

1 **JCL LAW FIRM, APC**
Jean-Claude Lapuyade (State Bar #248676)
2 Perssia Razma (State Bar #351398)
5440 Morehouse Drive, Suite 3600
3 San Diego, CA 92121
Telephone: (619) 599-8292
4 jlapuyade@jcl-lawfirm.com
prazma@jcl-lawfirm.com

5 **ZAKAY LAW GROUP, APLC**
6 Shani O. Zakay (State Bar #277924)
5440 Morehouse Drive, Suite 3600
7 San Diego, CA 92121
Telephone: (619) 255-9047
8 shani@zakaylaw.com

9 Attorneys for Plaintiff MICHAELA LANERE

10 **SUPERIOR COURT FOR THE STATE OF CALIFORNIA**

11 **IN AND FOR THE COUNTY OF SACRAMENTO**

12 MICHAELA LANERE, an individual, on behalf of
13 herself, and on behalf of all persons similarly
14 situated, and in her representative capacity on
15 behalf of the State of California and fellow
Aggrieved Employees,

16 Plaintiff,

17 v.

18 PHH MORTGAGE CORPORATION, a New
19 Jersey corporation, d/b/a LIBERTY REVERSE
20 MORTGAGE; LIBERTY HOME EQUITY
SOLUTIONS a California limited liability
company and DOES 1-50, Inclusive .

21 Defendants.
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CASE No.: 24CV006254

**~~PROPOSED~~ ORDER GRANTING
PRELIMINARY APPROVAL OF CLASS
AND PAGA ACTION SETTLEMENT**

Hearing Date: January 24, 2025
Hearing Time: 9:00 a.m.
Department: 23
Reservation No.: A-06254-001

FILED
Superior Court of California
County of Sacramento
02/04/2025
T. Shaddix, Deputy

1 This matter having come before the Honorable Jill H. Talley of the Superior Court of the State
2 of California, in and for the County of Sacramento on January 24, 2025, at 9:00 am with Jean- Claude
3 Lapuyade, Esq. of the JCL Law Firm, APC and Shani O. Zakay, Esq. of the Zakay Law Group, APLC
4 as counsel for Plaintiff MICHAELA LANERE (“Plaintiff”), and Julie Totten, Esq. and Annie H.
5 Chen, Esq. of Orrick, Herrington & Sutcliffe, LLP appearing for Defendants PHH MORTGAGE
6 CORPORATION and LIBERTY HOME EQUITY SOLUTIONS, INC. (“Defendants”) and the
7 Court, having carefully considered the briefs, argument of counsel and all the matters presented to
8 the Court, and good cause appearing, hereby GRANTS Plaintiff’s Motion for Preliminary Approval
9 of Class Action and PAGA Settlement.

10 **IT IS HEREBY ORDERED:**

11 1. The Court preliminarily approves the Class Action and PAGA Settlement Agreement
12 (“Settlement Agreement” or “Agreement”) a true and correct copy of which is attached to the
13 concurrently filed Declaration of Shani O. Zakay, Esq. as **Exhibit “1”**. This is based on the Court’s
14 determination that the Settlement Agreement is within the range of possible final approval, pursuant
15 to the provisions of Section 382 of the California Code of Civil Procedure and California Rules of
16 Court, rule 3.769.

17 2. This Order incorporates by reference the definitions in the Agreement, and all terms
18 defined therein shall have the same meaning in this Order as set forth in the Agreement.

19 3. Subject to the terms of the Settlement Agreement, the Gross Settlement Amount that
20 Defendants shall pay is \$875,000.00. It appears to the Court on a preliminary basis that the settlement
21 amount and terms are fair, adequate, and reasonable as to the entire Settlement Class when balanced
22 against the probable outcome of further litigation relating to certification, liability, and damages
23 issues. It further appears to the Court on a preliminary basis that the PAGA allocation in the amount
24 of \$40,000 is fair, just, and reasonable. It further appears that investigation and research have been
25 conducted such that counsel for the Parties are able to reasonably evaluate their respective positions.
26 It further appears to the Court that settlement at this time will avoid substantial additional costs by
27 all Parties, as well as avoid the delay and risks that would be presented by the further prosecution of
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1 the litigation. It further appears that the Settlement has been reached as the result of intensive, serious,
2 and non-collusive arms-length negotiations.

3 4. The Court preliminarily finds that the Settlement appears to be within the range of
4 reasonableness of a settlement that could ultimately be given final approval by this Court. The Court
5 has reviewed the monetary recovery that is being granted as part of the Settlement and preliminarily
6 finds that the monetary settlement awards made available to the Settlement Class are fair, adequate,
7 and reasonable when balanced against the probable outcome of further litigation relating to
8 certification, liability, and damages issues.

