

1
2
3
4
5
6
7 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
8 **COUNTY OF RIVERSIDE**
9

10 HOLLY GARRETT, as an aggrieved employee
11 pursuant to the Private Attorneys General Act
12 ("PAGA"), on behalf of the State of California
13 and other aggrieved employees,

14 Plaintiff,

15 v.

16 SEDGWICK CLAIMS MANAGEMENT
17 SERVICES, INC.,

18 Defendant.
19

Case No. CVRI2103869

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION TO
APPROVE PAGA SETTLEMENT
AND ENTERING JUDGMENT**

Hearing Date: August 8, 2024
Hearing Time: 8:30 a.m.

Judge.: Hon. Harold W. Hopp
Dept.: 1

Action Filed: August 25, 2021
Trial Date: Not Set

20 This matter came on for hearing before the Honorable Harold W. Hopp, Dept. 1 on August 8,
21 2024, at 8:30 a.m., in the above-entitled Court located at Riverside County Superior Court, Historic
22 Court House, 4050 Main Street, Riverside, California 92501 on Plaintiff Holly Garrett's ("Plaintiff")
23 Motion to Approve PAGA Settlement ("PAGA Approval Motion"). Having considered the papers
24 filed in support of the motion; arguments of counsel; and all files, records, and other matters properly
25 before the Court, the Court hereby determines as follows:

26 (A) The settlement was entered into in good faith, and the terms of the settlement are fair,
27 reasonable, and adequate and comply with the requirements of Labor Code § 2699, after considering
28

1 the maximum potential recovery, the merits of Plaintiff's claims and Defendant's defenses, and the
2 means by which the parties arrived at the settlement;

3 (B) The third-party settlement administrator, Phoenix Settlement Administrators, that
4 Plaintiff's Counsel elected to use has adequate experience and procedures in place to effectuate the
5 settlement in accordance with the PAGA Settlement Agreement;

6 (C) The fees requested by Plaintiff's counsel are reasonable given: (a) the hours worked
7 by Plaintiff's counsel; (b) the results achieved; (c) the risks of litigation; (d) the skill required and
8 quality of work; and (e) the contingent nature of the fee;

9 (D) The litigation costs and settlement administration expenses requested by Plaintiff's
10 counsel are also reasonable; and

11 (E) Plaintiff exhausted all administrative remedies required to bring the PAGA claims
12 asserted in this action and was authorized to act as private attorney general with respect to the PAGA
13 claims being released under the terms of the PAGA Settlement Agreement. The California Labor
14 Workforce Development Agency ("LWDA") was provided with notice of the Settlement and the
15 motion for approval of the PAGA settlement via its online process and no objection has been received
16 to the settlement or the motion from the LWDA.

17 The Court, having considered the proposed PAGA Settlement Agreement ("Settlement
18 Agreement" or "PAGA Settlement Agreement") between Plaintiff and Defendant pursuant to Labor
19 Code § 2699(1):

20 **GOOD CAUSE APPEARING, IT IS HEREBY ORDERED, ADJUDGED, AND**
21 **DECREED AS FOLLOWS:**

22 (1) The Court **APPROVES** the appointment of Phoenix Settlement Administrator
23 ("PSA") as the third-party settlement administrator and hereby orders PSA to effectuate the
24 settlement in accordance with the PAGA Settlement Agreement.

25 (2) Plaintiff's PAGA Approval Motion is **GRANTED**.

26 (3) In accordance with the PAGA Settlement Agreement, the Gross Settlement Amount
27 of \$250,000.00 shall be distributed as follows:
28

- 1 a. Plaintiff's counsel is awarded attorney's fees in the amount of \$62,500.00 and
2 litigation costs in the amount of \$9,691.35.
- 3 b. Settlement administration expenses are approved in the amount of \$2,500.00.
- 4 c. The Net Settlement Amount/PAGA Penalties in the amount of \$175,308.65 shall
5 be distributed 75% to the LWDA, in the amount of \$131,481.49, and 25% to the
6 Aggrieved Employees, in the amount of \$43,827.16.
- 7 d. The Individual PAGA Payment (as defined in the PAGA Settlement Agreement)
8 for each Aggrieved Employee shall be the Aggrieved Employee's *pro rata* share
9 of 25% of the PAGA Penalties calculated according to the number of Pay Periods
10 the Aggrieved Employee worked during the PAGA Period (as defined in the
11 PAGA Settlement Agreement).

12 (4) Aggrieved Employees are defined as all current and former non-exempt employees
13 working as Telephonic Case Managers ("TCMs") for Defendant in California during the PAGA
14 Period.

15 (5) The PAGA Period means the following: Defendant resolved a prior PAGA action on
16 behalf of an acquired company, York Risk Services Group, Inc. ("York"). The settlement in
17 *Sumers/Warner v. York Risk Services Group, Inc.*, included all of York's non-exempt employees in
18 California through October 31, 2020. Thus, for those Aggrieved Employees who were involved in
19 the *Sumers/Warner* settlement, the relevant PAGA Period runs from November 1, 2020, up to the
20 date of entry of an Order Approving the PAGA Settlement, whereas the PAGA Period for all other
21 Aggrieved Employees is from June 9, 2020, up to the date of entry of an Order Approving the
22 PAGA Settlement (collectively referred to herein as the "the PAGA Period").

