

**MAR 11 2024**

David W. Slattery, Executive Officer/Clerk of Court  
By: R. Arraiga, Deputy

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

Kevin Thomas v. LA Business Personnel, Inc., et al., Case No.:  
22STCV23542

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 \$575,000. (Escalator: Defendants estimate that (1) there are approximately 1579 Class Members and 50,600 Total Workweeks during the Class Period and (2) there were approximately 1,540 Aggrieved Employees who worked approximately 49,515 Pay Periods during the PAGA Period. In the event the total number of work weeks exceeds this number through the date of preliminary approval by more than 10%, the GSA will be increased proportionately. By example, if the total number of workweeks as of the date of preliminary approval is determined to be 11% higher than 56,000, the GSA will be increased by 1%. ) (§8)

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

Up to \$191,666.67 (33 1/3%) for attorney fees (§3.2.2);  
Up to \$15,000 for litigation costs (Ibid.);  
Up to \$7,500 for a service award to the Named Plaintiff (§3.2.1);  
Up to \$17,000 for settlement administration costs (§3.2.3);  
\$25,000 PAGA Penalty (75% or \$18,750 to the LWDA). (§3.2.5)

C. Defendants will pay their share of taxes separate from the GSA. (§3.1)

D. Plaintiffs release of Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **September 11, 2024**.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged [Proposed] Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out; and the parties must email the [Proposed] Judgment in Word format to Dept. 17 staff at sscdept17@lacourt.org.

**Non-Appearence Case Review is set for September 18, 2024, 8:30 a.m., Department 17.**

I.  
BACKGROUND

Plaintiff Kevin Thomas sues his former employer, Defendant LA Business Personnel, Inc. ("LABP") and Defendant Horne, LLP ("Horne") (collectively, "Defendants"), for alleged wage and hour violations. Plaintiff worked as non-exempt employee hired by Defendant LABP and assigned to work for Defendant Horne as a "Lead Case Opener" who assisted people with rental application processes. Plaintiff seeks to represent a class of Defendants' current and former non-exempt employees.

On July 21, 2022, Plaintiff filed a complaint against Defendants alleging the following causes of action: (1) failure to pay wages for all hours of work at the minimum wage rate in violation of Labor Code sections 1194 and 1197; (2) failure to pay overtime wages for daily overtime worked in violation of Labor Code sections 510, 1194, and 1198; (3) failure to indemnify employees for employment-related losses/expenditures in violation of Labor Code sections 2802; (4) failure to pay accrued and vested vacation and/or paid-time-off wages in violation of Labor Code section 227.3; (5) failure to timely pay earned wages during employment in violation of Labor Code section 204; (6) failure to provide complete and accurate wage statements in violation of Labor Code section 226; (7) failure to timely pay wages due at time of separation of employment in violation of Labor Code sections 201, 202, and 203; (8) unfair business practices in violation of Business and Professions Code section 17200, et seq.

On October 17, 2022, Plaintiff filed a separate action, Case No. 22STCV33707, alleging a cause of action for civil penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698, et seq.

On February 15, 2023, the parties participated in an all-day mediation before Judge Amy D. Hogue (Ret.). On March 3, 2023, after several rounds of post-mediation negotiations facilitated by Judge Hogue, the parties accepted a mediator's proposal to resolve both actions. The terms of settlement were later finalized in the Class Action and PAGA Settlement Agreement, a copy of which is attached to the Declaration of William Tran filed June 15, 2023 ("Tran Decl.") as Exhibit 1.

In order to effectuate the terms of the settlement, the parties submitted a Joint Stipulation for Leave for Plaintiff to file the First Amended Complaint on April 5, 2023, adding Plaintiff's cause of action pursuant to PAGA that was alleged in his PAGA action. On April 17, 2023, Plaintiff filed the operative First Amended Complaint. On April 21, 2023, Plaintiff filed a Request for Dismissal of his PAGA action.

