

**Preliminary Approval of Class Action Settlement**  
**Department SSC-9**  
**Hon. Elaine Lu**

**Briana McCulin v. South Coast Children's Society, Inc.**

**Case No.: 25STCV09319**

**Hearing: January 28, 2026**

**Non-Appearance Case Review: February 13, 2026**

**FILED**  
Superior Court of California  
County of Los Angeles

**03/09/2026**

David W. Slayton, Executive Officer / Clerk of Court

By:                     M. Zavala                     Deputy

**RULING**

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

The essential terms of the Settlement Agreement are:

- The Gross Settlement Amount ("GSA") is **\$1,200,000**, non-reversionary. (¶C.1)
- The Parties will request the Court to approve and award the following payments and deductions to be made from the GSA:
  - Up to **\$400,000** (33 1/3%) for attorney fees (¶C.2.a);
  - Up to **\$30,000** for litigation costs (*ibid.*);
  - Up to **\$20,000 total [\$10,000 each]** for a Service Payment to each named Plaintiff (¶C.2.b);
  - Up to **\$15,000** for settlement administration costs (¶C.2.c); and
  - Payment of **\$100,000** PAGA penalty (65% or \$65,000 to the LWDA; and 35% or \$35,000 to the Aggrieved Employees). (¶C.2.d)
- Defendant will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶C.1)
- Plaintiffs shall release Defendants from claims described in the Settlement.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **May 15, 2026** and will be heard on **June 23, 2026**. *Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here.* 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.

A Non-Appearance Case Review is set for **May 22, 2026**, 8:30 a.m., Department 9 re filing of Motion for Final Approval of Class Action Settlement.

### **BACKGROUND**

Plaintiffs Corina Salgado and Briana McCulin sues their former employer, Defendant South Coast Children's Society, Inc. ("Defendant"), for alleged wage and hour violations. Plaintiffs seek to represent a class of Defendant's current and former non-exempt employees.

On March 28, 2025, Plaintiff McCulin filed a class action lawsuit against Defendant alleging wage-and-hour causes of action.

On September 24, 2025, Plaintiff McCulin filed a First Amended Complaint that adjusted the "class" definition, added Plaintiff Salgado as a named plaintiff, and alleges causes of action for: (1) Failure To Pay All Overtime Wages (Labor Code §§ 204, 510, 558, 1194, 1198); (2) Minimum Wage Violations (Labor Code §§ 1182.12, 1194, 1194.2, 1197); (3) Meal Period Violations (Labor Code §§ 226.7, 512, 558); (4) Rest Period Violations (Labor Code §§ 226.7, 516, 558); (5) Failure To Reimburse Necessary Business Expenditures (Labor Code §§ 2802, 2804); (6) Unfair Competition (Bus & Prof Code § 17200 et seq.); (7) Unpaid Sick Leave (Labor Code § 246(L)); (8) Failure To Keep Proper Records (Labor Code § 1174); and (9) Private Attorneys General Act Of 2004 (Labor Code § 2698, et seq.).

On August 28, 2025, the parties participated in a mediation with mediator Jeffrey P. Fuchsman, which ultimately resulted in settlement. The terms of settlement were finalized in the long-form *Class Action and PAGA Settlement Agreement* ("Settlement Agreement"), a copy of which is attached to the Douglas Han ("Han Decl.") as Exhibit 2.

Now before the Court is the Motion for Preliminary Approval of the Settlement Agreement.

### **SETTLEMENT CLASS DEFINITION**

- "Class" means all current and former hourly-paid or non-exempt employees employed by Defendant within the State of California at any time during the Class Period. (¶A.5)
- "Class Period" means the period from November 20, 2020, through October 27, 2025. (¶A.12)
- "Aggrieved Employees" means all current and former hourly-paid or non-exempt employees employed by Defendant within the State of California at any time during the PAGA Period. (¶A.4)

- “PAGA Period” means the period from August 28, 2024, through October 27, 2025. (¶A.32)
- “Participating Class Member” means a Class Member who does not submit a valid and timely Request for Exclusion from the Settlement. (¶A.34)

### TERMS OF SETTLEMENT AGREEMENT

The essential terms are as follows:

- The Gross Settlement Amount (“GSA”) is **\$1,200,000**, non-reversionary. (¶C.1)
  - Escalator Clause: As of August 28, 2025 (date of mediation), it was estimated that the number of Workweeks was 52,397 Workweeks. If it is determined that the number of Workweeks within the Class Period exceeds ten percent (10%) or more of 52,397 Workweeks (i.e., more than 57,637 Workweeks), then the Gross Settlement Amount shall increase proportionally over the ten percent (10%) increase (i.e., if the number of Workweeks increases by 11%, then the Gross Settlement Amount will increase by 1%). (¶H)
- The Net Settlement Amount (“Net”) (**\$635,000**) is the GSA minus the following:
  - Up to **\$400,000** (33 1/3%) for attorney fees (¶C.2.a);
  - Up to **\$30,000** for litigation costs (*Ibid.*);
  - Up to **\$20,000 total [\$10,000 each]** for a Service Payment to each named Plaintiff (¶C.2.b);
  - Up to **\$15,000** for settlement administration costs (¶C.2.c); and
  - Payment of **\$100,000** PAGA penalty (65% or \$65,000 to the LWDA). (¶C.2.d)
- Defendant will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶C.1)
- There is no claim form requirement. (¶C.1)
- Individual Settlement Payment Calculation: The Individual Class Payments will be 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 during the Class Period. (¶C.2.e) The Non-Participating Class Members will not receive any Individual Class Payments. The Administrator will allocate amounts equal to their Individual Class Payments to the Net Settlement Amount for distribution to the Participating Class Members on a pro rata basis. (¶C.2.e.ii)
  - PAGA Payments: The Administrator will calculate each Individual PAGA Payment by: (a) dividing the thirty-five percent (35%) share of PAGA Penalties (\$35,000) 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 during the PAGA Period. (¶C.2.d.i)
  - Tax Allocation: Each Participating Class Member's Individual Class Payments will be allocated as follows: 20% as wages, 80% as interest and penalties. (¶C.2.e.i) The Administrator will report the Individual PAGA Payments on IRS 1099 Forms. (¶C.2.d.ii)

- Response Deadline: “Response Deadline” means forty-five (45) calendar days after the Administrator mails the Class Notice to Class Members and shall be the last date on which Class Members may: (a) fax, email, or mail Requests for Exclusion from the Settlement; or (b) fax, email, or mail his, her or their Objection to the Settlement. Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the date the Response Deadline has expired. (¶A.42) The same deadlines apply to the submission of workweek disputes. (¶G.6.a)
  - If the number of valid Requests for Exclusion identified by the Administrator exceeds five percent (5%) of the total of all Class Members, Defendant may, but is not obligated to, elect to withdraw from the Settlement. (¶I)
- Funding of Settlement: Defendant shall fund the Gross Settlement Amount and fund all employer payroll taxes owed on the Wage Portion of the Individual Class Payments by transmitting the funds to the Administrator no later than the Effective Date. (¶D.2)
- Disbursement: Within fourteen (14) calendar days after Defendant fully funds the Gross Settlement Amount, the Administrator will mail checks for the appropriate entities and persons. The disbursement of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payments shall not precede disbursement of Individual Class Payments and Individual PAGA Payments. (¶D.3)
- Uncashed Settlement Checks: The face of each check shall state checks that are not cashed within one hundred eighty (180) calendar days after the date of mailing will be voided, and the Administrator will cancel all checks not cashed by the void date. (¶D.3.a) For any Class Member whose settlement check is uncashed and cancelled after the void date, 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 Code of Civil Procedure section 384, subd. (b). (¶D.3.c)
- The settlement administrator will be ILYM Group, Inc. (¶A.2)
- The proposed settlement was submitted to the LWDA on November 17, 2025. (Han Decl., Exhibit 6.)
- Participating class members and the named Plaintiff will release certain claims against Defendants. (See further discussion below)

## **ANALYSIS OF SETTLEMENT AGREEMENT**

### **1. Does a presumption of fairness exist?**

1. Was the settlement reached through arm’s-length bargaining? On August 28, 2025, the parties participated in a mediation with mediator Jeffrey P. Fuchsman, which ultimately resulted in settlement. (Han Decl., ¶11.)

2. Were investigation and discovery sufficient to allow counsel and the court to act intelligently? Class Counsel represents that prior to the mediation, Defendant produced documents relating to the policies, practices, and procedures regarding reimbursement of business expenses, paying hourly-paid and non-exempt employees for all hours worked, and

meal and rest breaks along with payroll and operational policies. As part of Defendant’s production, Plaintiffs reviewed time records, pay records, and information relating to the size and scope of the Class, as well as data permitting Plaintiffs to understand the number of workweeks and pay periods within the Class Period. Putative class members were also located and interviewed to attain a better understanding of the extent and frequency of the alleged day-to-day violations. (*Id.* at ¶16.)

3. Is counsel experienced in similar litigation? Yes. Class Counsel is experienced in class action litigation, including wage and hour class actions. (*Id.* at Exhibit 1; Declaration of Paul K. Haines, ¶7.)

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.

