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FILED
Superior Court of California
County of Los Angeles
05/15/2023

David W. Slayton, Executive Officer / Clerk of Court
By: A. Morales Deputy

9 Class Counsel and Attorneys for Plaintiff:
10 LUCY ROUSE, as an individual and on behalf of all others similarly situated

11 **SUPERIOR COURT OF CALIFORNIA**
12 **LOS ANGELES COUNTY**

13 * * *

14 LUCY ROUSE, as an individual and on behalf
15 of all others similarly situate,

16 Plaintiff,

17 vs.

18 RIGHT START MORTGAGE, INC., a
19 California Corporation; and DOES 1 through
20 50, inclusive,

21 Defendants.

Case No. 18STCV08953

CLASS ACTION

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR
PRELIMINARY APPROVAL OF
CLASS ACTION AND PAGA
SETTLEMENT AGREEMENT AND
CLASS NOTICE**

Date: February 28, 2023
Time: 10:00 a.m.
Dept.: 7
Judge: Hon. Lawrence Riff

Complaint Filed: December 19, 2018

Trial Date: January 31, 2023

1 Plaintiff and Class Representative Lucy Rouse (“Plaintiff”), individually and as a
2 representative of the Class as that term is defined in the Class Action and PAGA Settlement
3 Agreement and Class Notice, and Defendant Right Start Mortgage, Inc. (“Defendant”), reached a
4 Settlement subject to Court approval as represented in the Class Action and PAGA Settlement
5 Agreement and Class Notice (“Settlement Agreement” or “Settlement”).

6 NOW THEREFORE, having read and considered the Settlement Agreement and Exhibits
7 thereto, IT IS HEREBY ORDERED:

8 1. This Order hereby incorporates by reference the definitions in the Settlement
9 Agreement as though fully set forth herein, and all terms used herein shall have the same meaning
10 as set forth in the Settlement Agreement.

11 2. The Court conditionally certifies and approves, for settlement purposes only, the
12 following class:

13 All current and former nonexempt employees of Defendant who performed work
14 for Defendant in California at any time from December 19, 2014, through the date
15 on which this preliminary approval Order is signed.

16 3. For the purposes of this Settlement, S. Brett Sutton, Jared Hague, and Brady Brigs
17 of Sutton Hague Law Corporation (“Class Counsel”) are hereby appointed as Class Counsel and
18 shall represent the Class Members in this Class Action. Any Class Members may enter an
19 appearance in the Class Action, at their own expense, either individually or through counsel of
20 their own choice. However, if they do not enter an appearance, they will be represented by Class
21 Counsel.

22 4. For the purposes of this Settlement, Plaintiff Lucy Rouse is hereby appointed as
23 Class Representative for the Class.

24 5. The Court hereby preliminarily approves the proposed Settlement upon the terms,
25 conditions, and all release language set forth in the Settlement Agreement attached hereto as
26 Exhibit 1. The Court finds that the Settlement appears to be within the range of reasonableness
27 necessary for preliminary approval by the Court. It appears to the Court that the Settlement’s
28 terms are fair, adequate, and reasonable as to all potential Class Members when balanced against

1 the probable outcome of further litigation, given the risks relating to liability and damages and
2 given Defendant's current financial condition as supported by the Declaration of David Williams.
3 It further appears that extensive investigation and research has been conducted such that counsel
4 for the Parties at this time are reasonably able to evaluate their respective positions. It further
5 appears to the Court that the Settlement at this time would avoid substantial additional costs by
6 all Parties, as well as the delay and risks that would be presented by the further prosecution of the
7 Class Action. It appears the Settlement has been reached as a result of intensive, arms-length
8 negotiations utilizing an experienced third party neutral.

9 6. The Court confirms Phoenix Settlement Administrators as the Settlement
10 Administrator and preliminarily approves that Settlement administrative costs shall be paid in
11 accordance with the Settlement Agreement and deducted from the Gross Settlement Amount. To
12 the extent the actual costs of administration of the Settlement are less than the amount anticipated
13 by the Settlement Agreement, the remainder shall become part of the Net Settlement Amount.
14 The cost of administration includes all tasks required of the Settlement Administrator by this
15 Agreement, including the issuance of the Class Notice. Phoenix Settlement Administrators is
16 directed to perform all other responsibilities set forth for the Settlement Administrator as set forth
17 in the Settlement Agreement.

