

04/30/2024

David W. Slayton, Executive Officer / Clerk of Court

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

Nick Vasquez vs Turbine Engine Components Technologies Corp.,
Case No.: 21STCV42670

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 \$650,000.
- B. The Net Settlement Amount is the GSA minus the following:
 - Up to \$216,666.67 (33 1/3%) for attorney fees (¶3.2.2);
 - Up to \$25,000 for litigation costs (Ibid.);
 - Up to \$5,000 for a Service Payment to the Named Plaintiff (¶3.2.1);
 - Up to \$8,000 for settlement administration costs (¶3.2.3);
 - \$18,750 (75% of \$25,000 PAGA penalty) to the LWDA. (¶3.2.5)
- C. Employer share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the GSA by Defendant.
- D. Plaintiffs release of Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **October 29, 2024**. Plaintiff must call the Court **PRIOR** to filing and serving to obtain a hearing date.

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

**Non-Appearence Case Review is set for November 5, 2024,
8:30 a.m., Department 9.**

I.
BACKGROUND

This is a wage and hour class action. Defendant Turbine Engine Components Technologies Corporation is part of the engine or turbine forging industry and offers products and services to customers throughout California and other states, specializing in manufacturing and offering various airfoil and blades, among other items and services.

On November 19, 2021, Plaintiff filed this class action against Defendant alleging five causes of action for: (1) Failure to Provide Meal Periods Under Labor Code §§ 226.7 and 512; (2) Failure to Pay Vested Vacation Wages Under Labor Code §§ 227.3 and 510; (3) Violation of Labor Code § 226(a); (4) Penalties Pursuant to Labor Code § 203; and (5) Violation of Business & Professions Code § 17200, et seq. On February 2, 2022, Plaintiff filed a First Amended Complaint, adding a sixth claim for penalties under the Labor Code's Private Attorneys General Act ("PAGA"), Labor Code § 2699 et seq. On June 16, 2023, Plaintiff filed a Second Amended Class and Representative Action Complaint, adding a claim for violations of Labor Code § 226.7 for failure to provide rest periods on behalf of a settlement class during the relevant class period.

Counsel represents that prior to the mediation, Defendants provided Plaintiff with informal discovery, including Plaintiff's personnel file and time and pay records, a redacted sampling of payroll journals and ending hourly pay rates for Defendant's employees (i.e., hourly rate of pay at time of termination), and the total number of Class Members and relevant work weeks at issue.

On January 24, 2023, the Parties scheduled a private mediation with Francis J. Ortman III, Esq. A fully executed copy of the Settlement Agreement was filed with the Court on September 11, 2023 attached to the Declaration of Kelsey M. Szamet ("Szamet Decl."), as Exhibit 1.

On October 27, 2023, the Court issued a checklist of items for counsel to address. In response, on February 7, 2024, counsel filed supplemental briefing addressing the court's concerns. A fully executed Amended Settlement Agreement is

attached to Plaintiff's Notice of Errata dated February 9, 2024. All references below are to the Amended Settlement.

On March 20, 2024, the Court granted the Parties' Motion for Preliminary Approval of Class Action Settlement on the condition that:

a. the parties strike the following language from the agreement: " . . . Defendant shall have the option to either cut off the Class Period as of the date that there are 22,012.2 workweeks or" ¹

b. the parties provide in the agreement that "as to the 55 class members who signed severance agreements and received \$1,000-\$2,000, these amounts must be offset against these class members' individual settlement amounts." ²

On April 16, 2024, the Parties filed a Second Supplemental Declaration of Kelsey M. Szamet in Support of Plaintiff's Motion for Preliminary Approval of Class Action Settlement and an Amended Order Granting Preliminary Approval of Class Action Settlement.

The Court has reviewed the Parties' supplemental papers filed on April 16, 2024, and the Court finds that the parties have satisfied the conditions and made the proposed changes as reflected in their Amended Class Action and PAGA Settlement Agreement and Class Notice.

Accordingly, the Parties' Motion for Preliminary of Class Action Settlement is now unconditionally GRANTED.

II. SETTLEMENT AGREEMENT

A. Definitions.

¹ One option is to agree that: "As of the date that there are more than 22,012.2 workweeks, Defendant have the option to either increase the GFV on a proportional basis equal to the percentage increase in the workweeks above the 20,964 (i.e., if there is a 6% increase in the number of workweeks during the Class Period, Defendant has the option to increase the GFV by 6% to cover the entire Class Period), or to withdraw from the agreement.

² One option is to include some version of the proposed language in the section of the agreement regarding "Individual Settlement Payment Calculation."