**2. Is the settlement fair, adequate, and reasonable?**

1. Strength of Plaintiff’s case. “The most important factor is the strength of the case for plaintiff on the merits, balanced against the amount offered in settlement.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130.) Here, Class Counsel has provided information, summarized below, regarding the estimated values of the class claims alleged:

| <b>Violation</b>         | <b>Maximum Exposure</b> | <b>Realistic Exposure</b> |
|--------------------------|-------------------------|---------------------------|
| Rest Break Violations    | \$1,548,144.55          | \$185,777.35              |
| Meal Break Violations    | \$1,171,716.21          | \$234,343.24              |
| Unpaid Wages             | \$1,866,344.66          | \$466,586.17              |
| Regular Rate             | \$38,113.49             | \$13,339.72               |
| Unreimbursed Expenses    | \$401,344.00            | \$84,282.24               |
| Wage Statement Penalties | \$597,800.00            | \$149,450.00              |
| Waiting Time Penalties   | \$1,192,111.20          | \$298,027.80              |
| PAGA Penalties           | \$170,800.00            | \$24,400.00               |
| <b>Total</b>             | <b>\$6,986,374.11</b>   | <b>\$1,456,206.52</b>     |

(Han Decl., ¶¶36-56.)

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. Plaintiff’s counsel estimated Defendant’s maximum exposure at \$6,986,374.11 and realistic exposure at \$1,456,206.52. Counsel obtained a \$1,200,000 settlement amount. This is approximately 17.2% of Defendant’s potential maximum exposure and 82.4% of the estimated realistic exposure which, given the uncertain outcomes, is within the “ballpark of reasonableness.”

The settlement amount, after being reduced by the requested deductions, leaves approximately \$635,000 to be divided among approximately 528 Class Members. Assuming full participation, the resulting payments will average approximately \$1,202.65 per Class Member.

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, opt-out and/or submit claim forms. This factor becomes relevant during the fairness hearing.

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

### **3. Scope of the release**

Releases of Claims. Effective on the date when Defendant fully funds the Gross Settlement Amount and funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows: (¶E)

- Release by the Participating Class Members: All the Participating Class Members, on behalf of themselves and their former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from all claims that were alleged, or could have been alleged, based on the facts contained in the Operative Complaint and that occurred during the Class Period ("Released Class Claims"). (¶E.2) The Released Class Claims include any and all claims involving any alleged: (i) Failure to Pay All Wages; (ii) Failure To Pay All Overtime Wages At The Legal Overtime Pay Rate; (iii) Failure To Provide All Meal Periods; (iv) Failure to Authorize and Permit All Rest Periods; (v) Failure to Fully Reimburse Work Expenses; (vi) Failure To Timely Furnish Accurate Itemized Wage Statements; and (vii) Violations of Labor Code sections 201,202,203,204,210,218,218.5, 218.6, 221,226,226.3, 226.7, 246,510, 512(a), 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2800, 2802, 2926, 2927, Business & Professions Code section 17200, et seq., and applicable IWC Wage Orders. (¶E.2.a) Except as set forth in Section E.3. of this Agreement, the Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,

unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period. (¶E.2.b)

- Release by the Aggrieved Employees: All the Participating and Non-Participating Class Members, who are Aggrieved Employees, are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or could have been alleged, based on the facts contained in the Operative Complaint and PAGA Notice and that occurred during the PAGA Period ("Released PAGA Claims"). (¶E.3) The Released PAGA Claims include any and all claims involving any alleged: (i) Failure to Pay All Wages; (ii) Failure To Pay All Overtime Wages At The Legal Overtime Pay Rate; (iii) Failure To Provide All Meal Periods; (iv) Failure to Authorize and Permit All Rest Periods; (v) Failure to Fully Reimburse Work Expenses; (vi) Failure To Timely Furnish Accurate Itemized Wage Statements; and (vi) Violations of Labor Code sections 201,202,203,204,, 226,226.7, 246, 510, 512(a), 558, 1174, 1182.12, 1194, 1194.2, 1197, 1198, 1199, 2698, et seq., 2802, 2926, 2927, and applicable IWC Wage Orders. (¶E.3.a)
  - "PAGA Notice" means Plaintiff McCulin's written notice to the LWDA and Defendant on September 4, 2025 providing notice pursuant to Labor Code section 2699.3, subdivision (a). (¶A.30)
  - The Parties agree that Aggrieved Employee do not have the right to object to the PAGA portion of the Settlement or exclude themselves from the release of claims [sic] set forth in Section E.3 of this Agreement regardless of whether the Aggrieved Employee cashes any payment received because of this Settlement. (¶G.5.f)
- "Released Parties" means Defendant and each of its former and present parents, predecessors in interest, successors, affiliates, subsidiaries, officers, directors, members, agents, non-Class Member employees, managers, principals, heirs, representatives, accountants, auditors, consultants, respective successors, and attorneys. (¶A.40)
- Named Plaintiffs will also provide a general release and CC § 1542 waiver. (¶E.1)

#### **4. 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 528 Class Members. (Han Decl., ¶158.) 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.) The class members are identifiable from Defendant’s records. (Han Decl., ¶158.)

