1 ANTHONY J. ORSHANSKY (SBN 199364) anthony@counselonegroup.com 2 JENNIFER L. CONNOR (SBN 241480) jennifer@counselonegroup.com 3 COUNSELONE, P.C. 9301 Wilshire Boulevard, Suite 650 4 Beverly Hills, California 90210 Tel: (310) 277-9945 / Fax: (424) 277-3727 5 EDWIN AIWAZIAN (SBN 232943) 6 edwin@calljustice.com ARBY AIWAZIAN (SBN 269827) arby@calljustice.com LAWYERS for JUSTICE, P.C. 8 410 West Arden Avenue, Suite 203 Glendale, California 91203 9 Tel: (818) 265-1020 / Fax: (818) 265-1021 Attorneys for Plaintiffs 10 11 SUPERIOR COURT OF THE STATE OF CALIFORNIA 12 COUNTY OF CONTRA COSTA 13 EFREN GONZALEZ, individually, and on Case No.: MSC20-00023 behalf of other members of the general public 14 similarly situated; JASON HARTMAN, Honorable Edward Weil individually, and on behalf of other members Department 39 15 of the general public similarly situated, CLASS ACTION 16 Plaintiffs, IPROPOSEDI ORDER GRANTING 17 PLAINTIFFS' MOTION FOR VS. PRELIMINARY APPROVAL OF CLASS 18 **ACTION SETTLEMENT** TRIMON, INC., a California corporation; MONUMENT CAR PARTS SUPERIOR 19 AUTO PARTS WAREHOUSE, a California Preliminary Approval Hearing: corporation; and DOES 1 through 100, Date: September 15, 2022 20 Time: 9:00 a.m. inclusive, Crtrm: Dept. 39 21 Defendants. January 8, 2020 Complaint Filed: 22 Jury Trial Date: None Set 23, 24 25 26 27 28 Page 1 [PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

WHEREAS, this matter came on for hearing on September 15, 2022, at 9:00 a.m., before the Honorable Edward G. Weil in Department 39 of the Contra Costa County Superior Court of California, located at the Wakefield Taylor Courthouse, 725 Court Street, Martinez, California 94553, upon application of Plaintiffs Efren Gonzalez and Jason Hartman (collectively, "Plaintiffs") for preliminary approval of the proposed Stipulation of Class Action Settlement ("Settlement Agreement"), attached as Exhibit "1" to the Declaration of Jennifer L. Connor filed concurrently with the Motion, along with the Amendment to Stipulation of Class Action Settlement ("Amendment to Settlement Agreement"), attached at Exhibit "1" to the Supplemental Declaration of Jennifer L. Connor filed on September 22, 2022, and having considered Plaintiffs' Motion for Preliminary Approval of Class Action Settlement, memorandum of points and authorities in support thereof, and supporting declarations and exhibits filed therewith;

WHEREAS, consistent with the Order After Hearing signed by the Court and filed on October 5, 2022, and good cause appearing, the Court makes the following findings:

A. Background and Settlement Terms

The original complaint was filed January 8, 2020. It is a class action complaint alleging that defendant violated the Labor Code by filing to provide required overtime and minimum wages, meal and rest periods, proper wage statements, and reimbursement of employee business expenses. The case does not include a claim under PAGA.

The settlement would create a gross settlement fund of \$400,000. The class representative payment would be \$7,500 each, totaling \$15,000. Counsel's attorney's fees would be \$140,000 (35% of the settlement). Litigation costs would not exceed \$22,000. The settlement administrator (CPT Group, Inc.) would cap its costs at \$20,000. Thus, the net settlement amount available to the class would be \$203,000. The fund is non-reversionary. The gross settlement would be paid in two installments of \$200,000: one within five days of preliminary approval of the settlement, a second one year later. (Par. 40.) The Settlement provides procedures and remedies in the event of a default in payment. (Par. 50(a), (d).)

28 | | / / /

Class members will release all claims that were alleged in the complaint "or that could have been asserted based on the facts, circumstances, transactions, occurrences, acts, omissions, or failures to act alleged by Plaintiffs in the operative complaint" (Par. 29, 38.) The named plaintiffs agree to a broader release.

