1 2 FILED ALAMEDA COUNTY 3 MAR 0 2 2018 4 CLERK OF THE SUPERIOR COURT 5 Dyneste P 6 7 8 SUPERIOR COURT OF THE STATE OF CALIFORNIA 9 FOR THE COUNTY OF ALAMEDA 10 11 DAVID ARTEAGA, individually, and on Case No.: RG17859072 12 behalf of other members of the general public similarly situated, and as aggrieved [PROPOSED] ORDER GRANTING 13 employees pursuant to the Private Attorneys PLAINTIFF'S MOTION FOR General Act ("PAGA"), CONDITIONAL CERTIFICATION AND 14 PRELIMINARY APPROVAL OF CLASS Plaintiff, **ACTION SETTLEMENT** 15 VS. 16 Reservation No.: R-1919783 G4S SECURE SOLUTIONS (USA), INC. a 17 Florida corporation; and DOES 1 through February 20, 2018 Date: 100, inclusive, Time: 3:00 p.m. 18 23 Dept.: Defendants. 19 Complaint filed: May 11, 2017 20 21 22 23 24 25 26 27 28

Plaintiff's Motion for Conditional Certification and Preliminary Approval of a Class Action Settlement ("Motion") came for hearing before this Court, the Honorable Brad Seligman, on February 20, 2018, at 3:00 p.m. Defendant G4S Global Security Systems, (USA) Inc. ("Defendant") did not oppose the Motion. Plaintiff David Arteaga ("Plaintiff") appeared by Matthew Bainer of The Bainer Law Firm. Defendant appeared by Linh Hua, Esq. of Gordon, Rees, Scully, Mansukhani, LLP. The Court, having considered the papers and supporting documentary evidence submitted in support of the Motion and having heard oral argument of the parties, and having asked the parties to incorporate certain findings contained in the Court's tentative ruling on the Motion, now hereby finds and orders as follows:

The Court hereby preliminarily approves the proposed Class Settlement upon the 1. terms and conditions set forth in the "Class Action Settlement Agreement" ("Settlement Agreement"), attached as Exhibit 1 to the Declaration of Matthew Bainer in Support of Plaintiff's Motion ("Bainer Decl.") with the following modifications: 1) the Court finds that the settlement is preliminarily approved based on the parties representation at the February 20, 2018 hearing that the employer portion of any payroll taxes owed as a result of this settlement are to be paid by Defendant, 2) the Court finds that the 30 day response deadline for class members to submit a request for exclusion or objection set for the in the Settlement Agreement should be extended to 45 days, 3) the Court approves the form of Notice attached hereto as Exhibit "A" and as modified from the version attached as Exhibit 2 to the Bainer Decl. pursuant to the Court's tentative ruling, 4) the parties are directed, as part of the class notification process, to create, maintain and notify the class of the URL address for a website that includes the basic settlement documents and, lastly, 5) the Court finds that the settlement is preliminarily approved based on the amended language regarding the consideration of objections contained in Paragraph 9, below. The Court finds that on a preliminary basis the Settlement Agreement appears to be within the range of reasonableness necessary for preliminary approval by the Court. It further appears to the Court that the Settlement Amount of \$5,600,000.00, is fair, reasonable and adequate, and in the best interest of the Settlement Class Members when balanced against the probable outcome of further litigation, and ultimately relating to liability and damages issues. It further appears that sufficient investigation and research has been

conducted, such that counsel for the parties at this time are reasonably able to evaluate their respective legal and settlement positions. It further appears to the Court that the Settlement Agreement at this time will avoid substantial additional costs by all parties, as well as the delay and risks that would be presented by the further prosecution of the litigation. It further appears that the Settlement Agreement has been reached as a result of intensive, conclusive, arms-length negotiations by experienced class action counsel, utilizing an experienced third party neutral mediator.

