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Electronically Filed by
Superior Court of California,
Contra Costa County
10/12/2026
By: S. Gonzalez, Deputy

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF CONTRA COSTA

DANIEL THOMAS ATALIG HOCOG and ALFRED ESTRADA SANTOS JR., individually, and on behalf of all others similarly situated, and on behalf of the State of California and other aggrieved persons,

Plaintiffs,

v.

SERVICE MANAGEMENT SYSTEMS, INC., a Tennessee corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: C23-02424

Assigned for all purposes to:
Hon. Benjamin T. Reyes II
Dept. 16

REVISED [~~PROPOSED~~] ORDER AFTER HEARING AND JUDGMENT GRANTING PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Final Approval Hearing:
Date: August 12, 2026
Time: 9:00 a.m.
Dept.: 16

Action Filed: September 26, 2023
FAC Filed: August 26, 2025

Processed by Court on 10/12/2026 9:18 AM

Plaintiffs Daniel Thomas Atalig Hocog and Alfred Estrada Santos Jr. (collectively, "Plaintiffs")' Motion for Final Approval of Class Action and PAGA Settlement came before this Court on August 12, 2026, at 9:00 a.m., in Department 16 of the Superior Court of California, County of Contra Costa, located at 725 Court Street, Martinez, California 94553. No appearances were made; the Court having determined that no appearance was required. The Court's tentative ruling became the ruling of the Court and is attached hereto as **Exhibit A** and incorporated herein by reference.

Plaintiffs seek an order granting final approval of the Settlement Agreement ("Settlement" or "Settlement Agreement") between Plaintiffs and Defendant Service Management Systems, Inc. ("Defendant") (Plaintiffs and Defendant collectively, the "Parties"), a copy of which is attached to the Declaration of John G. Yslas in Support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement as Exhibit A. On March 5, 2026, this Court issued an Order Granting Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement ("Preliminary Approval Order"). In accordance with the Preliminary Approval Order, Class Members have been given notice of the terms of the Settlement and the opportunity to comment on or object to it or to exclude themselves from its provisions.

Having received and considered the Settlement Agreement, the supporting papers filed by the Parties, and the evidence and argument in conjunction with the Motion for Preliminary Approval of Class Action and PAGA Settlement granted on March 5, 2026, and the instant Motion for Final Approval of Class Action and PAGA Settlement and supporting papers, the Court grants final approval of the Settlement and HEREBY ORDERS AND MAKES THE FOLLOWING DETERMINATIONS:

1. This Court has jurisdiction over the subject matter of the action and over the Parties, including all Settlement Class Members.

2. The Court finds that the Class, as defined below, is properly certified as a class for settlement purposes only:

> all current and former non-exempt employees employed by Defendant in California during the Class Period (or if any such person is incompetent,

deceased or unavailable due to military service, the person's legal representative or successor in interest evidenced by reasonable verification). The Settlement Class Members shall not include any person who submits a timely and valid request for exclusion

3. "Class Period" means the period from April 1, 2019 to April 1, 2025.

4. The Court appoints Plaintiffs Daniel Thomas Atalig Hocog and Alfred Estrada Santos Jr. as Class Representatives for settlement purposes only.

5. The Court appoints John G. Yslas, Jeffrey C. Bils, Mohamed Bholat, and Lucy H. Nguyen of Wilshire Law Firm, PLC as Class Counsel for settlement purposes only.

6. Pursuant to the Preliminary Approval Order, Class Notice was sent to each Class Member by first-class mail. These papers informed Class Members of the terms of the Settlement, their right to receive a settlement share, their right to comment on or object to the Settlement or to opt out of the Settlement and pursue their own remedies, and their right to appear in person or by counsel at the Final Approval Hearing and be heard regarding approval of the Settlement. Adequate periods of time were provided by each of these procedures.

7. No Class Members objected to the Settlement.

8. No Class Members requested exclusion from the Settlement.

9. The Court finds and determines that this notice procedure afforded adequate protections to Class Members and provides the basis for the Court to make an informed decision regarding approval of the Settlement based on the responses of Class Members. The Court finds and determines that the notice provided in this case was the best notice practicable, which satisfied the requirements of law and due process.

10. The Court finds the Settlement was entered into in good faith, that the Settlement is fair, reasonable and adequate, and that the Settlement satisfies the standards and applicable requirements for final approval of this class action settlement under California law, including the provisions of California Code of Civil Procedure section 382 and California Rules of Court, Rule 3.769.

