

FILED
Superior Court of California
County of Los Angeles

APR 17 2023

David W. Slayton, Executive Officer/Clerk of Court
By: N. Navarro, Deputy

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF LOS ANGELES**

JOHN GUTH, an individual, on behalf of
himself and all others similarly situated and
aggrieved,

Plaintiff,

v.

THE GREEN GODDESS, INC., a
California Corporation; and DOES 1 to 100,
inclusive,

Defendants.

Case No.: 20STCV12952

ORDER GRANTING
MOTION FOR FINAL APPROVAL
OF CLASS ACTION SETTLEMENT,
AND SETTING FEES AND INCENTIVE
AWARD

I. BACKGROUND

Plaintiff John Guth sues his former employer, Defendant The Green Goddess, Inc., for alleged wage and hour violations. Defendant is a company engaged in

1 providing cannabis-based products to customers. Plaintiff seeks to represent a class of
2 Defendant's current and former non-exempt employees.

3 On April 1, 2020, Plaintiff filed a complaint alleging causes of action for: (1)
4 failure to provide meal periods (Labor Code §§ 226.7, 512); (2) failure to provide rest
5 breaks (Labor Code §§ 226.7, 512, 1194); (3) failure to pay minimum wages (Labor
6 Code §§ 510, 1194, 1194.2, 1197; (4) failure to pay overtime wages (Labor Code §§
7 510, 1194); (5) failure to reimburse all necessary, business-related expenses (Labor
8 Code § 2802); (6) failure to furnish timely and accurate wage statements (Labor Code §
9 227.3); (7) failure to pay all wages upon separation (Labor Code §§ 201-203); (8)
10 violation of California's Unfair Competition Law ("UCL"), (Business & Professions
11 Code §§ 17200, et seq.); and (9) for civil penalties pursuant to the Private Attorneys
12 General Act (Labor Code §§ 2698, et seq.) ("PAGA").

13 On August 25, 2021, the parties participated in mediation before the Honorable
14 Louis M. Meisinger (Ret.), at the conclusion of which the parties accepted a
15 consensually modified mediator's proposal. The parties subsequently finalized
16 settlement terms in a Stipulation of Class Action Settlement and Release of Claims.

17 A motion for preliminary approval was filed. The Court issued a "checklist" on
18 March 29, 2022 of matters requiring attention. Supplemental papers requiring were
19 filed July 21, 2022, including an Amended Stipulation of Class Action Settlement and
20 Release of Claims attached as Exhibit 1 to the Supplemental Declaration of Kenner
21 (Settlement Agreement). All references below are to that agreement.

22 The settlement was preliminarily approved on August 11, 2022, subject to
23 certain conditions, with which there has been compliance. Notice was given to the
24 Class Members as ordered (see Declaration of Jeremy Romero).

1 Plaintiff's motion for final approval of the Settlement Agreement, including for
2 payment of fees, costs, and a service award to the named plaintiff, came on for hearing
3 April 11, 2023. A tentative order issued. Plaintiff's counsel requested the opportunity
4 to file a supplemental declaration from the plaintiff regarding the value of the release he
5 is giving. That Declaration was filed April 13, 2023.

6 Having considered all of the papers submitted and the argument of counsel, and
7 for the reasons set forth below, the Court grants final approval of the settlement and
8 approves the fees, costs, and incentive award requested.

9 10 **II. THE TERMS OF THE SETTLEMENT**

11 12 **A. SETTLEMENT CLASS DEFINITION**

13 "Class Member(s)" means all current and former nonexempt employees who
14 worked for Defendant The Green Goddess, Inc. in California during the Class Period
15 beginning four years prior to the filing of this Complaint, i.e., April 1, 2016 through
16 August 31, 2021. (§6)

17 "Class Period" means the period from April 1, 2016 through August 31, 2021.
18 (§8)

19 "PAGA Member(s)" means all current and former nonexempt employees who
20 worked for Defendant in California during the PAGA Period of January 27, 2019
21 through August 31, 2021. (§19)

22 "PAGA Period" means the period from January 27, 2019, one year and 65 days
23 prior to the date Plaintiff filed his complaint, through August 31, 2021. (§22)

24 "Settlement Class Members" means Class Members and all PAGA Members.
25 (§33)

1 “Participating Class Member” means any Settlement Class Member who does
2 not opt out of the Settlement by submitting a valid and timely Request for Exclusion.

