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David W. Slayton, Executive Officer / Clerk of Court

FINAL ORDER RE: MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT Department SSC-9

Petrossian v. The Testing Company, LLC.

Case No. 22STCV34526

Hearing: June 12, 2024 (continued from February 27, 2024)

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

The essential terms are as follows:

- The Gross Settlement Amount ("GSA") is \$350,000, non-reversionary. (¶3.1)
- The Net Settlement Amount ("Net") (\$173,333.33) is the GSA minus the following:
 - Up to \$116,666.67 (33%) for attorney fees (¶3.2.2);
 - O Up to \$20,000 for litigation costs (*Ibid.*);
 - Up to \$5,000 for a Service Payment to the Named Plaintiff and up to an additional \$5,000 to the Named Plaintiff for execution of the individual release, for a total of up to \$10,000 to the Named Plaintiff (¶3.2.1);
 - Up to \$20,000 for settlement administration costs (¶3.2.3);
 - o Payment of \$15,000 (75% of \$20,000 PAGA penalty) to the LWDA. (¶3.2.5)
- Employer share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the GSA by Defendant. (¶3.1)
- Plaintiffs' release of Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **December 12, 2024**. Plaintiff must call the Court prior to filing and serving to get a hearing date and briefing schedule.

The Parties' Motion for Final Approval of Class Action Settlement **MUST** include a concurrently lodged [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 for December 19, 2024, 8:30 a.m., Department 9.

BACKGROUND

This is a wage and hour class action. Defendant is a California limited liability corporation that provides COVID-19 testing centers for businesses, schools and universities, municipalities, governments, events, and other organizations. Defendant shut down its operations in California.

On October 27, 2022, Plaintiff filed a putative wage-and-hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages (Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194, and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to authorize and

permit rest periods (Labor Code §§ 226.7 and 512); (5) failure to provide accurate itemized wage statements (Labor Code § 226); (6) failure to timely pay final wages at termination (Labor Code §§ 201-203); (7) failure to indemnify employees for expenditures (Labor Code § 2802); and (8) unfair business practices (Business and Professions Code 17200 et seq.).

On March 2, 2023, Plaintiff filed the First Amended Complaint against Defendant adding claims for civil penalties under Private Attorneys General Act "PAGA" (Labor Code § 2698 et seq.)

Counsel represents that the parties exchanged documents and information before mediating this action. Defendant produced a sample of time and pay records for class members, provided documents of its wage and hour policies and practices during the class period, and information regarding the total number of current and former employees in its informal discovery responses.

On June 9, 2023, the parties participated in private zoom mediation with class action mediator David Phillips, Esq., and were able to come to an agreement. A partially executed long form Settlement Agreement was filed with the court on January 3, 2024 attached as Exhibit 1 to the Declaration of Justin F. Marquez ("Marquez Decl.").

On February 26, 2024, the court issued a checklist of items for counsel to address and continued preliminary approval. In response, on May 8, 2024, counsel filed a fully executed Amended Settlement Agreement attached as Exhibit 1 to the Supplemental Declaration of Justin F. Marquez ("Marquez Supp. Decl.").

At the June 12, 2024 hearing, the parties stipulated to three changes to the Amended Settlement Agreement that the parties filed on May 8, 2024. On June 20, 2024, the parties filed two versions of a fully executed Further Amended Settlement Agreement – (1) a clean version signed by all parties and (2) a redlined version reflecting all changes made to the May 8, 2024 Amended Settlement Agreement.

The Parties now move for preliminary approval of the proposed Further Amended Class Action and PAGA Settlement Agreement and Class Notice filed on June 20, 2024.

