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AEGIS LAW FIRM, PC
SAMUEL A. WONG, State Bar No. 217104
KASHIF HAQUE, State Bar No. 218672
JESSICA L. CAMPBELL, State Bar No. 280626
JOSEPH M. SZILAGYI, State Bar No. 317450
Email: jcampbell@aegislawfirm.com
Email: jszilagyi@aegislawfirm.com
9811 Irvine Center Drive, Suite 100
Irvine, California 92618
Telephone: (949) 379-6250
Facsimile: (949) 379-6251

FILED
JUL 29 2022
K. BIEKER CLERK OF THE COURT
SUPERIOR COURT OF CALIFORNIA
COUNTY OF CONTRA COSTA
By: *[Signature]*
A. Stewart, Deputy Clerk

Attorneys for Plaintiff Octavia Holdman, individually,
and on behalf of all others similarly situated.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF CONTRA COSTA**

OCTAVIA HOLDMAN, individually and on
behalf of all others similarly situated,

Plaintiffs,

v.

PACIFIC SERVICE CREDIT UNION; and
DOES 1 through 20, inclusive,

Defendants.

Case No. MSC21-00644

*Assigned for all purposes to:
Hon. Judge Edward G. Weil
Dept: 39*

**ORDER GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT**

1 **I. THE COURT'S ORDER ON JUNE 9, 2022 INCORPORATED HERETO**

2 Plaintiff Octavia Holdman ("Plaintiff") moved for preliminary approval of a class action
3 and PAGA settlement with Defendant Pacific Service Credit Union ("Defendant").

4 **A. Background and Settlement Terms**

5 The original complaint was filed April 1, 2021, raising claims under PAGA and a class
6 action on behalf of non-exempt employees, alleging that defendant violated the Labor Code in
7 various ways, including unpaid overtime, unpaid minimum wage, non-compliant meal and rest
8 periods, unreimbursed business expenses, failure to provide reporting time, failure to maintain
9 payroll records, waiting time, and wage statement claims.

10 The settlement would create a gross settlement fund of \$567,875. The class representative
11 payment to the plaintiff would be \$10,000. Counsel's attorney's fees would be \$189,291.67 (one-
12 third of the settlement). Litigation costs would not exceed \$22,000. The settlement administrator
13 would receive an estimated \$7,250. PAGA penalties would be \$20,000, resulting in a payment of
14 \$15,000 to the LWDA. The fund is non-reversionary. Based on the estimated class size (146
15 members), the average net payment for each class member is approximately \$2,220.

16 Defendants will fund the settlement within 45 days after final approval of the settlement.

17 The proposed settlement would certify a class of all persons who worked for Defendants
18 in California from October 4, 2016, through May 17, 2022.

19 The class members will not be required to file a claim. Class members may object or opt
20 out of the settlement. (Class members cannot opt out of the PAGA portion of the settlement.)
21 Funds would be apportioned to class members based on the number of workweeks worked by the
22 individual employee during the relevant time period.

23 Various prescribed follow-up steps will be taken with respect to mail that is returned as
24 undeliverable. Undelivered or uncashed checks will be voided and the funds provided to
25 Children's Miracle Network Hospitals, pursuant to Code of Civil Procedure section 384(b).
26 Plaintiff represents that defendant does not have any interest in Children's Miracle Network
27 Hospitals. There is a discrepancy in the terms of the agreement on this issue. Paragraph 3.06(f),
28 page 17, lines 7-1, provides for the *cy pres* beneficiary. The next paragraph, however, p. 17, lines

1 13-19, states that uncashed checks will be tendered to the State Controller Unclaimed Property
2 Fund. This needs to be clarified.