3 (¶24)

4
5 **B. THE MONETARY TERMS OF SETTLEMENT**

6 The essential monetary terms are as follows:

- 7 • The Gross Settlement Amount (“GSA”) is **\$150,000** (¶15). This includes
8 payment of a PAGA penalty of **\$4,000** to be paid 75% to the LWDA (\$3,000)
9 and 25% to the Aggrieved Employees (\$1,000) (¶47.e).
- 10 • The Net Settlement Amount (“Net”) (**\$61,000**) is the GSA less:
 - 11 ○ Up to **\$50,000** (33 1/3%) for attorney fees (¶47.d);
 - 12 ○ Up to **\$23,000** for attorney costs (*Ibid.*);
 - 13 ○ Up to **\$5,000** for a service award to the proposed class representative
14 (¶47.c); and
 - 15 ○ Estimated **\$7,000** for settlement administration costs (¶33).
- 16 • Employer-side payroll taxes will be paid by Defendant in addition to the GSA
17 (¶45).
- 18 • Assuming the Court approves all maximum requested deductions, approximately
19 \$61,000 will be available for automatic distribution to participating class
20 members. The average settlement share will be approximately \$233.71.
21 (\$61,000 Net ÷ 261 class members = \$233.71). In addition, each PAGA member
22 will receive a portion of the PAGA penalty, estimated to be \$5.31 per PAGA
23 member. (\$1,000 or 25% of \$4,000 PAGA penalty ÷ 188 PAGA members =
24 \$5.31).
- 25 • There is no Claim Requirement (¶42.b).

- 1 • The settlement is not reversionary (§42.b).
- 2 • Individual Settlement Share Calculation: Defendant will calculate the Total
3 Weeks Worked by each Settlement Class Member. The respective Total Weeks
4 Worked for each Settlement Class Member will be divided by the Total Weeks
5 Worked for all Settlement Class Members who do not opt out, resulting in the
6 Payment Ratio for each Settlement Class Member. Each Settlement Class
7 Member's Payment Ratio is then multiplied by the Net Settlement Amount to
8 determine his or her Individual Settlement Payment. Each Individual Settlement
9 Payment will be reduced by any legally mandated deductions for each
10 Settlement Class Member. With the exception of the Class Representative
11 Enhancement Award for the Class Representative, Settlement Class Members
12 are not eligible to receive any compensation under the Settlement other than
13 Individual Settlement Payments. (§47.a.i)
- 14 • Calculation of PAGA Payments: Defendant will calculate the Total Workweeks
15 during the PAGA Period for each Settlement Class Member. The respective
16 PAGA Payment for each PAGA Member will be calculated by dividing the
17 PAGA Member's Total Workweeks during the PAGA Period by the Total
18 Workweeks during the PAGA Period among all PAGA Members, resulting in
19 the PAGA Payment Ratio for each PAGA Member. Each PAGA Member's
20 Payment Ratio is then multiplied by the \$1,000 allocated to all PAGA Members
21 to determine his or her respective PAGA Payment. (§47.a.ii)
- 22 • Tax Withholdings: Individual Settlement Payments will be allocated as follows:
23 40% as wages, 30% as penalties, and 30% as interest and expense
24 reimbursement. (§47.a) Each PAGA Payment will not be reduced by any
25 deductions and will be issued on a 1099. (§47.a.ii)

