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Superior Court of California
County of Los Angeles

JUL 08 2022

Sherri R. Carter, Executive Officer/Clerk of Court
Dianne Arraiga, Deputy

FINAL RULINGS/ORDERS RE: MOTION FOR PRELIMINARY APPROVAL OF
CLASS ACTION SETTLEMENT

Tamara Jones vs Westways Staffing Services, Inc., et al., Case
No.: 19STCV43097

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

The essential terms are:

A. The Gross Settlement Amount ("GSA") is \$3,740,116 (after the escalator clause was invoked).

B. The Net Settlement Amount ("Net") \$2,364,785 is the GSA minus the following:

- Up to \$1,246,581 (1/3) for attorney fees;
- Up to \$25,000 for litigation costs;
- Up to \$17,500 for Incentive Awards to the class representatives (\$10,000 to Jones and \$7,500 to Marcelus);
- Up to \$30,000 for settlement administration costs;
- \$56,250 (75% of the \$75,000 PAGA penalty) to the LWDA; and

C. Plaintiffs release of Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **April 7, 2023**. The parties are ordered to contact the Clerk in Department 9 to obtain a hearing date for their motion.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged [Proposed] Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out; and the parties must email the [Proposed] Judgment in Word format to Dept. 9 staff at sscdept9@lacourt.org.

Non-Appearance Case Review is set for April 14, 2023, 8:30 a.m., Department 9.

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I.
BACKGROUND

This is a wage and hour class action. On December 3, 2019, Plaintiff Jones filed a class action Complaint in the Action against Defendants in the Superior Court of the State of California, County of Los Angeles.

On August 14, 2020, Plaintiff Jones amended the Complaint to remove two causes of action.

The Parties stipulated for leave to file a Second Amended Complaint in the Action, adding Plaintiff Marcelus as a class representative to the Action and adding a claim for penalties under PAGA and sought leave of Court to do so on September 16, 2021.

On September 27, 2021, Plaintiffs filed the Second Amended Complaint alleging claims for (1) failure to reimburse for business expenses; (2) unauthorized deductions from wages; (3) failure to pay for all hours worked; (4) failure to pay overtime; (5) failure to pay minimum wage; (6) failure to authorize and/or permit meal breaks; (7) failure to authorize and/or permit rest breaks; (8) waiting time penalties; (9) unfair business practices; and (10) PAGA violations.

Counsel represents that prior to agreeing to mediation, Plaintiffs conduct detailed written discovery on Defendants' relevant wage and hour policies and practices and received and analyzed more than 450 pages of documents produced, including personnel files, payroll records, timecards, Defendants' employee handbooks, and several stand-alone wage and hours policies relevant to their class claims. Through the parties' agreed-upon Belaire-West Notice process, Plaintiffs also obtained class contact information for a randomly selected sampling of approximately 400 Class Members, the size of which was set by the Court's July 22, 2020 Case Management Order. Thereafter, Class Counsel interview approximately 40 Class Members to learn about their individual experiences working for Defendants and whether they suffered the same violations alleged by Plaintiffs. Class Counsel also requested from Defendants 6 Class Members' personnel files, time records, and payroll records (pursuant to their written authorization and consent), in order to further assess Defendants' relevant employment practices. For mediation purposes, Plaintiffs requested from Defendants (and for the most part received) detailed data and records. Among other things, Plaintiffs received and thoroughly

analyzed, the number of current versus former Class Members, the total workdays worked by the Class; the Class Members' average rate of pay; average daily housing stipend; average daily meals and incidentals stipend; number of Class Members with arbitration agreements; and number of Class members with meal break waivers. Plaintiffs also informally requested and received a sampling of time records, payroll records, and paystubs for 400 Class Members who randomly received Belaire-West notices. The sample size represented a 11% sampling of the Class, which at the time consisted of approximately 3,612 Class Members. Based on Class Counsel's experience and their expert's analysis, 11% was a statistically significant sample, which Plaintiffs relied on to calculate maximum recovery for their claims for negotiating a settlement at mediation.

On July 6, 2021, the parties participated in a full-day mediation before Hon. Carl J. West (Ret.). With the aid of the mediator, the Parties were able to reach an agreement to settle the Action. The basic terms were set forth in a signed Memorandum of Understanding. The Parties then prepared the full Settlement Agreement, a fully executed copy of which is attached to the Declaration of Ashkan Shakouri ("Shakouri Decl.") as Exhibit 1.