On October 3, 2023, the Court issued a "checklist" to the parties pertaining to deficiencies in the proposed settlement. In response, the parties filed further briefing, including the revised Class Action and PAGA Settlement Agreement attached to the Supplemental Declaration of William Tran filed February 15, 2024 ("Supp. Tran Decl.") as Exhibit 3. All references below are to that agreement.

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

## II. SETTLEMENT AGREEMENT

### A. Definitions.

"Class": a person hired by Defendant LABP and assigned to work on assignment for Defendant Horne in California and classified as an hourly, non-exempt employee during the Class Period. (§1.6)

"Class Period": July 21, 2018 to the earlier of preliminary approval or April 15, 2023. (§1.13)

"Aggrieved Employee": a person hired by Defendant LABP and assigned to work on assignment for Defendant Horne in California and classified as an hourly, non-exempt employee during the PAGA Period. (§1.5)

"PAGA Period": June 21, 2021 to the earlier of preliminary approval or April 15, 2023. (§1.35)

"Participating Class Member": a Class Member who does not submit a valid and timely Request for Exclusion. (§1.39)

The Parties agree that class certification and representative treatment is for purposes of this Settlement only. (§12.1)

#### B. Terms of Settlement Agreement

The essential terms are:

- The Gross Settlement Amount ("GSA") is \$575,000, non-reversionary. (§3.1)
  - o Escalator Clause: Based on its records, as of April 15, 2023, Defendants estimate that (1) there are approximately 1579 Class Members and 50,600 Total Workweeks during the Class Period and (2) there were approximately 1,540 Aggrieved Employees who worked approximately 49,515 Pay Periods during the PAGA Period. In the event the total number of work weeks exceeds this number through the date of preliminary approval by more than 10%, the settlement amount will be increased proportionately. By example, if the total number of workweeks as of the date of preliminary approval is determined to be 11% higher than 56,000, the Gross settlement amount will be increased by 1%. (§8)
- The Net Settlement Amount ("Net") (\$318,833.33) is the GSA minus the following:
  - o Up to \$191,666.67 (33 1/3%) for attorney fees (§3.2.2);
  - o Up to \$15,000 for litigation costs (Ibid.);
  - o Up to \$7,500 for a service award to the Named Plaintiff (§3.2.1);
  - o Up to \$17,000 for settlement administration costs (§3.2.3); and
  - o Payment of \$25,000 PAGA Penalty (75% or \$18,750 to the LWDA). (§3.2.5)
- Defendant will separately pay any and all employer-side payroll taxes owed on the Wage Portions of the Individual Class Payments. (§3.1)
- There is no claim form requirement. (§3.1)
- Individual Settlement Payment Calculation: Each Participating Class Member's Individual Class Payment will be 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. (§3.2.4) Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. (§3.2.4.2)

- o PAGA Payments: The Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee's PAGA Period Pay Periods. (§3.2.5.1.1)

- o Tax Allocation: Each Participating Class Member's Individual Class Payment will be allocated as 20% to wages; 80% to interest and penalties (§3.2.4.1). The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. (§3.2.5.1.2)

- Response Deadline: "Response Deadline" means forty-five (45) calendar days after the Administrator mails Notice to Class Members and Aggrieved Employees, 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. (§1.47) The same deadline applies to the submission of workweek disputes. (§7.6)

- o If the number of valid Requests for Exclusion identified in the Exclusion List exceeds 5% of the total of all Class Members, either Defendant may, but is not obligated to, elect to withdraw from the Settlement. (§)

- Funding of Settlement: Defendants shall fully fund the Gross Settlement Amount, and also fund the amounts necessary to fully pay Defendants' share of payroll taxes by transmitting the funds to the Administrator no later than 15 days after the Effective Date. (§4.3)

- Disbursement: Within 15 days after Defendants fund the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment, and the Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, the Class Counsel Litigation Expenses Payment and the Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (§4.4)