- 2. The Settlement Class, as defined in ¶25 of the Settlement Agreement means: all current and former security guards employed by Defendant within the State of California at any time between May 4, 2013 through the date of entry of order for preliminary approval of the Settlement.
- 3. The Court conditionally finds, for the purposes of approving this Settlement Agreement only and for no other purpose, the proposed Settlement Class meets the requirements of certification under California Code of Civil Procedure §§ 382, Rules 3.766 and 3.769 of the California Rules of Court, in that:
 - a. The proposed Settlement Class is ascertainable and so numerous that joinder of all members of the Settlement Class is impracticable;
 - There are questions of law or fact common to the proposed Settlement
 Class;
 - c. The claims of Plaintiff are typical of the claims of the members of the proposed Settlement Class;
 - d. Plaintiff and his counsel will fairly and adequately protect the interests of the proposed Settlement Class; and
 - e. A class action settlement as reflected by the Settlement Agreement is superior to the other available methods for an efficient resolution of this controversy.
- 4. The Court hereby preliminarily appoints for settlement purposes only, Matthew Bainer, of The Bainer Law Firm, as "Class Counsel." The Court preliminarily appoints for settlement purposes only, named Plaintiff David Arteaga as Class Representative.

- 5. The Court confirms Phoenix Class Action Administration Solutions as the Settlement Administrator and preliminarily approves settlement administrative costs estimated at no more than \$37,000.00 to be paid from the Settlement Amount for the services to be rendered by Phoenix Class Action Administration Solutions on behalf of the Settlement Class.
- 6. All Settlement Class Members will be given notice of the Settlement Agreement, in the form and manner as set forth in Exhibit A to this Order informing them of the terms of the Settlement Agreement, and their rights (among other options) to file a request for exclusion from the Settlement Class or to object to the Settlement Agreement.
- 7. The Notice of Class Action Settlement (and dates selected for the mailing and distribution of the Notice Packet set forth herein) fully complies with the requirements of California Code of Civil Procedure §382, Rules 3.766 and 3.769 of the California Rules of Court, and due process, and constitutes the best notice practicable under the circumstances, and is sufficient notice to all persons entitled to notice of Settlement. Specifically, and without limitation, the deadline for submitting objections to or request for exclusions from the Settlement Agreement and this Preliminary Approval, will be by a postmark date that is thirty (30) days from the date of mailing of the Phoenix Class Action Administration Solutions.

8. Exclusion Option from Settlement Class.

- a. Any Settlement Class Member who wishes to request exclusion from the Settlement Class must mail a written request for exclusion on the form to the Settlement Administrator at the address provided in the Notice, postmarked no later than forty-five (45) days from the date of mailing of the Notice (the "Exclusion Deadline"), pursuant to the proposed Notice Packet to the Settlement Class. The written request for exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social Security number and/or the Employee ID number of the person requesting exclusion, (2) must be signed by the Settlement Class Member; (3) must be postmarked by the Response Deadline and returned to the Settlement Administrator at the specified address; (4) must describe the Settlement Class Member's intent to request exclusion, opt out, or words to that effect.
 - b. A request for exclusion that does not include the foregoing information,

or that is not received by the Settlement Administrator at the designated address, or that is not postmarked within the time specified, shall be presumptively invalid and the Settlement Class Member serving such a request shall, if a Final Judgment is entered, be considered a Settlement Class Member and shall be bound by any judgment entered herein with respect to the Settlement Class.

- c. The Settlement Administrator shall forward copies of all requests for exclusion to Defendant's Counsel only on a weekly basis; and then provide a final notice to Defendant's Counsel of all requests for exclusion, including copies of each such person's request for exclusion after the Opt-Out Deadline.
- d. If the Final Judgment is entered, any Settlement Class Member who has not submitted a timely, valid written request for exclusion shall be bound by all subsequent proceedings, orders and judgments in this matter, including but not limited to the releases described in the Settlement Agreement and set forth in the Final Judgment, including Settlement Class Members who have previously initiated or who subsequently initiate any litigation against any or all of the Released Parties identified in the Settlement Agreement relating to the claims and transaction released in the Settlement Agreement. All Settlement Class Members who submit valid and timely requests for exclusion from the Settlement Class shall not be entitled to receive any benefits of the Settlement, and shall have no rights affected by the Settlement Agreement.