3 The settlement contains release language covering all claims “alleged in the operative
4 complaint or which could reasonably have been alleged in either the complaint Plaintiff filed on
5 or about April 1, 2021, or the complaint Plaintiff filed on or about September 1, 2021, based on
6 the facts alleged therein [a long list of specified claims].” (Article I, section gg.) It also releases
7 PAGA claims “which were alleged or could have been alleged in Plaintiff’s notice(s) sent to the
8 LWDA and alleged in the operative complaint or which could reasonably have been alleged in
9 either the complaint Plaintiff filed on or about April 1, 2021, or the complaint Plaintiff filed on
10 or about September 1, 2021, and which arise from the same factual predicate as the PAGA claim
11 in the Action[.]” (Article I, section hh.) Under recent appellate authority, the limitation to those
12 claims with the “same factual predicate” as those alleged in the complaint is critical. (*Amaro v.*
13 *Anaheim Arena Mgmt., LLC* (2021) 69 Cal.App.5th 521, 537 [“A court cannot release claims
14 that are outside the scope of the allegations of the complaint.” “Put another way, a release of
15 claims that’ go beyond the scope of the allegations in the operative complaint’ is impermissible.”
16 (*Id.*, quoting *Marshall v. Northrop Grumman Corp.* (C.D. Cal.2020) 469 F.Supp.3d 942, 949.)

17 Formal and informal discovery was undertaken, resulting in the production of substantial
18 documents, including payroll records and written work policies. The matter settled after arms-
19 length negotiations, with included an all-day session with an experienced mediator.

20 Counsel also has provided a summary of a quantitative analysis of the case, and how the
21 settlement compares to the potential value of the case, after allowing for various risks and
22 contingencies. Counsel analyze the minimum wage/off-the-clock claims, meal period claims, rest
23 period claims, business expense claims, reporting time claims, wage statement claims, and
24 waiting time penalty claims. The potential liability needs to be adjusted for various evidence and
25 risk based contingencies, including problems of proof, as well as the derivative nature of wage
26 statement and waiting time penalties. Claims for PAGA penalties are difficult to evaluate for a
27 number of reasons: they derive from other violations, they include “stacking” of violations, the
28 law may only allow application of the “initial violation” penalty amount, and the total amount

1 may be reduced in the discretion of the court. (See Labor Code, § 2699(e)(2) [PAGA penalties
2 may be reduced where “based on the facts and circumstances of the particular case, to do
3 otherwise would result in an award that is unjust arbitrary and oppressive, or confiscatory.”])

4 The LWDA was notified of the settlement.

5 **B. Legal Standards**

6 The primary determination to be made is whether the proposed settlement is “fair,
7 reasonable, and adequate,” under *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801,
8 including “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of
9 further litigation, the risk of maintaining class action status through trial, the amount offered in
10 settlement, the extent of discovery completed and the state of the proceedings, the experience and
11 views of counsel, the presence of a governmental participant, and the reaction ... to the proposed
12 settlement.” (See also *Amaro v. Anaheim Arena Mgmt., LLC*, supra, 69 Cal.App.5th 521.)

13 Because this matter also proposes to settle PAGA claims, the Court also must consider the
14 criteria that apply under that statute. Recently, the Court of Appeal’s decision in *Moniz v. Adecco*
15 *USA, Inc.* (2021) 72 Cal.App.5th 56, provided guidance on this issue. In *Moniz*, the court found
16 that the “fair, reasonable, and adequate” standard applicable to class actions applies to PAGA
17 settlements. (*Id.*, at 64.) The Court also held that the trial court must assess “the fairness of the
18 settlement’s allocation of civil penalties between the affected aggrieved employees[.]” (*Id.*, at 64-
19 65.)

20 California law provides some general guidance concerning judicial approval of any
21 settlement. First, public policy generally favors settlement. (*Neary v. Regents of University of*
22 *California* (1992) 3 Cal.4th 273.) Nonetheless, the court should not approve an agreement
23 contrary to law or public policy. (*Bechtel Corp. v. Superior Court* (1973) 33 Cal.App.3d 405,
24 412; *Timney v. Lin* (2003) 106 Cal.App.4th 1121, 1127.) Moreover, “[t]he court cannot surrender
25 its duty to see that the judgment to be entered is a just one, nor is the court to act as a mere puppet
26 in the matter.” (*California State Auto. Assn. Inter-Ins. Bureau v. Superior Court* (1990) 50 Cal.3d
27 658, 664.) As a result, courts have specifically noted that *Neary* does not always apply, because
28 “[w]here the rights of the public are implicated, the additional safeguard of judicial review, though

1 more cumbersome to the settlement process, serves a salutatory purpose.” (*Consumer Advocacy*
2 *Group, Inc. v. Kintetsu Enterprises of America* (2006) 141 Cal.App.4th 48, 63.)

3 **C. Attorney Fees**

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

14 Similarly, litigation costs and the requested representative payment of \$10,000 for
15 plaintiff will be reviewed at time of final approval. Criteria for evaluation of such requests are
16 discussed in *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 804-807.

