the hospitality industry in the Anaheim Resort and the Disneyland Resort who benefit from subsidies received from the City of Anaheim to pay their employees at least \$15 an hour effective January 1, 2019.

**Hadsell Stormer Renick & Dai LLP**

December 6, 2019

Page 2

The two Disney defendants have not complied with the Living Wage Ordinance in compensating Plaintiffs and the Plaintiff Class despite being the recipient of massive subsidies from Anaheim in the form of tax rebates. The two Sodexo defendants, subcontractors and/or lessees of Disney, are beneficiaries of the city subsidies and have also failed to comply with the Living Wage Ordinance.

The specific violations alleged in the complaint include:

- Violation of Anaheim Living Wage Ordinance, Anaheim Municipal Code, Chapter 6.99;
- Violation of Labor Code § 203 (Waiting Time Penalties);
- Violation of Business and Professions Code § 17200 *et seq.* (Unfair Competition Law);
- Violation of Labor Code §§ 510, 1194 & 1198 (Overtime Wages); and
- Representative Action for Civil Penalties, Labor Code § 2698 *et seq.*

On behalf of themselves and all other aggrieved employees, Plaintiffs seek to recover civil penalties, as provided by statute, for which Defendants are liable as a result of the foregoing violations of the Labor Code sections, including, but not limited to, penalties under Labor Code sections 558, 1197.1, 1199 and 2699(f) and the applicable IWC Wage Orders.

Please let me know within the time period set forth in Labor Code section 2699.3 whether the State will pursue these penalties or whether the employees are free to pursue their civil action against Defendants and seek those penalties.

Thank you for your courtesy and prompt attention to this matter.

Very truly yours,

**HADSELL STORMER RENICK & DAI LLC**

By /s/ --Randy Renick  
Randy Renick

***Hadsell Stormer Renick & Dai LLP***

December 6, 2019

Page 3

Cc:

*Via certified mail*

THE WALT DISNEY COMPANY  
500 South Buena Vista Street  
Burbank, CA 91521

WALT DISNEY PARKS AND RESORTS, US INC.  
500 South Buena Vista Street  
Burbank, CA 91521

SODEXO, INC.  
P.O. Box 352  
Buffalo, NY 14240

SODEXOMAGIC, LLC  
P.O. Box 352  
Buffalo, NY 14240

1 Randy Renick [S.B. #179652]  
Cornelia Dai [S.B. #207435]  
2 HADSELL STORMER RENICK & DAI LLP  
128 North Fair Oaks Avenue, Suite 204  
3 Pasadena, California 91103-3645  
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4 Facsimile: (626) 577-7079  
Email: rrr@hadsellstormer.com  
5 Email: cdai@hadsellstormer.com

6 Richard G. McCracken [S.B. #62058]  
Sarah Grossman-Swenson [S.B. #259792]  
7 McCRACKEN, STEMERMAN & HOLSBERRY, LLP  
475 14th Street, Suite 1200  
8 Oakland, CA 94612  
9 Telephone: (415) 597-7200  
Facsimile: (415) 597-7201  
10

11 Attorneys for Plaintiffs  
12

13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
14 **FOR THE COUNTY OF ORANGE**  
15

Case No: 30-2019-01116850-CU-OE-CXC

**PROOF OF SERVICE**

16 KATHLEEN GRACE, THOMAS BRAY,  
17 REGINA DELGADO, ALICIA GRIJALVA,  
18 JAVIER TERRAZAS, and all others similarly  
situated,

19 Plaintiffs,  
20

21 v.

22 THE WALT DISNEY COMPANY, WALT  
23 DISNEY PARKS AND RESORTS, US INC.,  
SODEXO, INC., SODEXOMAGIC, LLC and  
24 Does 1-100,

25 Defendants.  
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**PROOF OF SERVICE**

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the action; my business address is 128 N. Fair Oaks Avenue, Pasadena, California 91103.

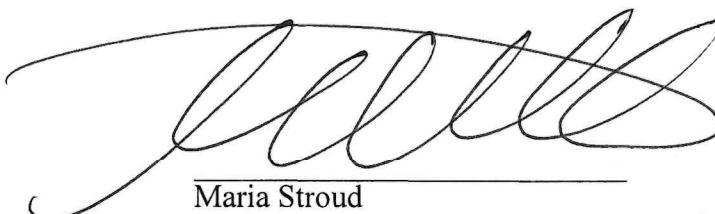
On December 6, 2019, I served the foregoing document described as: **INITIAL PAGA NOTICE**

XX **BY ELECTRONIC SUBMISSION:**

XX I submitted said document(s) electronically via the State of California Labor and Workforce Development Agency/Department of Industrial Relations website and instructions for the Private Attorneys General Act (PAGA) - Filing portal, located at <https://dir.govfa.net/315>.

XX (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on December 6, 2019, at Pasadena, California.

