

02/20/2025

David W. Styblo, Executive Officer / Clerk of Court

B. Arraiga Deputy

**FIRST AMENDED FINAL RULING RE: MOTION FOR PRELIMINARY APPROVAL  
OF CLASS ACTION SETTLEMENT**

**Molinero v. Bliss Car Wash, LLC**

**Case Number: 21STCV41112**

**Department 9.**

**Hon. Elaine Lu**

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

The essential terms are:

- A. The Gross Settlement Amount ("GSA") is **\$500,000** non-reversionary. (¶3.1)
- B. The Net Settlement Amount ("Net") is the GSA minus the following:
  - Up to **\$166,666.67** (33%) for attorney fees (¶3.2.2)
  - Up to **\$28,000** for litigation costs (*Ibid.*);
  - Up to **\$20,000** for Service Payments to the Named Plaintiffs (\$10,000 each) (¶3.2.1);
  - Up to **\$11,000** for settlement administration costs (¶3.2.3);
  - Payment of **\$30,000** (75% of \$40,000 PAGA penalty) to the LWDA and **\$10,000** (75% of \$40,000 PAGA penalty) to aggrieved employees. (¶3.2.4)
- C. Employer's share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the GSA by Defendant. (¶3.1)
- D. Plaintiffs shall release Defendants from claims described herein.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **August 12, 2025**, and shall be heard on **September 25, 2025, at 10:00 a.m., Department 9**. 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.

The Court sets a **Non-Appealance Case Review Re: Filing and Serving of Motion for Final Approval of Class Action Settlement for August 19, 2025, at 8:30 a.m., Department 9**.

## **BACKGROUND**

This is a wage and hour class action. On November 8, 2021, Plaintiff Bryan Molinero filed a Class Action Complaint against Defendants, which initiated the Action and alleged seven individual and class causes of action for violation of the California Labor Code (“Labor Code”) and one cause of action for violation of the California Business and Professions Code.

On February 4, 2022, Plaintiff Bryan Molinero filed a First Amended Class and Representative Action Complaint against Defendants, which alleged a ninth cause of action for Civil Penalties pursuant to PAGA.

On January 22, 2024, the Court granted Plaintiff leave to amend the First Amended Class and Representative Action Complaint to name Sean Tierney as a second Plaintiff and Class Representative.

On January 24, 2024, Plaintiffs filed the operative Second Amended Class and Representative Action Complaint, which alleges eight causes of action for violation of Labor Code sections 201-204, 226, et seq., 512, 1194, et seq., 1197, 1198, 2802, and 2699, et seq. and one cause of action for violation of California Business and Professions Code sections 17200, et seq.

Counsel represents that in preparation for mediation, the Parties agreed to an informal exchange of data and documents, which included, but was not limited to, the total number of Class Members and Aggrieved Employees; the total number of workweeks and pay periods worked by all Class Members and Aggrieved Employees; a fifty percent (50%) sample of the time and corresponding payroll records of the Class from August 1, 2019, to June 4, 2024; and the employee handbooks in effect during the Class Period.

The Parties mediated the Action with experienced wage and hour class action mediator, Steven Rottman, Esq., on June 28, 2024, and were able to come to an agreement. On November 8, 2024, counsel filed a fully executed long form settlement agreement with the Court attached as Exhibit 2 to the Declaration of Kane Moon (“Moon Decl.”).

Now before the Court is the motion for preliminary approval of the settlement agreement.

## **SETTLEMENT CLASS DEFINITION**

- “Class” means all persons who are employed or have been employed by Defendants in any manner in California as hourly, non-exempt employees from November 8, 2017, through August 27, 2024. (Settlement Agreement, ¶1.5.)
  - “Class Period” means the period from November 8, 2017, through August 27, 2024. (¶1.13)
- “Aggrieved Employee” means all persons who are employed or have been employed by Defendants in any manner in California as hourly, non-exempt employees from November 6, 2020, through August 27, 2024. (¶1.4)
  - “PAGA Period” means the period from November 6, 2020, through August 27, 2024. (¶1.32)
- Based on their records, Defendants estimate that, as of the date of this Agreement, there are approximately 400 Class Members who worked an approximate total of 24,493 Workweeks from November 8, 2017, through June 28, 2024. If the actual total number of Workweeks from November 8, 2017, through August 27, 2024 (i.e., the Class Period) exceeds 24,493 by more than ten percent (10%), i.e., exceeds 26,943, Defendants shall pay the pro rata percentage increase in excess of ten percent (10%) to the Gross Settlement Amount to include the additional workweeks, e.g., an eleven percent (11%)

