Preliminary Approval of Class Action Settlement
Department SSC-9
Hon. Elaine Lu

FILED
Superior Court of California
County of Los Angeles
02/26/2026
David W. Slayton, Executive Officer / Clerk of Court
By: M. Zavala Deputy

Alma Cano v. Cerca Trova Restaurant Concepts, Inc.
Case No.: 20STCV19516
Hearing: February 26, 2026

FINAL RULING

The Parties' Motion for Preliminary Approval of Class Action Settlement is GRANTED as the settlement is fair, adequate, and reasonable.

The essential terms of the Settlement Agreement are:

- The Gross Settlement Amount ("GSA") is **$1,600,000**, non-reversionary. (¶3.1)
- The Parties will request the Court to approve and award the following payments and deductions to be made from the GSA:
  - Up to **$533,333** (33 1/3%) for attorney fees (¶3.2.2);
  - Up to **$95,000** for litigation costs (*Ibid.*);
  - Up to **$17,500 total** [$7,500 to Pl. Simons, $5,000 each to Pls. Cano and Rejniak] for a Service Payment to each Named Plaintiff (¶3.2.1);
  - Up to **$56,000** for settlement administration costs (¶3.2.3); and
  - **$80,000** PAGA penalty (75% or $60,000 to the LWDA; and 25% or $20,000 to the Aggrieved Employees). (¶3.2.5)
- Defendants will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶3.1)
- Plaintiffs shall release Defendants from claims described in the Settlement.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by ***07/13/2026*** and will be heard on ***08/13/2026** at **10:00 am***. *Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here.* Prior to filing the moving papers, Plaintiff must contact the court staff for Department 9 to obtain a briefing schedule, which must be included in the caption of the moving papers.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged **single document** that constitutes a [Proposed] Order and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out.

A Non-Appearance Case Review is set 07/20/2026, 8:30 a.m., Department 9 re filing of Motion for Final Approval of Class Action Settlement.

BACKGROUND

Plaintiffs Alma Cano, Cole Simons, and Zachary Rejniak sues their former employer, Defendants Cerca Trova Restaurant Concepts, Inc. and Cerca Trova Steakhouse LP (collectively, "Defendants"), for alleged wage and hour violations. Defendants operate various Outback Steakhouse locations in California. Plaintiffs seek to represent a class of Defendants' current and former non-exempt employees.

On September 3, 2019, Plaintiff Rejniak filed a class action complaint in *Rejniak v. Cerca Trova Restaurant Concepts, et al*., Case No. 19STCV31099. On February 26, 2021, Rejniak dismissed his class allegations and pursued only a PAGA representative action.

On May 21, 2020, Plaintiff Cano filed this putative wage and hour class action against Defendants, asserting causes of action for: (1) failure to provide required meal periods; (2) failure to provide required rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to furnish accurate itemized wage statements; (7) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (8) unfair and unlawful business practices; and (8) penalties under the Private Attorneys General Act.

On September 23, 2021, the Court consolidated the Cano and Rejniak actions. On June 14, 2023, Plaintiff Cano filed a First Amended Complaint adding Plaintiff Simons to her action.

On January 6, 2021, the Parties attended a mediation with Jeff Krivis, which was unsuccessful. Thereafter, Plaintiffs engaged in discovery regarding Defendants' financial condition for the purposes of settlement discussions. On August 16, 2024, the Parties agreed to settle the matter. The terms are finalized in the long-form *Joint Stipulation of Class Action and PAGA Settlement and Release* ("Settlement Agreement"), a copy of which was filed with the Court on February 21, 2025.

On April 3, 2025, the Court issued a "checklist" to the parties pertaining to deficiencies in the proposed settlement. In response, the parties filed further briefing, including a revised Settlement Agreement.

On June 12, 2025, the Court granted preliminary approval of the settlement.

On November 19, 2025, the parties filed a Joint Stipulation to Continue Court's Review of Settlement, seeking to amend the Settlement Agreement due to discrepancies with the class data that were ultimately resolved. On November 21, 2025, the Court ordered the parties to file a new Motion for Preliminary Approval of the Settlement.