SETTLEMENT CLASS DEFINITION

- "Class" means all persons who were employed by Testing Company in California as hourly-paid or non-exempt employees during the Class Period. (Settlement Agreement, ¶1.5.)
 - "Class Period" means the period from May 2, 2018 to August 9, 2023 or the date of preliminary approval of the Stipulation of Settlement, whichever is earlier. (¶1.12)
- "Aggrieved Employee" means a person employed by Testing Company in California as an hourly-paid or non-exempt employee at any time during the PAGA Period. (¶1.4)
 - "PAGA Period" means the period from May 6, 2021 to August 9, 2023 or the date of preliminary approval of the Stipulation of Settlement, whichever is earlier. (¶1.31)
- Defendant represents that the best-estimate for the number of workweeks worked by the Class Members during the Class Period is 16,000. If the amount of workweeks for this time period is determined to be more than 10% higher than this estimate (i.e., more

than 1,600 workweeks), Defendant will have the option to either (1) increase the Gross Settlement Amount proportionally for the excess increase in the total number of workweeks beyond the 16,000 workweeks or (2) modify the applicable Class Period's end date to a date prior to August 9, 2023 to avoid incurring the pro rata increase. The Gross Settlement Amount will not be reduced due to Defendant's estimate. (¶8)

- Counsel for Defendant represents they retained the expert consulting services of Phillips Fractor & Company who reviewed the timekeeping and payroll data of the Class Members, and identified a total of 15,149 workweeks worked by Class Members during the Class Period, thereby not triggering section 8. (Declaration of Tyler B. Runge, ¶3.)
- The parties agree to class certification for the purposes of settlement. (¶12.1)

TERMS OF SETTLEMENT AGREEMENT

The essential terms are as follows:

- The Gross Settlement Amount ("GSA") is \$350,000, non-reversionary. (¶3.1)
- The Net Settlement Amount ("Net") (\$173,333.33) is the GSA minus the following:
 - Up to \$116,666.67 (33%) for attorney fees (¶3.2.2);
 - Up to \$20,000 for litigation costs (*Ibid.*);
 - Up to \$5,000 for a Service Payment to the Named Plaintiff and up to an additional \$5,000 to the Named Plaintiff for execution of the individual release, for a total of up to \$10,000 to the Named Plaintiff (¶3.2.1);
 - Up to \$20,000 for settlement administration costs (¶3.2.3);
 - o Payment of \$15,000 (75% of \$20,000 PAGA penalty) to the LWDA. (¶3.2.5)
- Defendant will also pay employer-side taxes. (¶3.1)
- Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 30 days after the Effective Date. (¶4.3)
- Payments from the Gross Settlement Amount: Within 14 days after Defendant funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the L WDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (¶4.4)
- There is no claim form requirement. (¶3.1)
- Participating Class Member Payment: : An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. (¶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)

- o Tax Allocation: 33% as wages; 33% as interest; and 33% as penalties. (¶3.2.4.1)
- PAGA Payments: The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties (\$5,000) by the total number of Workweeks worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's Workweeks worked during the PAGA Period. (¶3.2.5.1)
 - o Tax Allocation: 100% penalties. (¶3.2.5.2)
- "Response Deadline" means 45 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. (¶1.43) The same deadlines apply to workweek challenges. (¶7.6)
 - If the number of valid Requests for Exclusion exceeds 5% of the total of all Class Members, Defendant may elect to withdraw from the Settlement. (¶9)
- Uncashed Settlement Checks: The face of each check shall prominently state the date (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 a Court approved nonprofit organization or foundation consistent with Code of Civil Procedure Section 384, subd. (b) ("Cy Pres Recipient"), Bet Tzedek Legal Services, located at 3250 Wilshire Boulevard, #1300, Los Angeles, California 90010. The Parties, Class Counsel and Defense Counsel represent that they have no interest or relationship, financial or otherwise, with the intended Cy Pres Recipient. (¶4.4.3)
- The settlement administrator will be CPT Group, Inc.. (¶1.2)
- The Settlement was submitted to the LWDA on January 3, 2024. (See POS.)
- Participating class members and the named Plaintiff will release certain claims against Defendants. (See further discussion below)

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ANALYSIS OF SETTLEMENT AGREEMENT