increase in Workweeks would result in a one percent (1%) increase in the Gross Settlement Amount. (¶7)

- The parties agree to class certification for the purposes of settlement. (¶11.3)

### **TERMS OF SETTLEMENT AGREEMENT**

The essential terms are as follows:

- The Gross Settlement Amount (“GSA”) is **\$500,000** non-reversionary. (¶3.1)
- The Net Settlement Amount (“Net”) (**\$244,333.33**) is the GSA minus the following:
  - Up to **\$166,666.67** (33%) for attorney fees (¶3.2.2)
  - Up to **\$28,000** for litigation costs (*Ibid.*);
  - Up to **\$20,000** for Service Payments to the Named Plaintiffs (\$10,000 each) (¶3.2.1);
  - Up to **\$11,000** for settlement administration costs (¶3.2.3);
  - Payment of **\$30,000** (75% of \$40,000 PAGA penalty) to the LWDA. (¶3.2.4)
- Defendant will also pay employer-side taxes. (¶3.1)
- Funding of Settlement: . The Gross Settlement Amount and any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within fourteen (14) calendar days of the Effective Date. (¶4.1)
- Disbursement of GSA: No later than fourteen (14) calendar days after Defendant funds the entire Gross Settlement Amount, the Administrator shall mail checks for the Individual Class Payments, Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment, Class Counsel Expenses Payment, Class Representative Service Payments, and Administration Expenses Payment. Disbursement of the Class Counsel Fees Payment, Class Counsel Expenses Payment, and Class Representative Service Payments shall not precede disbursement of the Individual Class Payments and Individual PAGA Payments. (¶4.2)
- There is no claim form requirement. (¶3.1)
- Participating Class Member Payment: 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. Non-Participating Class Members will not receive an Individual Class Payment. The Administrator will retain amounts equal to their Individual Class Payments in the Net Settlement Amount for distribution to Participating Class Members on a pro rata basis. (¶3.2.3.1)
  - Tax Allocation: 20% as wages; 80% as interest and penalties. (¶3.2.3.2)
- PAGA Payments: the Administrator will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved Employees’ 25% share of PAGA Penalties 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. (¶3.2.4)
  - Tax Allocation: 100% penalties. (*Ibid.*)
- "Response Deadline" means sixty (60) calendar days from the date the Administrator mails the Class Notice to the Class and shall be the last date on which Class Members may: (a) mail a Request for Exclusion from the Settlement; or (b) mail an Objection to the Settlement. Class Members to whom Notice Packets are resent after having been

returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline to timely mail a Request for Exclusion or Objection. (¶1.2) The same deadline applies to workweek challenges. (¶6.14.2)

- If the number of valid and timely Requests for Exclusion exceeds 5% of the total of all Class Members, Defendants may elect to withdraw from the Settlement within 30 calendar days after expiration of the Response Deadline. (¶8)
- **Uncashed Settlement Checks:** The Administrator will cancel all checks not cashed by the void date (180 days after the date of mailing). (¶4.2.1) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, or for any Class Member whose envelope is returned and no forwarding address can be located for the Class Member after reasonable efforts have been made, 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 California Code of Civil Procedure Section 384, subd. (b). (¶4.2.3)
- The settlement administrator will be APEX Class Action Administration. (¶1.2)
- Counsel has submitted the proposed settlement agreement to the LWDA on November 7, 2024. (Exhibit 3 to Moon Decl.)