- **Uncashed Settlement Checks:** The face of each check shall prominently state the date (not less than 180 days after the date of mailing) when the check will be voided. (§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). (§4.4.3)
- The settlement administrator will be Phoenix Class Action Administration Solutions. (§1.3)
- Notice of Final Judgment will be posted on the Settlement Administrator's website. (§7.8.1)
- The proposed Settlement Agreement was submitted to the LWDA on February 15, 2024. (Supp. Tran Decl., Exhibit 7.)
- Participating class members and the named Plaintiff will release certain claims against Defendant. (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 February 15, 2023, the parties participated in an all-day mediation before Judge Amy D. Hogue (Ret.). On March 3, 2023, after several rounds of post-mediation negotiations facilitated by Judge Hogue, the parties accepted a mediator's proposal to resolve both actions. (Tran Decl. ¶6).

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Yes. Plaintiff's counsel represents that as part of settlement negotiations, the parties engaged in an informal discovery exchange which included, but was not limited to, Defendant LABP informally producing a sampling of time and wage records for all class members during the Class Period, as well as information regarding the number of current and former employees; number of work weeks; number of pay periods; average rate of pay (approximately \$26.00 per hour); and number of employees during the PAGA period. (Id. at ¶8.) Plaintiff's counsel represents that their analysis included the aforementioned data and Defendants' relevant policies and procedures, employee

handbooks, California supplements to the employee handbook, review of applicable policies, and discussions, calls, and emails with Defendants' counsel. (Ibid).

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation, including wage and hour class actions. (Id. at ¶33).

4. What percentage of the class has objected? This cannot be determined until the fairness hearing. (See Weil & Brown, Cal. Practice Guide: Civil Procedure Before Trial (The Rutter Group 2014) ¶ 14:139.18, ["Should the court receive objections to the proposed settlement, it will consider and either sustain or overrule them at the fairness hearing."].)

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

B. Is the Settlement Fair, Adequate, and Reasonable?

1. Strength of Plaintiff's case. "The most important factor is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement." (Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 130.)

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

| Violation                | Maximum Exposure |
|--------------------------|------------------|
| Unpaid Wages             | \$1,710,280.00   |
| Expense Reimbursements   | \$493,790.00     |
| Unpaid Vacation/PTO      | \$985,296.00     |
| Wage Statement Penalties | \$556,000.00     |
| Waiting Time Penalties   | \$8,979,360.00   |
| PAGA Penalties           | \$247,575.00     |
| Total                    | \$12,972,301.00  |

(Tran Decl. ¶¶11-29; Supp. Tran Decl. ¶¶14-23.)

2. Risk, expense, complexity and likely duration of further litigation. Given the nature of the class claims, the case is likely to be expensive and lengthy to try. Procedural

hurdles (e.g., motion practice and appeals) are also likely to prolong the litigation as well as any recovery by the class members.

3. Risk of maintaining class action status through trial. Even if a class is certified, there is always a risk of decertification. (See Weinstat v. Dentsply Intern., Inc. (2010) 180 Cal.App.4th 1213, 1226 ("Our Supreme Court has recognized that trial courts should retain some flexibility in conducting class actions, which means, under suitable circumstances, entertaining successive motions on certification if the court subsequently discovers that the propriety of a class action is not appropriate.").)

4. Amount offered in settlement. Class Counsel obtained a \$575,000 non-reversionary settlement. This is approximately 4.4% of Plaintiff's estimated maximum recovery which, given the uncertain outcomes, is within the "ballpark" of reasonableness.

The \$575,000 settlement amount, if reduced by the requested deductions, leaves approximately \$318,833.33 to be divided among approximately 1,579 class members. Assuming full participation, the resulting payments will average approximately \$201.92 per class member.

5. Extent of discovery completed and stage of the proceedings. As indicated above, at the time of the settlement, Class Counsel had conducted sufficient discovery.