The class would consist of current or formerly hourly-paid employees who worked for Defendant within California during the Class Period (January 8, 2016 to November 24, 2021). Funds would be apportioned among the class based on their number of work weeks during the Class Period. Notice to the class would be provided, which would include the number of work weeks. The class members will not be required to file a claim. Class members may object or opt out of the settlement. They may dispute their number of work weeks. Various prescribed follow-up steps will be taken with respect to mail that is returned as undeliverable.

As initially drafted, the settlement required that distributions begin before final approval. This was inadvertent, and in the supplemental submission, the terms have been modified accordingly.

Uncashed checks would be cancelled and sent to the State Controller's Unclaimed Property Fund. Based on the supplemental submission, the settlement provides that if a first check is not cashed or returned as undeliverable, a skip trace will be run, but if no address can be located, that share will revert to the net settlement fund.

Based on the estimated class size (384), the average net settlement share is about \$528.

Substantial formal discovery was undertaken, and the matter settled after a session with an experienced mediator, followed by substantial further discussions with the mediator over the course of several months. Plaintiffs' counsel estimates that the settlement reflects to 26% of the "maximum-to-realistic" recoverable damages. This estimate is based on a more detailed analysis of the facts and circumstances concerning each category of alleged violations, *i.e.*, meal and rest period violations, unreimbursed expenses, waiting time violations, and wage statement violations.

Page 3

B. <u>Legal Standards</u>

The primary determination to be made is whether the proposed settlement is "fair, reasonable, and adequate," under *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801, including "the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the state of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction...to the proposed settlement."

California law provides some general guidance concerning judicial approval of any settlement. First, public policy generally favors settlement. (Neary v. Regents of University of California (1992) 3 Cal.4th 273.) Nonetheless, the court should not approve an agreement contrary to law or public policy. (Bechtel Corp. v. Superior Court (1973) 33 Cal.App.3d 405, 412; Timney v. Lin (2003) 106 Cal.App.4th 1121, 1127.) Moreover, "[t]he court cannot surrender its duty to see that the judgment to be entered is a just one, nor is the court to act as a mere puppet in the matter." (California State Auto. Assn. Inter-Ins. Bureau v. Superior Court (1990) 50 Cal.3d 658, 664.) As a result, courts have specifically noted that Neary does not always apply, because "[w]here the rights of the public are implicated, the additional safeguard of judicial review, though more cumbersome to the settlement process, serves a salutatory purpose." (Consumer Advocacy Group, Inc. v. Kintetsu Enterprises of America (2006) 141 Cal.App.4th 48, 63.)

Under recent appellate authority, the limitation to those claims with the "same factual predicate" as those alleged in the complaint is critical. (Amaro v. Anaheim Arena Mgmt., LLC (2021) 69 Cal.App.5th 521, 537 ["A court cannot release claims that are outside the scope of the allegations of the complaint." "Put another way, a release of claims that go beyond the scope of the allegations in the operative complaint is impermissible." (Id., quoting Marshall v. Northrop Grumman Corp. (C.D. Cal.2020) 469 F.Supp.3d 942, 949.)

27 ///

28 1///

Page 4

[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

C. Attorney Fees

Plaintiffs seek 35% of the total settlement amount as fees, relying on the "common fund" theory. Even a proper common fund-based fee award, however, should be reviewed through a lodestar cross-check. In Lafitte v. Robert Half International (2016) 1 Cal.5th 480, 503, the Supreme Court endorsed the use of a lodestar cross-check as a way to determine whether the percentage allocated is reasonable. It stated: "If the multiplier calculated by means of a lodestar cross-check is extraordinarily high or low, the trial court should consider whether the percentage used should be adjusted so as to bring the imputed multiplier within a justifiable range, but the court is not necessarily required to make such an adjustment." (id., at 505.) Following typical practice, however, the fee award will not be considered at this time, but only as part of final approval.