11. Class Members who have not opted out will be bound by the Settlement, except Aggrieved Employees will release the PAGA claims released in the Settlement and will receive a

portion of the amount set aside for their share of the settlement of civil penalties, regardless of whether they opt out of the Settlement.

12. The Court finds that Plaintiffs notified the Labor and Workforce Development Agency ("LWDA") of the Settlement in accordance with the notice requirements of California Labor Code § 2699(s).

13. No later than thirty (30) days following the Effective Date as defined in the Settlement Agreement, Defendant will transfer the Gross Settlement Amount of $265,000.00 to the Settlement Administrator.

14. Within fourteen (14) days after Defendant fully funds the GSA and the Effective Date has passed, the Administrator will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Costs 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.

15. The "Effective Date" is defined as the date on which the Court's Judgment becomes final. The Court's Judgment shall become final when all of the following events have occurred: (a) The Stipulation has been executed by all Parties, Class Counsel, and Defendant's Counsel; (b) The Court has given preliminary approval to the settlement; (c) The Court has held a Final Settlement Approval Hearing and has entered a Final Approval Order and Judgment, and approving the Stipulation; (d) In the event that objections are presented at the Final Settlement Approval Hearing either in writing or through personal attendance, upon the later of: (i) The date of final affirmance on an appeal of the Judgment; the expiration of the time for a petition to review the Judgment; and, if review is granted, the date of final affirmance of the Judgment following review; or (ii) The date of final dismissal of any appeal from the Judgment or the final dismissal of any proceeding to review the Judgment; or (iii) If no appeal is filed, the expiration date for filing any appeal from the Judgment; (e) In the event that no objections are presented at or before the Final Settlement Approval Hearing, or that any filed written objections are withdrawn prior to the Final Settlement

Approval Hearing, the Court's Judgment shall become final when the conditions set forth in subparagraphs (a) through (c) of this paragraph, hereinabove, have been fulfilled.

16. In addition to any recovery Plaintiffs may receive under the Settlement, and in recognition of Plaintiffs' efforts on behalf of the Settlement Class, the Court hereby approves payment from the Gross Settlement Amount Class Representative Service Payments to Plaintiffs Daniel Thomas Atalig Hocog and Alfred Estrada Santos Jr. in the amount of $5,000.00 each ($10,000.00 total).

17. The Court approves payment from the Gross Settlement Amount for civil penalties under PAGA in the amount of $40,000.00 with the LWDA to receive 75% ($30,000.00), and the remaining 25% ($10,000.00) to be distributed to Aggrieved Employees, defined all current and former non-exempt employees of Defendant employed in California from November 15, 2022 to April 1, 2025. The Court finds and determines that such payment is fair, reasonable, and appropriate.

18. The Court approves payment from the Gross Settlement Amount for attorneys' fees to Class Counsel in the amount of $88,333.33, and the reimbursement of litigation costs in the amount $20,000.00. Both are reasonable amounts. The reasonableness of the fee award is determined based on a reasonable percentage of the common fund obtained for the Class. The Court also has considered the "lodestar amount." Awarding fees on a percentage basis encourages efficient litigation practices and reflects the actual benefit obtained for the Class. Five percent (5%) of the attorneys' fees awarded to Class Counsel shall be withheld by the Settlement Administrator pending satisfactory compliance as determined by the Court.

19. The Court approves payment from the Gross Settlement Amount for settlement administration services in the amount of $8,800.00 to the Settlement Administrator, Apex Class Action Administration.

20. Individual Settlement Payments checks will be valid for 180 days after mailing by the Settlement Administrator. If a Class Member fails to cash the check for his or her Individual Settlement Payment within 180 days after it is mailed to him or her, the Settlement Administrator will distribute the funds represented by the check to the California State Controller's Office,

Unclaimed Property Division, in the name of the Class Member.

21. Effective on the date when Defendant fully funds the Gross Settlement Amount and 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:

(a) Released Class Claims: "Plaintiffs and Participating Class Members release the Released Parties from: All causes of action and factual or legal theories that were alleged in the operative Class Action complaint or reasonably could have been alleged based on the facts and legal theories contained in the operative Class Action complaint, including the claims at issue in the Amended Complaint, including all of the following claims for relief: (a) failure to provide proper meal periods, and to properly provide premium pay in lieu thereof; (b) failure to provide proper rest periods, and to properly provide premium pay in lieu thereof; (c) failure to pay wages due, including but not limited to minimum wages, straight-time wages, overtime wages, vacation pay, sick pay, meal period premiums, rest period premiums, reporting time wages, split differentials, and bonuses; (d) failure to reimburse for all necessary expenditures or losses, including without limitation cleaning supplies, tools, personal cell phone expenses, and mileage; (e) failure to pay all wages timely at the time of termination and/or during employment; (f) failure to provide complete, accurate or properly formatted wage statements, including but not limited to failure to provide information pertaining to sick pay balances, amount of sick pay available for use, and/or payments on wage statements; (g) failure to maintain accurate records of hours worked and meal periods; (h) failure to produce requested employment records; (i) unfair business practices that could have been premised on the claims, causes of action or legal theories of relief described above or any of the claims, causes of action or legal theories of relief pleaded in the operative complaint; (j) any other claims or penalties under the wage and hour laws pleaded in the Class Action; and (k) all damages, penalties, interest and other amounts recoverable under said claims, causes of action or legal theories of relief (collectively, the "Released Claims"). The period of the Release shall extend to the limits of the Class Period. The res judicata effect of the Judgment will be the same as that of the

Release. Defendant shall be entitled to a release of Released Claims which occurred during the Class Period only during such time that the Settlement Class Member was classified as non-exempt, and expressly excluding all other claims, including claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, claims while classified as exempt, and claims outside of the Class Period."

(b) Released PAGA Claims: "Plaintiffs, PAGA Group Members, and the State of California will release the Released Parties from the following claims for civil penalties during the PAGA Period: All causes of action and factual or legal theories that were alleged or reasonably could have been alleged in the operative PAGA Action complaint and/or PAGA notice letter, including all claims for PAGA penalties under the California Labor Code Private Attorneys General Act of 2004 that could have been premised on the claims, causes of action or legal theories described in the operative PAGA Action complaint and/or PAGA notice letter, including the claims that are at issue in the Amended Complaint, including all of the following claims for relief: (a) failure to provide proper meal periods, and to properly provide premium pay in lieu thereof; (b) failure to provide proper rest periods, and to properly provide premium pay in lieu thereof; (c) failure to pay wages due, including but not limited to minimum wages, straight-time wages, overtime wages, vacation pay, sick pay, meal period premiums, rest period premiums, reporting time wages, split differentials, and bonuses; (d) failure to reimburse for all necessary expenditures or losses, including without limitation cleaning supplies, tools, personal cell phone expenses, and mileage; (e) failure to pay all wages timely at the time of termination and/or during employment; (f) failure to provide complete, accurate or properly formatted wage statements, including but not limited to failure to provide information pertaining to sick pay balances, amount of sick pay available for use, and/or payments on wage statements; (g) failure to maintain accurate records of hours worked and meal periods; and (h) failure to produce requested employment records (collectively, the "PAGA Released Claims"). The period of the Release shall extend to the limits of the PAGA Period. The res judicata effect of the Judgment will be the same as that of the Release."

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22. "Released Parties" means Defendant and all of Defendant's current or former parent companies, subsidiary companies, and/or related companies, partnerships, joint ventures, affiliates, divisions, and/or staffing agencies and, with respect to each of them, all of their and/or such related entities' predecessors and successors, and, with respect to each such entity, all of its past, present, and/or future, direct and/or indirect, employees, officers, partners, principals, directors, members, shareholders, managers, owners, representatives, assigns, attorneys, agents, insurers, employee benefit programs (and the trustees, administrators, fiduciaries, and insurers of such programs), investors, and any other persons acting by, through, under, or in concert with any of the persons or entities listed in this subsection, and their successors.

23. The Parties and Administrator are hereby ordered to comply with the terms of the Settlement.

24. The Parties shall bear his, her, its, or their own respective attorneys' fees and costs except as otherwise provided in the Settlement and this Judgment and Order Granting Final Approval of Class Action and PAGA Settlement.

25. Without affecting the finality of this order in any way, pursuant to California Code of Civil Procedure section 664.6 the Court retains jurisdiction of all matters relating to the interpretation, administration, implementation, effectuation, and enforcement of this order and the Settlement.

26. The Court hereby enters final judgment in accordance with the terms of the Settlement, the Order Granting Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement, and this Order Granting Plaintiffs' Motion for Final Approval of Class Action and PAGA Settlement, subject to the Court's retention of continuing jurisdiction over the Action and the Settlement, including jurisdiction pursuant to California Rule of Court 3.769(h), solely for purposes of (a) enforcing the Agreement, (b) addressing settlement administration matters, and (c) addressing such post-Judgment matters as may be appropriate under court rules or applicable law.

27. A Settlement Compliance Hearing is set for June 16, 2027, at 9:00 a.m. in Department 16 of the above-captioned Court.