9. Objections and Appearances.

Any Settlement Class Member who complies with the requirements of this paragraph may object to any terms of the Settlement. The Notice of Objection must be signed by the Settlement Class Member and state: (1) the full name of the Settlement Class Member; (2) the last four digits of the Settlement Class Member's Social Security number and/or the Employee ID number; and (3) the basis for the objection. Unless the Settlement Class Member submits a valid objection that is postmarked no later than forty-five (45) days after the mailing of the Notice Packet, the Court may not consider the objection. Any Settlement Class Member who objects must submit to the Settlement Administrator his or her objection at the address listed in the Notice Packet.

- 10. The Court hereby preliminarily approves the definition and disposition of the Settlement Amount of Five Million, Six Hundred Thousand Dollars (\$5,600,000.00) which is inclusive of: all payments to Settlement Class Members, under an appropriate division of monies distributed as W-2 wages and 1099 income; the payment of attorneys' fees not to exceed one-third of the gross settlement fund of \$5,600,000.00 or \$1,864,800; Class Counsel's costs currently estimated not to exceed Twelve Thousand Five Hundred Dollars (\$12,500.00); the cost to administer the settlement currently estimated at Thirty Seven Thousand Dollars (\$37,000.00); service payment to the Class Representative not to exceed Five Thousand Dollars (\$5,000.00); and payment to the Labor and Workforce Development Agency of Fifteen Thousand Dollars (\$15,000), all subject to the Court's final approval.
- 11. As required by the Settlement Agreement, the Court directs Defendant, within 21 business days following entry of this Order, to provide the Settlement Administrator with a complete electronic database of all members of the Settlement Class, to include, for each person: full name; current or last known address and telephone number; social security number; start and end dates of employment; and total hours worked by each person within the Class Period ("Class List").
- 12. All further proceedings in this action shall be stayed except such proceedings necessary to review, approve, and implement this Settlement Agreement.
- 13. In the event the Settlement Administrator receives back a Settlement Class Member's Notice with a forwarding address, the Settlement Administrator will send the Notice to the forwarding address. In the event a Settlement Class Member's Notice is returned without a forwarding address, the Settlement Administrator will make reasonable efforts to determine a correct address and/or locate a forwarding address, and if it obtains a more recent address, will re-mail such Notices.
- 14. The Court will conduct a Final Approval and Fairness Hearing on July 10, 2018, at 3:00 p.m. in Department 23 of the above captioned Court to determine the overall fairness of the Settlement Agreement and to fix the amount of attorneys' fees and costs to Class Counsel and enhancement to the Class Representative.
 - 15. In the event the Settlement Agreement does not become effective in accordance

Exhibit A

NOTICE OF PENDENCY OF CLASS ACTION SETTLEMENT

If you are or were employed by G4S Secure Solutions (USA) Inc. ("G4S"), as a non-exempt security guard in California, at any time between May 4, 2013 and [date], a class action settlement may affect your rights.

A court authorized this Notice in the matter of David Arteaga v. G4S Secure Solutions (USA) Inc.
Alameda County Superior Court, Case No. RG17859072

Your legal rights may be affected by this Settlement. Please read this Notice carefully.

Plaintiff David Arteaga, on behalf of himself and other similarly situated employees, sued G4S for failure to pay overtime wages, failure to pay minimum wages, failure to provide meal and rest periods, failure to timely pay wages, failure to provide accurate wage statements, and violation of the Private Attorneys General Act and Business & Professions Code ("Action"). G4S strongly denies any and all claims alleged in the Action and denies any and all wrongdoing and liability. The proposed Settlement is not a concession or admission by G4S that the Action has any merit whatsoever. The Court has not ruled on the merits of Plaintiff's claims.

The Court has preliminarily approved the Settlement in this Action and determined that there is sufficient evidence to suggest that the proposed Settlement is fair, adequate, and reasonable. If you qualify as a Settlement Class Member, you may receive money from the Settlement. A final determination will be made by the Court at a Final Approval/Settlement Fairness Hearing.