17 **D. Discussion**

18 The initial moving papers sufficiently establishes that the proposed settlement is fair,
19 reasonable, and adequate to justify preliminary approval, with the exception of the issues
20 concerning the cy pres beneficiary. (In addition, as noted above, the conflicting language
21 concerning whether the uncashed checks will go to the cy pres beneficiary or the State Controller
22 needs to be clarified.)

23 Two issues arise with respect to the designation of Children’s Miracle Network as a cy
24 pres recipient. First, pursuant to Code of Civil Procedure section 382.4, counsel must attest that
25 it does not have “a connection to or a relationship with the nonparty recipient of the distribution
26 that could reasonable create the appearance of impropriety as between the selection of the
27 recipient of the money or thing of value and the interests of the class.” Second, the funds must be
28 provided “to nonprofit organizations or foundations to support projects that will benefit the class

1 or similarly situated persons, or that promote the law consistent with the objectives and purposes
2 of the underlying cause of action, to child advocacy programs, or to nonprofit organizations
3 providing civil legal services to the indigent.” (§ 384(b).) Without questioning the value of
4 Children’s Miracle Network’s activities, there is no evidence that its activities fall within the
5 described categories.

6 The Court interprets the lengthy release language to be limited to claims that were or could
7 have been alleged based on the facts alleged in the complaints.

8 **E. Conclusion**

9 Hearing required, to address the issues concerning uncashed checks. If approval ultimately
10 is granted, counsel will be directed to prepare an order reflecting this tentative ruling, the other
11 findings in the previously submitted proposed order, and to obtain a hearing date for the motion
12 for final approval from the Department clerk. Other dates in the scheduled notice process should
13 track as appropriate to the hearing date. The order must provide that pursuant to Code of Civil
14 Procedure section 384(b), the ultimate judgment must provide for a compliance hearing after the
15 settlement has been completely implemented, and amendment of the judgment to reflect the
16 amount paid to the *cy pres* recipient.

17 The ultimate judgment must provide for a compliance hearing after the settlement has
18 been completely implemented. Plaintiffs’ counsel are to submit a compliance statement one week
19 before the compliance hearing date. 5% of the attorney’s fees are to be withheld by the claims
20 administrator pending satisfactory compliance as found by the Court.

21 **II. THE COURT’S ORDER ON JUNE 23, 2022 INCORPORATED HERETO**

22 Plaintiff Octavia Holdman moved for preliminary approval of her class action and PAGA
23 settlement with defendant Pacific Service Credit Union. The Court initially issued a tentative
24 ruling on June 8, 2022, and after a hearing on June 9, 2022 continued the matter for supplemental
25 briefing on one issue.

26 **A. Background and Settlement Terms**

27 The original complaint was filed April 1, 2021, raising claims under PAGA and a class
28 action on behalf of non-exempt employees, alleging that defendant violated the Labor Code in

1 various ways, including unpaid overtime, unpaid minimum wage, non-compliant meal and rest
2 periods, unreimbursed business expenses, failure to provide reporting time, failure to maintain
3 payroll records, waiting time, and wage statement claims.

4 The settlement would create a gross settlement fund of \$567,875. The class representative
5 payment to the plaintiff would be \$10,000. Counsel's attorney's fees would be \$189,291.67 (one-
6 third of the settlement). Litigation costs would not exceed \$22,000. The settlement administrator
7 would receive an estimated \$7,250. PAGA penalties would be \$20,000, resulting in a payment of
8 \$15,000 to the LWDA. The fund is non-reversionary. Based on the estimated class size (146
9 members), the average net payment for each class member is approximately \$2,220.

10 Defendants will fund the settlement within 45 days after final approval of the settlement.

11 The proposed settlement would certify a class of all persons who worked for Defendants
12 in California from October 4, 2016, through May 17, 2022.

13 The class members will not be required to file a claim. Class members may object or opt
14 out of the settlement. (Class members cannot opt out of the PAGA portion of the settlement.)
15 Funds would be apportioned to class members based on the number of workweeks worked by the
16 individual employee during the relevant time period.