On October 21, 2021, the Court issued a checklist of items for counsel to address. In response, on February 7, 2022, counsel filed an Amended Settlement Agreement, a fully executed copy of which is attached to the Supplemental Declaration of Ashkan Shakouri ("Shakouri Supp. Decl.") as Exhibit 2.

Now before the Court is Plaintiff's motion for preliminary approval of the settlement agreement.

II.

SETTLEMENT AGREEMENT

A. Definitions

"Class": all non-exempt employees working for Defendant Westways Staffing Services, Inc. who were assigned to work at any healthcare facility inside California during the Class Period. There are approximately 4,221 Class Members who have worked approximately 416,197 workdays during the Class Period. (Settlement Agreement, ¶I.B.)

"Class Period": December 3, 2015 through September 4, 2021. (¶I.D.)

"PAGA Members": all non-exempt employees working for Defendant Westways Staffing Services, Inc. who were assigned to work at any healthcare facility inside California during the PAGA Period. The PAGA Members are a subset of the Class Members. (¶I.DD.)

"PAGA Period": July 12, 2020 through September 4, 2021. (¶I.EE.)

The Parties stipulate to class certification for settlement purposes only. (¶II.H.)

B. Terms of Settlement Agreement

The essential terms are as follows:

- The Gross Settlement Amount ("GSA") is \$3,740,116 (after the escalator clause was invoked), non-reversionary. (¶II.A.)
- The Net Settlement Amount (\$2,364,785) is the GSA minus the following:
 - Up to \$1,246,581 (1/3) for attorney fees (¶II.B.2);
 - Up to \$25,000 for litigation costs (Ibid.)
 - Up to \$17,500 for a service awards (\$10,000 to Jones and \$7,500 to Marcelus) (¶II.B.1);
 - Up to \$30,000 for class administration (¶II.B.4); and
 - \$56,250 (75% of \$75,000 PAGA penalty) to the LWDA (¶II.B.3).
- All Employer Taxes shall be paid by Defendants separately. (¶I.R.)
- There is no claims process. (Ibid.)
- Opt-out/Objection/Dispute Deadline: Class Members shall have 45 days after the Settlement Administrator mails the Class Notice Packets, or 45 days after the Settlement Administrator re-mails the Class Notice Packets to Class Members whose first mailing came back because of an incorrect address, to submit an objection, opt-out, or dispute to the Settlement Administrator. (¶III.E.3.)
 - If ten percent (10%) or more Class Members timely submit valid Elections Not to Participate in Settlement, Defendants will have the right, but not the obligation, to void the Settlement (¶III.E.4.)
- Individual Settlement Payments: From the Net Settlement Amount, the Settlement Share for each Participating Class Member in the Class will be calculated by (a) dividing this amount by the total number of workdays worked by all Participating Class

Members in the Class during the Class Period to determine a dollar amount per workday ("Workday Payment"), and (b) multiplying the total number of workdays worked by each Participating Class Member in the Class during the Class Period by the Workday Payment. (§III.C.1.)

o Tax Allocation: 20% wages, 15% as reimbursement of expenses, and 65% as interest and penalties. (§III.C.1.a.)

• PAGA Payments: The value of each PAGA Member's PAGA Share will be based on the number of each PAGA Member's workdays during the PAGA Period. Specifically, 25% of the approved PAGA Payment allocated to the Net PAGA Amount will be divided by the total number of workdays worked by all PAGA Members during the PAGA Period, and then taking that number and multiplying it by the number of workdays worked by each respective PAGA Member. PAGA Members will receive payment from the Net PAGA Amount regardless of their decision to participate in the Action if the PAGA Payment is approved by the Court. (§III.C.2.)