On December 11, 2025, the parties refiled the Motion for Preliminary Approval of the Settlement and supporting documents. All references below are to the First Amended

Settlement Agreement attached to the Declaration of Kayvon Sabourian ("Sabourian Decl.") as Exhibit A.

Now before the Court is the Motion for Preliminary Approval of the Settlement.

SETTLEMENT CLASS DEFINITION

- "Class" means all current and former non-exempt employees employed by Defendants in California during the class period. (¶1.5)
- "Class Period" means the period from May 21, 2016 to October 28, 2024. (¶1.12)
- "Aggrieved Employee" means a current or former non-exempt employee of Defendants in California during the PAGA Period. (¶1.4)
- "PAGA Period" means the period from June 30, 2018 to October 28, 2024. (¶1.34)
- "Participating Class Member" means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement. (¶1.38)
- Class Workweeks and Aggrieved Employee Pay Periods: Based on a review of its records to date, Defendants estimate there are 16,571 Class Members who collectively were employed a total of 1,352,255 Workweeks, and 11,014 of Aggrieved Employees who worked a total 699,143 of PAGA Pay Periods. (¶4.1)

TERMS OF SETTLEMENT AGREEMENT

The essential terms are as follows:

- The Gross Settlement Amount ("GSA") is **$1,600,000**, non-reversionary. (¶3.1)
- The Net Settlement Amount ("Net") (**$818,167**) is the GSA minus the following:
    - Up to **$533,333** (33 1/3%) for attorney fees (¶3.2.2);
    - Up to **$95,000** for litigation costs (*Ibid.*);
    - Up to **$17,500 total** [$7,500 to Pl. Simons, $5,000 each to Pls. Cano and Rejniak] for a Service Payment to each Named Plaintiff (¶3.2.1);
    - Up to **$56,000** for settlement administration costs (¶3.2.3); and
    - Payment of **$80,000** PAGA penalty (75% or $60,000 to the LWDA). (¶3.2.5)
- Defendants will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶3.1)
- There is no claim form requirement. (¶3.1)
- Individual Settlement Payment Calculation: Each Participating Class Member will receive an Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks Employed by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks Employed. (¶3.2.4) Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. (¶3.2.4.2)
    - "Workweeks Employed" means any week during which a Class Member was employed by Defendants for at least one day, during the Class Period. (¶1.48)

    - PAGA Payments: The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of the PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. (¶3.2.5.1)
    - Tax Allocation**:** Each Participating Class Member's Individual Class Payments will be allocated as follows: 10% as wages, 10% to settlement of claims for reimbursement of expenses, and 80% as interest and penalties. (¶3.2.4.1) The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. (¶3.2.5.2)
- Response Deadline**:** "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and Aggrieved Employees, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired. (¶1.46) The same deadlines apply to the submission of workweek disputes. (¶8.5.5)
    - If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, Defendants may, but are not obligated to, elect to withdraw from the Settlement. (¶10)
- Funding of Settlement**:** Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 21 days after the Effective Date. (¶4.3)
- Disbursement: Within 14 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Representative Service Payments. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (¶4.4)
- Uncashed Settlement Checks: The Administrator will issue checks for the Individual Class Payments and/or Individual PAGA Payments and send them to the Class Members via First Class U.S. Mail, postage prepaid. The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. (¶4.4.1) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to Safe Place for Youth, a Court-approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient"). (¶4.4.3) The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient. (Sabourian Decl., ¶61; Supp. Decl. of Cole Simons, ¶3; Supp.

Decl. of Alma Cano, ¶3; Supp. Decl. of Zachary Rejniak, ¶2; Decl. of Eugene Ryu, ¶2; Decl. of Neil A. Eddington, ¶2; Decl. of Penny Chen Fox, ¶2.)

