

EDWIN AIWAZIAN, SBN 232943
edwin@calljustice.com
LAWYERS for JUSTICE, PC
410 West Arden Avenue, Suite 203
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

HEATHER DAVIS, SBN 239372
heather@protectionlawgroup.com
AMIR NAYEBDADASH, SBN 232204
amir@protectionlawgroup.com
PROTECTION LAW GROUP, LLP
149 Sheldon Street
El Segundo, California 90245
Tel: (424) 290-3095 / Fax: (866) 264-7880

Attorneys for Plaintiff, LISET VARELA

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES, SPRING STREET**

LISET VARELA, individually, and on behalf
of other members of the general public
similarly situated and on behalf of other
aggrieved employees pursuant to the California
Private Attorneys General Act;

Plaintiff,

vs.

MCKINLEY CHILDREN'S CENTER, INC., a
California corporation; and DOES 1 through
100, inclusive,

Defendants.

Case No.: 22STCV17487

*Assigned for All Purposes to:
Hon. Stuart M. Rice, Department 1*

**NOTICE OF ENTRY OF FINAL ORDER
AND JUDGMENT**

Complaint Filed: May 26, 2022
Jury Trial Date: None Set

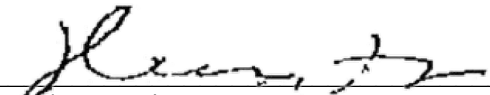
1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 PLEASE TAKE NOTICE that on June 10, 2024, the Honorable Stuart M., Rice, in
3 Department 1 of the Los Angeles County Superior Court, Spring Street Courthouse, located at 312
4 North Spring Street, Los Angeles, California 90012, executed the Proposed Order Granting Final
5 Approval of Settlement and Judgment.

6 Attached hereto as **Exhibit A** is a true and correct copy of the Final Order and Judgment
7 which was executed and filed on June 10, 2024.

8
9 DATED: June 13, 2024

PROTECTION LAW GROUP, LLP

10
11 By: 

Heather Davis
Amir Nayebdadash
D. Luke Clapp
Attorneys for Plaintiff

Exhibit A

EDWIN AIWAZIAN, SBN 232943
edwin@calljustice.com
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Attorneys for Plaintiff, LISET VARELA

FILED
Superior Court of California
County of Los Angeles
06/10/2024

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

SUPERIOR COURT OF THE STATE OF CALIFORNIA
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CLASS ACTION

**[PROPOSED] FINAL ORDER AND
JUDGMENT**

Hearing Date: June 10, 2024
Hearing Time: 10:30 a.m.
Dept: 1

Complaint Filed: May 26, 2022
Jury Trial Date: None Set

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

The above-referenced Class and PAGA Action (“Action”) having come before the Court on June 10, 2024, for a hearing and Final Order Approving Class Action and PAGA Settlement and Judgment (“Final Order”), consistent with the Court’s Preliminary Approval Order (“Preliminary Approval Order”), and as set forth in the Joint Stipulation of Class Action and PAGA Settlement (“Agreement”), and due and adequate notice having been given to all Class Members as required in the Preliminary Approval Order, and the Court having considered all papers filed and proceedings had herein and otherwise being fully informed and good cause appearing therefore, it is hereby **ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

1. The Court GRANTS Plaintiff Liset Varela’s (“Plaintiff”) Motion for Final Approval of Class Action and PAGA Settlement.

2. All terms used herein shall have the same meaning as defined in the Agreement.

3. The term “Class” and “Class Members” shall mean the following: “all current and former non-exempt employees of Defendant McKinley Children's Center, Inc. who were employed by McKinley Children's Center, Inc. in the state of California, at any time between May 26, 2018, and May 7, 2023.” The term “Participating Class Member” includes all Class Members who did not submit a timely and valid Request for Exclusion as provided in the Agreement.

4. The term “PAGA Group Members” shall mean the following: “all current and former non-exempt employees of Defendant McKinley Children's Center, Inc. who were employed by McKinley Children's Center, Inc. in the state of California, at any time between March 22, 2021, and May 7, 2023.”