9 5. The Court recognizes that Plaintiff and Defendants stipulate and agree to certification
10 of a class for settlement purposes only. This stipulation will not be deemed admissible in this or any
11 other proceeding should this Settlement not become final. For settlement purposes only, the Court
12 conditionally certifies the following Settlement Class:

13 all current and former non-exempt employees of Defendants
14 employed in California and who performed work in California
15 during the Class Period. "Class Period" means the period from
16 January 23, 2020 through October 28, 2024 (the "Class Period").

17 6. The Court concludes that, for settlement purposes only, the Settlement Class meets
18 the requirements for certification under section 382 of the California Code of Civil Procedure in that:
19 (a) the Settlement Class is ascertainable and so numerous that joinder of all members of the
20 Settlement Class is impracticable; (b) common questions of law and fact predominate, and there is a
21 well-defined community of interest amongst the Settlement Class with respect to the subject matter
22 of the litigation; (c) the claims of the Class Representative are typical of the claims of the Settlement
23 Class; (d) the Class Representative will fairly and adequately protect the interests of the Settlement
24 Class; (e) a class action is superior to other available methods for the efficient adjudication of this
25 controversy; and (f) Class Counsel are qualified to act as counsel for the Class Representative in their
26 individual capacity and as the representative of the Settlement Class Members.

27 7. The Court provisionally appoints plaintiff MICHAELA LANERE as the
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1 representative of the Settlement Class.

2 8. The Court provisionally appoints Jean-Claude Lapuyade, Esq., of the JCL Law Firm,
3 A.P.C. and Shani Zakay of the Zakay Law Group, APLC, as Class Counsel for the Settlement Class.

4 9. The Court hereby approves, as to form and content, the COURT APPROVED
5 NOTICE OF CLASS ACTION SETTLEMENT AND HEARING DATE FOR FINAL COURT
6 APPROVAL (“Class Notice”) attached to the Agreement as Exhibit “A”. The Court finds that the
7 notice appears to fully and accurately inform the Settlement Class and Aggrieved Employees of all
8 material elements of the proposed Settlement, including right of any Settlement Class member to be
9 excluded from the Settlement Class by submitting a written request for exclusion, and of each
10 Settlement Class member’s right and opportunity to object to the Settlement. The Court further finds
11 that the distribution of the notice substantially in the manner and form set forth in the Agreement and
12 this Order meets the requirements of due process, is the most reasonable notice under the
13 circumstances, and shall constitute due and sufficient notice to all persons entitled thereto. The Court
14 orders the mailing of the notices by first class mail, pursuant to the terms set forth in the Agreement.

15 10. The Court hereby appoints Apex Class Action, as Settlement Administrator. No later
16 than 21 calendar days of this order, Defendants shall provide, to the Settlement Administrator the
17 Class Data, including information regarding Settlement Class Members that Defendants will in good
18 faith compile from their records, including each Class Member’s full name; last known address;
19 Social Security Number; number of Class Period Workweeks, and number of PAGA Pay Periods.
20 No later than 14 calendar days after receipt of the Class Data, the Settlement Administrator shall mail
21 the Notice to all identified, potential members of the Settlement Class via first class U.S. Postal
22 Service.

23 11. The Court hereby preliminarily approves the proposed procedure for exclusion from
24 the Settlement. Any Class Member may individually choose to opt out of and be excluded from the
25 Settlement as provided in the Class Notice by following the instructions for requesting exclusion
26 from the Settlement of the Released Claims that are set forth in the Notice. All requests for exclusion
27 must be postmarked or received by the Response Deadline which is sixty (60) calendar days after the
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1 date the Class Notice is mailed to the Settlement Class Members or, in the case of a re-mailed Class
2 Notice, not more than fourteen (14) calendar days after the original Response Deadline. Any such
3 person who chooses to opt out of and be excluded from the Settlement will not be entitled to an
4 Individual Settlement Payment under the Settlement and will not be bound by the Settlement, or have
5 any right to object, appeal or comment thereon. Settlement Class members who have not requested
6 exclusion shall be bound by all determinations of the Court, the Agreement and Judgment. A request
7 for exclusion excludes that particular individual, and any attempt to affect an opt-out of a group,
8 class, or subclass of individuals is not permitted and will be deemed invalid.