17 Various prescribed follow-up steps will be taken with respect to mail that is returned as
18 undeliverable. Undelivered or uncashed checks will be voided and the funds provided to
19 Children's Miracle Network Hospitals, pursuant to Code of Civil Procedure section 384(b).
20 Plaintiff represents that defendant does not have any interest in Children's Miracle Network
21 Hospitals. There is a discrepancy in the terms of the agreement on this issue. Paragraph 3.06(f),
22 page 17, lines 7-1, provides for the *cypres* beneficiary. The next paragraph, however, p. 17, lines
23 13-19, states that uncashed checks will be tendered to the State Controller Unclaimed Property
24 Fund. This needs to be clarified.

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26 complaint or which could reasonably have been alleged in either the complaint Plaintiff filed on
27 or about April 1, 2021, or the complaint Plaintiff filed on or about September 1, 2021, based on
28 the facts alleged therein [a long list of specified claims]." (Article I, section gg.) It also releases

1 PAGA claims “which were alleged or could have been alleged in Plaintiff’s notice(s) sent to the
2 LWDA and alleged in the operative complaint or which could reasonably have been alleged in
3 either the complaint Plaintiff filed on or about April 1, 2021, or the complaint Plaintiff filed on
4 or about September 1, 2021, and which arise from the same factual predicate as the PAGA claim
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6 claims with the “same factual predicate” as those alleged in the complaint is critical. (*Amaro v.*
7 *Anaheim Arena Mgmt., LLC* (2021) 69 Cal.App.5th 521, 537 [“A court cannot release claims that
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10 quoting *Marshall v. Northrop Grumman Corp.* (C.D. Cal.2020) 469 F.Supp.3d 942, 949.) Formal
11 and informal discovery was undertaken, resulting in the production of substantial documents,
12 including payroll records and written work policies. The matter settled after arms-length
13 negotiations, with included an all-day session with an experienced mediator.

14 Counsel also has provided a summary of a quantitative analysis of the case, and how the
15 settlement compares to the potential value of the case, after allowing for various risks and
16 contingencies. Counsel analyze the minimum wage/off-the-clock claims, meal period claims, rest
17 period claims, business expense claims, reporting time claims, wage statement claims, and
18 waiting time penalty claims. The potential liability needs to be adjusted for various evidence and
19 risk based contingencies, including problems of proof, as well as the derivative nature of wage
20 statement and waiting time penalties. Claims for PAGA penalties are difficult to evaluate for a
21 number of reasons: they derive from other violations, they include “stacking” of violations, the
22 law may only allow application of the “initial violation” penalty amount, and the total amount
23 may be reduced in the discretion of the court. (See Labor Code, § 2699(e)(2) [PAGA penalties
24 may be reduced where “based on the facts and circumstances of the particular case, to do
25 otherwise would result in an award that is unjust arbitrary and oppressive, or confiscatory.”]).

26 The LWDA was notified of the settlement.
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1 **B. Legal Standards**

2 The primary determination to be made is whether the proposed settlement is “fair,
3 reasonable, and adequate,” under *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801,
4 including “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of
5 further litigation, the risk of maintaining class action status through trial, the amount offered in
6 settlement, the extent of discovery completed and the state of the proceedings, the experience and
7 views of counsel, the presence of a governmental participant, and the reaction ... to the proposed
8 settlement.” (*See also Amaro v. Anaheim Arena Mgmt., LLC*, supra, 69 Cal.App.5th 521.) Because
9 this matter also proposes to settle PAGA claims, the Court also must consider the criteria that
10 apply under that statute. Recently, the Court of Appeal’s decision in *Moniz v. Adecco USA, Inc.*
11 (2021) 72 Cal.App.5th 56, provided guidance on this issue. In *Moniz*, the court found that the
12 “fair, reasonable, and adequate” standard applicable to class actions applies to PAGA settlements.
13 (*Id.*, at 64.) The Court also held that the trial court must assess “the fairness of the settlement’s
14 allocation of civil penalties between the affected aggrieved employees[.]” (*Id.*, at 64-65.)
15 California law provides some general guidance concerning judicial approval of any settlement.
16 First, public policy generally favors settlement. (*Neary v. Regents of University of California*
17 (1992) 3 Cal.4th 273.) Nonetheless, the court should not approve an agreement contrary to law or
18 public policy. (*Bechtel Corp. v. Superior Court* (1973) 33 Cal.App.3d 405, 412; *Timney v. Lin*
19 (2003) 106 Cal.App.4th 1121, 1127.) Moreover, “[t]he court cannot surrender its duty to see that
20 the judgment to be entered is a just one, nor is the court to act as a mere puppet in the matter.”
21 (*California State Auto. Assn. Inter-Ins. Bureau v. Superior Court* (1990) 50 Cal.3d 658, 664.) As
22 a result, courts have specifically noted that *Neary* does not always apply, because “[w]here the
23 rights of the public are implicated, the additional safeguard of judicial review, though more
24 cumbersome to the settlement process, serves a salutatory purpose.” (*Consumer Advocacy Group,*
25 *Inc. v. Kintetsu Enterprises of America* (2006) 141 Cal.App.4th 48, 63.)