5. This Court has jurisdiction over the subject matter of this Action and over all Parties to this Action, including all Class Members and PAGA Group Members.

6. Distribution of the Class Notice directed to the Class Members as set forth in the Agreement and the other matters set forth therein has been completed in conformity with the Amended Preliminary Approval Order, including individual notice to all Class Members who could be identified through reasonable effort, and the best notice practicable under the circumstances. The Class Notice provided due and adequate notice of the proceedings and of the

1 matters set forth therein, including the proposed Settlement set forth in the Agreement, to all
2 persons entitled to such Class Notice, and the Class Notice fully satisfied the requirements of due
3 process. All Class Members, all Released Class Claims and all Released PAGA Claims, are
4 covered by and included within the Settlement and this Final Order.

5 7. The Court hereby finds the Settlement was entered into in good faith pursuant to
6 and within the meaning of California Code of Civil Procedure section 877.6. The Court further
7 finds that the Settlement is fair, adequate, and reasonable and that Plaintiff has satisfied the
8 standards and applicable requirements for final approval of this class action settlement under
9 California law, including the provisions of California Code of Civil Procedure section 382 and
10 Federal Rule of Civil Procedure 23, approved for use by the California state courts in *Vasquez v.*
11 *Superior Court*, 4 Cal.3d 800, 821 (1971).

12 8. The Court hereby confirms Lawyers *for* Justice, PC and Protection Law Group,
13 LLP as Class Counsel.

14 9. The Court hereby approves the Settlement set forth in the Agreement and finds that
15 the Settlement is, in all respects, fair, adequate and reasonable, and directs the Parties to effectuate
16 the Settlement according to its terms. The Court finds that the Settlement has been reached as a
17 result of intensive, serious and non-collusive arms-length negotiations. The Court further finds that
18 the Parties have conducted extensive investigation and research, and counsel for the Parties are
19 able to reasonably evaluate their respective positions. The Court also finds that Settlement at this
20 time will avoid additional substantial costs, as well as avoid the delay and risks that would be
21 presented by the further prosecution of the Action. The Court has reviewed the benefits that are
22 being granted as part of the Settlement and recognizes the significant value to the Class Members.
23 The Court also finds that the Class is properly certified as a class for settlement purposes only.

24 10. Upon the complete funding of the Gross Settlement Amount and all applicable
25 employer-side payroll taxes by Defendant, Plaintiff and all Participating Class Members, shall
26 fully release and discharge Defendant McKinley Children's Center, Inc., and its past, present
27 and/or future, direct and/or indirect, officers, directors, members, managers, employees, agents,
28 representatives, attorneys, insurers, partners, investors, shareholders, administrators, parent

1 companies, subsidiaries, affiliates, divisions, predecessors, successors, assigns, and joint venturers
2 (“Released Parties”) from any and all claims, rights, demands, liabilities and causes of actions that
3 are alleged, or reasonably could have been alleged, based on the facts alleged in the operative
4 complaint the Action, including factual claims regarding Defendant's alleged: (i) failure to pay all
5 regular wages, minimum wages and overtime wages due; (ii) failure to provide meal periods or
6 compensation in lieu thereof; (iii) failure to provide rest periods or compensation in lieu thereof;
7 (iv) failure to reimburse necessary business expenses; (v) failure to provide complete, accurate
8 wage statements; (vi) failure to pay wages timely at time of termination or resignation; (vii) failure
9 to provide timely pay wages during employment; and (viii) unfair business practices. This release
10 shall apply to claims that arose from May 26, 2018, to May 7, 2023 (“Released Class Claims”).
11 This release shall be binding on all Participating Class Members.

12 11. Upon the complete funding of the Gross Settlement Amount and all applicable
13 employer-side payroll taxes by Defendant, the California Labor and Workforce Development
14 Agency and the State of California, through Plaintiff as its agent and/or proxy, shall release and
15 discharge the Released Parties from all claims for civil penalties under the California Labor Code
16 Private Attorneys General Act of 2004 that could have been premised on the facts alleged both in
17 the PAGA Notice provided to the California Labor and Workforce Development Agency
18 (“LWDA”) and in the operative complaint in the Action including but not limited to penalties that
19 could have been awarded pursuant to Labor Code sections 210, 226.3, 1197.1, 558, and 2699 This
20 release shall apply to claims that arose from May 22, 2021, to May 7, 2023. (“Released PAGA
21 Claims”).