• Uncashed Checks: A Participating Class Member must cash his or her Settlement Share check within 180 days after it is mailed to him or her. If a check is returned to the Settlement Administrator, the Settlement Administrator will make all reasonable efforts to re-mail it to the Participating Class Member at his or her correct address. If Participating Class Member's Settlement Share check is not cashed within 120 days after its last mailing to the Participating Class Member, the Settlement Administrator will send the Participating Class Member a letter informing him or her that unless the check is cashed in the next 60 days, it will expire and become non-negotiable, and offer to replace the check if it was lost or misplaced but not cashed. If the Settlement Share check of a Participating Class Member remains uncashed by the expiration of the 180-day period, the uncashed funds shall be distributed to the Controller of the State of California to be held pursuant to the Unclaimed Property Law, California Civil Code Section 1500, et seq. for the benefit of those Participating Class Members who did not cash their Settlement Share checks until such time that they claim their property and who will remain bound by the Settlement. The Parties agree that this disposition results in no "unpaid residue" under California Civil Procedure Code Section 384, as the entire Net Settlement Amount will be paid out to Participating Class Members, whether or not they cash their Settlement Share checks. (§III.E.12.)

• The claims administrator will be Phoenix Class Action Administration Solutions ("Phoenix"). (§III.D.)

• The LWDA was provided notice of the Amended Settlement on December 23, 2021. (Shakouri Supp Decl., ¶4, Exh. 3.)

- Participating class members and the named Plaintiff will release certain claims against Defendants. (See further discussion below)

III. DISCUSSION

A. Does a Presumption of Fairness Exist?

1. Was the settlement reached through arm's-length bargaining? Yes. On July 6, 2021, the parties participated in a full-day mediation before Hon. Carl J. West (Ret.). With the aid of the mediator, the Parties were able to reach an agreement to settle the Action. The basic terms were set forth in a signed Memorandum of Understanding. The Parties then prepared the full Settlement Agreement (Shakouri Decl., ¶10.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Yes. Counsel represents that prior to agreeing to mediation, Plaintiffs conduct detailed written discovery on Defendants' relevant wage and hour policies and practices and received and analyzed more than 450 pages of documents produced, including personnel files, payroll records, timecards, Defendants' employee handbooks, and several stand-alone wage and hours policies relevant to their class claims. Through the parties' agreed-upon Belaire-West Notice process, Plaintiffs also obtained class contact information for a randomly selected sampling of approximately 400 Class Members, the size of which was set by the Court's July 22, 2020 Case Management Order. Thereafter, Class Counsel interview approximately 40 Class Members to learn about their individual experiences working for Defendants and whether they suffered the same violations alleged by Plaintiffs. Class Counsel also requested from Defendants 6 Class Members' personnel files, time records, and payroll records (pursuant to their written authorization and consent), in order to further assess Defendants' relevant employment practices. For mediation purposes, Plaintiffs requested from Defendants (and for the most part received) detailed data and records. Among other things, Plaintiffs received and thoroughly analyzed, the number of current versus former Class Members, the total workdays worked by the Class; the Class Members' average rate of pay; average daily housing stipend; average daily meals and incidentals stipend; number of Class Members with arbitration agreements; and number of Class members with meal break waivers. Plaintiffs also informally requested and received a sampling of time records, payroll records, and paystubs for 400 Class Members who

randomly received Belaire-West notices. The sample size represented a 11% sampling of the Class, which at the time consisted of approximately 3,612 Class Members. Based on Class Counsel's experience and their expert's analysis, 11% was a statistically significant sample, which Plaintiffs relied on to calculate maximum recovery for their claims for negotiating a settlement at mediation. (Shakouri Supp. Decl., ¶¶24-25.)

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation. (Shakouri Decl., ¶¶31-32.)

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."].)

The Court concludes that the settlement is entitled to a presumption of fairness.

B. 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.)

Class Counsel has provided information, summarized below, regarding the factual basis for, and estimated maximum exposure for each of the claims alleged.

CLAIM	MAXIMUM EXPOSURE
Unpaid Overtime	\$17,277,373
Rounding Claim	\$304,874
Reimbursement Claim	\$541,800
Meal Periods	\$1,590,788
Rest Periods	\$1,723,355
Wage Statement Violations	\$4,441,550
Waiting Time Penalties	\$0
PAGA	\$4,540,200
TOTAL	\$30,419,940

(Shakouri Supp. Decl., ¶¶29-14.)

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. Plaintiff's counsel obtained a \$3,740,116 (after the escalator clause was invoked) non-reversionary settlement which is approximately 12.3% of the maximum estimated exposure in this matter, which is within the "ballpark of reasonableness. The \$3,740,116 settlement amount, after reduced by the requested deductions, leaves approximately \$2,364,785 to be divided among approximately 4,211 class members. Assuming full participation, the resulting payments will average approximately \$561.57 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.