"Class": all current and former non-exempt employees of Defendant in the State of California including all temporary employees supplied to Defendant by any staffing agency at any time between November 19, 2017, through January 24, 2023. This shall be an opt-out class. (§1.5)

"Class Period": November 19, 2017 to January 24, 2023. (§1.12)

"PAGA Members": all current and former non-exempt employees of Defendant in the State of California including all temporary employees supplied to Defendant by any staffing agency at any time between November 19, 2020, through the end of the Class Period. (§1.4)

"PAGA Period": November 19, 2020 to January 23, 2023. (§1.31)

Defendant estimates there are 219 Class Members (consisting of 183 regular full-time non-exempt employees and 36 temporary non-exempt employees) who collectively worked a total of 20,964 Workweeks (consisting of 29,480 worked by the full-time non-exempt employees and 484 worked by temporary non-exempt employees). Defendant estimates based on a review of its records that PAGA Member worked a total 4,517 of PAGA Pay Periods. (§4.1)

Defendant estimates that, as of the date of this Settlement Agreement, (1) there are 219 Class Members and 20,964 Total Workweeks that were worked by Class Members during the Class period and (2) there were PAGA Members who worked 4,517 Pay Periods during the PAGA Period. (§9) Increase in Compensable Work Weeks. Defendant's time and pay records shall be determinative for purposes of calculating the number of workweeks during the Class Period, and number of pay periods during the PAGA Period. Defendant estimates that there were approximately 219 Class Members who worked approximately 20,964 workweeks during the Class Period. If the number of workweeks worked during the Class Period increases by more than 5% (i.e., that is above 22,012.2 workweeks) by the time Defendant provides class data to the settlement administrator for dissemination of settlement notices, Defendant shall increase the GFV on a proportional basis equal to the percentage increase in the workweeks above the 20,964 (i.e., if there is a 6% increase in the number of workweeks during the Class Period, Defendant has the option to increase the GFV by 6% to cover the entire Class Period). (Ibid.)

The parties stipulate to class certification for settlement purposes only. (§13.1.)

B. Terms of Settlement Agreement

The essential terms are:

- The Gross Settlement Amount ("GSA") is \$650,000, non-reversionary. (§13.1)
- The Net Settlement Amount ("Net") (\$376,583.33) is the GSA minus the following:
 - o Up to \$216,666.67 (33 1/3%) for attorney fees (§13.2.2);
 - o Up to \$25,000 for litigation costs (Ibid.);
 - o Up to \$5,000 for a Service Payment to the Named Plaintiff (§13.2.1);
 - o Up to \$8,000 for settlement administration costs (§13.2.3); and
 - o Payment of \$18,750 (75% of \$25,000 PAGA penalty) to the LWDA. (§13.2.5)
- Defendants will pay their share of taxes separate from the GSA. (§13.1)
- Funding of Settlement: Defendant shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendant's share of payroll taxes by transmitting the funds to the Administrator no later than 20 calendar days after the Effective Date. (§14.3)
- There is no claim form requirement. (§1.5)
- Individual Settlement Payment Calculation: An Individual Class Payment calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period and (b) multiplying the result by each Participating Class Member's Workweeks. However, as to any Participating Class Member who received a severance payment from Defendant in connection with the closing of the facility, the amount paid for severance must be offset against the Individual Class Payment to that Class Member and redistributed to Participating Class Members on a pro rata basis. (§13.2.4)
 - o Tax Allocation: 25% as wages and 75% as interest and penalties. (§13.2.4.1)
- PAGA Payments: The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the PAGA Members' 25% share of PAGA Penalties (\$6,250.00) by the total number of PAGA Period Pay Periods worked by all PAGA Members

during the PAGA Period and (b) multiplying the result by each PAGA Member's PAGA Period Pay Periods. PAGA Members assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. (§3.2.5.1)

- "Response Deadline" means 60 days after the Administrator mails Notice to Class Members and PAGA Members, and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement, or (b) fax, email, or mail his or her Objection to the Settlement. Class Members to whom Notice Packets are resent after having been returned undeliverable to the Administrator shall have an additional 14 calendar days beyond the Response Deadline has expired. (§1.43) The deadlines apply to Challenges to Calculation of Workweeks, too. (§8.6)

- o If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 10% of the total of all Class Members, Defendant may, but is not obligated, elect to withdraw from the Settlement. (§10)

- Uncashed Settlement Checks: The face of each check shall prominently state the date (180 days after the date of mailing) when the check will be voided. The Administrator will cancel all checks not cashed by the void date. (§4.4.1) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). In such event, release of Released Class Claims and Released PAGA Claims will remain binding upon the affected Settlement Class Member and, if applicable, PAGA Member. (§4.4.3)

- The settlement administrator will be Phoenix Class Action Settlement Administration Solutions. (§1.2)

- Notice of Final Judgment will be posted on the Settlement Administrator's website. (§8.8.1)

- The proposed settlement was submitted to the LWDA on September 11, 2023 and the proposed amended settlement was submitted to the LWDA on February 7, 2024. (Szamet Decl., Exhibit 4.)