6. Experience and views of counsel. The settlement was negotiated and endorsed by Class Counsel who, as indicated above, is experienced in class action litigation, including wage and hour class actions.

7. Presence of a governmental participant. This factor is not applicable here.

8. Reaction of the class members to the proposed settlement. The class members' reactions will not be known until they receive notice and are afforded an opportunity to object, opt-out and/or submit claim forms. This factor becomes relevant during the fairness hearing.

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

#### C. Scope of the Release

Releases of Claims. Effective on the date when Defendants fully fund the entire Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows: (§5)

Release by Participating Class 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 all claims, whether known or unknown, that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint, which includes the following claims against the Released Parties: unpaid wages, including minimum wages, regular wages, overtime wages, double time wages; wage statement violations, untimely wages and wages due upon termination; unreimbursed business expenses; unpaid accrued and vested vacation/Paid Time Off wages; and derivative claims; and California Labor Code sections 201, 202, 203, 204, 226, 226.3, 227.3, 510, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1197, 1198, and 2802, the applicable Industrial Welfare Commission Wage Orders, the Fair Labor Standards Act, and the Business and Professions Code section 17200 as it relates to the underlying Labor Code claims referenced above (collectively "Released Class Claims"). All Participating Class Members who negotiate their settlement checks will also release all claims that could have been brought under the Fair Labor Standards Act, including without limitation, claims under 29 U.S.C. sections 206, 207, and 216 that could have been asserted in this Action. Settlement checks shall read, "By negotiating this check, you agree to release all claims you may have under the Fair Labor Standards Act arising from Kevin Thomas v. LA Business Personnel, Inc. and Horne, LLP, Los Angeles Superior Court Case Nos. 22STCV23542." The Released Class Claims will be effective as to the Participating Class Members at the time Defendants fund the Gross Settlement Amount. Except as set forth in Section 5.3 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. (§5.2)

Release by Aggrieved Employees: All Aggrieved Employees 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, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice (Labor Code sections 201, 202, 203, 204, 226, 226.3, 227.3, 510, 558, 558.1, 1174, 1174.5, 1182.12, 1194, 1197, 1198, and 2802) ("Released PAGA Claims"), and will be barred from bringing or prosecuting any of the Released PAGA Claims against the Released Parties. Even if an Aggrieved Employee chooses to opt out of the Agreement, s/he would still be bound by the release of PAGA claims herein. (§5.3)

"PAGA Notice" means Plaintiff's June 21, 2022 letter to Defendants and the LWDA providing notice pursuant to Labor Code section 2699.3, subd.(a). (§1.37)

Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Paragraph 5.3 of this Agreement and are eligible for an Individual PAGA Payment. (§7.5.4)

"Released Parties" means: Defendants and each of their former and present directors, officers, shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns, subsidiaries, and affiliates. (§1.45)

Named Plaintiff will also provide a general release and CC § 1542 waiver. (§5.1)

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 1,579 class members. (Tran Decl. ¶11.) This element is met.

2. Ascertainability. The proposed class is defined above. The class definition is "precise, objective and presently ascertainable." (Sevidal v. Target Corp. (2010) 189 Cal.App.4th 905, 919.) A class is ascertainable, as would support certification under statute governing class actions generally, when it is defined in terms of objective characteristics and common transactional facts that make the ultimate identification of class members possible when that identification becomes necessary." (Noel v. Thrifty Payless, Inc. (2019) 7 Cal.5th 955, 961.) All Class Members are identifiable through a review of Defendant's records. (Tran Decl. ¶11.)

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.)

As to commonality, Plaintiff contends that common questions of law and fact include, but are not limited to: (1) Whether Defendants failed to pay Class Members at their minimum wage; (2) Whether Defendants failed to pay Class Members at their overtime wage; (3) Whether Defendants failed to indemnify Class Members for employment related expenditures; (4) Whether Defendants failed to pay Class Members for accrued and vested vacation and/or paid-time-off wages; (5) Whether Defendants failed to timely pay Class Members all earned wages during employment; (6) Whether Defendants failed to provide the Class Members complete and accurate wage statements; (7) Whether Class Members are entitled to waiting time penalties for Defendants' failure to pay all wages upon separation of employment; and (8) Whether Defendants violated Business and Professions Code section 17200. (MPA at 21:15-27.)