Similarly, litigation costs and the requested representative payment of \$7,500 each would be reviewed at time of final approval. Criteria for evaluation of such requests are discussed in *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 804-807.

D. <u>Discussion</u>

Counsel have addressed the Court's previous concerns, and the settlement meets the criteria for preliminary approval.

E. Conclusion

The motion is granted. Except for the hearing date for the motion for final approval provided by the Department clerk, other dates in the scheduled notice process should track as appropriate to the hearing date. The ultimate judgment must provide for a compliance hearing after the settlement has been completely implemented. Plaintiffs' counsel are to submit a compliance statement one week before the compliance hearing date. Five percent (5%) of the attorney's fees are to be withheld by the claims administrator pending satisfactory compliance as found by the Court. As a result of the foregoing,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that:

1. The Court preliminarily and conditionally certifies the following Class for purposes of settlement which is comprised of: "All current and former hourly-paid or non-

[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

1 2

28

Page 6

[Page 6

[Page 5]

[Page 5]

[Page 5]

[Page 6

[Page 6]

Order granting preliminary approval, in accord with paragraph 50(a) of the Settlement 1 Agreement; 2 The Court directs Defendant to provide, no later than ten (10) calendar days after 10. 3 entry of the Order granting preliminary approval, to the Settlement Administrator the following 4 information about each Class Member ("Class List"): (1) Class Member's full name; (2) last 5 known mailing address: (3) last known telephone number; (4) social security number; and (5) 6 start and end dates of employment; and (6) number work weeks worked in an hourly-paid or 7 8 non-exempt position in California during the Class Period; The Court further directs that within fifteen (15) calendar days after entry of the 9 11. Order granting preliminary approval, the Settlement Administrator will mail via regular First-10 Class U.S. Mail the Class Notice to all Class Members; 11 The Court orders that any and all submissions of Opt-Outs/Requests For 12 12. Exclusion, Objections, Workweek disputes, and/or notices of intent to appear at the Final 13 Approval Hearing be postmarked, and, where applicable, filed with the Court and served on 14 15 counsel for the Parties, no later than forty-five (45) days after the date of mailing of the Class Notice; and 16 A Final Approval Hearing on the question of whether the proposed class 17 13. settlement should be finally approved as fair, reasonable, and adequate as to the members of the 18 19 proposed settlement class is hereby scheduled in this Department 39 for February 23, 2023 at 9:00 a.m. 20 21 IT IS SO ORDERED. 22 OCT 3 1 2022 23 Dated: 24 Judge of the Superior Court 25 26 27 28

[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

PROOF OF SERVICE 1 STATE OF CALIFORNIA, COUNTY OF LOS ANGELES 2 I am employed in the County of Los Angeles, State of California. I am over the age of 18 3 and not a party to the within action; my business address is 9301 Wilshire Boulevard, Suite 650, 4 Beverly Hills, California 90210. 5 On October 28, 2022, I served the document(s) described as [PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS 6 ACTION SETTLEMENT on the entities and/or individuals listed below. 7 8 John C. Kirke, Esq. Attorneys for Defendants ikirke@donahue.com Yen P. Chau, Esq. ychau@donahue.com 10 Kathleen B. Friend, Esq. 11 kfriend@donahue.com DONAHUE FITZGERALD LLP 12 1999 Harrison Street, 26th Floor Oakland, California 94612-3520 13 (BY MAIL) I am "readily familiar" with the firm's practice for collection and processing 14 correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Beverly Hills, California in the 15 ordinary course of business. I am aware that on motion of the party served, service is presumed 16 invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit. 17 (BY ELECTRONIC SERVICE) Based on a court order or an agreement of the parties to 18 accept service by electronic transmission, I caused the documents to be sent to the persons listed 19 above through One Legal. I did not receive within a reasonable time after the transmission, any electronic message or other indication that the transmission was unsuccessful. 20 Executed on October 28, 2022, in Los Angeles, California. 21 (STATE) I declare under penalty of perjury under the laws of the State of California that X 22 the above is true and correct. 23 24 Lanie Lim 25 26 27 28 PROOF OF SERVICE CASE NO. MSC20-00023