### **ANALYSIS OF SETTLEMENT AGREEMENT**

- **Does a presumption of fairness exist?**

1. Was the settlement reached through arm's-length bargaining? Yes. The Parties mediated the Action with experienced wage and hour class action mediator, Steven Rottman, Esq., on June 28, 2024, and were able to come to an agreement (Moon Decl., ¶18.)
2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Yes. Counsel represents that in preparation for mediation, the Parties agreed to an informal exchange of data and documents, which included, but was not limited to, the total number of Class Members and Aggrieved Employees; the total number of workweeks and pay periods worked by all Class Members and Aggrieved Employees; a fifty percent (50%) sample of the time and corresponding payroll records of the Class from August 1, 2019, to June 4, 2024; and the employee handbooks in effect during the Class Period. (*id.* at ¶15.)
3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation, including wage and hour class action cases. (*Id.* at ¶¶31-42.)
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.

- **Is the settlement fair, adequate, and reasonable?**

1. Strength of Plaintiffs' case. "The most important factor is the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.)

Counsel provided the following exposure analysis:

<b>Claim</b>	<b>Relevant Time Period</b>	<b>Rate</b>	<b>Number of Violations</b>	<b>Amount</b>
Underpaid Wages Violations (due to Improperly Calculated Regular Rate)	24,493 Workweeks	\$16.68 Average Regular Rate	Violation Rate Based On Analysis Of Records By Expert	\$25,257.00 *\$12,628.50
Unpaid Wages Violations (due to Unpaid Off-the-Clock Work)	24,493 Workweeks	\$15.89 Average Rate / \$23.84 Average Overtime Rate	9,462 Net Unpaid Regular (10%) and Overtime Hours (90%)	\$218,051.79 ***\$32,707.77
Meal Period Violations	24,493 Workweeks	\$16.68 Average Regular Rate	9,842 Unique Meal Break Violations	\$164,164.56 ****\$16,416.46
Rest Break Violations	24,493 Workweeks	\$16.68 Average Regular Rate	110,443 Unique Rest Break Violations	\$921,094.62 **\$230,273.66
Unreimbursed Business Expenses Violations	24,493 Workweeks	\$20.00 Per Class Member Per Month	Violation Rate Based On Analysis Of Records By Expert	\$124,560.00 **\$31,140.00
Inaccurate Wage Statements	Based On One-Year Statute Of Limitations	\$100 Per Pay Period	\$100 Per Pay Period for 337 Class Members During The One-Year Statute Of Limitations	\$678,550.00 ****\$67,855.00
PAGA Civil Penalties	Based On One-Year Statute Of Limitations	\$100 Per Pay Period	\$100 Per Pay Period For 337 Class Members During The One-Year Statute Of Limitations	\$696,500.00 ****\$69,650.00
Waiting Time Penalties	Based On Three-Year Statute Of Limitations	Violation Rate Based On Analysis Of Records By Expert Per Pay Period	Violation Rate Based On Analysis Of Records By Expert Per Pay Period for 322 Terminated Class Members During The Limitations	\$1,180,590.00 ****\$118,059.00  ****\$255,564.00
<b>Total for All Claims</b>				<b>\$578,730.39</b>
Figures discounted on 50% probability of prevailing on class certification and the merits: (*) Figures discounted on 25% probability of prevailing on class certification and the merits: (**) Figures discounted on 15% probability of prevailing on class certification and the merits: (***) Figures discounted 10% probability of prevailing on class certification and the merits: (****)				

(Moon Decl., ¶¶21-28.)

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. Counsel has negotiated a Settlement of \$500,000 which is approximately 86% of the potential exposure, which is in the ballpark of reasonableness.

The \$500,000 settlement amount, after reduction by the requested deductions, leaves \$244,333.33 to be divided among approximately 400 employees. Thus, the resulting payments will average \$610.83. ( $\$244,333.33 / 400 = \$610.83$  )

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 and or opt-out. This factor becomes relevant during the fairness hearing.

