

FILED
Superior Court of California
County of Los Angeles

12/04/2025

David W. Slayton, Executive Officer / Clerk of Court

By: R. Lindsey Deputy

Preliminary Approval of Class Action Settlement
Department SSC-9
Hon. Elaine Lu

Elizabeth Candelario v. Redtails Logistics Company LLC, et al.

Case No.: 23STCV15238

Hearing: December 4, 2025

RULING

The Parties' Motion for Preliminary Approval of Class Action Settlement is GRANTED as the settlement is fair, adequate, and reasonable.

The essential terms of the Settlement Agreement are:

- The Gross Settlement Amount ("GSA") is **\$215,000**, non-reversionary. (¶C.1)
- The Parties will request the Court to approve and award the following deductions to be made from the GSA:
 - Up to **\$71,666.66** (33 1/3%) for attorney fees (¶C.2.b);
 - Up to **\$30,000** for litigation costs (*Ibid.*);
 - Up to **\$10,000** for a Service Payment to the named Plaintiff (¶C.2.a);
 - Up to **\$15,000** for settlement administration costs (¶C.2.c); and
 - Payment of **\$20,000** PAGA penalty (75% or \$15,000 to the LWDA). (¶C.2.e)
- Defendant will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶C.1)
- There is no claim form requirement. (¶C.1)
- Plaintiffs shall release Defendants from claims described herein.

In light of the statements in paragraph 6 of the Declaration of Arthur Calloway II in Support of Settlement filed on 12/3/25, and in light of Defense Counsel's verbal confirmation at the December 4, 2025 hearing on the instant motion that Defendant is able to make the gross settlement amount in one lump sum payment by no later than 30 days after the Effective Date, the court hereby orders that Defendant make the gross settlement amount in one lump sum payment by no later than 30 days after the Effective Date.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **April 8, 2026** and will be heard on **May 6, 2026** at 8:30 am. *Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here.* Prior to filing the moving papers, Plaintiff must contact the court staff for Department 9 to obtain a briefing schedule, which must be included in the caption of the moving papers.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged **single document** that constitutes a [Proposed] Order and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out.

Non-Appearance Case Review is set for **April 15, 2026**, 8:30 a.m., Department 9 re filing of Motion for Final Approval of Class Action Settlement.

BACKGROUND

Plaintiff Elizabeth Candelario sues her former employer, Defendants Redtails Logistics Company LLC and Redtail Logistics Corporation (collectively, "Defendant" or "Defendants"), for alleged wage and hour violations. Defendant is an eCommerce logistics and warehousing company with warehouses located throughout the United States. Plaintiff seeks to represent a class of Defendant's current and former non-exempt employees.

On June 29, 2023, Plaintiff filed a putative wage and hour class action complaint against Defendant for: (1) failure to pay minimum and straight time wages (Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (Labor Code §§ 1194 and 1198); (3) failure to provide meal periods (Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (Labor Code § 226.7); (5) failure to timely pay final wages at termination (Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (Labor Code § 226); (7) failure to indemnify employees for expenditures (Labor Code § 2802); and (8) unfair business practices (Business and Professions Code §§ 17200, et seq.).

On July 21, 2023, Plaintiff sent a notice to Defendant and the California Labor & Workforce Development Agency ("LWDA") alleging similar wage and hour violations pursuant to the PAGA. On October 27, 2023, Plaintiff filed a First Amended Complaint against Defendant adding a claim for civil penalties under PAGA.

On August 12, 2024, the Parties participated in private mediation with mediator Paul Grossman, Esq., which ultimately resulted in settlement. The terms of settlement were finalized in the long-form *Class Action and PAGA Settlement Agreement* ("Settlement Agreement"), a copy of which is attached to the Benjamin H. Haber ("Haber Decl.") as Exhibit 1

Now before the Court is the Motion for Preliminary Approval of the Settlement Agreement.

SETTLEMENT CLASS DEFINITION

- “Class” means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the Class Period. (¶A.5)
- “Class Period” means the period from August 1, 2020, through (i) the date of Preliminary Approval, or (ii) November 11, 2024, whichever date occurs earlier. (¶A.12)
- “Aggrieved Employee” means all current and former hourly-paid or non-exempt employees of Defendant within the State of California at any time during the PAGA Period. (¶A.4)
- “PAGA Period” means the period from July 21, 2022, through (i) the date of Preliminary Approval, or (ii) November 11, 2024, whichever date occurs earlier. (¶A.34)
- “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement. (¶A.36)

TERMS OF SETTLEMENT AGREEMENT

The essential terms are as follows:

- The Gross Settlement Amount (“GSA”) is **\$215,000**, non-reversionary. (¶C.1)
 - Escalator Clause: Based on a review of its records, Defendant estimates there are approximately 535 Class Members who worked a total of approximately 22,500 Workweeks during the Class Period, and approximately 264 Aggrieved Employees who worked a total of approximately 12,645 PAGA Pay Periods. In the event the total Workweeks during the Class Period exceeds ten percent (10%) or more of 22,500 (i.e., more than 24,750), then the Gross Settlement Amount will increase by the actual percentage (i.e., if the number of Workweeks during the Class Period increases by eleven percent (11%), the Gross Settlement will increase by 11%). (¶D.1)
- The Net Settlement Amount (“Net”) (**\$68,333.34**) is the GSA minus the following:
 - Up to **\$71,666.66** (33 1/3%) for attorney fees (¶C.2.b);
 - Up to **\$30,000** for litigation costs (*ibid.*);
 - Up to **\$10,000** for a Service Payment to the named Plaintiff (¶C.2.a);
 - Up to **\$15,000** for settlement administration costs (¶C.2.c); and
 - Payment of **\$20,000** PAGA penalty (75% or \$15,000 to the LWDA). (¶C.2.e)
- Defendant will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶C.1)
- There is no claim form requirement. (¶C.1)
- Individual Settlement Payment Calculation: Each Participating Class Member will receive 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 during the Class Period. (¶C.2.d) Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments to the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. (¶C.2.d.ii)

- PAGA Payments: The Administrator will calculate each Individual PAGA Payment by: (a) dividing the amount of the Aggrieved Employees' twenty-five percent (25%) share of PAGA Penalties (\$5,000) by the total number of PAGA Pay Periods worked by all Aggrieved Employees during the PAGA Period; and (b) multiplying the result by each Aggrieved Employee's PAGA Pay Periods during the PAGA Period. (¶C.2.e.i)
 - Tax Allocation: Each Participating Class Member's Individual Class Payments will be allocated as follows: 20% as wages, 80% as interest and penalties. (¶C.2.d.i) The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. (¶C.2.e.ii)
- Response Deadline: "Response Deadline" means forty-five (45) calendar days after the Administrator mails the Class Notice to Class 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 their Objection to the Settlement. Class Members to whom Class Notices are re-sent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the date the Response Deadline has expired. (¶A.43) The same deadlines apply to the submission of workweek disputes. (¶G.7)
 - If the number of valid Requests for Exclusion identified in the Administrator exceeds five percent (5%) of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. (¶G.6)
- Funding of Settlement:
 - The settlement agreement provides that Defendant shall fund the Gross Settlement Amount in two (2) equal installments as follows: Defendant shall fund the first installment of the Gross Settlement Amount by transmitting the funds to the Administrator no later than thirty (30) days after the Effective Date, and shall fund the second installment of the Gross Settlement Amount by transmitting such funds to the Administrator no later than six (6) months after the date on which the first installment is paid. (¶D.2)
 - However, the Declaration of Arthur Calloway II in Support of Settlement filed on 12/3/25 indicates that "given the significant period (i.e., almost a year and a half) that has passed since the August 2024, mediation and Redtails' commitment to fulfilling its obligations under the settlement agreement, Redtails has accumulated and set aside the total gross settlement amount. As such, Redtails is positioned to make the gross settlement amount in one lump sum payment." (Calloway Decl. ¶ 6.) In addition, Defense counsel verbally confirmed at the December 4, 2025 hearing on the instant motion that Defendant is able to make the gross settlement amount in one lump sum payment by no later than 30 days after the Effective Date. **Accordingly, the court hereby orders that Defendant make the gross settlement amount in one lump sum payment by no later than 30 days after the Effective Date.**
- Disbursement: Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for all Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Administration Expenses Payment,

Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (§D.3)

- **Uncashed Settlement Checks:** The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided. (§D.3.a) 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 Code of Civil Procedure section 4, subd. (b). (§D.3.c)
- The settlement administrator will be Apex Class Action. (§A.2)
- The proposed settlement was submitted to the LWDA on August 14, 2025. (Proof of Service attached to Haber Decl.)
- Participating class members and the named Plaintiff will release certain claims against Defendants. (See further discussion below)

ANALYSIS OF SETTLEMENT AGREEMENT

1. Does a presumption of fairness exist?

1. Was the settlement reached through arm's-length bargaining? On August 12, 2024, the Parties participated in private mediation with mediator Paul Grossman, Esq., which ultimately resulted in settlement. (Haber Decl., ¶7.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Class Counsel represents that Defendant produced a sample of time and pay records for class members. Defendant also provided documents of its wage and hour policies and practices during the class period, and information regarding the total number of current and former employees in its informal discovery responses. (*Id.* at ¶5.) Class Counsel reviewed these records and prepared a damage analysis prior to mediation. (*Id.* at ¶6.)