- 1 • Funding of Settlement: Defendant will deposit \$60,000 into a Qualified
2 Settlement Fund (“QSF”) with the Settlement Administrator within fourteen (14)
3 calendar days of the Court granting preliminary approval (the “First
4 Installment”). The \$90,000 balance will be deposited into the QSF in six equal
5 monthly installments of \$15,000 commencing thirty (30) calendar days from the
6 date of the First Installment. For illustrative purposes, Defendant shall deposit
7 into the QSF the third installment of \$15,000 within thirty (30) calendar days of
8 the second installment. Thirty (30) calendar days after the fifth installment,
9 Defendant shall deposit the final and sixth installment of \$15,000 with the
10 Settlement Administrator into the QSF, which shall bring the QSF to \$150,000.
11 Defendant’s share of employer taxes on the wage portion of the Individual
12 Settlement Payments will be paid in addition to the Gross Settlement Amount.
13 (¶47)
- 14 • Distribution: Individual Settlement Payments shall be mailed by regular First-
15 Class U.S. Mail to the respective Settlement Class Member’s last known mailing
16 address within fourteen (14) calendar days after Defendant provides the full
17 Gross Settlement Amount to the Settlement Administrator. (¶45.a)
- 18 • Uncashed Settlement Payment Checks: Funds represented by Individual
19 Settlement Payment checks returned as undeliverable and Individual Settlement
20 Payment checks remaining uncashed for more than one hundred and eighty (180)
21 calendar days after issuance, plus any accrued interest in the Settlement
22 Administrator’s qualified settlement fund that has not otherwise been distributed,
23 will be tendered to the California State Controller’s Office’s Unclaimed Property
24 Division in the name of the Participating Class Member. (¶47.b)

- Other: At the mediation, Defendant represented that its financial condition does not permit it to fund a higher settlement amount nor fully fund the Gross Settlement Amount any sooner than under the terms set forth in this Agreement. Defendant has agreed to provide financial documents to Plaintiff's Counsel, to be specified by Plaintiff's Counsel, prior to the time Plaintiff's Counsel must file the motion for preliminary approval (the "Confidential Financial Discovery"). Defendant, through its counsel, shall provide Plaintiff's Counsel with the requested Confidential Financial Discovery no later than February 25, 2022. The Parties agree that the Confidential Financial Discovery will be provided for attorneys-eyes only and will not be shown or otherwise communicated to Plaintiffs, Class Members, or anyone other than Plaintiffs' Counsel and its retained consultants/experts. (§45) In addition, Defendant's Chief Financial Officer, John Chadwick Huffman, provided a Declaration, filed July 25, 2022, respecting Defendant's financial situation and ability to fund the settlement.

C. TERMS OF RELEASES

- Release as to All Class Members/PAGA Members: As of the date that Defendant has fully funded the Settlement, Plaintiff and the Settlement Class Members who are not excluded from this Settlement and all PAGA Members, on behalf of themselves and each of their heirs, representatives, successors, assigns and attorneys, shall be deemed to have released and discharged Defendant and Released Parties from the Released Claims and PAGA Release as consideration for Defendant's payment of the Gross Settlement Amount. (§40)
- "Class Release" and "Released Claims" mean all claims, rights, demands, liabilities, and causes of action, whether statutory, in tort, contract, or otherwise,

1 alleged in the operative Complaint in this Action or that could have been alleged
2 based on the facts pleaded in the operative Complaint in this Action, arising
3 during the period from April 1, 2016 through August 31, 2021, including, but not
4 limited to, claims under the California Labor Code, California Industrial Welfare
5 Commission Wage Orders, regulations, and/or all other provisions of law, for
6 failure to pay wages (including minimum wages, overtime and double time
7 wages), failure to provide compliant meal periods and associated premium pay,
8 failure to provide compliant rest periods and associated premium pay, failure to
9 provide compliant wage statements, failure to timely pay wages upon
10 termination of employment, failure to timely pay wages during employment,
11 failure to maintain requisite payroll records, unreimbursed business expenses,
12 and unfair or unlawful business practices in violation of California Business and
13 Professions Code § 17200, et seq. (§9)

