

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE

DAVID HEATH, individually, and on behalf
of other members of the general public
similarly situated;

Plaintiff,

v.

RAINBOW HOME CARE SERVICES, INC.,
a California corporation; and DOES 1 through
100, inclusive;

Defendants.

Case No.: 30-2024-01444583-CU-OE-CXC

Assigned for All Purposes to:
Honorable Layne H. Melzer
Department CX-102

CLASS ACTION

**~~[PROPOSED]~~ SECOND AMENDED
ORDER GRANTING PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT**

[Reservation Number: 74596866]

RELATED TO ROA NUMBER: 83

Hearing Date: February 19, 2026
Hearing Time: 2:00 p.m.
Hearing Place: Department CX-102

Complaint Filed: December 6, 2024
Trial Date: None Set

1 The Motion for Preliminary Approval of Class Action Settlement came before this Court,
2 the Honorable Layne H. Melzer presiding, on February 19, 2026 at 2:00 p.m. The Court, having
3 considered the papers submitted in support of the Motion for Preliminary Approval of Class
4 Action Settlement, **ORDERS THE FOLLOWING:**

5 1. This Order incorporates by reference the definitions in the Amended Joint
6 Stipulation of Class Action and PAGA Settlement (“Settlement Agreement,” “Settlement,” or
7 “Agreement”), and all terms defined therein shall have the same meaning in this Order as set
8 forth in the Settlement. The Settlement Agreement is comprised of the Notice of Class Action
9 and PAGA Settlement (“Class Notice”), Request for Exclusion Form (“Exclusion Form”),
10 Notice of Objection (“Objection Form”), and Dispute Form (collectively, known as the “Notice
11 Packet”), which are attached to the Settlement Agreement as **Exhibits A-D** respectively. The
12 Settlement Agreement is attached as **Exhibit 2** to the Second Supplemental Declaration of
13 Douglas Han (ROA Number 83).

14 2. It appears to the Court on a preliminary basis that the Settlement is fair,
15 adequate, and reasonable. The Court recognizes the value of the monetary recovery provided to
16 all Class Members and finds that such recovery is fair, adequate, and reasonable when balanced
17 against further litigation related to liability and damages issues. It appears that the Parties
18 conducted investigation, discovery, and research such that the Parties’ counsel can reasonably
19 evaluate their positions at this time. It appears to the Court that the Settlement will avoid
20 substantial additional costs by all Parties, as well as avoid the risks and delay inherent in further
21 prosecution of this case. It also appears that the Parties reached the Settlement as the result of
22 intensive, serious, and non-collusive, arm’s-length negotiations facilitated by an experienced and
23 neutral mediator. The Court finds on a preliminary basis that the Settlement appears to be within
24 the range of reasonableness of a settlement that could be granted final approval by this Court.
25 The Motion for Preliminary Approval of Class Action Settlement is hereby **GRANTED**.

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1 3. The following persons are conditionally certified as “Class Members” or
2 the “Class” for settlement purposes only: all current and former hourly-paid or non-exempt
3 employees of Defendant Rainbow Home Care Services, Inc. (“Defendant”) within the State of
4 California at any time during the period from December 6, 2020 through the date of preliminary
5 approval. The “Participating Class Members” means all Class Members who do not submit valid
6 and timely requests to exclude themselves from the Settlement.

7 4. The “Aggrieved Employees” means the aggrieved employees eligible to
8 recover settlement funds from the Private Attorneys General Act of 2004 (“PAGA”) Penalties
9 consist of all current and former hourly-paid or non-exempt employees of Defendant within the
10 State of California at any time during the period from September 11, 2023 through the date of
11 preliminary approval.

12 5. The Class satisfies the certification requirements of a class because the
13 Class Members are readily ascertainable, and a well-defined community of interest exists in the
14 questions of law and fact affecting the Parties.

15 6. Plaintiff David Heath (“Plaintiff”) is appointed as the class representative
16 on a preliminary basis.