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

### **Scope of the release**

Effective on the date Defendant fully funds the entire Gross Settlement Amount and any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments, Plaintiffs, Participating Class Members, and Aggrieved Employees will release claims against all Released Parties as follows: (§5)

- All Participating Class Members fully release and discharge the Released Parties of any and all claims alleged in the operative Complaint and/or any and all claims that could have been alleged in the operative Complaint, including, but not limited to (i) all claims for violation of California Labor Code sections 200, 201, 202, 203, 204, 208, 210, 218.5, 218.6, 221, 222, 223, 226, 226.2, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 1199, the California Industrial Commission Wage Orders, Cal. Code Regs., Title 8, section 11040, et seq., Business and Professions Code sections 17200, et seq., and California Code of Civil Procedure section 1021.5, and (ii) any and all claims for or related to alleged unpaid wages, minimum wages, regular rate of pay, hours worked, overtime or double time wages, regular rate of pay, bonus and incentive pay, sick pay, timely payment of wages at separation, wage statements, meal periods and meal period premiums, rest breaks and rest break premiums, unfair competition, unfair business practices, unlawful business practices, and statutory

penalties at any time during the Class Period (collectively, “Released Class Claims”). (§5.2) The Participating Class Members’ Release excludes the release of claims not permitted by law. (§5.2.1)

- All Aggrieved Employees fully release and discharge the Released Parties of any and all PAGA claims alleged in the operative Complaint or the PAGA Notices and/or any and all PAGA claims based on the facts stated in the operative Complaint or the PAGA Notices, including, but not limited to, (i) all PAGA claims seeking civil penalties premised upon California Labor Code sections 200, 201, 202, 203, 204, 208, 210, 218.5, 218.6, 221, 222, 223, 226, 226.2, 226.3, 226.7, 227.3, 246, 256, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, and 1199 et seq., California Industrial Commission Wage Orders, and (ii) any and all other claims for civil penalties recoverable under the Private Attorneys General Act, California Labor Code sections 2698 et seq., including, but not limited to those based on the facts or claims alleged in the operative Complaint or Plaintiffs’ Amended PAGA Notice at any time during the PAGA Period. The Released PAGA Claims do not release any Aggrieved Employees’ claims for wages or statutory penalties, and the Aggrieved Employees may not opt out of the Released PAGA Claims (collectively, “Released PAGA Claims”). The Released PAGA Claims do not release any Aggrieved Employees’ claims for wages or statutory penalties, and the Aggrieved Employees may not opt out of the Released PAGA Claims. (§5.3)
- The named Plaintiffs will also provide general releases and 1542 waivers. (§5.1)

- **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 400 class members. (MPA: 21:2-3.) 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.) Class Members are identifiable through Defendant’s records. (MPA: 20:21-22.)

- 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.)

Counsel contends that here commonality is met because here the questions of law and fact center around whether Defendants had legally compliant policies and practices to pay employees all wages owed; whether Defendants had legally compliant policies and practices to provide employees with code-compliant meal periods; whether Defendants had legally

compliant policies and practices authorizing and permitting its employees to take codecompliant rest breaks; whether Defendants had legally compliant policies and practices to ensure reimbursement of all necessary business expenses incurred; whether Defendants timely paid final wages to employees; and whether Defendants had legally compliant wage statements. (MPA, 21:12-20.)

Counsel further contends that Plaintiffs are typical of the Settlement Class because they are former non-exempt employees of Defendants; worked for Defendants in California; typically worked at least five days each workweek and eight or more hours each workday; and were subject to the employment policies and practices of Defendants, which are the basis of their claims and legal theories in support thereof. (MPA, 22:1-9.)

Finally, Plaintiffs are adequate class representatives because they have no conflicts with the class and are represented by competent counsel. (MPA, 22:10-20; Declaration of Plaintiff Molinero, *passim*; Declaration of Plaintiff Tierney, *passim*.)

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 may be conditionally certified since the prerequisites of class certification have been satisfied.