- 14 • “Class Release” also includes any claims, rights, demands, liabilities, damages,
15 wages, benefits, expenses, penalties, debts, obligations, attorneys’ fees, costs,
16 any other form of relief or remedy in law, equity, or whatever kind or nature, and
17 causes of action, that could potentially arise from the receipt of any monies as a
18 result of this Settlement by any member of the Settlement Class. (§9)
- 19 • “PAGA Release” means that the State of California, and each PAGA Member
20 who would pursue a representative action on behalf of the State of California, all
21 of whom shall be deemed to have released Defendant, and all of its parents,
22 subsidiaries, affiliates, shareholders, agents, predecessors, successors, and
23 assigns, including Defendants’ respective pension, profit sharing, savings,
24 health, and other employee benefit plans of any nature, from all claims for
25 PAGA and California Labor Code section 558 penalties that arise out of or relate

1 to the factual allegations in the LWDA Letter and pled in the Operative
2 Complaint, from January 27, 2019 through August 31, 2021, including: failure to
3 pay wages (including minimum wages, overtime and double time wages), failure
4 to provide compliant meal periods and associated premium pay, failure to
5 provide compliant rest periods and associated premium pay, failure to provide
6 compliant wage statements, failure to timely pay wages upon termination of
7 employment, failure to timely pay wages during employment, failure to maintain
8 requisite payroll records, and unreimbursed business expenses. (§23)

- 9 ○ In light of the binding nature of a PAGA judgment on non-party
10 employees pursuant to *Arias v. Superior Ct. (Dairy)*, 46 Cal. 4th 969
11 (2009), PAGA Members who exclude themselves from the Class
12 Settlement shall still receive their pro-rata share of the twenty-five percent
13 (25%) of PAGA settlement (i.e., the \$1,000.00), to be calculated by the
14 Settlement Administrator. (*Ibid.*)
- 15 ● “Released Parties” means Defendant and each of its predecessors in interest,
16 successors in interest, and each parent, subsidiary, affiliate, predecessor or
17 successor, and all agents, supervisory and/or exempt employees (current and
18 former), shareholders, officers, directors, insurers and attorneys. (§29)
- 19 ● The named Plaintiff will also provide a general release and a waiver of the
20 protections of Cal. Civ. Code §1542. (§§ 9, 40)
- 21 ● The releases are effective as of the date that Defendant has fully funded the
22 Settlement, which will occur in accordance to the funding schedule detailed in
23 §45.

24 25 **III. ANALYSIS OF SETTLEMENT AGREEMENT**

1 “Before final approval, the court must conduct an inquiry into the fairness of the
2 proposed settlement.” Cal. Rules of Court, rule 3.769(g). “If the court approves the
3 settlement agreement after the final approval hearing, the court must make and enter
4 judgment. The judgment must include a provision for the retention of the court's
5 jurisdiction over the parties to enforce the terms of the judgment. The court may not
6 enter an order dismissing the action at the same time as, or after, entry of judgment.”
7 Cal. Rules of Court, rule 3.769(h).

8 As discussed more fully in the Order conditionally approving the settlement, “[i]n
9 a class action lawsuit, the court undertakes the responsibility to assess fairness in order to
10 prevent fraud, collusion or unfairness to the class, the settlement or dismissal of a class
11 action. The purpose of the requirement [of court review] is the protection of those class
12 members, including the named plaintiffs, whose rights may not have been given due
13 regard by the negotiating parties.” See *Consumer Advocacy Group, Inc. v. Kintetsu*
14 *Enterprises of America* (2006) 141 Cal. App.4th 46, 60 [internal quotation marks
15 omitted]; see also *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 245
16 (“*Wershba*”), disapproved on another ground in *Hernandez v. Restoration Hardware*
17 (2018) 4 Cal.5th 260 [Court needs to “scrutinize the proposed settlement agreement to the
18 extent necessary to reach a reasoned judgment that the agreement is not the product of
19 fraud or overreaching by, or collusion between, the negotiating parties, and that the
20 settlement, taken as a whole, is fair, reasonable and adequate to all concerned.”] [internal
21 quotation marks omitted].