17 7. Justice Law Corporation is appointed as Class Counsel on a preliminary
18 basis.

19 8. ILYM Group, Inc. is appointed to act as the Administrator on a
20 preliminary basis. The Administrator is ordered to carry out the settlement according to the terms
21 of the Agreement and in conformity with this Order, including disseminating the Notice Packet
22 according to the notice plan described in the Agreement. The Notice Packet will be mailed to the
23 Class Members in English, Spanish, and Tagalog.

24 9. The proposed Gross Settlement Amount of \$950,000 is conditionally
25 approved.

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1 10. The proposed payment of the Class Counsel Fees Payment to Class
2 Counsel not to exceed \$332,500 (35% of the Gross Settlement Amount) and Class Counsel
3 Litigation Expenses Payment to Class Counsel for actual litigation costs incurred not to exceed
4 \$30,000 are conditionally approved.

5 11. The proposed Class Representative Service Payment not to exceed
6 \$10,000 to Plaintiff for his services as the class representative is conditionally approved.

7 12. The proposed payment of the Administration Expenses Payment not to
8 exceed \$20,000 to the Administrator for its services is conditionally approved.

9 13. The Court conditionally approves the Private Attorneys General Act of
10 2004 (“PAGA”) Penalties not to exceed \$75,000 the Parties have allocated for the settlement of
11 the claims for PAGA penalties stemming from the alleged Labor Code violations. Sixty-five
12 percent (65%) of the PAGA Penalties (\$48,750) will be paid to the California Labor and
13 Workforce Development Agency, and the remaining thirty-five percent (35%) of the PAGA
14 Penalties (\$26,250) will be paid to the Aggrieved Employees, on a pro rata basis.

15 14. The notice plan is constitutionally sound and approved as the best notice
16 practicable on a preliminary basis. The Class Notice, attached hereto as **Exhibit A**, is sufficient
17 to inform the Class Members of the terms of the Settlement Agreement, their rights to receive
18 monetary payments under the Settlement Agreement, and date and location of the Final Approval
19 Hearing. The Class Notice also fairly, plainly, accurately, and reasonably informs Class
20 Members of: (a) nature of the action, definition of the Class, identity of Class Counsel, and
21 material terms of the Settlement; (b) Plaintiff’s and Class Counsel’s application for the Class
22 Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative
23 Service Payment; (c) formulas used to determine settlement payments; (d) Class Members’ right
24 to appear through counsel if they desire; (e) how to object to or submit a request for exclusion
25 from the Settlement; and (f) how to obtain additional information regarding this case and the
26 Settlement. The Court finds on a preliminary basis that the notice requirements of Rule of Court,
27 rule 3.769, subdivision (f) are satisfied and that the Class Notice adequately advises Class
28 Members of their rights under the Settlement. The Parties’ counsel are authorized to correct any

1 typographical errors in the Class Notice and make clarifications so long as such corrections do
2 not materially alter the substance of the Class Notice and other notice documents.

3 15. The rights of any potential dissenters to the Settlement Agreement are
4 adequately protected in that they may exclude themselves from the Settlement Agreement. To
5 exclude themselves, dissenters must follow the procedures outlined in the Settlement Agreement
6 and Class Notice. While the administrator may make the initial determination, the Court will
7 ultimately decide on any unresolved dispute regarding the authenticity and/or validity of an opt-
8 out request. The Exclusion Form is attached hereto as **Exhibit B**.

9 16. The rights of any objectors to the Settlement Agreement are adequately
10 protected in that they may submit objections to the Settlement Agreement. To submit objections
11 to the Settlement Agreement, the objector must follow the procedures outlined in the Settlement
12 Agreement and Class Notice. The Objection Form is attached hereto as **Exhibit C**.