Your Legal Rights and Options in This Settlement		
DO NOTHING	You will be paid your Individual Settlement Payment in exchange for releasing the Released Claims against Defendant and Released Parties (see Section 11).	
EXCLUDE YOURSELF	You will not be paid your Individual Settlement Payment, and you will retain any rights to sue for the Released Claims against G4S. You will not be able to object to the Settlement.	
OF TOTAL HOURS WORKED	If you dispute the listed number of hours that you worked as a non-exempt security guard for G4S in California at any time between May 4, 2013 and [date] ("Class Period"), you may contact the Settlement Administrator to provide additional information and resolve the dispute. You will be paid your Individual Settlement Payment, or an adjusted amount.	
OBJECT	You will tell the Court why you don't agree with the Settlement, following the procedures described more fully below in Section 13. The Court may or may not agree with your objection. However, if the Court does not agree with your objection, you may still be paid your Individual Settlement Payment.	
HOW MUCH CAN I GET?	The number of hours that you worked as a non-exempt security guard for G4S in California during the Class Period ("Total Hours Worked") is Your estimated Individual Settlement Payment is \$	

1. Why Did I Get This Notice?

You are not being sued. Plaintiff sued G4S in a class and representative action on behalf of current and former security guards of G4S in California. Records show that you worked for G4S in California as a non-exempt security guard during the Class Period.

You received this Notice because you have a right to know about a proposed Settlement and your options before the Court decides whether to approve the Settlement. If the Court approves the Settlement, and after any objections and appeals are resolved, the Settlement Administrator appointed by the Court will make all payments approved by the Court. This Notice explains the Action, the Settlement, your legal rights, what benefits are available, who is eligible to receive them, and how to receive payment.

2. What Is This Action About?

Plaintiff is a current non-exempt security guard of G4S who worked in California during the Class Period. On May 4, 2017, Plaintiff filed a putative class action against G4S for various alleged wage and hour violations, including: (1) failure of pay overtime wages, (2) failure of pay minimum wages, (3) failure to provide meal periods, (4) failure to provide rest periods, (5) failure to timely pay wages upon termination, (6) failure to provide accurate wage statements, (7) violation of the Private Attorneys General Act, and (8) violation of the California Business & Professions Code. The parties reached an agreement to resolve Plaintiff's claims. The Court has preliminarily approved Plaintiff to represent the Settlement Class. However, the Court has not made any findings with respect to the merits of Plaintiff's claims.

3. Do I Need to Hire an Attorney?

You do not need to hire your own attorney. The Court has already preliminarily appointed Class Counsel (see Section 15). However, you may hire your own attorney at your own expense if you choose to do so.

4. What Is G4S's Position?

G4S denies any wrongdoing or liability whatsoever and denies that wages, damages, or penalties are owed, or that it acted contrary to California law. G4S believes that it has valid defenses to Plaintiff's claims. By agreeing to settle, G4S is not admitting liability on any of the factual or legal allegations in the Action, or that the Action can proceed as a class or representative action. G4S has agreed to settle the Action as a compromise with Plaintiff and Class Counsel.

5. Why Is There a Settlement?

The Court did not decide in favor of Plaintiff or G4S. After a thorough investigation into the facts of this Action, the parties agreed to the Settlement following a mediation session with a neutral third-party mediator. The Action settled because Class Counsel and Plaintiff believe that the amount of the Settlement is fair, adequate, and reasonable in light of the strengths and weaknesses of the claims and other factors present and potential in this Action.

6. What Does the Settlement Provide?

Settlement Class Members who do not timely send a valid request for exclusion to the Settlement Administrator will receive Individual Settlement Payments from the Net Settlement Amount ("NSA"). The NSA is the portion of the Gross Settlement Amount ("GSA") available for distribution to Settlement Class Members, after deductions ordered by the Court in its final approval, as discussed below.