1. Does a presumption of fairness exist?

- 1. <u>Was the settlement reached through arm's-length bargaining?</u> Yes. On June 9, 2023, the parties participated in private zoom mediation with class action mediator David Phillips, Esq., and were able to come to an agreement. (Marquez Decl., ¶7.)
- 2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Yes. Counsel represents that the parties exchanged documents and information before mediating this action. (*Id.* at ¶5.) Defendant produced a sample of time and pay records for class members, provided documents of its wage and hour policies and practices during the class period, and information regarding the total number of current and former

employees in its informal discovery responses. (*Ibid*.) It is further represent that the timekeeping and payroll records produced and analyzed are statistically significant as the review included 60,217 shifts, which when entered into a sample size calculator, the number of shifts in the documents produced indicated a 0.19% margin of error on a 99% confidence interval. (Marquez Supp. Decl., ¶5.)

- 3. <u>Is counsel experienced in similar litigation?</u> Yes. Class Counsel is experienced in class action litigation. (Marquez Decl., ¶¶40-50.)
- 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. <u>Is the settlement fair, adequate, and reasonable?</u>

1. <u>Strength of Plaintiff's case.</u> "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.)

Counsel provided the following estimated recovery:

CLAIM	MAX RECOVERY	REDUCED RECOVERY
Rest Breaks	\$1,763,353.00	\$176,335.30
Meal Breaks	\$1,159,505.00	\$115,950.50
Unpaid Wages	\$693,357.00	\$104,003.50
Business Expenses	\$224,600.00	\$33,690.00
Labor Code §203	\$1,807,447.00	\$160,692.35
Labor Code §226	\$695,700.00	\$160,692.35
PAGA Penalties	\$710,700.00	\$160,692.35
TOTAL	\$7,054,662.00	\$912,056.35

(Marquez Decl., ¶¶17-25.)

- 2. <u>Risk, expense, complexity and likely duration of further litigation.</u> 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.

Plaintiff's counsel obtained a \$350,000 non-reversionary settlement. This is approximately 5% to 38% of Plaintiff's estimated recovery, which is within the "ballpark" of reasonableness, especially in light of Defendant's financial status.

The \$350,000 settlement amount, after reduced by the requested deductions, leaves approximately \$173,333.33 to be divided among approximately 393 class members. Assuming full participation, the resulting payments will average approximately \$441.05 per class member. [\$173,333.33 /393=\$441.05]

- 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. <u>Experience and views of counsel.</u> 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. <u>Presence of a governmental participant.</u> 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.

<u>CONCLUSION:</u> The settlement can be preliminarily deemed "fair, adequate, and reasonable."

3. Scope of the release

Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows: (¶5)

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 all causes of action and factual or legal theories/allegations that were alleged in the Operative Complaints in the Action, or that could have been brought in the Action based on those same factual or legal theories/allegations, against the Released Parties. This Release includes, but is not limited to, claims for violation of, or recovery under, Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802; the applicable IWC Wage Order; and Business & Professions Code section 17200-17208. This Release also includes, but is not limited to, the following claims for relief: (a) failure to pay minimum and straight time wages; (b) failure to pay overtime wages; (c) failure to provide meal breaks; (d) failure to authorize and permit rest periods; (e) failure to timely pay final wages at termination; (f) failure to provide accurate itemized wage statements; (g) failure to indemnify employees for expenditures; (h) unfair business practices; and (i) all damages, penalties, restitution, attorneys' fees, interest, and other amounts recoverable in connection with the above legal authorities and/or claims for relief under local, California, and federal law. Except as set forth in Section 5.3 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. (¶5.2)

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 Action, and the PAGA Notice and ascertained in the course of the Action, including any and all claims for PAGA Penalties based on alleged: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; and (6) failure to provide accurate itemized wage statements. This Release includes, but is not limited to, claims for PAGA penalties based on alleged violation of Labor Code sections 201, 202, 203, 204, 210, 218.5, 218.6, 226, 226.3, 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 2802. (¶5.3)

The named Plaintiff will also provide a general release and 1542 waiver. (¶5.1.)

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. <u>Numerosity.</u> There are approximately 393 putative class members. (MPA 16:4-5.) This element is met.
- b. <u>Ascertainability.</u> 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 Defendant's records. (MPA 16:7-8.)
- c. <u>Community of interest.</u> "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.)