22 “The burden is on the proponent of the settlement to show that it is fair and
23 reasonable. However ‘a presumption of fairness exists where: (1) the settlement is
24 reached through arm's-length bargaining; (2) investigation and discovery are sufficient to
25 allow counsel and the court to act intelligently; (3) counsel is experienced in similar

1 litigation; and (4) the percentage of objectors is small.” See *Wershba, supra*, 91
2 Cal.App.4th at pg. 245, citing *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794,
3 1802. Notwithstanding an initial presumption of fairness, “the court should not give
4 rubber-stamp approval.” See *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th
5 116, 130. “Rather, to protect the interests of absent class members, the court must
6 independently and objectively analyze the evidence and circumstances before it in order
7 to determine whether the settlement is in the best interests of those whose claims will be
8 extinguished.” *Ibid.*, citing 4 Newberg on Class Actions (4th ed. 2002) § 11:41, p. 90. In
9 that determination, the court should consider factors such as “the strength of plaintiffs’
10 case, the risk, expense, complexity and likely duration of further litigation, the risk of
11 maintaining class action status through trial, the amount offered in settlement, the extent
12 of discovery completed and stage of the proceedings, the experience and views of
13 counsel, the presence of a governmental participant, and the reaction of the class
14 members to the proposed settlement.” *Id.* at 128. This “list of factors is not exclusive and
15 the court is free to engage in a balancing and weighing of factors depending on the
16 circumstances of each case.” *Wershba, supra*, 91 Cal.App.4th at pg. 245.)

17 **A. A PRESUMPTION OF FAIRNESS EXISTS**

18 The Court preliminarily found in its Order of August 11, 2022 that the
19 presumption of fairness should be applied. No facts have come to the Court’s attention
20 that would alter that preliminary conclusion. Accordingly, the settlement is entitled to a
21 presumption of fairness as set forth in the preliminary approval order.

22 **B. THE SETTLEMENT IS FAIR, ADEQUATE, AND REASONABLE**

23 The settlement was preliminarily found to be fair, adequate and reasonable.
24 Notice has now been given to the Class and the LWDA. The notice process resulted in
25 the following:

Number of class members: 261

Number of notices mailed: 261

Number of undeliverable notices: 4

Number of opt-outs: 0

Number of objections: 0

Number of participating class members: **261**

(Declaration of Jeremy Romero ("Romero Decl.") ¶¶7-14.)

The Court finds that the notice was given as directed and conforms to due process requirements. Given the reactions of the Class Members and the LWDA to the proposed settlement and for the reasons set for in the Preliminary Approval order, the settlement is found to be fair, adequate, and reasonable.

C. CLASS CERTIFICATION IS PROPER

For the reasons set forth in the preliminary approval order, certification of the Class for purposes of settlement is appropriate.

D. ATTORNEY FEES AND COSTS

Class Counsel requests **\$50,000** (33 1/3%) for attorney fees and **\$23,000** for costs. (MFA at 19:10, 32:10-12.)

Courts have an independent responsibility to review an attorney fee provision and award only what it determines is reasonable. *Garabedian v. Los Angeles Cellular Telephone Company* (2004) 118 Cal.App.4th 123, 128. A percentage calculation is permitted in common fund cases. *Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480, 503.

In the instant case, fees are sought pursuant to the percentage method, as cross-checked by lodestar. (MFA at pp. 19-29.) The \$50,000 fee request is one-third of the Gross Settlement Amount.

1 A lodestar is calculated by multiplying the number of hours reasonably expended
2 by the reasonably hourly rate. *PLCM Group, Inc. v. Drexler* (2000) 22 Cal.4th 1084,
3 1095-1096 (*PLCM*). “Generally, ‘[t]he lodestar is calculated using the reasonable rate
4 for comparable legal services in *the local community* for noncontingent litigation of the
5 same type, multiplied by the reasonable number of hours spent on the case.’ ”
6 *Environmental Protection Information Center v. Dept. of Forestry & Fire Protection*
7 (2010) 190 Cal.App.4th 217, 248, quoting *Nichols v. City of Taft* (2007) 155
8 Cal.App.4th 1233, 1242-1243.