  
\_\_\_\_\_  
Maria Stroud  
Declarant

**From:** [noreply@salesforce.com](mailto:noreply@salesforce.com) on behalf of [LWDA DO NOT REPLY](#)  
**To:** [Maria Stroud](#)  
**Subject:** Thank you for submission of your PAGA Case.  
**Date:** Friday, December 6, 2019 6:54:11 PM

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12/6/2019

LWDA Case No. LWDA-CM-760761-19  
Law Firm : Hadsell Stormer & Renick LLP  
Plaintiff Name : Kathleen Grace, Thomas Bray, Regina Delgado, Alicia Grijalva, Javier Terrazas  
Employer: The Walt Disney Company

Item submitted: Initial PAGA Notice

Thank you for your submission to the Labor and Workforce Development Agency. Please make a note of the LWDA Case No. above as you may need this number for future reference when filing any subsequent documents for this Case.

If you have questions or concerns regarding this submission or your case, please send an email to [pagainfo@dir.ca.gov](mailto:pagainfo@dir.ca.gov).

DIR PAGA Unit on behalf of  
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private\\_Attorneys\\_General\\_Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)

RANDY RENICK DECLARATION

## EXHIBIT B

1 Randy Renick [S.B. #179652]  
Cornelia Dai [S.B. #207435]  
2 HADSELL STORMER RENICK & DAI LLP  
128 North Fair Oaks Avenue, Suite 204  
3 Pasadena, California 91103-3645  
Telephone: (626) 585-9600  
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6 Richard G. McCracken [S.B. #62058]  
Sarah Grossman-Swenson [S.B. #259792]  
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Facsimile: (415) 597-7201  
10

11 Attorneys for Plaintiffs  
12

13 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
14 **FOR THE COUNTY OF ORANGE**  
15

16 Case No: 30-2019-01116850-CU-OE-CXC

17 KATHLEEN GRACE, THOMAS BRAY,  
18 REGINA DELGADO, ALICIA GRIJALVA,  
JAVIER TERRAZAS, and all others similarly  
situated,

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21 v.

22 THE WALT DISNEY COMPANY, WALT  
23 DISNEY PARKS AND RESORTS, US INC.,  
SODEXO, INC., SODEXOMAGIC, LLC and  
24 Does 1-100,

25 Defendants.  
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**PROOF OF SERVICE**

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**PROOF OF SERVICE**

I am employed in the county of Los Angeles, State of California. I am over the age of 18 and not a party to the action; my business address is 128 N. Fair Oaks Avenue, Pasadena, California 91103.

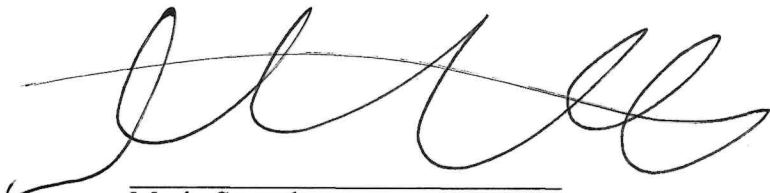
On December 13, 2024, I served the foregoing document described as: **CLASS ACTION SETTLEMENT AGREEMENT**

**XX BY ELECTRONIC SUBMISSION:**

XX I submitted said document(s) electronically via the State of California Labor and Workforce Development Agency/Department of Industrial Relations website and instructions for the Private Attorneys General Act (PAGA) - Filing portal, located at <https://dir.govfa.net/315>.

XX (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on December 13, 2024, at Pasadena, California.



Maria Stroud  
Declarant

**From:** [DIR PAGA Unit](#)  
**To:** [Maria Stroud](#)  
**Subject:** Thank you for your Proposed Settlement Submission  
**Date:** Friday, December 13, 2024 2:58:06 PM

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[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

12/13/2024 02:57:15 PM

Thank you for your submission to the Labor and Workforce Development Agency.

Item submitted: Proposed Settlement  
If you have questions or concerns regarding this submission or your case, please send an email to [pagainfo@dir.ca.gov](mailto:pagainfo@dir.ca.gov).

DIR PAGA Unit on behalf of  
Labor and Workforce Development Agency

Website: [http://labor.ca.gov/Private\\_Attorneys\\_General\\_Act.htm](http://labor.ca.gov/Private_Attorneys_General_Act.htm)

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This email has been scanned for spam & viruses. If you believe this email should have been stopped by our filters, click the following link to report it (<https://portal.mailanyone.net/index.html#/outlet/reportspam?token=dXNlckJ1tc3Ryb3Y3VlQGIhZHNlG0szdG9ybWV5LmNybT0ycz0sNm0MTwNjgxO3VJaWQ29Njc1Q00CRjRCOTQzQUU3RkQzNTA1QTE2MUY0OEY1OTY7IG9hZW49M2FwYjUzYmI3MzYhNDI7ZjIhODkzZmQzMTRksMGVlOWJlNWJ0MGJ2NDs%3D>).