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation, including wage and hour class actions. (*Id.* at ¶42.)

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.").

CONCLUSION: The settlement is entitled to a presumption of fairness.

2. 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.) Here, Class Counsel has provided information, summarized below, regarding the estimated values of the class claims alleged:

Violation	Maximum Exposure	Realistic Exposure
Unpaid Wages	\$318,937.50	\$63,787.50
Meal Period Violations	\$19,901.70	\$3,980.34
Rest Period Violations	\$382,725.00	\$38,272.50
Unreimbursed Expenses	\$225,000.00	\$45,000.00
Waiting Time Penalties	\$2,148,363.00	\$233,208.15
Wage Statement Penalties	\$1,251,300.00	
PAGA Penalties	\$1,264,500.00	
Total	\$5,610,727.20	\$384,248.49

(Haber Decl., ¶¶17-23.)

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. Plaintiff’s counsel estimated Defendant’s maximum exposure at \$5,610,727.20 and realistic exposure at \$384,248.49. Counsel obtained a \$215,000 settlement amount. This is approximately 3.8% of Defendant’s potential maximum exposure and 56% of the estimated realistic exposure which, given the uncertain outcomes, is within the “ballpark of reasonableness.”

The settlement amount, after being reduced by the requested deductions, leaves approximately \$68,333.34 to be divided among approximately 535 Class Members. Assuming full participation, the resulting payments will average approximately \$127.72 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.

CONCLUSION: The settlement can be preliminarily deemed “fair, adequate, and reasonable.”

3. Scope of the release

Release of Claims. 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, Aggrieved Employees, and Class Counsel will release claims against all Released Parties as follows: (¶E)

- 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 the Released Parties from all claims, causes of actions, demands, debts, obligations, penalties, damages or liability of any nature whatsoever, known or unknown, based on or arising out of the facts, circumstances, or primary rights that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint (and any amendments thereto) that occurred during the Class Period and were ascertained during the Action. This release includes: (1) failure to pay minimum and straight time wages for all hours worked; (2) failure to pay overtime wages (including failure to properly calculate the regular rate of pay to those who worked overtime and earned incentive pay); (3) failure to provide meal periods (including failure to pay meal period premiums at the regular rate of pay and include non-discretionary incentive compensation); (4) failure to authorize and permit rest periods (including failure to pay rest period premiums at the regular rate of pay and include non-discretionary incentive compensation); (5) failure to pay all wages owed in a timely manner, including final wages and during employment; (6) failure to provide complete, accurate itemized wage statements; (7) failure to indemnify employees for expenditures and reimburse employees for business expenses and costs; and (8) unfair business practices and unfair competition violations. This Release shall apply to Plaintiff and the Participating Class Members during the Class Period. Except as set forth in Section E(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. (¶E.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 facts, circumstances, or primary rights stated in the Operative Complaint (and any amendments thereto) and PAGA Notice that occurred during the PAGA Period and were ascertained during the Action. This release includes any and all claims for PAGA penalties involving: (1) failure to pay minimum and straight time wages for all hours worked; (2) failure to pay overtime wages (including failure to properly calculate the regular rate of pay to those who worked overtime and earned incentive pay); (3) failure to provide meal periods (including failure to pay meal period premiums at the

regular rate of pay and include non-discretionary incentive compensation); (4) failure to authorize and permit rest periods (including failure to pay rest period premiums at the regular rate of pay and include non-discretionary incentive compensation); (5) failure to pay all wages owed in a timely manner, including final wages and during employment; (6) failure to provide complete, accurate itemized wage statements; and (7) failure to indemnify employees for expenditures and reimburse employees for business expenses and costs. This Release shall apply to Plaintiff, the Aggrieved Employees, the Labor & Workforce Development Agency, and the State of California during the PAGA Period. (§E.3)

- “PAGA Notice” means Plaintiff’s letter sent to the LWDA and Defendant on December 9, 2021, providing notice pursuant to Labor Code section 2699.3, subd. (a). (§A.32)
- Because future PAGA claims are subject to claim preclusion upon entry of the Judgment, Participating and Non-Participating Class Members who are Aggrieved Employees are deemed to release the claims identified in Section E(3) of this Agreement and are eligible for an Individual PAGA Payment. (§G.5.d)
- “Released Parties (or individually, a “Released Party”) means Defendant and its past and present directors, officers, shareholders, owners, members, managing agents, attorneys, insurers, assigns, parents, subsidiaries, affiliates, predecessors, successors, business partners, contracting partners, and clients. (§A.41)
- Named Plaintiff will also provide a general release and CC § 1542 waiver. (§E.1)

4. May conditional class certification be granted?

1. Standards

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. Windsor* (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* at 240.)

