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SUPERIOR COURT OF CALIFORNIA COUNTY OF SAN BERNARDINO SAN BERNARDINO DISTRICT

JUL 2 3 2024

BY Victoria Sanchez, DEPUTY

SUPERIOR COURT OF CALIFORNIA COUNTY OF SAN BERNARDING SAN BERNARDING DISTRICT

CASE NO.: CIVSB2308778

[Hon. Jessica L. Morgan, Dept. S26]

[PROPOSED] ORDER AND JUDGMENT **GRANTING FINAL APPROVAL**

[PROPOSED] ORDER AND JUDGMENT

The Court has before it Plaintiffs' unopposed Motion for Final Approval of Class Action Settlement.

On March 22, 2024, Plaintiffs filed a motion for preliminary approval requesting that the Court preliminarily approve the Settlement Agreement entered into between Plaintiffs Abraham Agustino and Lisa Rosana, on behalf of themselves and the Class ("Plaintiffs") and Salem Christian Homes, Inc. ("Defendant") (collectively, "the Parties").

On May 3, 2024, the Court issued an order granting preliminary approval. The Court preliminarily approved that this litigation could be maintained as a class action for settlement purposes and, therefore, it conditionally certified the following Class (the "Class" or "Settlement Class") for settlement purposes:

All non-exempt employees who worked for Defendant in California from April 14, 2019 through February 29, 2024.

The Court conditionally approved for settlement purposes the PAGA allocation of this settlement to the California Labor and Workforce Development Agency ("LWDA") and PAGA Members ("PAGA Member" or "PAGA Members"), for settlement purposes:

The PAGA Period is from February 11, 2022, through February 29, 2024.

The Court appointed, for settlement purposes, the Law Office of Scott Ernest Wheeler as Class Counsel, Plaintiffs as representatives for the Class, and Phoenix Settlement Administrators as the Settlement Administrator.

The Court further directed the Parties to provide notice to the Class via U.S Mail to each Class Members' last known mailing address. The Class Notice was mailed to Class Members in both English and Spanish, informed them of the material terms of the Settlement, including, *inter alia*, (a) the nature of the case and claims asserted, (b) each Class Member's estimated individual settlement payment; (c) the payments to Class Counsel for attorneys' fees and costs, payment to the Class Representatives as service awards, payment to the Settlement Administrator for settlement administration costs, and payment to the California Labor and Workforce Development Agency for PAGA penalties; (d) the claims that Class Members release if they do not exclude

Settlement, and an explanation of the procedures to exercise that right; (f) the right of any Class Member to exclude themselves from the proposed Settlement, and an explanation of the procedures to exercise that right; (g) the right of any Class Member to dispute compensable work weeks and attributable to them; and (h) the date, time, and location of the Final Approval Hearing which is now before the Court.

The Court, upon Notice having been given in conformance with the Preliminary Approval Order, and having considered the proposed Settlement, as well as all papers filed, hereby ORDERS, ADJUDGES, AND DECREES AS FOLLOWS:

- 1. This Court has jurisdiction over the subject matter of the action and over all Parties to the action, including all members of the Settlement Class.
- 2. The Settlement Class, defined as "All current and former hourly-paid or non-exempt employees of Defendant in the State of California, at any time from April 14, 2019 through February 29, 2024", is certified as a Class for settlement purposes pursuant to California Code of Civil Procedure § 382 in that: (a) the Class is so numerous that joinder is impractical; (b) there are questions of law and fact that are common, or of general interest, to the Class, which predominate over any individual issues; (c) Plaintiffs' claims are typical of the claims of the Class; (d) Plaintiffs and Plaintiffs' counsel will fairly and adequately protect the interests of the Class; and (e) a class action is superior to other available methods for the fair and efficient adjudication of the controversy.
 - 3. There have been no objections and zero (0) requests for exclusion.
- 4. No workweek disputes have been submitted by any Class Members or PAGA Member.
- 5. The Class Notice provided to the Settlement Class conforms with the requirements of California Code of Civil Procedure § 382, California Rules of Court 3.766 and 3.769, the California and United States Constitutions, and any other applicable law, and constitutes the best notice practicable under the circumstances, by providing individual notice to all Class Members who could be identified through reasonable effort, and by providing due and adequate notice of the

proceedings and of the matters set forth therein to the other Class Members. The Class Notice fully satisfied the requirements of due process.