- The settlement administrator will be CPT Group. (¶1.2)
- Notice of Final Judgment will be posted on the Settlement Administrator's website. (¶8.7.1)
- The proposed Settlement Agreement was submitted to the LWDA on December 11, 2025. (Sabourian Decl., Exhibit E.)
- Participating class members and the named Plaintiffs will release certain claims against Defendant. (See further discussion below)

ANALYSIS OF SETTLEMENT AGREEMENT

1. Does a presumption of fairness exist?

1. Was the settlement reached through arm's-length bargaining? On January 6, 2021, the Parties attend a mediation with Jeff Krivis, which was unsuccessful. (Sabourian Decl., ¶26.) Thereafter, Plaintiffs engaged in discovery regarding Defendants' financial condition for the purposes of settlement discussions. (*Id.* at ¶¶27-29.) On August 16, 2024, the Parties agreed to settle the matter. (*Id*. at ¶30.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Class Counsel represents that prior to reaching the settlement, Plaintiffs and their counsel conducted an investigation into the claims alleged, performed legal research, served discovery requests, deposed Defendants' corporate representatives, and interviewed Class Members. (*Id.* at ¶13.) Their investigation included serving written discovery, discovery requests, and special interrogatories on Defendants, and deposing Defendants' PMKs. (*Id.* at ¶¶14-24.) Defendants produced sample time and payroll data for the Class Members, relevant policy documents, and information regarding the class size. (*Id.* at ¶25.) Counsel also asserts that Defendants' financial condition was a factor considered in arriving at the settlement. Counsel represents that Plaintiffs requested and received financial documents from Defendants to independently evaluate their financial condition and ability to pay for a settlement, for which Plaintiffs engaged a third-party business appraisal form to help evaluate Defendants' financial condition prior to negotiating a settlement. (*Id.* at ¶¶26-29.)

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation, including wage and hour class actions. (*Id.* at ¶¶41-50; Declaration of Ryan A. Crist, Exhibit A.)

4. What percentage of the class has objected? This cannot be determined until the fairness hearing. See Weil & Brown, Cal. Practice Guide: Civil Procedure Before Trial (The Rutter Group 2014) ¶ 14:139.18, ("Should the court receive objections to the proposed settlement, it will consider and either sustain or overrule them at the fairness hearing.").

CONCLUSION: The settlement is entitled to a presumption of fairness.

2. Is the settlement fair, adequate, and reasonable?

1. Strength of Plaintiff's case. "The most important factor is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement." (*Kullar v. Foot*

Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 130.) Here, Class Counsel has provided information, summarized below, regarding the estimated values of the class claims alleged:

Violation	**Maximum Exposure**
Meal Break Violations	$18,340,016.19
Rest Break Violations	$12,633,430.47
Off-the-Clock Work	$7,219,102.26
Waiting Time Penalties	$22,284,316.80
Wage Statement Violations	No value
Unreimbursed Expenses	$5,956,355.00
PAGA Penalties	$80,000.00
Total	**$66,513,220.72**

(Sabourian Decl., ¶¶33-39, 56-57.)

2. Risk, expense, complexity and likely duration of further litigation. Given the nature of the class claims, the case is likely to be expensive and lengthy to try. Procedural hurdles (e.g., motion practice and appeals) are also likely to prolong the litigation as well as any recovery by the class members.

3. Risk of maintaining class action status through trial. Even if a class is certified, there is always a risk of decertification. (See *Weinstat v. Dentsply Intern., Inc*. (2010) 180 Cal.App.4th 1213, 1226 ("Our Supreme Court has recognized that trial courts should retain some flexibility in conducting class actions, which means, under suitable circumstances, entertaining successive motions on certification if the court subsequently discovers that the propriety of a class action is not appropriate.").)

4. Amount offered in settlement. Plaintiffs' counsel estimated Defendants' maximum damages at $66,513,220.72. Plaintiffs' counsel obtained a $1,600,000 non-reversionary settlement. This is approximately 2.4% of Plaintiffs' potential maximum recovery which, given the uncertain outcomes and Defendants' financial condition, is within the "ballpark" of reasonableness.