9 As to the reasonableness of the rate and hours charged, trial courts consider
10 factors such as “the nature of the litigation, its difficulty, the amount involved, the skill
11 required in its handling, the skill employed, the attention given, the success or failure,
12 and other circumstances.” *PLCM, supra*, 22 Cal.4th at p. 1096. “The evidence should
13 allow the court to consider whether the case was overstaffed, how much time the
14 attorneys spent on particular claims, and whether the hours were reasonably expended.”
15 *Christian Research Institute v. Alnor* (2008) 165 Cal.App.4th 1315, 1320.

16 Attorney Kenner represents that between two attorneys, her firm spent 244.3 total
17 hours on the action. (Kenner Decl. ISO Final ¶27.) At hourly rates ranging from \$650 to
18 \$900, their lodestar is \$169,730 which implies a multiplier of 0.29 to reach the requested
19 fees. (*Ibid.*) She provides a summary of her firm’s work performed on the case, though
20 she does not aggregate the hours by task so that the Court can make an informed decision
21 as to how much time was spent on claims and the like. (*Id.* at ¶29.) She also provides a
22 list of other class and PAGA actions that she and her firm litigated and settled in
23 California, though she does not specify whether her firm’s hourly rates were approved by
24 other courts. (*Id.* at ¶43.)
25

1 Nonetheless, the **\$50,000** fee request represents a reasonable percentage of the
2 total funds paid by Defendant. Further, the notice expressly advised class members of
3 the fee request, and no one objected. (Romero Decl. ¶13, Exhibit A thereto.)
4 Accordingly, the Court awards fees in the amount of **\$50,000**.

5 Fee Split: Plaintiff represents that before the litigation began, he signed a retainer
6 agreement with Shegerian & Associates, Inc., which discloses the percentage of
7 attorneys' fees that his attorneys will pay to his referring attorney for referring his case.
8 (Decl. of John Guth ISO Final ¶11.)

9 Class Counsel requests **\$23,000** in costs. (Kenner Decl. ISO Final ¶36.) This is
10 equal to the \$23,000 cap provided in the settlement agreement (¶47.d). The amount was
11 disclosed to Class Members in the Notice, and no objections were received. (Romero
12 Decl. ¶13, Exhibit A thereto.) Counsel represents that they incurred \$23,824.88 in actual
13 costs, which include: mediation (\$10,450), expert (\$7,687.50), and filing fees
14 (\$2,663.38). (Kenner Decl. ISO Final ¶¶37-38, Exhibit 2.)

15 The costs are high but appear to be reasonable and necessary to the litigation and
16 were not objected to by the class.

17 For all of the foregoing reasons, costs of **\$23,000** are approved.

18 **E. SERVICE AWARD TO CLASS REPRESENTATIVE**

19 "Service awards are established in California and the Ninth
20 Circuit. *See Cellphone Termination Fee Case (2010)*, 186 Cal.App.4th 1380,
21 1394 (noting the "scholarly debate about the propriety of individual awards to named
22 plaintiffs" and the "surprising dearth of California authority directly addressing this
23 question"); *Roes, 1-2 v. SFBSC Mgmt., LLC* (9th Cir. 2019) 944 F.3d 1035,
24 1057 (reasonable incentive awards are permitted to compensate class representatives for
25 work on behalf of the class and financial or reputational risk undertaken in bringing the

1 action). Their apparent purpose is, in part, to reimburse actual expenses or where the
2 market would not otherwise produce a plaintiff. *In Re Continental Securities Litigation*
3 (7th Cir. 1992) 962 F. 2d 566. There is some question as to their continuing viability.
4 *See Johnson v. NPAS Solutions* (11th Cir. 2020) 975 F.3d 1244. Nonetheless, under
5 existing California and Ninth Circuit authority they are permitted where there is a
6 showing of the time and effort expended by the individual and a reasoned explanation of
7 financial or other risks undertaken by the class representative. *See Clark v. American*
8 *Residential Services LLC* (2009) 175 Cal.App.4th 785, 806-807; see also *Cellphone*
9 *Termination Cases* (2010) 186 Cal.App.4th 1380, 1394-1395 [“Criteria courts may
10 consider in determining whether to make an incentive award include: (1) the risk to the
11 class representative in commencing suit, both financial and otherwise; (2) the notoriety
12 and personal difficulties encountered by the class representative; (3) the amount of time
13 and effort spent by the class representative; (4) the duration of the litigation and; (5) the
14 personal benefit (or lack thereof) enjoyed by the class representative as a result of the
15 litigation. (Citations.)”].