- **Is the notice proper?**

a. Content of class notice. The proposed notice is attached to the Settlement Agreement as Exhibit A. 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; attorney fees and costs; enhancement awards; 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 parties must revise ¶6 of the notice on pg. 5. Class Members should not be required to use specific language to opt out.**

**-The parties must revise ¶7 of the Notice on pgs. 5-6. The notice must make clear that Class Members may appear and orally object regardless of whether they submitted a written objection.**

**- Counsel are encouraged to use the form Notice attached to [a form class action/PAGA settlement agreement](#) now available on the court's website at <https://www.lacourt.org/forms/all> – “Civil Forms” section.]**

b. Method of class notice. Notice will be via direct mail. No later than twenty-one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendants will simultaneously deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. (¶6.2) No later than thirty (30) calendar days after the Court grants Preliminary Approval of the Settlement, the Administrator will send to all Class Members identified in the Class Data, via first-class United States Postal Service (“USPS”) mail, the Class Notice in English and Spanish. Before mailing Class Notices, the Administrator will update Class Member addresses using the National Change of Address database. (¶6.4) No later than three (3) business days after its receipt of any Class Notice



returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by USPS. If USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by USPS a second time. (¶6.5) If the Administrator, Defendants, Defense Counsel, or Class Counsel are contacted by or otherwise discovers any persons who believe they should have been included in the Class Data and should have received Class Notice, the Parties will expeditiously meet and confer in person or by telephone, and in good faith, in an effort to agree on whether to include them as Class Members. If the Parties agree, such persons will be Class Members entitled to the same rights as other Class Members, and the Administrator will send, via email or overnight delivery, a Class Notice requiring them to exercise options under this Agreement no later than fourteen (14) calendar days after receipt of Class Notice, or the deadline dates in the Class Notice, whichever is later. (¶6.5.2) Notice of Final Judgment will be posted on the Settlement Administrator's website. (¶6.13)

c. Cost of class notice. As indicated above, claims administration costs are estimated to equal approximately **\$11,000**. Prior to the time of the final fairness hearing, the claims 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.

- **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.) In common fund cases, the Court may utilize the percentage method, cross-checked by the lodestar. (*Laffitte v. Robert Half Int'l, Inc.* (2016) 1 Cal.5th 480, 503.) 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 **\$166,666.67 (33%)** 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 (capped at **\$28,000**) sought by detailing how they were incurred.

- **Incentive Awards to Class Representatives**

Class Counsel will seek an Enhancement Award of **\$10,000** to each of the named Plaintiffs for a total of **\$20,000**. In connection with the final fairness hearing, the named Plaintiff must submit declarations attesting to why they should be entitled to an enhancement award in the

proposed amount. The named Plaintiffs must explain why they “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 plaintiffs, 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**

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

The essential terms are:

- A. The Gross Settlement Amount (“GSA”) is **\$500,000** non-reversionary. (¶3.1)
- B. The Net Settlement Amount (“Net”) is the GSA minus the following:
  - Up to **\$166,666.67** (33%) for attorney fees (¶3.2.2)
  - Up to **\$28,000** for litigation costs (*Ibid.*);
  - Up to **\$20,000** for Service Payments to the Named Plaintiffs (\$10,000 each) (¶3.2.1);
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  - Payment of **\$30,000** (75% of \$40,000 PAGA penalty) to the LWDA and **\$10,000** (75% of \$40,000 PAGA penalty) to aggrieved employees. (¶3.2.4)
- C. Employer’s share of the payroll taxes on the taxable portion of the settlement payments shall be paid separately from the GSA by Defendant. (¶3.1)
- D. Plaintiffs shall release Defendants from claims described herein.

The Parties’ Motion for Final Approval of Class Action Settlement must be filed by **August 12, 2025**, and shall be heard on **September 25, 2025, at 10:00 a.m., Department 9**. 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.

The Court sets a **Non-Appearence Case Review Re: Filing and Serving of Motion for Final Approval of Class Action Settlement for August 19, 2025, at 8:30 a.m., Department 9.**

The Judicial Assistant is to give notice to Counsel for Plaintiff who is ordered to give further and formal notice to all parties.

IT IS SO ORDERED.

DATED: February 20, 2025



A handwritten signature in cursive script, reading "Elaine Lu".

Elaine Lu

Judge of the Superior Court  
~~Elaine Lu / Judge~~