- 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 January 24, 2023, the Parties scheduled a private mediation with Francis J. Ortman III, Esq. (Szamet Decl., ¶10.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Yes. Counsel represents that prior to the mediation, Defendants provided Plaintiff with informal discovery, including Plaintiff's personnel file and time and pay records, a redacted sampling of payroll journals and ending hourly pay rates for Defendant's employees (i.e., hourly rate of pay at time of termination), and the total number of Class Members and relevant work weeks at issue. (Id. at ¶12.) Plaintiff worked with an expert to analyze Defendant's time and pay records. (Id. at ¶57.) The sample class list contained 183 class members (out of 219 total Class Members). (Szamet Supp. Decl., ¶4.)

The time and pay data included 93,222 shifts spanning 20,391 workweeks. Plaintiff retained an expert to review the data and all of these 93,222 shifts were analyzed by the expert to determine potential violation rates, damages exposure, etc. The 93,222 shifts produced and analyzed represent 99.5% of the shifts at issue in the matter. This is and represents less than a 1% margin of error. The data included 20,391 workweeks and the Parties ultimately settled 20,964 workweeks. (Szamet Supp. Decl., ¶5.)

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation, including wage and hour class actions. (Id. at ¶¶127-129; Declaration of William Zev Abramson, passim).

4. What percentage of the class has objected? This cannot be determined until the fairness hearing. (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 estimated exposure for each of the claims alleged:

Violation	Maximum Exposure
Sick Pay	\$19,000.00
Meal Break Violations	\$1,261,498.00
Rest Break Violations	\$1,261,498.00
Wage Statement Violations	\$231,150.00
Waiting Time Penalties	\$561,452.00
PAGA	\$850,600.00
TOTAL	\$4,185,198.00

(Szamet Decl. ¶¶47-126.)

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. (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 \$650,000 non-reversionary settlement. The \$650,000 settlement amount constitutes approximately 15.53% of Defendant's maximum exposure. Given the uncertain outcomes, the settlement appears to be within the "ballpark of reasonableness."

The \$650,000 settlement amount, if reduced by the requested deductions, will leave \$376,583.33 to be divided among approximately 219 class members. The resulting payments will

average \$1,719.56 per class member. [$\$376,583.33 / 219 = \$1,719.56$].

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.

C. Scope of the Release

Effective on the date when Defendant fully funds the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff, Class Members, and Class Counsel will release claims against all Released Parties as follows: (§6)

Release by Participating Class Members Who Are Not PAGA Members: All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from any and all claims, debts, liabilities, demands, obligations, penalties, premium pay, guarantees, costs, expenses, attorney's fees, damages, actions or causes of action of whatever kind or nature, whether known or unknown, contingent or accrued, and irrespective of theory of recovery, that were or could have been brought based on the facts or claims alleged the operative complaint filed in the Action, the PAGA Notice or in any letters submitted to the LWDA in connection with the Action, arising during the Class Period. The released claims include, but are not limited to, claims for failure to pay vacation pay, failure

to provide meal periods, failure to authorize and permit rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or properly compensate meal or rest break premiums, failure to furnish accurate wage statements, failure to pay final wages upon separation of employment, claims related to pay wages based on failure to properly calculate the regular rate of pay, claims derivative to these claims, liquidated damages, conversion of wages, claims for penalties for violation of the California Labor Code Private Attorneys General Act ("PAGA"), and claims under the UCL (Business and Professions Code Section 17200 et seq.) Except as set forth in Section 6.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. (§6.2)

Release by Non-Participating Class Members Who Are PAGA Members: The State of California, through the Plaintiff in his role as private attorney general, and all Non-Participating Class Members who are PAGA Members are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged during the PAGA Period, based on the facts stated in the Operative Complaint, the PAGA Notices, or ascertained in the course of the Action, irrespective of the theory of recovery, including, but not limited to, claims for failure to pay vacation pay, failure to provide meal periods, failure to authorize and permit rest periods, short/late meal and rest periods, failure to relieve of all duties during meal and rest periods, failure to pay or properly compensate meal or rest break premiums, failure to furnish accurate wage statements, failure to pay final wages upon separation of employment, claims related to pay wages based on failure to properly calculate the regular rate of pay, claims derivative and/or related to these claims, liquidated damages, conversion of wages, claims for penalties for violation of the PAGA, and claims under the UCL (Business and Professions Code Section 17200 et seq.) (§6.3)

"Released Parties" means: Defendant and each of its former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns,

subsidiaries and affiliated entities, including but not limited to Whitcraft LLC (and its owners). (§1.41)

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

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 219 class members. (Szamet Decl., ¶42.) 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. (Szamet Decl. ¶¶16-18.)