26 **C. Attorney Fees**

27 Plaintiff seeks one-third of the total settlement amount as fees, relying on the “common
28 fund” theory. Even a proper common fund-based fee award, however, should be reviewed through

1 a lodestar cross-check. In *Lafitte v. Robert Half International* (2016) 1 Cal.5th 480, 503, the
2 Supreme Court endorsed the use of a lodestar cross-check as a way to determine whether the
3 percentage allocated is reasonable. It stated: “If the multiplier calculated by means of a lodestar
4 cross-check is extraordinarily high or low, the trial court should consider whether the percentage
5 used should be adjusted so as to bring the imputed multiplier within a justifiable range, but the
6 court is not necessarily required to make such an adjustment.” (Id., at 505.) Following typical
7 practice, however, the fee award will not be considered at this time, but only as part of final
8 approval.

9 Similarly, litigation costs and the requested representative payment of \$10,000 for
10 plaintiff will be reviewed at time of final approval. Criteria for evaluation of such requests are
11 discussed in *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 804-807.

12 **D. Discussion**

13 The initial moving papers sufficiently establish that the proposed settlement is fair,
14 reasonable, and adequate to justify preliminary approval, with the exception of the issues
15 concerning the *cy pres* beneficiary. (In addition, as noted above, the conflicting language
16 concerning whether the uncashed checks will go to the *cy pres* beneficiary or the State Controller
17 needed to be clarified. Counsel have advised the Court that an amendment will be made to the
18 agreement, but it has not as of yet been provided to the Court.)

19 In the initial tentative, the Court identified two issues that arose with respect to the
20 designation of Children’s Miracle Network as a *cy pres* recipient. First, pursuant to Code of Civil
21 Procedure section 382.4, counsel must attest that it does not have “a connection to or a relationship
22 with the nonparty recipient of the distribution that could reasonable create the appearance of
23 impropriety as between the selection of the recipient of the money or thing of value and the
24 interests of the class.” In the supplemental declarations filed with the Court, that issue has been
25 adequately addressed.

26 The second issue identified by the Court in the initial tentative was that the funds must be
27 provided “to nonprofit organizations or foundations to support projects that will benefit the class
28 or similarly situated persons, or that promote the law consistent with the objectives and purposes

1 of the underlying cause of action, to child advocacy programs, or to nonprofit organizations
2 providing civil legal services to the indigent.” (§ 384(b).) Without questioning the value of
3 Children’s Miracle Network’s activities, there is no evidence that its activities fall within the
4 described categories. Counsel has filed a declaration asserting that Children’s Miracle Network
5 Hospitals is a “child advocacy program,” but no evidence supports the claim. As described by
6 counsel, donations are “to support the needs of our 170 member children’s hospitals where they
7 are needed most. These unrestricted donations are often used to fund critical treatments and
8 healthcare services, pediatric medical equipment and charitable care.” Again, without disputing
9 the value of these activities, the Court does not understand them to fall within the realm of child
10 “advocacy.” The distinction may seem trivial or misguided to counsel, but it is in the statute, and
11 must be followed. Accordingly, counsel must either provide more information concerning this
12 proposed recipient, or find another recipient.

13 In addition, counsel have not yet provided the Court with an amended version of the
14 agreement that addresses the contradiction concerning the uncashed checks.

15 The Court interprets the lengthy release language to be limited to claims that were or could
16 have been alleged based on the facts alleged in the complaints.