18 7. A Final Approval Hearing (the "Hearing") shall be held on CE * v. AEGCH,
19 2023, at FCC/AG E before the Honorable Lawrence Riff in Department 7 of the Los Angeles
20 County Superior Court. The purpose of such Hearing will be to: (a) determine whether the
21 proposed Settlement should be finally approved by the Court as fair, reasonable, and adequate;
22 (b) determine the reasonableness of and approve Class Counsel's request for attorneys' fees and
23 costs; (c) determine the reasonableness of and approve the Class Representative Service
24 Payments; and (d) order entry of Judgment in the Class Action, which shall constitute a complete
25 release and bar with respect the Released Claims described in Paragraphs 14 and 15 below.

26 8. The Court hereby approves, as to form and content, the Class Notice attached
27 hereto as Exhibit A to the Settlement. The Court finds that the dates and procedure for mailing
28 and distribution of the Class Notice in the manner set forth in Paragraph 9 of this Order meets the

1 requirements of due process and are the best notice practicable under the circumstances and shall
2 constitute due and sufficient notice to all persons entitled thereto.

3 9. The Court directs the mailing of the Court-approved Class Notice via first class
4 mail to the Class Members in accordance with the schedule and procedures set forth in the
5 Settlement.

6 A. Defendant shall provide to the Settlement Administrator the Class Data within
7 fifteen (15) calendar days of this Order granting preliminary approval of the
8 Settlement; and

9 B. The Settlement Administrator shall mail to Class Members' last known address
10 the Class Notice within fourteen (14) calendar days of receipt of the above-
11 referenced Class Data from Defendant.

12 C. If a mailing is returned as undeliverable to a Class Member, the Settlement
13 Administrator will use reasonable efforts, as set forth in the Settlement, to obtain
14 a valid current address for that Settlement Class member, and shall send, by first-
15 class mail, a second copy of the mailing to the Class Member.

16 D. Class Members will have thirty days (30) after the date of the original mailing of
17 the Class Notice to exercise their right to object, opt out of the Settlement or
18 challenge their pay periods or weeks worked.

19 E. The deadlines for Class Members' written objections, requests for exclusion, and
20 challenges to pay periods or weeks worked will be extended an additional fourteen
21 (14) days beyond the original thirty (30) days otherwise provided in the Class
22 Notice for all Class Members whose notice is re-mailed.

23 10. Class Members may request exclusion from the Settlement Class by submitting a
24 timely completed and mailed request for exclusion (or "opt-out") as set forth in the Settlement
25 Agreement. Any Class Member who submits a valid and timely request to be excluded from the
26 Settlement will not be entitled to any recovery under the Settlement and will not be bound by the
27 Settlement or have any right to object, appeal or comment thereon. Class Members who do not
28

1 submit valid and timely request for exclusions shall remain Class Members and shall be bound by
2 all terms of the Settlement and any Final Judgment.

3 11. Class Members who do not submit a request for exclusion may object to the
4 Settlement and/or appear at the Final Approval Hearing to show cause why the proposed
5 Settlement should not be approved or judgment in the Class Action should not be entered, or to
6 present any opposition to Class Counsel's application for attorneys' fees and costs or the
7 application or Class Representative Service Payments. The objecting party may appear personally
8 or through counsel at the Final Approval Hearing, but no appearance is required for an objection
9 to be considered by the Court. Any Class Member who does not make his or her objection in the
10 manner provided in the Settlement shall be deemed to have waived such objection and shall
11 forever be foreclosed from making any objection to the fairness or adequacy of the proposed
12 Settlement unless otherwise ordered by the Court.

13 12. In the event that more than five percent (5%) of the Class Members opt out of the
14 Settlement, Defendant shall have the sole discretion to terminate the Settlement, in which case the
15 Settlement will be considered void ab initio and the Action will proceed.