The settlement amount, if reduced by the requested deductions, leaves approximately $818,167 to be divided among approximately 16,571 class members. Assuming full participation, the resulting payments will average approximately $49.37 per class member.

5. Extent of discovery completed and stage of the proceedings. As indicated above, at the time of the settlement, Class Counsel had conducted sufficient discovery.

6. Experience and views of counsel. The settlement was negotiated and endorsed by Class Counsel who, as indicated above, is experienced in class action litigation, including wage and hour class actions.

7. Presence of a governmental participant. This factor is not applicable here.

8. Reaction of the class members to the proposed settlement. The class members' reactions will not be known until they receive notice and are afforded an opportunity to object, opt-out and/or submit claim forms. This factor becomes relevant during the fairness hearing.

CONCLUSION: The settlement is preliminarily deemed "fair, adequate, and reasonable."

3. <u>Scope of the release</u>

<u>Release of Claims</u>. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows: (¶6)

- Release by Participating Class Members Who Are Not Aggrieved Employees: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including but not limited to any and all claims for (1) failure to provide required meal periods; (2) failure to provide required rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to furnish accurate itemized statements; (7) failure to indemnify employees for necessary expenditures incurred in discharge of duties; and (8) unfair and unlawful business practices. Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. (¶6.2)
- Release by Aggrieved Employees: All Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice and ascertained in the course of the Action including, but not limited to, any and all claims for (1) failure to provide required meal periods; (2) failure to provide required rest periods; (3) failure to pay overtime wages; (4) failure to pay minimum wages; (5) failure to pay all wages due to discharged and quitting employees; (6) failure to furnish accurate itemized statements; (7) failure to indemnify employees for necessary expenditures incurred in discharge of duties; (8) unfair and unlawful business practices; (9) Penalties under the Labor Code Private Attorneys General Act. (¶6.3)
  - "PAGA Notice" means Plaintiff Cano's letter to Defendants and the LWDA and Plaintiff Rejniak's letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). (¶1.36)
  - Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 6.3 of this Agreement and are eligible for an Individual PAGA Payment. (¶8.5.4)
- "Released Parties" means: Defendants and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, affiliates, parents, assigns, and subsidiaries, along with Lender Released Parties. (¶1.44)

- “Lender” means each "Lender" under that certain Credit and Guaranty Agreement (as amended, modified, supplemented, amended and restated, replaced, or refinanced from time to time) dated as of April 25, 2017, by and among the Lenders identified on the signature pages thereof, Goldman Sachs Specialty Lending Group, L.P. (“Goldman”), Cerca Trova Restaurant Group Holdings, Inc., and the other "Borrowers" and "Credit Parties" party thereto from time to time. (¶1.27)
- “Lender Released Parties” means Goldman, each Lender, and each of their predecessors, successors, successors-in-interest, assigns, heirs, representatives, current and former directors, officers, managers, shareholders, equity holders (regardless of whether such interests are held directly or indirectly), members, managed investment funds or investment vehicles, investment advisers, subadvisors, predecessors, participants, successors, assigns (whether by operation of law or otherwise), managed or advised entities, accounts or funds, partners, limited partners, general partners, trustees, principals, employees, agents (including any disbursing agent), advisory board members, financial advisors, attorneys, accountants, investment bankers, consultants, fund advisors, and other professionals, representatives, advisors, and the respective heirs, executors, estates, servants, and nominees of each of the foregoing, in each case, solely in their capacities as such. (¶1.28)

- Named Plaintiffs will also provide a general release and CC § 1542 waiver. (¶6.1)

4. May conditional class certification be granted?

1. Standards

A detailed analysis of the elements required for class certification is not required, but it is advisable to review each element when a class is being conditionally certified (*Amchem Products, Inc. v. Winsor* (1997) 521 U.S. 620, 622-627.) The trial court can appropriately utilize a different standard to determine the propriety of a settlement class as opposed to a litigation class certification. Specifically, a lesser standard of scrutiny is used for settlement cases. (*Dunk* at 1807, fn 19.) Finally, the Court is under no “ironclad requirement” to conduct an evidentiary hearing to consider whether the prerequisites for class certification have been satisfied. (*Wershba* at 240.)