17 **E. Conclusion**

18 Hearing required, to address the remaining issue concerning the *cy pres* recipient. If
19 approval ultimately is granted, counsel will be directed to prepare an order reflecting this tentative
20 ruling, the other findings in the previously submitted proposed order, and to obtain a hearing date
21 for the motion for final approval from the Department clerk. Other dates in the scheduled notice
22 process should track as appropriate to the hearing date. The order must provide that pursuant to
23 Code of Civil Procedure section 384(b), the ultimate judgment must provide for a compliance
24 hearing after the settlement has been completely implemented, and amendment of the judgment
25 to reflect the amount paid to the *cy pres* recipient.

26 The ultimate judgment must provide for a compliance hearing after the settlement has
27 been completely implemented. Plaintiffs’ counsel are to submit a compliance statement one week
28

1 before the compliance hearing date. 5% of the attorney's fees are to be withheld by the claims
2 administrator pending satisfactory compliance as found by the Court.

3 **III. THE COURT'S ORDER ON JULY 14, 2022 INCORPORATED HERETO**

4 Based on the amendment to the settlement, which changes the *cy pres* recipient to Alliance
5 for Children's Rights, which appears to qualify as a "child advocacy" group, the remaining issue
6 with the settlement is resolved, and the motion is granted, for the reasons set forth in the previous
7 tentative ruling.

8 Counsel are directed to prepare an order reflecting this and the previous tentative ruling,
9 the other findings in the previously submitted proposed order, and to obtain a hearing date for the
10 motion for final approval from the Department clerk. Other dates in the scheduled notice process
11 should track as appropriate to the hearing date. The order must provide that pursuant to Code of
12 Civil Procedure section 384(b), the ultimate judgment must provide for a compliance hearing
13 after the settlement has been completely implemented, and amendment of the judgment to reflect
14 the amount paid to the *cy pres* recipient.

15 The ultimate judgment must provide for a compliance hearing after the settlement has
16 been completely implemented. Plaintiffs' counsel are to submit a compliance statement one week
17 before the compliance hearing date. 5% of the attorney's fees are to be withheld by the claims
18 administrator pending satisfactory compliance as found by the Court.

19 **IV. FURTHER RULING**

20 WHEREAS, the above-entitled action is pending before this Court as a putative class
21 action (the "Action");

22 WHEREAS, Plaintiff, individually and on behalf of all others similarly situated and on
23 behalf of the general public have applied to this Court for an order preliminarily approving the
24 settlement of the Action in accordance with the Joint Stipulation of Class Action Settlement and
25 Release and all amendments thereto (the "Settlement" or "Agreement") entered into by Plaintiff
26 and Defendant which sets forth the terms and conditions for a proposed settlement upon the terms
27 and conditions set forth therein (Plaintiff and Defendant shall be collectively referred to herein as
28 the "Parties"); and

1 WHEREAS, the Court has read and considered Plaintiff's Motion for Preliminary
2 Approval of Class Action Settlement and all briefing and supplemental briefing.

3 NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED
4 THAT:

5 1. This Order incorporates by reference the definitions in the Settlement and all terms
6 defined therein shall have the same meaning in this Order.

7 2. It appears to the Court on a preliminary basis that (a) the Settlement is fair,
8 reasonable, and adequate to justify preliminary approval; (b) the Gross Settlement Amount and
9 Net Settlement Amount are fair, adequate and reasonable when balanced against the probable
10 outcome of further litigation relating to liability and damages issues; (c) sufficient investigation
11 and research have been conducted such that counsel for the Parties at this time are able to
12 reasonably evaluate their respective positions; (d) settlement at this time will avoid additional
13 costs by all Parties, as well as avoid the delay and risks that would be presented by the further
14 prosecution of the Action; and (e) the Settlement has been reached as the result of non-collusive,
15 arms-length negotiations.

16 3. The Court hereby grants preliminary approval to conditionally certify the class for
17 settlement purposes only. The Class is defined as any and all persons who have been employed by
18 Pacific Service Credit Union as a non-exempt employee in California at any time from October
19 4, 2016 to May 17, 2022.

20 4. Plaintiff Octavia Holdman is hereby preliminarily appointed and designated, for
21 all purposes, as the Class Representative and the attorneys of Aegis Law Firm, PC are hereby
22 preliminarily appointed and designated as counsel for the Class ("Class Counsel"). Class Counsel
23 is authorized to act on behalf of the Class Members with respect to all acts or consents required by,
24 or which may be given pursuant to, the Settlement, and such other acts reasonably necessary to
25 consummate the Settlement.