16 13. The Court hereby preliminarily approves the definition and disposition of the Net
17 Settlement Amount as that term is defined in the Settlement Agreement. The Court preliminarily
18 approves the distribution of the Net Settlement Amount, all subject to the Court's final approval
19 of the Settlement at the Final Approval Hearing. Assuming the Settlement receives final approval,
20 Defendant shall be required to pay only the Gross Settlement Amount in the total amount of Three
21 Hundred Thousand Dollars (\$300,000). No amount of the Gross Settlement Amount shall revert
22 to Defendant. Defendant agrees to satisfy its portion of any payroll taxes associated with the
23 Settlement separate and apart from this Settlement as contemplated by the Settlement Agreement.

24 14. Upon entry of Judgment by the Court in accordance with the Settlement
25 Agreement, the Participating Class Members (meaning those who do not submit timely requests
26 to be excluded in accordance with the terms of the Settlement) shall fully and finally release and
27 discharge the Released Parties from the claims released in the Settlement. Specifically, the
28 Settlement specifies the following releases from Participating Class Members:

1 All Participating Class Members, on behalf of themselves and their respective
2 former and present representatives, agents, attorneys, heirs, administrators,
3 successors, and assigns, release Released Parties from (i) all claims that were
4 alleged, or reasonably could have been alleged, based on the Class Period and facts
5 stated in the Operative Complaint. Except as set forth in Paragraph 5.3 of the
6 Settlement Agreement, Participating Class Members do not release any other
7 claims, including claims for vested benefits, wrongful termination, violation of the
8 Fair Employment and Housing Act, unemployment insurance, disability, social
9 security, workers' compensation, or claims based on facts occurring outside the
10 Class Period.

11 15. Judgment will also be entered by the Court as to the PAGA action against
12 Defendant. Upon entry of Judgment by the Court in accordance with the Settlement Agreement,
13 the Aggrieved Employees (as defined in the Settlement) shall fully and finally release and
14 discharge the Released Parties as follows:

15 All Aggrieved Employees are deemed to release, on behalf of themselves and their
16 respective former and present representatives, agents, attorneys, heirs,
17 administrators, successors, and assigns, the Released Parties from all claims for
18 PAGA penalties that were alleged, or reasonably could have been alleged, based on
19 the PAGA Period and facts stated in the Operative Complaint or the PAGA Notice.

20 16. All papers in support of the Settlement and any application for reimbursement of
21 attorneys' fees and expenses or for Class Representative Service Payments, including any
22 expenses associated with or incurred by the Settlement Administrator, shall be filed not later than
23 sixteen (16) court days before the date set for the Final Approval Hearing.

24 17. The Court reserves the right to adjourn the date of the Final Approval Hearing
25 without further notice to the Class Members, and retains jurisdiction to consider all further
26 applications arising out of or connected with the proposed Settlement.

27 18. All further proceedings in this Action shall be stayed except such proceedings
28 necessary to review, approve, and implement this Settlement.

19 19. In the event: (i) the Court does not finally approve the Settlement as contemplated
20 by the Settlement Agreement; (ii) the Court does not enter a Final Approval Order as contemplated
21 by the Settlement Agreement, which becomes final as a result of the occurrence of the Effective
22 Date (as that term is defined by in the Settlement); (iii) Plaintiff or Defendant elects to void the
23 Settlement as provided under the terms of the Settlement Agreement; or (iv) the Settlement does

1 not become final for any other reason, the Settlement and any related Class shall be null and void
2 and any order or judgment entered by this Court in furtherance of the Settlement shall be deemed
3 as void from the beginning. In such a case, the Parties and any funds to be awarded under this
4 Settlement shall be returned to their respective statuses as of the date and time immediately prior
5 to the execution of the Settlement, and the Parties shall proceed in all respects as if the Settlement
6 Agreement had not been executed.

7 20. Neither the Settlement, preliminarily approved or not, nor any exhibit, document
8 or instrument delivered hereunder, nor any statement, transaction or proceeding in connection
9 with the negotiation, execution or implementation of this Settlement, shall be admissible in
10 evidence for any reason except as provided in the Settlement.

11 **IT IS SO ORDERED.**

12
13 **Dated:** 05/15/2023



A handwritten signature in black ink, appearing to read 'Lawrence P. Riff'.

14 Lawrence P. Riff / Judge
15 **Honorable Lawrence Riff**
16 **Judge of the Superior Court**