2. Analysis

a. Numerosity. There are approximately 16,571 class members. (Memo ISO Prelim at 22:14.) This element is met.

b. Ascertainability. The proposed class is defined above. The class definition is “precise, objective and presently ascertainable.” (*Sevidal v. Target Corp.* (2010) 189 Cal.App.4th 905, 919.) The class members are identifiable from Defendants’ records. (Memo ISO Prelim at 22:18.)

c. Community of interest. “The community of interest requirement involves three factors: ‘(1) predominant common questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class.’” (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.)

As to commonality, Plaintiffs contend that their claims present common issues of law and fact that predominate over individual issues and thus warrant class certification. Plaintiffs contend that Defendants failed to provide legally compliant meal and rest periods because employees were given too much work to perform to take meal and rest breaks. Plaintiffs also allege that supervisors manipulated the time records to reflect that meal breaks were taken or were 30 minutes, when in fact, they were not. Plaintiffs alleges that these violations were the result of common policies and practices implemented by Defendants that were applied to all non-exempt employees in the State of California. (Memo ISO Prelim at 22:11-18.)

As to typicality, Plaintiffs contend that theirs and Class Members' claims are based on the same legal theories and arise out of the same unlawful policies and practices. (*Id.* at 23:21-24:2.)

As to adequacy, each Plaintiff represents that he or she is aware of the duties and risks of serving as class representative and has participated in the litigation. (Declarations of Alma Cano, Cole Simons, Zachary Rejniak.)

d. Adequacy of class counsel. As indicated above, Class Counsel has shown experience in class action litigation, including wage and hour class actions.

e. Superiority. Given the relatively small size of the individual claims, a class action appears to be superior to separate actions by the class members.

CONCLUSION: The class is conditionally certified as the prerequisites of class certification have been satisfied.

5. Is the notice proper?

1. Content of class notice. The proposed notice is attached to the Settlement Agreement. Its content appears to be acceptable. It includes information such as: a summary of the litigation; the nature of the settlement; the terms of the settlement agreement; the proposed deductions from the gross settlement amount (attorney fees and costs, enhancement awards, and administration costs); the procedures and deadlines for participating in, opting out of, or objecting to, the settlement; the consequences of participating in, opting out of, or objecting to, the settlement; and the date, time, and place of the final approval hearing.

Notice will be given in English and Spanish. (¶8.42)

2. Method of class notice.

Not later than 21 days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. (¶4.2) Using best efforts to perform as soon as possible, and in no event later than [14] days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice with Spanish translation. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database. (¶8.4.2)

Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator will re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator will conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time. Upon the Administrator's compliance with this section, Class Notices are deemed to have been delivered to each Class Member absent compelling proof that a Notice was not delivered to a Class Member. (¶8.4.3)

The deadlines for Class Members' written objections, Challenges to Workweeks Employed and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 60 days otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. (¶8.4.4)

3. Cost of class notice. As indicated above, settlement administration costs are estimated not to exceed **$56,000.** Prior to the time of the final fairness hearing, the administrator must submit a declaration attesting to the total costs incurred and anticipated to be incurred to finalize the settlement for approval by the Court.

6. Attorney fees and costs

CRC rule 3.769(b) states: "Any agreement, express or implied, that has been entered into with respect to the payment of attorney fees or the submission of an application for the approval of attorney fees must be set forth in full in any application for approval of the dismissal or settlement of an action that has been certified as a class action."

Ultimately, the award of attorney fees is made by the court at the fairness hearing, using the lodestar method with a multiplier, if appropriate. (*PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084, 1095-1096; *Ramos v. Countrywide Home Loans, Inc*. (2000) 82 Cal.App.4th 615, 625-626; *Ketchum III v. Moses* (2000) 24 Cal.4th 1122, 1132-1136.) Despite any agreement by the parties to the contrary, "the court ha[s] an independent right and responsibility to review the attorney fee provision of the settlement agreement and award only so much as it determined reasonable." (*Garabedian v. Los Angeles Cellular Telephone Company* (2004) 118 Cal.App.4th 123, 128.)

