

FILED
SUPERIOR COURT OF CALIFORNIA
COUNTY OF RIVERSIDE

AUG 23 2024

E. Escobedo

SG
AUG 26 2024
R

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

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

Plaintiff,

v.

SEDGWICK CLAIMS MANAGEMENT
SERVICES, INC.,

Defendant.

Case No. CVRI2103869

~~PROPOSED~~ ORDER GRANTING
PLAINTIFF'S MOTION TO
APPROVE PAGA SETTLEMENT
AND ENTERING JUDGMENT

Hearing Date: August 23, 2024
Hearing Time: 8:30 a.m.

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

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

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

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

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 non-exempt employees working as
13 Telephonic Case Managers ("TCMs") for Defendant in California during the PAGA Period.

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

22 (6) Effective on the date when Defendant fully funds the Gross Settlement Amount,
23 Plaintiff, the Aggrieved Employees, the State of California, and Plaintiff's counsel are bound by the
24 release of claims set forth in the PAGA Settlement Agreement and set forth below. Plaintiff, the
25 State of California, and Plaintiff's counsel are deemed to have conclusively released and forever
26 discharged the Released Parties (as defined in the PAGA Settlement Agreement) from any and all
27 Released PAGA Claims (as set forth in the PAGA Settlement Agreement) and are hereby
28 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 alleged, based on the facts contained in the Operative Complaint and the
6 PAGA Notice ("Plaintiff's Release"). Plaintiff's Release does not extend to any claims or actions
7 to enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
8 benefits, social security benefits, workers' compensation benefits that arose at any time or based on
9 occurrences outside the PAGA Period. Plaintiff acknowledges that Plaintiff may discover facts or
10 law different from, or in addition to, the facts or law that Plaintiff now knows or believes to be true
11 but agrees, nonetheless, that Plaintiff's Release shall be and remain effective in all respects,
12 notwithstanding such different or additional facts or Plaintiff's discovery of them.

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

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

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

19 **c. Release by the State of California:**

20 The State of California is deemed to release, on behalf of itself and its respective former and
21 present representatives, agents, attorneys, heirs, administrators, successors, and assigns the Released
22 Parties from all claims for PAGA penalties during the PAGA Period that were alleged, based on the
23 facts stated in the Operative Complaint, and the PAGA Notice, including all PAGA claims pleaded
24 in the Operative Complaint pursuant to PAGA, California Labor Code §§ 2698, *et seq.*, based on the
25 facts alleged in the Operative Complaint and/or Plaintiff's PAGA Notice, arising out of or related to
26 services to or work performed for Defendant during the PAGA Period upon approval of the
27 settlement, including claims for penalties, interest, attorneys' fees, and/or costs. The release shall
28 encompass all claims, causes of action, or liability pursuant to PAGA, including any penalties based
on alleged violations of the IWC Wage Orders or California Labor Code sections 510, 512, 558,

1 1771, 1174, 1174.5, 1182.11, 1182.12, 1194, 1197.1, 226, 226.7, and 201-203. The release shall
2 include the Released Parties (as set forth in the PAGA Settlement Agreement).

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

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

8 **e. Effect of PAGA Release on Aggrieved Employees:**

9 Effective on the date when Defendant fully funds the Gross Settlement Amount, and
10 pursuant to *Arias v. Superior Court* (2009) 46 Cal 4th 969, at 985, all Aggrieved Employees are
11 bound by this Judgment and may not pursue any of the Released PAGA Claims against the Released
12 Parties (as set forth in the PAGA Settlement Agreement).

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

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

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

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

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

26 (12) The Court sets a Final Accounting (Non-appearance) Hearing for August 1, 2025, with
27 a deadline of July 25, 2025 for the filing of a report concerning the amount of money distributed
28 and/or uncashed pursuant to the PAGA Settlement Agreement.

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:

August 23, 2024


Honorable Harold W. Hopp
Judge of the Superior Court