Class counsel contends that here the common employment practices at issue are: whether Defendant had legally compliant policies and practices to provide employees with meal periods; whether Defendant had legally compliant policies and practices authorizing and permitting its employees to take rest periods; whether Defendant had legally compliant policies and practices for all hours worked, including overtime wages; whether Defendant reimbursed employees for business expenses; whether final payment of wages was untimely and excluded unpaid wages, including meal period premium wages, and rest period premium wages; and whether the wage statements were consequently noncompliant. (MPA, 16:26-17:7.)

Further, counsel contends that typicality is met because Plaintiff is a former employee of Defendant; as such, she alleges that she was subject to the same policies and practices as other similarly situated employee. (MPA, 17:16-18.)

Finally, counsel contends that the Plaintiff is an adequate class member because she does not have conflicts with the class and they are represented by adequate counsel. (MPA, 17:24-18:3; Declaration of Plaintiff Petrossian, *passim*.)

- d. <u>Adequacy of class counsel.</u> As indicated above, Class Counsel has shown experience in class action litigation, including wage and hour class actions.
- e. <u>Superiority.</u> Given the relatively small size of the individual claims, a class action appears to be superior to separate actions by the class members.

<u>CONCLUSION:</u> The class may be conditionally certified since the prerequisites of class certification have been satisfied.

5. <u>Is the notice proper?</u>

- 1. <u>Content of class notice</u>. The proposed notice is attached to the Amended 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 claims 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.
- 2. Method of class notice. Notice will be by direct mail. . Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will 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, if applicable. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database. (¶7.4.2) Not later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall 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 Notices to Class Members whose Class Notice is returned by the USPS a second time. (¶7.4.3) If the Administrator, Defendant, or Class Counsel is contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement not later than 14 days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever are later. (¶7.4.5) Notice of Final Judgment will be posted on the Settlement Administrator's website. (¶7.8.1)

3. <u>Cost of class notice</u>. As indicated above, claims administration costs are estimated not to exceed **\$20,000**. Prior to the time of the final fairness hearing, the claims 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 \$116,666.67 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.

Class Counsel should also be prepared to justify the costs sought (capped at \$20,000) by detailing how they were incurred.

7. Incentive Award to Class Representative

The Settlement Agreement provides for an enhancement award of up to \$5,000 to the Named as a Service Payment and up to an additional \$5,000 to the Named Plaintiff for execution of the individual release, for a total of up to \$10,000 to the Named Plaintiff (¶3.2.1). In connection with the final fairness hearing, the named Plaintiff must submit declarations attesting to why they should be entitled to an enhancement award in the proposed amount. The named Plaintiffs must explain why they "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 plaintiffs, 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 award at the time of final approval.

CONCLUSION

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

The essential terms are as follows:

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 - Up to \$20,000 for litigation costs (*Ibid.*);
 - Up to \$5,000 for a Service Payment to the Named Plaintiff and up to an additional \$5,000 to the Named Plaintiff for execution of the individual release, for a total of up to \$10,000 to the Named Plaintiff (¶3.2.1)
 - Up to \$20,000 for settlement administration costs (¶3.2.3);
 - o Payment of **\$15,000** (75% of \$20,000 PAGA penalty) to the LWDA. (¶3.2.5)
- Employer share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the GSA by Defendant. (¶3.1)
- Plaintiffs' release of Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by <u>December 12, 2024</u>. Plaintiff must call the Court prior to filing and serving to get a hearing date and briefing schedule.

The Parties' Motion for Final Approval of Class Action Settlement **MUST** include a concurrently lodged [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 for December 19, 2024, 8:30 a.m., Department 9.

CLERK TO GIVE NOTICE TO MOVING PARTY. THE MOVING PARTY TO GIVE NOTICE TO ALL OTHER PARTIES.

IT IS SO ORDERED.

DATED: June 26, 2024

ELAINE LU

JUDGE OF THE SUPERIOR COURT

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