The GSA is \$5,600,000. From the GSA, Class Counsel will ask the Court to award attorneys' fees in the amount of \$1,864,800, which represents 33.3 % of the GSA, and actual litigation costs. Class Counsel will also ask the Court to

authorize an Enhancement Award to be paid to Plaintiff from the GSA in the amount of \$5,000, to compensate him for the risks, time, and expense of his involvement in the Action. This payment is in addition to any Individual Settlement Payment that Plaintiff is otherwise entitled to as a Settlement Class Member. The Settlement Administrator will also be paid for the expense of notifying the Settlement Class Members of the Settlement, processing forms and requests for exclusions, distributing all payments, and completed all tasks related to the administration of this Settlement. Settlement Administration Costs are \$38,000, to be paid from the GSA. Finally, Class Counsel will ask the Court to approve an allocation in the amount of \$20,000, for claims released under the California Private Attorneys General Act of 2004, with 75% of the allocation (\$15,000), to be awarded to the California Labor and Workforce Development Agency, and 25% of the allocation (\$5,000), to be awarded to Settlement Class Members by including that amount in the NSA.

7. What Can I Get From the Settlement?

Settlement Class Members (who do not request to be excluded) will be paid from the Net Settlement Amount; 25% of each Individual Settlement Payment will be designated for alleged unpaid wages, for which an IRS Form W-2 shall be issued; 50% will be designated for alleged penalties, for which an IRS Form 1099 shall be issued; and 25% will be designated for alleged interest, for which an IRS Form 1099 shall be issued, as appropriate. Individual Settlement Payments from the Net Settlement Amount are subject to any applicable tax withholdings. The amount of tax withholding from your Individual Settlement Payment may or may not be sufficient to cover your applicable tax obligations to the Internal Revenue Service. Please consult your tax adviser, as needed. Neither the named parties nor any counsel in this Action make any representations as to the tax treatment of Individual Settlement Payments provided by the Settlement.

8. How Was My Individual Payment Amount Calculated?

Based on G4S's records, the Settlement Administrator calculated each Settlement Class Member's Individual Settlement Payment by: (1) calculating the Total Hours Worked for each Settlement Class Member during the Class Period; and (2) dividing each respective Settlement Class Member's Total Hours Worked by the Total Hours Worked by all Settlement Class Members during the Class Period, resulting in the Payment Ratio for each Settlement Class Member. Each Settlement Class Member's Payment Ratio is then multiplied by the NSA to determine his or her Individual Settlement Payment. Each Individual Settlement Payment will be reduced by any legally mandated deductions (e.g., payroll taxes, etc.), for each Settlement Class Member.

Settlement Class Members who subject valid and timely requests for exclusion will not be entitled to receive Individual Settlement Payments. The estimated Individual Settlement Payments allocated to those individuals will be redistributed to other Settlement Class Members, as calculated by the Settlement Administrator to reflect proportionally increases to the payments for Settlement Class Member who do not request exclusion such that the aggregate of settlement payout to Settlement Class Members equals 100% of the NSA.

9. How Can I Get Payment?

You do not need to take any action to qualify for payment. However, if you dispute the number Total Hours Worked, as stated above, you may contact the Settlement Administrator with the details of your dispute, including any supporting information or documentation, no later than [date]. If you do nothing, you will receive your Individual Settlement Payment calculated based on the Total Hours Worked as identified in this Notice and be bound by the terms of the Settlement (including the Released Claims described in Section 11).

10. When Would I Get My Payment?

The Court will hold the Final Approval/Settlement Fairness Hearing on [DATE], at [TIM	$\bar{\epsilon}$], in Department 23 of the
California Superior Court for the County of, located at	, to decide whether to
grant final approval of the Settlement and enter final judgment. This hearing date	is subject to continuance
without further notice. If the Court grants final approval of the Settlement, your Indi	vidual Settlement Payment
will be mailed after entry of Final judgment, unless there are objections, appeals,	or other challenges to the
Settlement, the Final Judgment or otherwise.	

11. What Rights Do I Give Up If I Participate or Do Nothing?

Unless you submit a timely and valid request for exclusion from the Settlement, you will remain a Settlement Class Member, and you will be bound by the terms of the Settlement, including releasing the Released Claims against G4S and Released Parties. It also means that all of the Court's orders will apply to you and legally bind you.