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.)

As to commonality, Plaintiffs assert that common issues of fact and law predominate as to each of the claims. Plaintiffs contend that all hourly-paid, non-exempt persons employed by Defendant during the Class Period were subject to the same or similar employment practices, policies, and procedures. All the claims surround the alleged common schemes of: (a) failing to maintain compliant meal and rest break practices; (b) failing to reimburse business expenses; and (c) failing to fully and properly compensate employees for, inter alia, all hours worked, noncompliant breaks, and associated wage statement and waiting time penalties. (Han Decl., ¶159.)

As to typicality, Plaintiffs are former employees of Defendant. Plaintiffs allege that they and the Class Members were employed by the same company and injured by the common policies and practices related to: (a) noncompliant meal and rest breaks; (b) uncompensated off-the-clock work; (c) improperly calculated overtime wages, sick leave pay, and premium wages; (d) unreimbursed business expenses; (e) untimely paid wages; and (f) inaccurate wage statements. Plaintiffs seek relief for these claims and derivative claims on behalf of the Class. The claims arise from the same employment practices and are based on the same legal theories as those applicable to the Class. (*Id.* at ¶160.)

As to adequacy, each Plaintiff represents that she has participated in the litigation and is aware of the risks and duties of serving as class representative. (Declaration of Corina Salgado, ¶¶1; Declaration of Briana McCulin, ¶¶6-7.)

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 is conditionally certified because the prerequisites of class certification have been satisfied.

## **5. Is the notice proper?**

1. Content of class notice. The proposed notice is attached as Exhibit A to the Settlement Agreement. 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; the proposed deductions from the gross settlement amount (attorney fees and costs, enhancement awards, and administration costs); 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 Notice will be distributed in English and Spanish. (¶A.11)

2. Method of class notice. No later than twenty-one (21) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet. (¶G.4.a) Before mailing Class Notices, the Administrator shall update Class Members' addresses using the NCOA. Using best efforts to perform as soon as possible, and in no event later than fourteen (14) calendar days after receiving the Class Data, the Administrator will send to all Class Members identified in the Class Data the Class Notice via first-class USPS mail. (¶G.4.c)

No later than three (3) business days after the Administrator's 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 the USPS. If the 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. (¶G.4.d)

Class Members to whom Class Notices are resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the date the Response Deadline has expired. (¶A.42) Notice of Final Judgment will be posted on the Settlement Administrator's website. (¶G.8.a)

3. Cost of class notice. As indicated above, settlement administration costs are estimated not to exceed **\$15,000**. Prior to the time of the final fairness hearing, the 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.

## **6. 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.) 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 **\$400,000** (33 1/3%) 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.

Fee Split: On August 25, 2025, the Parties entered a Joint Prosecution and Attorney Fee Division Agreement. Under the Joint Prosecution and Attorney Fee Division Agreement, the Parties agreed to split the Class Counsel Fees Payment as follows: seventy percent (70%) to Justice Law Corporation and thirty (30%) to Haines Law Group, APC. (Han Decl., ¶170.)

Class Counsel should also be prepared to justify the costs sought (capped at **\$30,000**) by detailing how they were incurred.

#### **7. Incentive Award to Class Representatives**

The Settlement Agreement provides for enhancement awards of **\$10,000** to each named Plaintiff. In connection with the final fairness hearing, named Plaintiffs must submit a declaration attesting to why he or she should be entitled to an enhancement award in the proposed amount. The named Plaintiff must explain why he or she “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 plaintiff, 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**

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

The essential terms of the Settlement Agreement are:

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- The Parties will request the Court to approve and award the following payments and deductions to be made from the GSA:
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  - Payment of **\$100,000** PAGA penalty (65% or \$65,000 to the LWDA; and 35% or \$35,000 to the Aggrieved Employees). (¶C.2.d)

- Defendant will separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (¶C.1)
- Plaintiffs shall release Defendants from claims described in the Settlement.

The Parties' Motion for Final Approval of Class Action Settlement must be filed by **May 15, 2026** and will be heard on **June 23, 2026**. *Failure to file the Parties' Motion for Final Approval of Class Action Settlement by this deadline will result in a continuance of the final approval hearing to the Court's first available hearing date, which could be months after the hearing date noted here.* 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.

A Non-Appearance Case Review is set for **May 22, 2026**, 8:30 a.m., Department 9 re filing of Motion for Final Approval of Class Action Settlement.

The Court's Judicial Assistant shall give electronic notice to all parties.

IT IS SO ORDERED.

DATED: March 9, 2026



A handwritten signature in cursive script that reads "Elaine Lu".

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Elaine Lu / Judge  
Judge of the Superior Court