The Court concludes that the settlement can be preliminarily deemed fair, adequate, and reasonable.

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C. Scope of the Release

Upon the Effective Date and funding in full of the Gross Settlement Amount by Defendants, all Participating Class Members who do not timely and validly opt out shall be deemed to have fully and finally released all claims, causes of action, damages, wages, benefits, expenses, penalties, debts, liabilities, demands, obligations, attorneys' fees, costs, and any other form of relief or remedy in law, equity, or whatever kind of nature against all Released Parties that were alleged or that could have been alleged based on the facts asserted in in the operative Complaint that occurred during the Class Period, including, all claims for failure to reimburse business expenses, unauthorized deductions from wages, failure to pay for all hours worked, failure to pay overtime, failure to pay minimum wage, failure to authorize and/or permit meal breaks, failure to authorize and/or permit rest breaks, waiting time penalties, unfair business practices, the Private Attorneys General Act of 2004, Labor Code sections 2802, 221, 223, 200, 226, 500, 1197, 1198, 510, 1194, 226.7, 512, 201, 202, 203, 2699 et seq., and the applicable Wage Orders, and Business & Professions Code section 17200. The release expressly excludes all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and claims outside of the Class Period, and the Released PAGA Claims. This release shall be referred to here is the "Released Class Claims." (§III.F.1.)

Upon the Effective Date and funding in full of the Gross Settlement Amount by Defendants, all PAGA Members shall also release all Released Parties from all Released PAGA Claims, irrespective of whether they opted-out of the Settlement, and will be bound by this PAGA Release. The Released PAGA Claims are defined as the claims asserted by PAGA Members for alleged violations of the California Labor Code and IWC Wage Order provisions identified in the PAGA Notice sent to the LWDA by Plaintiff Marcelus and further identified in the operative Complaint that are alleged to have occurred during the PAGA Period ("Released PAGA Claims"). (Ibid.)

"Released Parties" means Defendants and Defendant Westways Staffing Services, Inc.'s former, present and future owners, parents, subsidiaries, and all of its current, former and future officers, directors, members, managers, employees, consultants, partners, shareholders, joint venturers, agents, clients, successors, assigns, accountants, insurers, or legal

representatives. Any of the Released Parties individually shall be referred to as a "Released Party." (§I.Z)

The Class Representative will also provide a general release and CC 1542 waiver. (§III.F.3.)

D. May Conditional Class Certification Be Granted?

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 v. Apple Computer, Inc. (2001) 91 Cal.App.4th 224, 240, disapproved on another ground in Hernandez v. Restoration Hardware, Inc. (2018) 4 Cal.5th 260.)

1. Numerosity. There are approximately 4,211 class members. (Shakouri Supp. Decl., §11.) This element is met.

2. 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.) All Class Members are identifiable through a review of Defendant's employment records. (Shakouri Decl., §30.)

3. 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.)

Counsel contends that common questions of law and fact are present, and specifically the common questions of whether Defendants' employment practices were lawful, whether Defendants failed to properly provide and/or pay for meal and rest periods, whether Defendants paid the correct overtime rate, whether Defendants provided accurate wage statements, whether Defendants

failed to pay all wages, and whether the Class is entitled to compensation and related penalties.

As to typicality, Plaintiffs, like every other member of the Class, were employed by Defendants and are members of the Class. Plaintiffs were also subject to the same employment practices concerning overtime rate calculations and the meal and rest periods, and received similar wage statements. Thus, the claims of the Plaintiffs and the Class Members arise from the same course of conduct by the Defendants, involve the same employment policies, are based on the same legal theories, and are subject to the same defenses.

Finally, Plaintiff does not have any conflicts with the class and is represented by adequate counsel. (Shakouri Decl., ¶30; Declarations of Tamara Jones and Bruntina Marcellus.)

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

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

The Court finds that the class may be conditionally certified because the prerequisites of class certification have been satisfied.