16 The average award to the class members is \$ 233.71. Class Representative John
17 Guth requests an enhancement award of **\$5,000**.

18 Guth represents that his contributions to this action include: meeting and
19 discussing the case with his counsel, conferring with his counsel by telephone
20 throughout the day of the mediation, and reviewing the settlement. (Declaration of John
21 Guth ISO Final ¶¶4-7, 10.) He estimates spending approximately 60 hours on the case.
22 (*Id.* at ¶4.) He also asserts that he was aware of the risk that he could pay Defendants’
23 attorneys’ fees and costs incurred in the case if there was an unsuccessful outcome for
24 him in the lawsuit. (*Id.* at ¶8.) At oral argument counsel for Plaintiff confirmed that the
25 fee agreement between Guth and his counsel made him personally responsible for all

1 costs and fees if a successful outcome was not achieved. In addition, Guth is giving a
2 waiver under Civil Code section 1542. In his Supplemental Declaration filed April 13,
3 2023, Guth indicates that as a result of an auto versus bicycle accident occurring June
4 17, 2019, Guth's vehicle was damaged. Guth was terminated by Defendant the
5 following day, although he testifies he wished to remain employed. Both Guth's own
6 insurance carrier and defendant's carrier declined coverage for the accident. From what
7 is described it appears each carrier contends the other is responsible. (Guth Supp. Dec.
8 ¶¶5-8). The value of these potential claims is not further described but it is apparent that
9 by giving a release under Section 1542 Guth is giving up claims with possible value.

10 The amount the Class Members are receiving was discounted because of
11 Defendant's financial condition. Nonetheless, in light of the above-described
12 contributions to this action, and in acknowledgment of the benefits obtained on behalf of
13 the class, as well as the fact that a complete release is being given by Guth, a \$5,000
14 service award to Plaintiff is reasonable and approved.

15 **F. SETTLEMENT ADMINISTRATION COSTS**

16 The Settlement Administrator, CPT Group, Inc., requests **\$7,000** in compensation
17 for its work in administering this case. (Romero Decl. ¶19.) At the time of preliminary
18 approval, costs of settlement administration were estimated at \$7,000 (¶45.f). Class
19 Members were provided with notice of this amount and did not object. (Romero Decl.
20 ¶13, Exhibit A thereto.)

21 Accordingly, settlement administration costs are approved in the amount of
22 **\$7,000.**

24 **IV. CONCLUSION AND ORDER**

25 The Court hereby:

- (1) Grants class certification for purposes of settlement;
- (2) Grants final approval of the settlement as fair, adequate, and reasonable;
- (3) Awards **\$50,000** in attorney fees to Class Counsel, Shegerian & Associates, Inc.;
- (4) Awards **\$23,000** in litigation costs to Class Counsel;
- (5) Approves payment of **\$3,000** (75% of \$4,000 PAGA penalty) to the LWDA;
- (6) Awards **\$5,000** as a Class Representative Service Award to John Guth;
- (7) Awards **\$7,000** in settlement administration costs to CPT Group, Inc.;
- (8) Orders class counsel to lodge a proposed Judgment, consistent with this ruling and in the form attached to Plaintiff's Notice of Lodging dated April 13, 2023 as a standalone Judgment and including the full release language, by April 28, 2023;
- (9) Orders class counsel to provide notice to the class members pursuant to California Rules of Court, rule 3.771(b) and to the LWDA pursuant to Labor Code §2699 (1)(3); and
- (10) Sets a Non-Appeal Case Review re: Final Report re: Distribution of Settlement Funds for October 24, 2023 at 8:30 a.m. A Final Report is to be filed by October 10, 2023.

Dated: 4/17/23



MAREN E. NELSON

Judge of the Superior Court