2. Analysis

a. Numerosity. There are approximately 535 Class Members. (Haber Decl., ¶15.) This element is met.

b. 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.) The class members are identifiable from Defendant’s records. (Haber Decl., ¶15.)

c. 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 asserts that the employment practices at issue are: whether Defendant had legally compliant policies and practices for all hours worked, including

overtime wages; whether Defendant had legally compliant policies and practices for pay sick time properly; whether Defendant had legally compliant policies and practices to provide employees with meal periods; whether Defendant had legally compliant policies and practices authorizing and permitting its employees to take rest periods; whether Defendant reimbursed employees for business expenses; whether payment of wages during employed was timely; whether final payment of wages was untimely and excluded unpaid wages, including meal and rest period premium wages; whether wage statements were consequently non-compliant; and whether Defendant failed to keep requisite payroll records. Plaintiff contends that the factual and legal issues are the same for all of the identified class members, including Plaintiff. (MPA at 18:5-21.)

As to typicality, Plaintiff is a former employee of Defendant and alleges that she was subject to the same policies and practices as other similarly situated employees. (*Id.* at 18:23-19:4.)

As to adequacy, Plaintiff represents that she has participated in the litigation and is aware of the risks and duties of serving as class representative. (Declaration of Elizabeth Candelario, ¶¶5-15.)

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

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

CONCLUSION: The class is conditionally certified because the prerequisites of class certification have been satisfied.

5. Is the notice proper?

1. Content of class notice. The proposed notice is attached as Exhibit A 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; 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.

The Notice will be distributed in English and Spanish. (¶A.11)

2. Method of class notice. No later than twenty-one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. (¶G.4.a) Before mailing Class Notices, the Administrator shall update Class Member addresses using the NCOA. Using best efforts to perform as soon as possible and no later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data the Class Notice via first-class USPS mail. (¶G.4.c)

No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall remail 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 remail 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. (§G.4.d)

The deadlines for Class Members' written objections, challenges to Workweeks and/or PAGA Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days beyond the forty-five (45) calendar days otherwise provided in the Class Notice for all Class Members whose notice is remailed. (§G.4.e) Notice of Final Judgment will be posted on the Settlement Administrator's website. (§G.9.a)

3. Cost of class notice. As indicated above, settlement administration costs are estimated not to exceed **\$15,000**. Prior to the time of the final fairness hearing, the 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.

6. 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 **\$71,666.66** (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 (capped at **\$30,000**) by detailing how they were incurred.

7. Incentive Award to Class Representative

The Settlement Agreement provides for enhancement awards of **\$10,000** to the named Plaintiff. In connection with the final fairness hearing, named Plaintiffs must submit a declaration attesting to why he or she should be entitled to an enhancement award in the proposed amount. The named Plaintiff must explain why he or she "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 plaintiff, 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.

CONCLUSION AND ORDER

The Parties’ Motion for Preliminary Approval of Class Action Settlement is GRANTED as the settlement is fair, adequate, and reasonable.

The essential terms of the Settlement Agreement are:

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- The Parties will request the Court to approve and award the following deductions to be made from the GSA:
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- Defendant will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶C.1)
- There is no claim form requirement. (¶C.1)
- Plaintiffs shall release Defendants from claims described herein.

In light of the statements in paragraph 6 of the Declaration of Arthur Calloway II in Support of Settlement filed on 12/3/25, and in light of Defense Counsel’s verbal confirmation at the December 4, 2025 hearing on the instant motion that Defendant is able to make the gross settlement amount in one lump sum payment by no later than 30 days after the Effective Date, the court hereby orders that Defendant make the gross settlement amount in one lump sum payment by no later than 30 days after the Effective Date.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **April 8, 2026** and will be heard on **May 6, 2026** at 8:30 am. *Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here.* Prior to filing the moving papers, Plaintiff must contact the court staff for Department 9 to obtain a briefing schedule, which must be included in the caption of the moving papers.

The Parties' Motion for Final Approval of Class Action Settlement must include a concurrently lodged **single document** that constitutes a [Proposed] Order and Judgment containing among other things, the class definition, full release language, and names of the any class members who opted out.

Non-Appearance Case Review is set for **April 15, 2026**, 8:30 a.m., Department 9 re filing of Motion for Final Approval of Class Action Settlement.

The Judicial Assistant is to give notice to Counsel for Plaintiff who is ordered to give further and formal notice to all parties and file proof of service of such within 10 days.

IT IS SO ORDERED.

DATED: December 4, 2025




Elaine Lu
Judge of the Superior Court
Elaine Lu / Judge