26 5. The Court hereby preliminarily approves the definition and disposition of the Gross
27 Settlement Amount and Net Settlement Amount and related matters provided for in the Settlement,
28 subject to modification at final approval.

1 6. The Court hereby preliminarily approves the Gross Settlement Amount of
2 \$567,875.00.

3 7. The Court hereby preliminarily approves Class Counsel attorneys' fees of up to
4 \$189,291.67, Class Counsel litigation expenses not to exceed \$22,000.00, Incentive Award up to
5 \$10,000.00 to Plaintiff, the PAGA Payment of \$20,000.00 (of which there will be a payment to
6 the LWDA in the amount of \$15,000.00), and costs of administration not to exceed \$7,250.00,
7 subject to final approval.

8 8. The Court hereby approves, as to form and content, the Class Notice, to be
9 distributed to Class Members. The Court finds that distribution of the Class Notice, substantially in
10 the manner and form set forth in the Settlement and this Order, meets the requirements of due
11 process, is the best notice practicable under the circumstances, and shall constitute due and
12 sufficient notice to all persons entitled thereto.

13 9. The Court hereby orders Defendant to produce the Class List to the Settlement
14 Administrator as provided in the Settlement Agreement.

15 10. The Court hereby appoints Phoenix Class Action Settlement Administrators as
16 Settlement Administrator and hereby directs the Settlement Administrator to mail or cause to be
17 mailed to Class Members the Class Notice using the procedures set forth in the Settlement
18 Agreement. Class Members who wish to participate in the settlement provided for by the Settlement
19 Agreement do not need to respond to the Class Notice.

20 11. All costs of mailing of the Class Notice, whether foreseen or not, shall be paid
21 from the Gross Settlement Amount, including the cost of searching for Class Members' addresses
22 as provided in the Settlement, and all other reasonable costs of the Settlement Administrator up
23 to \$7,250.00 as provided in the Settlement.

24 12. The class members will not be required to file a claim. Class members may object
25 or opt out of the settlement. Class members cannot opt out of the PAGA portion of the settlement.

26 13. Funds will be apportioned to class members based on the number of workweeks
27 worked by the individual employee during the relevant time period. Undelivered or uncashed
28 checks will be voided and the funds provided to the designated *cy pres*.

1 14. Alliance for Children's Rights is preliminary approved as the Settlement's *cy pres*
2 recipient;

3 15. A Final Fairness and Approval Hearing shall be held before this Court on **November**
4 **3, 2022 at 9:00 a.m.** in Department 39 of the Superior Court for the State of California, County of
5 Contra Costa, located at 725 Court Street, Martinez, California 94553. All papers in support of
6 final approval and related awards for fees, costs, and Plaintiff's incentive awards must be filed and
7 served at least 16 court days before the final approval hearing.

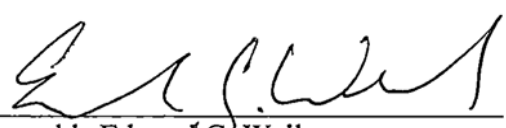
8 16. Any Participating Class Member must object to the Settlement by following the
9 instructions for submitting written objections that are set forth in the Settlement Agreement and
10 Class Notice, and may appear at the Final Fairness and Approval Hearing. The Court shall retain
11 final authority with respect to the consideration and admissibility of any objections. Any
12 Participating Class Member who objects to the Settlement shall be bound by the ultimate judgment
13 of the Court.

14 17. Jurisdiction is hereby retained over this Action, the Parties to the Action, and each
15 of the Class Members for all matters relating to this Action, and this Settlement, including
16 (without limitation) all matters relating to the administration, interpretation, effectuation, and/or
17 enforcement of this Settlement and this Order.

18 18. The Court reserves the right to adjourn or continue the date of any hearing and all
19 dates provided for in the Settlement without further notice to Class Members, and retains
20 jurisdiction to consider all further applications arising out of or connected with the proposed
21 Settlement.

22 19. Pursuant to Code of Civil Procedure section 384(b), the ultimate judgement must
23 provide for a compliance hearing after the settlement has been completely implemented, and
24 amendment to judgement to reflect the amount to the *cy pres* recipient.

25
26 DATED: JUL 27 2022



Honorable Edward G. Weil
JUDGE OF THE SUPERIOR COURT