The question of whether Class Counsel is entitled to **$533,333** (33 1/3%) in attorney fees will be addressed at the fairness hearing when class counsel brings a noticed motion for attorney fees. Class counsel must provide the court with billing information so that it can properly apply the lodestar method and must indicate what multiplier (if applicable) is being sought as to each counsel.

Fee Split: Plaintiffs Cano and Simons signed written consents to the division of fees generated by this action between proposed class counsel, Matern Law Group, PC and Parris Law Firm, whereby 80% of the fees awarded will go to Matern Law Group, PC and 20% will go to Parris Law Firm. (Sabourian Decl., ¶60.)

Class Counsel should also be prepared to justify the costs sought (capped at **$95,000**) by detailing how they were incurred.

7. Incentive Awards

The Settlement Agreement provides for enhancement awards of up to **$7,500** to Plaintiff Simons and **$5,000 each** to Plaintiffs Cano and Rejniak. In connection with the final fairness hearing, named Plaintiffs each must submit a declaration attesting to why he or she should be entitled to an enhancement award in the proposed amount. The named Plaintiff must explain why he or she "should be compensated for the expense or risk she has incurred in conferring a benefit on other members of the class." (*Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 806.) Trial courts should not sanction enhancement awards of thousands of dollars with "nothing more than *pro forma* claims as to 'countless' hours expended, 'potential stigma' and 'potential risk.' Significantly more specificity, in the form of quantification of time and effort expended on the litigation, and in the form of reasoned explanation of financial or other risks incurred by the named plaintiff, is required in order for the trial court to conclude that an enhancement was 'necessary to induce [the named plaintiff] to participate in the suit . . . .'" (*Id.* at 806-807, italics and ellipsis in original.) The Court will decide the issue of the enhancement awards at the time of final approval.

CONCLUSION AND ORDER

The Parties' Motion for Preliminary Approval of Class Action Settlement is GRANTED as the settlement is fair, adequate, and reasonable.

The essential terms of the Settlement Agreement are:

- The Gross Settlement Amount ("GSA") is **$1,600,000**, non-reversionary. (¶3.1)

- The Parties will request the Court to approve and award the following payments and deductions to be made from the GSA:

  - Up to **$533,333** (33 1/3%) for attorney fees (¶3.2.2);

  - Up to **$95,000** for litigation costs (*Ibid.*);

  - Up to **$17,500 total** [$7,500 to Pl. Simons, $5,000 each to Pls. Cano and Rejniak] for a Service Payment to each Named Plaintiff (¶3.2.1);

  - Up to **$56,000** for settlement administration costs (¶3.2.3); and

  - **$80,000** PAGA penalty (75% or $60,000 to the LWDA; and 25% or $20,000 to the Aggrieved Employees). (¶3.2.5)

- Defendants will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶3.1)

- Plaintiffs shall release Defendants from claims described in the Settlement.

The Parties' Motion for Final Approval of Class Action Settlement must be filed **07/13/2026** and will be heard on ***08/13/2026*** *at 10:00 a.m. Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after* *the hearing date noted here.* Prior to filing the moving papers, Plaintiff must contact the court staff for Department 9 to obtain a briefing schedule, which must be included in the caption of the moving papers.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged **single document** that constitutes a [Proposed] Order and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out.

A Non-Appearance Case Review is set 07/20/2026 at 8:30 a.m., Department 9 re filing of Motion for Final Approval of Class Action Settlement.

The Judicial Assistant is to give notice to Counsel for Plaintiff who is ordered to give further and formal notice to all parties and file proof of service of such within 10 days.

IT IS SO ORDERED.

DATED: February 26, 2026

Elaine Lu / Judge
Judge of the Superior Court