E. Is the Notice Proper?

1. Content of class notice. The proposed notice is attached to the Settlement Agreement as Exhibit A. 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. No later than thirty (30) calendar days after the Court enters its order granting Preliminary Approval of the Settlement, Defendants will provide to the Settlement Administrator an Excel file with each Class

Member's Class Data. The identities, social security numbers, and addresses of Class Members shall remain strictly confidential for the Settlement Administrator's eyes only, and shall not to be disclosed to Plaintiffs or to Class Counsel. Plaintiffs and Class Counsel shall have access to the Class Data, with the Class Members identified with anonymous unique identifiers. The Settlement Administrator shall agree not to disclose the Class Data and its contents to third parties, except as necessary for approval of the Settlement. This provision shall not be construed to impede Class Counsel's ability to discharge their fiduciary duties to the Class, and if additional disclosures are necessary, Class Counsel will obtain written authorization from Defendants and/or an order from the Court. (¶III.E.2.a.)

Using best efforts to mail it as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Settlement Administrator will mail the Class Notice Packets to all Class Members via first-class regular U.S. Mail using the mailing address information provided by Defendants, unless modified by any updated address information that the Settlement Administrator obtains in the course of administration of the Settlement. (¶III.E.2.b.)

If a Class Notice Packet is returned because of an incorrect address, the Settlement Administrator will promptly, and not longer than ten (10) days from receipt of the returned Notice Packet, search for a more current address for the Class Member and re-mail the Class Notice Packet to the Class Member. The Settlement Administrator will use the Class Data and otherwise work with Defendants to find that more current address. The Settlement Administrator will be responsible for taking reasonable steps, consistent with its agreed upon job parameters, Court orders, and as agreed to with Class Counsel and according to the following deadlines, to trace the mailing address of any Class Member for whom a Class Notice Packet is returned by the U.S. Postal Service as undeliverable. These reasonable steps shall include, at a minimum, the tracking of all undelivered mail; performing address searches for all mail returned without a forwarding address; and promptly re-mailing to Class Members for whom new addresses are found. (¶III.E.2.c.) The Class Members are highly skilled and educated nurses who must speak and read in English fluently in order to perform their job. Therefore, Spanish notice is not necessary. (Shakouri Decl., ¶35.)

Notice of final judgment will be posted on the Settlement Administrator's website. (Notice, ¶10.)

3. Cost of class notice. As indicated above, claims administration costs are estimated not to exceed \$30,000. 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.

F. 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 \$1,246,581 (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.

Class Counsel should also be prepared to justify the costs sought (capped at \$25,000) by detailing how they were incurred.

G. Incentive Award to Class Representative

The Settlement Agreement provides for an enhancement award of up to \$17,500 for the class representatives (\$10,000 to Plaintiff Jones and \$7,500 to Plaintiff Marcelus). In connection

with the final fairness hearing, the named Plaintiff must submit a declaration attesting to why he should be entitled to an enhancement award in the proposed amount. The named Plaintiff must explain why he "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.

IV. CONCLUSION

Based upon the foregoing, the Court orders that:

1) The Parties' Motion for Preliminary Approval of class action settlement is GRANTED as the settlement is fair, adequate, and reasonable.

2) The essential terms are, among other things:

A. The Gross Settlement Amount ("GSA") is \$3,740,116 (after the escalator clause was invoked).

B. The Net Settlement Amount ("Net") \$2,364,785 is the GSA minus the following:

Up to \$1,246,581 (1/3) for attorney fees;
Up to \$25,000 for litigation costs;
Up to \$17,500 for Incentive Awards to the class representatives (\$10,000 to Jones and \$7,500 to Marcelus);
Up to \$30,000 for settlement administration costs;
\$56,250 (75% of the \$75,000 PAGA penalty) to the LWDA; and

C. Plaintiffs release of Defendants from claims described herein.

3) The Parties' Motion for Final Approval of Class Action Settlement must be filed by April 7, 2023. The parties are ordered to contact the Clerk in Department 9 to obtain a hearing date for their motion.

4) The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged [Proposed] Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out; and the parties must email the [Proposed] Judgment in Word format to Dept. 9 staff at sscdept9@lacourt.org.

5) Non-Appearance Case Review is set for April 14, 2023, 8:30 a.m., Department 9.

CLERK TO GIVE NOTICE TO ALL PARTIES.

IT IS SO ORDERED.

DATED: July 8, 2022

YVETTE M. PALAZUELOS

YVETTE M. PALAZUELOS
JUDGE OF THE SUPERIOR COURT