23 (6) Effective on the date when Defendant fully funds the Gross Settlement Amount,
24 Plaintiff, the Aggrieved Employees, and Plaintiff's counsel are bound by the release of claims set
25 forth in the PAGA Settlement Agreement and set forth below. Plaintiff, the Aggrieved Employees,
26 and Plaintiff's counsel are deemed to have conclusively released and forever discharged the
27 Released Parties (as defined in the PAGA Settlement Agreement) from any and all Released PAGA
28 Claims (as set forth in the PAGA Settlement Agreement) and are hereby permanently barred and
enjoined from the institution or prosecution of any and all Released PAGA Claims against the
Released Parties.

1 **a. Plaintiff's Release:**

2 Plaintiff and her respective former and present spouses, representatives, agents, attorneys
3 (including PAGA Counsel), heirs, administrators, successors and assigns generally, release and
4 discharge Released Parties from all claims, transactions or occurrences, including, but not limited
5 to: all claims that were, or reasonably could have been, alleged, based on the facts contained in the
6 Operative Complaint and the PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not
7 extend to any claims or actions to enforce this Agreement, or to any claims for vested benefits,
8 unemployment benefits, disability benefits, social security benefits, workers' compensation
9 benefits that arose at any time or based on occurrences outside the PAGA Period. Plaintiff
10 acknowledges that Plaintiff may discover facts or law different from, or in addition to, the facts or
11 law that Plaintiff now knows or believes to be true but agrees, nonetheless, that Plaintiff's Release
12 shall be and remain effective in all respects, notwithstanding such different or additional facts or
13 Plaintiff's discovery of them.

14 **b. Plaintiff's Waiver of Rights Under Civil Code Section 1542:**

15 For purposes of Plaintiff's Release, Plaintiff expressly waives and relinquishes the
16 provisions, rights, and benefits, if any, of section 1542 of the California Civil Code, which reads:

17 A general release does not extend to claims that the creditor or releasing party does
18 not know or suspect to exist in his or her favor at the time of executing the release,
19 and that if known by him or her would have materially affected his or her settlement
20 with the debtor or Released Party.

21 **c. Release by Aggrieved Employees:**

22 All Aggrieved Employees are deemed to release, on behalf of themselves and their respective
23 former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns
24 the Released Parties from all claims for PAGA penalties during the PAGA Period that were alleged,
25 or reasonably could have been alleged, based on the facts stated in the Operative Complaint, and the
26 PAGA Notice, including all PAGA claims pled or that could have been pled in the Operative
27 Complaint pursuant to PAGA, California Labor Code §§ 2698, *et seq.*, deriving from and/or based
28 on the facts alleged in the Operative Complaint and/or Plaintiff's PAGA Notice, arising out of or
related to services to or work performed for Defendant during the PAGA Period upon approval of
the settlement, including claims for penalties, interest, attorneys' fees, and/or costs. The release shall

1 encompass all claims, causes of action, or liability pursuant to PAGA, including any penalties based
2 on alleged violations of the IWC Wage Orders or California Labor Code sections 510, 512, 558,
3 1771, 1174, 1174.5, 1182.11, 1182.12, 1194, 1197.1, 226, 226.7, and 201-203. The release shall
4 include Defendant and all of its parent, subsidiary, related companies and entities, as well as its/their
5 officers, directors, investors, owners, shareholders, employees, partners, agents, and attorneys, and
6 any entities or partnerships.

7 **d. Release by PAGA Counsel:**

8 PAGA Counsel release on behalf of their present and former attorneys, employees, agents,
9 successors, and assigns the Released Parties from all claims for PAGA Fees incurred in connection
10 with the Operative Complaint and the facts stated in the Operative Complaint and the PAGA Notice
11 during the PAGA Period.

12 (7) Plaintiff shall provide Notice of this Order to the LWDA within ten (10) calendar days
13 after its entry.

14 (8) Neither the Settlement Agreement, nor any terms of the Settlement Agreement, are an
15 admission of liability by the Released Parties, nor is the Court's instant Order a finding of the validity
16 of any claims in the lawsuit or of any wrongdoing by any Released Parties.

17 (9) Without affecting the finality of this Order or the dismissal referenced below, in
18 accordance with California law, including, but not limited to Code of Civil Procedure §664.6, the
19 Court retains jurisdiction of all matters relating to the interpretation, administration, implementation,
20 effectuation and enforcement of this Order and Judgment and the PAGA Settlement Agreement.

21 (10) This Order and Judgment is intended to be a final disposition of the action in its
22 entirety, and it is intended to be immediately appealable.

23 (11) The parties are ordered to carry out the terms of the settlement in accordance with the
24 terms of the PAGA Settlement Agreement.

25 (12) The Court sets a Final Accounting (Non-appearance) Hearing for _____, 2025,
26 with a deadline of _____, 2025 for the filing of a report concerning the amount of money
27 distributed and/or uncashed pursuant to the PAGA Settlement Agreement.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

JUDGMENT

Judgment shall be entered through the filing of this Order and Judgment. (Code Civ. Proc., § 668.5.) Plaintiff shall take from the Operative Complaint in this action only the relief set forth in the PAGA Settlement Agreement and this Order and Judgment.

IT IS SO ORDERED.

Date: _____

Honorable Harold W. Hopp
Judge of the Superior Court