9 12. Any Settlement Class member who has not opted out may appear at the final approval
10 hearing and may object or express the Class Member's views regarding the Settlement and may
11 present evidence and file briefs or other papers that may be proper and relevant to the issues to be
12 heard and determined by the Court as provided in the Notice. Settlement Class Members will have
13 sixty (60) days from the date the Settlement Administrator mails the Class Notice to postmark their
14 written objections to the Settlement Administrator.

15 13. The Agreement specifies for an award of Class Counsel Fees Payment and Class
16 Counsel Litigation Expenses Payment that the Court authorizes to be paid to Class Counsel for the
17 services they have rendered to Plaintiff and the Class in this action, consisting of attorneys' fees not
18 to exceed one-third of the Gross Settlement Amount currently estimated to be \$291,666.67 and costs
19 and expenses up to \$25,000.00.

20 14. The Agreement also specifies a proposed Class Representative Service Payment to
21 the Class Representative, MICHAELA LANERE, in an amount not to exceed \$10,000.00.

22 15. While the Class Counsel Fees Payment and Class Counsel Litigation Expenses
23 Payment and the Class Representative Service Payment appear to be within the range of
24 reasonableness, the Court will not approve the Class Counsel Fees Payment, Class Counsel
25 Litigation Expenses Payment, or Class Representative Service Payment until the Final Approval
26 Hearing

27 16. A final approval hearing shall be held before this Court on 11 FEB at 10 AM

1 in Department 23 of the Sacramento County Superior Court to determine all necessary matters
2 concerning the Settlement, including: whether the proposed settlement of the Action on the terms and
3 conditions provided for in the Agreement is fair, adequate and reasonable and should be finally
4 approved by the Court; whether an Order Granting Final Approval should be entered herein; whether
5 the plan of allocation contained in the Agreement should be approved as fair, adequate and reasonable
6 to the Settlement Class; and to finally approve the Class Counsel Fees Payment, Class Counsel
7 Litigation Expenses Payment, Class Representative Service Payment, and the Administration
8 Costs. All papers in support of the motion for final approval and the motion for the Class Counsel
9 Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service
10 Payment shall be filed with the Court and served on all counsel no later than sixteen (16) court days
11 before the calendared Final Approval Hearing.

12 17. Neither the Settlement nor any exhibit, document, or instrument delivered thereunder
13 shall be construed as a concession or admission by Defendants in any way, and shall not be used as
14 evidence of, or used against Defendants as, an admission or indication in any way, including with
15 respect to any claim of any liability, wrongdoing, fault, or omission by Defendants or with respect to
16 the truth of any allegation asserted by any person. Whether or not the Settlement is finally approved,
17 neither the Settlement, nor any exhibit, document, statement, proceeding or conduct related to the
18 Settlement, nor any reports or accounts thereof, shall in any event be construed as, offered or admitted
19 in evidence as, received as or deemed to be evidence for any purpose adverse to the Defendant,
20 including, but not limited to, evidence of a presumption, concession, indication or admission by
21 Defendants of any liability, fault, wrongdoing, omission, concession or damage.

22 18. In the event the Settlement does not become effective in accordance with the terms of
23 the Agreement, or the Settlement is not finally approved, or is terminated, canceled, or fails to become
24 effective for any reason, this Order shall be rendered null and void and shall be vacated, and the
25 Parties shall revert to their respective positions as of before entering into the Agreement. In such an
26 event, the Court's orders regarding the Settlement, including this Preliminary Approval Order, shall
27 not be used or referred to in litigation for any purpose. Nothing in this paragraph is intended to alter
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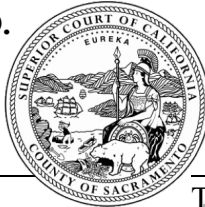
1 the terms of the Settlement Agreement with respect to the effect of the Settlement Agreement if it is
2 not approved.

3 19. Pending final determination of whether the Settlement should be approved, Class
4 Representative and all members of the Settlement Class are barred and enjoined from filing,
5 commencing, prosecuting, intervening in, instigating or in any way participating in the
6 commencement or prosecution of any lawsuit, action or administrative, regulatory, arbitration or
7 other proceeding, in any forum, asserting any claims that are, or relate in any way to, the Release by
8 Settlement Class Members, unless and until they submit a timely request for exclusion pursuant to
9 the Agreement.

10 20. The Court reserves the right to adjourn or continue the date of the final approval
11 hearing and all dates provided for in the Agreement without further notice to Settlement Class and
12 retains jurisdiction to consider all further applications arising out of or connected with the proposed
13 Settlement.

14 **IT IS SO ORDERED.**

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16 Dated: 02/04/2025



Jill Talley
The Honorable Jill H. Talley
Judge of the Superior Court