28. Plaintiffs' counsel shall submit a compliance statement, including the final report/declaration of the Settlement Administrator confirming settlement disbursements, at least ten (10) court days before the Settlement Compliance Hearing. If the Court is satisfied that the settlement funds have been fully distributed, no appearance will be required at the Settlement Compliance Hearing.

29. Five (5) percent of the attorneys' fees are to be withheld by the Administrator pending satisfactory compliance as found by the Court.

IT IS SO ORDERED.

Dated: 10/10/2026



HONORABLE BENJAMIN T REYES II
JUDGE OF THE SUPERIOR COURT

EXHIBIT A

SUPERIOR COURT OF CALIFORNIA, CONTRA COSTA COUNTY
MARTINEZ, CA
DEPARTMENT 16
JUDICIAL OFFICER: BENJAMIN T REYES II
HEARING DATE: 08/12/2026

INSTRUCTIONS FOR CONTESTING TENTATIVE RULINGS IN DEPARTMENT 16

The tentative ruling will become the ruling of the Court unless by 4:00 P.M. of the Court day preceding the hearing, notice is given of an intent to argue the matter. Counsel or self-represented parties must email Department 16 (Dept16@contracosta.courts.ca.gov) to request argument and **must specify, in detail, what provision(s) of the tentative ruling they intend to argue and why**. Counsel or self-represented parties requesting argument must advise all other counsel and self-represented parties by no later than 4:00 P.M. of their decision to argue, and of the issues to be argued. Failure to timely advise the Court and counsel or self-represented parties will preclude any party from arguing the matter. (Pursuant to Local Rule 3.43(2).)

The prevailing party must prepare and e-file a proposed order after hearing in accordance with CRC 3.1312. The order must include appearances. If the tentative ruling becomes the Court's ruling, a copy of the Court's tentative ruling **must be attached to the proposed order** when submitted to the Court for issuance of the order.

ALL APPEARANCES TO ARGUE WILL BE IN PERSON OR BY ZOOM, PROVIDED THAT PROPER NOTIFICATION IS RECEIVED BY THE DEPARTMENT AS PER ABOVE.
Zoom link-
https://www.zoomgov.com/j/1619504895?pwd=N0V1N3JFRnJ0TEVoSDNrTGRzakF3UT09
ID: 161 950 4895
Password: 812674

Courtroom Clerk's Session

8. 9:00 AM CASE NUMBER: C23-02424
CASE NAME: DANIEL HOCOG VS. SERVICE MANAGEMENT SYSTEMS, INC.
FINAL APPROVAL OF THE SETTLEMENT
FILED BY:
TENTATIVE RULING:
Summary

Plaintiffs Daniel Thomas Atalig Hocog and Alfred Estrada Santos Jr. ("Plaintiffs") file this Motion for Final Approval of Class Action and PAGA Settlement against Defendant Service Management Systems, Inc ("Defendant"). The motion is **granted** as set forth herein. No appearance is required in person on August 12, 2026.

Background

Defendant is a business that provides housekeeping, maintenance, and consultant programs to

business customers throughout the County. Plaintiffs were nonexempt hourly employees who have claimed wage and hour violations and PAGA remedies.

The Court finds that Plaintiffs have presented a non-reversionary Gross Settlement Amount of **$265,000.00**, which resolves the class and PAGA claims against Defendant. From the Gross Settlement Amount, the following allocations are requested: Class Counsel's attorneys' fees in the amount of **$88,333.33** (one-third of the Gross Settlement Amount); reimbursement of litigation costs in the amount of **$20,000.00**; Class Representative Service Payments of **$5,000.00** to each named Plaintiff (Daniel Thomas Atalig Hocog and Alfred Estrada Santos Jr.), for a total of $10,000.00; and settlement administration expenses of **$8,800.00** to Apex Class Action Administration.

The Settlement also allocates $40,000.00 from the Gross Settlement Amount as PAGA civil penalties, of which $30,000.00 (seventy-five percent) shall be paid to the California Labor and Workforce Development Agency, and $10,000.00 (twenty-five percent) shall be distributed to Aggrieved Employees based on the number of pay periods worked during the PAGA Period.

After the foregoing deductions, the Net Settlement Amount of approximately $97,866.67 shall be distributed to the 320 Participating Class Members on a pro rata basis according to the number of workweeks each class member worked during the Class Period, resulting in an estimated average Individual Class Payment of $305.83 and a highest estimated payment of $1,749.29.