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.)

Regarding commonality, Plaintiff contends that common questions include: (1) Whether Defendant failed to provide lawfully required meal periods and/or failed to compensate employees one (1) hour's wages in lieu thereof; (2) Whether Defendant failed to provide lawfully required rest periods and/or failed to compensate employees one (1) hour's wages in lieu thereof; (3) Whether Defendant failed to provided vested

vacation wages; (4) Whether Defendant failed to provide accurate itemized wage statements; (5) Whether Defendant failed to pay compensation due and owing upon termination of employment; (6) Whether Defendant engaged in unfair competition; and, (7) Whether Defendant violated § 2699, et seq. of the Labor Code by engaging in the acts previously alleged. (Szamet Decl., ¶21.)

As to typicality, Plaintiff contends that her claims are typical of the Class Members' claims because Plaintiff maintains that the proposed Class Members suffered the same injuries, in the same manner: (1) Class Members did not receive their meal and rest periods as required; (2) Class Members did not receive their vested vacation wages as required; (3) Class Members were not provided accurate itemized wage statements; and (4) Class Members were not paid all wages owed upon termination / resignation. Plaintiff contends that he: (1) worked without being provided meal and rest periods as required by law; (2) worked without being provided vested vacation wages; (3) worked without being provided accurate itemized wage statements; and (4) worked without being paid all wages due upon separation. He also alleges that he experienced derivative claims for unfair business competition (B&P Code §17200) and Labor Code §2699, et seq. (Id. at ¶¶23-26.)

As to adequacy, Plaintiff represents that he was informed of the risks of serving as class representative, participated in the litigation, and does not have conflicts of interest with the class. (Id. at ¶¶29-35; Declaration of Nick Vasquez, passim.

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. 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; attorney fees and costs; enhancement awards; the procedures and deadlines for participating in, opting out of, or objecting to, the settlement; the consequences of participating in, opting out of, or objecting to, the settlement; and the date, time, and place of the final approval hearing.

Notice will be given in English only. (§1.11)

2. Method of class notice. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendant will simultaneously deliver the Class Data to the Administrator, in the form of a Microsoft Excel spreadsheet. (§4.2) Using best efforts to perform as soon as possible, and in no event later than 14 days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice substantially in the form attached to this Agreement as Exhibit A. The first page of the Class Notice shall prominently estimate the dollar amounts of any Individual Class Payment and/or Individual PAGA Payment payable to the Class Member, and the number of Workweeks and PAGA Pay Periods (if applicable) used to calculate these amounts. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database (§8.4.2) Not later than 3 business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send Class Notice to Class Members whose Class Notice is returned by the USPS a second time. (§8.4.3)

3. Cost of class notice. As indicated above, settlement administration costs are estimated to be \$8,000. 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 \$216,666.67 (33 1/3%) in attorney fees and up to \$25,000 in costs will be addressed at the final 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 by detailing how they were incurred.

G. Incentive Award to Class Representative

The named Plaintiff will request a service award of \$5,000. (§3.2.1)

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:

A. The Gross Settlement Amount ("GSA") is \$650,000.

B. The Net Settlement Amount is the GSA minus the following:

Up to \$216,666.67 (33 1/3%) for attorney fees
(¶3.2.2);

Up to \$25,000 for litigation costs (Ibid.);
Up to \$5,000 for a Service Payment to the Named Plaintiff (¶3.2.1);

Up to \$8,000 for settlement administration costs
(¶3.2.3);
\$18,750 (75% of \$25,000 PAGA penalty) to the LWDA.
(¶3.2.5)

C. Employer share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the GSA by Defendant.

D. Plaintiffs release of Defendants from claims described herein.

5) The Parties' Motion for Final Approval of Class Action Settlement must be filed by October 29, 2024. Plaintiff must call the Court PRIOR to filing and serving to obtain a hearing date.

6) The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged [Proposed] Order

and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out; and email the [Proposed] Order and Judgment in Word format to Dept. 9 staff at sscdept9@lacourt.org.

7) Non-Appearence Case Review is set for November 5, 2024, 8:30 a.m., Department 9.

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

IT IS SO ORDERED.

DATED: April 30, 2024

A handwritten signature in cursive script, reading "Elaine Lu".

ELAINE LU
JUDGE OF THE SUPERIOR COURT