13 17. The rights of any disputers to the workweeks and/or pay periods credited
14 to them are adequately protected in that they may submit a Dispute Form to the Administrator.
15 To submit a Dispute Form to the Administrator, the disputer must follow the procedures outlined
16 in the Settlement Agreement and Class Notice. The Court shall have the right to review any
17 decision made by the Administrator regarding such a dispute and will make the final
18 determination. The Dispute Form is attached hereto as **Exhibit D**.

19 18. The Court approves on a preliminary basis the settlement of claims under
20 Labor Code section 2698 (PAGA) according to the terms and conditions in the Settlement
21 Agreement. The Court further finds on a preliminary basis that the notice of settlement that
22 Plaintiff provided to the California Labor and Workforce Development Agency ("LWDA")
23 satisfies the notice requirements of Labor Code section 2699(s)(2).

24 19. Upon Defendant's fulfillment of its payment obligations, all Participating
25 Class Members will be bound by the Released Class Claims.

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1 20. Upon Defendant's fulfillment of its payment obligations, Plaintiff, on
2 behalf of the LWDA, and Aggrieved Employees will be bound by the Released PAGA Claims.
3 The Released PAGA Claims are effective regardless of whether the Aggrieved Employee
4 submits a valid and timely Exclusion Form.

5 21. The Parties are ordered to carry out the settlement according to the terms
6 of the Settlement. If the Settlement does not become final and effective, the fact the Parties were
7 willing to stipulate to certification of the Class as part of the Settlement shall have no bearing on
8 and shall not be admissible or used in any way in connection with the question of whether the
9 Court should certify any claims in a non-settlement context in this case or in any other lawsuit.

10 22. The relevant settlement documents will be posted on the static website that
11 will be created for the Class Members. The notice of entry of judgment shall be provided by the
12 Administrator to the Class Members by posting the judgment on the static website that will be
13 created for the Class Members.

14 23. To the extent permitted by law and pending a determination as to whether
15 the Settlement Agreement should be finally approved, the Participating Class Members shall not
16 institute or prosecute any of the released claims against the Released Parties.

17 24. Pending further orders of this Court, all proceedings in this matter are
18 stayed except those contemplated in this Order and Settlement Agreement.

19 25. The Court has continuing jurisdiction over this matter pursuant to both the
20 Code of Civil Procedure section 664.6 and Rules of Court, rule 3.769(h).

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26. The dates for future events contemplated herein and under the Settlement Agreement are set forth below:

a.	Deadline for Defendant to deliver Class Data to Administrator	No later than fourteen (14) calendar days after entry of the Preliminary Approval Order
b.	Deadline for Administrator to mail the Notice Packet to Class Members	No later than fourteen (14) calendar days after receiving the Class Data
c.	Deadline for Class Members to postmark requests for exclusion, written objections, and written disputes to the Administrator	No later than sixty (60) calendar days from the initial mailing of the Notice Packet
d.	Deadline for Class Members to postmark requests for exclusion, written objections, and disputes to the Administrator if they receive remailed Notices Packets	No later than an additional thirty (30) calendar days from the original Response Deadline
e.	Deadline for Class Counsel to file Motion for Final Approval of Settlement, Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment	No later than sixteen (16) Court days before Final Approval Hearing in conformity with Code of Civil Procedure section 1005
f.	Final Approval Hearing	July 23, 2026 at 2:00 p.m. in Department CX-102 located at 751 West Santa Ana Boulevard, Santa Ana, California 92701

IT IS SO ORDERED.



Dated: February 27, 2026

By: _____
Honorable Layne H. Melzer
Judge of the Superior Court

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

On March 3, 2026, I served the foregoing document described as

for the following case: LWDA/Court Case No.:	Heath v. Rainbow Home Care Services, Inc. LWDA Case No.: CM- 1050060-24 Court Case No.: 30-2024-01444583-CU-OE-CXC Orange County Superior Court
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on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

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I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on March 3, 2026, at Pasadena, California.

[Signature]

Christina Castro