As to typicality, Plaintiff represents that he worked for Defendants during the class period and that he suffered the same alleged violations as the class. (Declaration of Kevin Thomas ¶¶3-6.)

As to adequacy, Plaintiff represents that he has participated in the litigation and is aware of the risks and duties of serving as class representative. (Id. at ¶¶7-12.)

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

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

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

E. Is the Notice Proper?

1. Content of class notice. The proposed notice is attached to the Settlement Agreement as Exhibit A. Its content appears to be acceptable. It includes information such as: a summary of the litigation; the nature of the settlement; the terms of the settlement agreement; the proposed deductions from the gross settlement amount (attorney fees and costs, enhancement awards, and administration costs); the procedures and deadlines for participating in, opting out of, or objecting to, the settlement; the consequences of participating in, opting out of, or objecting to, the settlement; and the date, time, and place of the final approval hearing.

Notice will be given in English and Spanish. (¶7.4.2)

2. Method of class notice. Not later than 15 days after the Court grants Preliminary Approval of the Settlement, Defendants 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, with Spanish language translation. Before mailing Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database. (¶7.4.2)

Not later than three (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. (§7.4.3)

The deadlines for Class Members' written objections, Challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional 14 days beyond the 45 days [or 60?] otherwise provided in the Class Notice for all Class Members whose notice is re-mailed. The Administrator will inform the Class Member of the extended deadline with the re-mailed Class Notice. (§7.4.4)

3. Cost of class notice. As indicated above, settlement administration costs are estimated not to exceed \$17,000. 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 \$191,666.67 (33 1/3%) in attorney fees will be addressed at the

fairness hearing when class counsel brings a noticed motion for attorney fees. Class counsel must provide the court with billing information so that it can properly apply the lodestar method and must indicate what multiplier (if applicable) is being sought as to each counsel.

Class Counsel should also be prepared to justify the costs sought by detailing how they were incurred.

G. Incentive Award to Class Representative

The Settlement Agreement provides for an enhancement award of up to \$7,500 to the named Plaintiff.

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 \$575,000. (Escalator: Defendants estimate that (1) there are approximately 1579 Class Members and 50,600 Total Workweeks during the Class Period and (2) there were approximately 1,540 Aggrieved Employees who worked approximately 49,515 Pay Periods during the PAGA Period. In the event the total number of work weeks exceeds this number through the date of preliminary approval by more than 10%, the GSA will be increased proportionately. By example, if the total number of workweeks as of the date of preliminary approval is determined to be 11% higher than 56,000, the GSA will be increased by 1%. ) (§8)

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Up to \$17,000 for settlement administration costs (§3.2.3);  
\$25,000 PAGA Penalty (75% or \$18,750 to the LWDA). (§3.2.5)

C. Defendants will pay their share of taxes separate from the GSA. (§3.1)

D. Plaintiffs release of Defendants from claims described herein.

3) The Parties' Motion for Final Approval of Class Action Settlement must be filed by September 11, 2024.

4) The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged [Proposed] Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out; and the parties must email the [Proposed] Judgment in Word format to Dept. 17 staff at sscdept17@lacourt.org.

5) Non-Appearance Case Review is set for September 18, 2024, 8:30 a.m., Department 17.

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

IT IS SO ORDERED.

DATED: March 11, 2024

A handwritten signature in black ink, reading "Yvette M. Palaeuelos". The signature is written in a cursive, flowing style. Below the signature is a horizontal line.

YVETTE M. PALAEUELOS

JUDGE OF THE SUPERIOR COURT