22 12. Additionally, upon the complete funding of the Gross Settlement Amount, Plaintiff
23 Liset Varela—on behalf of herself only—shall fully release the Released Parties from any and all
24 Released Class Claims and Released PAGA Claims and also generally release and discharge the
25 Released Parties from any and all claims, demands, obligations, causes of action, rights, or
26 liabilities of any kind which have been or could have been asserted against the Released Parties
27 arising out of or relating to her employment by Defendant or termination thereof, including but
28 not limited to claims for wages, restitution, penalties, retaliation, defamation, discrimination,

1 harassment or wrongful termination of employment. This release specifically includes any and all
2 claims, demands, obligations and/or causes of action for damages, restitution, penalties, interest,
3 and attorneys' fees and costs (except provided by the Settlement Agreement) relating to or in any
4 way connected with the matters referred to herein, whether or not known or suspected to exist, and
5 whether or not specifically or particularly described herein. Specifically, Plaintiff Liset Varela,
6 with respect to any and all claims relating to or arising out of her work performed for McKinley
7 Children's Center, Inc., waives all rights and benefits afforded by California Civil Code Section
8 1542, which provides:

9 A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE
10 CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO
11 EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE
12 RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE
13 MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR
14 OR RELEASED PARTY.

15 This release specifically excludes claims for unemployment insurance, disability, social
16 security, and workers compensation (with the exception of claims arising pursuant to California
17 Labor Code Section 132(a) and 4553).

18 13. Only one (1) Class Member, Robert Scott, requested to be excluded from the terms
19 of the Settlement, and is hereby excluded from this Order and Judgment. The last date to timely
20 submit a request for exclusion was March 25, 2024. Accordingly, 631 Participating Class Members
21 are included and bound by this Order and Judgment.

22 14. The Court also hereby finds that there were no written objections to the Settlement.
23 The last day to submit a written objection to the settlement was March 25, 2024. The Court also
24 notes there were no objections made at the hearing on Final Approval of the Settlement.

25 15. Pursuant to the terms of the Agreement, and the authorities, evidence and argument
26 submitted by Class Counsel, the Court hereby awards Class Counsel attorneys' fees in the amount
27 of \$273,333.33 (1/3 of the Gross Settlement Amount) and litigation costs in the amount of
28 \$20,321.43 from the Gross Settlement Amount as final payment for and complete satisfaction of
any and all attorneys' fees and costs incurred by and/or owed to Class Counsel and any other

person or entity related to the Action. The Court further orders that the award of attorneys' fees and costs set forth in this Paragraph shall be administered pursuant to the terms of the Agreement.

16. The Court hereby approves and orders a Class Representative Enhancement Payment of \$7,500.00 to Plaintiff Liset Varela from the Gross Settlement Amount in accordance with the terms of the Settlement Agreement.

17. The Court approves and orders the payment in the amount of \$56,250.00 (75% of \$75,000) from the Gross Settlement Amount to the LWDA for penalties arising under the Private Attorneys General Act of 2004 (PAGA). The remaining \$18,750.00 (25% of \$75,000) shall be distributed to the PAGA Group Members as set forth in the Agreement.

18. The Court also hereby approves and orders payment from the Gross Settlement Amount for actual settlement administration expenses incurred by the Settlement Administrator, Phoenix Settlement Administrators, in the amount of \$15,000.00 as set forth Settlement Agreement.

19. After the above amounts are deducted from the Gross Settlement Amount of \$820,000.00, 631 Class Members will share in a Net Settlement Amount of approximately \$428,845.24.

20. The Court hereby approves and orders payment of individual settlement payments from the Net Settlement Amount to the Participating Class Members as set forth in the Agreement.