The Settlement Administrator has calculated a total of 13,595 workweeks in the Class Period. Aggrieved Employees shall receive an estimated average Individual PAGA Payment of $72.46, with the highest estimated payment being $235.58.

No Class Members have objected to the Settlement, requested exclusion, or submitted workweek disputes. The absence of objections and opt-outs supports the fairness and adequacy of the Settlement.

Analysis

The primary determination to be made is whether the proposed settlement is "fair, reasonable, and adequate," under *Dunk v. Ford Motor Co*. (1996) 48 Cal.App.4th 1794, 1801, including "the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the state of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction … to the proposed settlement." (See also *Amaro v. Anaheim Arena Mgmt., LLC, supra,* 69 Cal.App.5th 521.)

Because this matter also proposes to settle PAGA claims, the Court also must consider the criteria that apply under that statute. Recently, the Court of Appeal's decision in *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, provided guidance on this issue. In *Moniz*, the court found that the "fair, reasonable, and adequate" standard applicable to class actions applies to PAGA settlements. (*Id.*, at 64.) The Court also held that the trial court must assess "the fairness of the settlement's allocation of civil penalties between the affected aggrieved employees[.]" (*Id*., at 64-65.)

California law provides some general guidance concerning judicial approval of any settlement. First, public policy generally favors settlement. (*Neary v. Regents of University of California* (1992) 3 Cal.4th 273.) Nonetheless, the court should not approve an agreement contrary to law or public policy.

(*Bechtel Corp. v. Superior Court* (1973) 33 Cal.App.3d 405, 412; *Timney v. Lin* (2003) 106 Cal.App.4th 1121, 1127.) Moreover, "[t]he court cannot surrender its duty to see that the judgment to be entered is a just one, nor is the court to act as a mere puppet in the matter." (*California State Auto. Assn. Inter-Ins. Bureau v. Superior Court* (1990) 50 Cal.3d 658, 664.) As a result, courts have specifically noted that *Neary* does not always apply, because "[w]here the rights of the public are implicated, the additional safeguard of judicial review, though more cumbersome to the settlement process, serves a salutatory purpose." (*Consumer Advocacy Group, Inc. v. Kintetsu Enterprises of America* (2006) 141 Cal.App.4th 48, 63.)

Attorney fees

Plaintiff seeks one-third of the total settlement amount as fees, $83,333.33, relying on the "common fund" theory. Even a proper common fund-based fee award, however, should be reviewed through a lodestar cross-check. In *Lafitte v. Robert Half International* (2016) 1 Cal.5th 480, 503, the Supreme Court endorsed the use of a lodestar cross-check as a way to determine whether the percentage allocated is reasonable. It stated: "If the multiplier calculated by means of a lodestar cross-check is extraordinarily high or low, the trial court should consider whether the percentage used should be adjusted so as to bring the imputed multiplier within a justifiable range, but the court is not necessarily required to make such an adjustment." (*Id*., at 505.)

Counsel's declaration indicates that while this case was handled on a contingency basis, normal rates charged by the firm are between $600- $1500 per hour. The total amount billed on an hourly basis from all attorneys who worked on this case is $125,975. This results in an imputed negative multiplier of .70, which means that Counsel's proposed fee award is discounted by approximately 23% of the amount billed. The Court finds that the requested attorneys' fees are reasonable in light of the contingency nature of the representation, the time and effort expended by Class Counsel, the skill required, the results obtained, and the substantial value delivered to the class members, aggrieved employees, and the State of California.

Litigation costs of $20,000 are reasonable and are approved. Settlement administration costs of $8,800 are reasonable and are approved. The requested representative payment of $5,000 for each named plaintiff is reviewed now, under the criteria for evaluation of representative payment requests discussed in *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 804-807. Plaintiff Hocog attests that he assisted attorneys throughout the case, providing attorneys with documents and information concerning the case, spending approximately 40-45 hours, and also describing policies, practices, and procedures of Defendant.

Ruling

1. The Court finds that the settlement is fair, reasonable, and adequate.
2. The motion is **granted**.
3. Counsel are directed to prepare an order reflecting this tentative ruling and the other findings in the previously submitted proposed order, attaching a copy of this ruling.
4. Plaintiffs' counsel is ordered to schedule a compliance hearing with the clerk of the court no later than one year from the date of this hearing and is ordered to submit a compliance statement at least ten (10) court days before the compliance hearing date. 5% of the attorney's fees are to be withheld by the claims administrator pending satisfactory compliance as found by the Court.

5. No appearance is required at the hearing on August 12, 2026.