Unless you submit a valid and timely request for exclusion, you shall be deemed to fully and finally release and discharge G4S and any parent, subsidiary, affiliate, predecessor or successor, and all agents, employees (current and former), officers, directors, insurers, and attorneys ("Released Parties") from any and all known and unknown claims, losses, damages, liquidated damages, penalties, interest, liabilities, causes of action, civil complaints, arbitration demands or suits which arise from the facts asserted in the Action, including, without limitation to, all claims under the California Labor Code as alleged in the Action for failure to provide meal or rest periods, failure to pay overtime or minimum wages, failure to timely pay wages, inaccurate wage statements, waiting time penalties, penalties under the Private Attorneys General Act sections 2698, et seq., and violations of California Unfair Competition Law (Cal. Bus. & Prof. Code §§ 17200, et seq.) or for other remuneration whether sought under statute, tort, contract, as an unfair business practice, or otherwise ("Released Claims").

12. How Do I Exclude Myself from the Settlement?

If you do not wish to participate in the Settlement, you may exclude yourself by submitting a written request for exclusion no later than [date]. The written request for exclusion: (1) must contain the name, address, telephone number and the last four digits of the Social Security number and/or the Employee ID number of the person requesting exclusion, (2) must be signed by the Settlement Class Member; (3) must be postmarked no later than [date] and returned to the Settlement Administrator at the address listed below; and (4) must describe the Settlement Class Member's intent to request exclusion, opt out, or words to that effect.

Settlement Administrator Address Phone: (***) ***-***

If you submit a valid and timely request for exclusion, you shall be barred from participating in the Settlement. You may not object and will not receive an Individual Settlement Payment. You will retain all rights you may have against G4S.

13. How Do I Object to the Settlement and Appear at the Final Approval and Fairness Hearing?

To object, you must submit a valid and timely written objection to the Settlement Administrator listed in Section 12, no later than [date]. The written objection must be signed by the Settlement Class Member and state: (1) the full name of the Settlement Class Member; (2) the last four digits of the Settlement Class Member's Social Security number and/or the Employee ID number; and (3) the basis for the objection. Any Settlement Class Member who fails to submit a valid and timely written objection may not have his or her objection considered by the Court. If the Court rejects your objection, you will be bound by the terms of the Settlement. You do not have to attend the

Final Approval Hearing, but you may do so at your own expense. If you send an Objection, you do not have to come to Court to talk about it.

14. When Is the Final Approval and Fairness Hearing?

The Court will hold a Final Approval/Settlement Fairness Hearing in Department 23 of the California Superior Court for the County of Alameda, located at _______, on [date] at [time], to determine whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court will also be asked to approve Class Counsel's request for attorneys' fees and litigation costs, Plaintiff's Enhancement Award, Settlement Administration Costs, and the PAGA Payment.

The hearing may be continued without further notice to you. It is not necessary for you to appear at this hearing, but you may do so at your own expense. Notice of the final judgment will be on file with the Clerk of the Court and posted on [settlement administrator website].

15. How Do I Get Additional Information?

This Notice provides a summary of the basic terms of the Settlement. For the precise terms and conditions of the Settlement, you should consult the Class Action Settlement Agreement between Plaintiff and G4S which, in addition to other documents and information related to this settlement, is available at the following website: [Insert URL of webpage Settlement Administration webpage] Additionally, the pleadings and other records in this Action may be examined at any time on the Court's own Domain Web website at https://publicrecords.alameda.courts.ca.gov/prs by entering in the case number RG17859072. If you have any questions, you may contact the Settlement Administrator or Class Counsel.

CLASS COUNSEL	COUNSEL FOR G4S	
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1.5 (0.1.2, 0.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1.1	Tel.: (213) 576-5000	

PLEASE DO NOT CONTACT THE COURT FOR INFORMATION REGARDING THIS SETTLEMENT.

BY ORDER OF THE COURT.