21. The Court finds the settlement payments provided for under the Agreement to be fair and reasonable in light of all of the circumstances. Pursuant to the terms of the Settlement Agreement, and in accordance with the agreed upon Funding and Distribution Schedule, the Court orders Defendant to fund the Gross Settlement Amount of \$820,000.00 as follows:

- a. The Court orders Defendant to fund one-half of the Gross Settlement Amount in the amount of \$410,000.00 within thirty (30) days of the Effective Date. Within fourteen (14) days thereafter the Settlement Administrator shall distribute 50% of the payments approved by the Court including payments for the Class/PAGA Group Members individual settlement payments, class representative enhancement payment for Plaintiff Liset Varela, Class Counsel's attorney fees and costs, the

1 Settlement Administrator's fees and expenses, and penalties to the LWDA pursuant
2 to Labor Code Section 2698 et seq.

- 3 b. One year following the funding of the initial installment (i.e. no later than 395 days
4 from the Effective Date) Defendant shall fund the second and final installment of
5 the Gross Settlement Amount in the amount of \$410,000.00 plus all applicable
6 employer-side payroll taxes. Within fourteen (14) days of the funding of the second
7 installment, the Settlement Administrator shall distribute the remaining 50% of the
8 payments approved by the Court.

9 22. The Court also hereby approves and orders that any checks distributed from the
10 Gross Settlement Amount yet remaining uncashed after one hundred and eighty (180) calendar
11 days after being issued shall be void. All uncashed settlement checks shall be transferred to the
12 California State Controller's Office and held in trust for such Class Members pursuant to
13 California Unclaimed Property Law, Civil Code Section 1500 *et seq.*

14 23. Provided the Settlement becomes effective under the terms of the Agreement, the
15 Court also hereby orders that the deadline for mailing the Court-approved individual settlement
16 payments, attorneys' fees and costs, and enhancement payments is as set forth in the Agreement.

17 24. Neither the Settlement nor any of the terms set forth in the Agreement is an
18 admission by Defendant, or any of the other Released Parties, nor is this Final Order a finding of
19 the validity of any claims in the Action or of any wrongdoing by Defendant, or any of the other
20 Released Parties. Neither this Final Order, the Agreement, nor any document referred to herein,
21 nor any action taken to carry out the Agreement is, may be construed as, or may be used as, an
22 admission by or against Defendant, or any of the other Released Parties, of any fault, wrongdoing
23 or liability whatsoever. The entering into or carrying out of the Agreement, and any negotiations
24 or proceedings related thereto, shall not in any event be construed as, or deemed to be evidence of,
25 an admission or concession with regard to the denials or defenses by Defendant, or any of the other
26 Released Parties, and shall not be offered in evidence in any action or proceeding in any court,
27 administrative agency or other tribunal for any purpose whatsoever other than to enforce the
28 provisions of this Final Order, the Agreement, the Released Claims, or any related agreement or

1 release. Notwithstanding these restrictions, any of the Released Parties may file in the Action, or
2 submit in any other proceeding, the Final Order, the Agreement, and any other papers and records
3 on file in the Action as evidence of the Settlement to support a defense of *res judicata*, *collateral*
4 *estoppel*, or other theory of claim or issue preclusion or similar defense as to the Released Claims.

5 25. Without affecting the finality of this Judgment, the Court shall retain continuing
6 jurisdiction over this action and the parties, including all Class Members, and over all matters
7 pertaining to the implementation and enforcement of the terms of the Agreement pursuant to
8 California Rule of Court 3.769(h) and California Code of Civil Procedure section 664.6. Except
9 as provided to the contrary herein, any disputes or controversies arising with or with respect to the
10 interpretation, enforcement, or implementation of the Agreement shall be presented to the Court
11 for resolution.

12 26. A non-appearance hearing regarding the submission of the final report regarding
13 settlement distribution is set for June 10, 2026.

14 **IT IS SO ORDERED. LET JUDGMENT BE ENTERED ACCORDINGLY.**

15 DATED: 06/10/2024



A handwritten signature in black ink, appearing to read "Stuart M. Rice", is written over a horizontal line.

HON. STUART M. RICE
JUDGE OF THE SUPERIOR COURT
Stuart M. Rice / Judge