- 6. The Court finds the Settlement was entered into in good faith, that the Settlement is fair, reasonable, and adequate, and that the Settlement satisfies the standards and applicable requirements for final approval of this class action settlement under California law, including California Rules of Court, Rule 3.769.
- 7. Neither the Settlement nor any of the terms set forth in the Settlement Agreement and Amendment to the Settlement Agreement are admissions by Defendant, or any of the other Released Parties, of liability on any of the allegations alleged in the action, nor is this Order a finding of the validity of any claims in the action, or of any wrongdoing by the Defendant, or any of the other Released Parties.
- 8. A class action settlement is presumed to be fair if: "(1) it is reached through arm's length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." Chavez v. Netflix (2008) 162 Cal.App.4th 43, 52 (quotation omitted). The Court finds that the Settlement is presumptively fair based on the foregoing factors because it was negotiated based on sufficient information through arm's length negotiations, under the auspices of a well-respected mediator, by counsel experienced in wage and hour class action litigation.
- 9. Beyond determining whether a settlement is entitled to a presumption of fairness, a court must further consider factors such as: (1) the strength of plaintiffs' case; (2) the risk and expense of further litigation; (3) the risk of maintaining class status through trial; (4) the amount offered in settlement; (5) the extent of discovery completed; (6) the experience and views of counsel; (7) the presence of a government participant; and (8) and the reaction of the class members to the proposed class settlement. See, *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801; *In re Microsoft I-V Cases* (2006) 135 Cal.App.4th 706, 723. The Court finds that each of these factors weigh in support final approval.
- 10. First, the Court recognizes there are real risks to Plaintiffs and the Class if they were to proceed with the litigation.

- 11. Second, the risk and expense of further litigation supports the reasonableness of the Settlement. For example, the Court recognizes that Plaintiffs' ability to prove damages on a classwide basis at trial would be an expensive, time-consuming, and uncertain proposition.
 - 12. Third, there are real risks that a Class would not be certified absent this Settlement.
- 13. Fourth, the Settlement was reached based on extensive investigation and informal discovery, including thorough expert analysis of pertinent time and payroll data and other records for the Class.
- 14. Fifth, Class Counsel, who is experienced in wage and our class action litigation, endorse the Settlement as fair and reasonable and in the best interest of the Class.
- 15. Sixth, notice was provided to the California Labor and Workforce Development Agency ("LWDA") and it has not indicated that it objects to or opposes the Settlement.
- 16. Finally, the reaction of the Class to the Settlement is positive. There have been no objections and zero (0) exclusions. There are no work week disputes.
- 17. In sum, based on consideration of the foregoing factors, and the Court's familiarity with the litigation, the Court finds that the Settlement is in all respects fair, reasonable, and adequate, is in the best interest of the Class, and it is hereby finally approved.
- 18. Upon entry of this Order, compensation to the Settlement Class Members shall be effected pursuant to the terms of the Settlement Agreement.
- 19. In addition to any recovery that Plaintiffs may receive as a Settlement Class Member under the Settlement, and in recognition of Plaintiffs' efforts on behalf of the Settlement Class, the Court hereby approves the payment of Class Representative Service Awards in the combined amount of \$12,000 to Plaintiffs, \$6,000 to Abraham Agustino and \$6,000 to Lisa Rosana. The Court finds that this amount is appropriate based on the factors articulated in *Golba v. Dick's Sporting Goods, Inc.* (2015) 238 Cal.App.4th 1251. Among other things, Plaintiffs, Abraham Agustino and Lisa Rosana took on risks, both financial and in terms of future employment prospects, by agreeing to act as the Class Representatives, devoted considerable time and energy time to this action for the benefit of the Class, agreed to a section 1542 waiver, which does not apply to the release of Class Members, and achieved an excellent result for the Class.

- 20. With respect to attorneys' fees, the Court approves the amount of \$195,188.11 based on a percentage of the recovery method. The Gross Settlement Amount represents a true common fund, as Defendant is obligated to pay this entire amount, and no portion of the Gross Settlement Amount will revert to Defendant. In addition, the Court finds that \$195,188.11, which represents one-third of the Gross Settlement Amount, is reasonable and appropriate.
- 21. Cross-checking the reasonableness of this amount against Class Counsel's lodestar further supports the reasonableness of the attorneys' fees award. See Laffitte, 1 Cal.5th at 506 (trial courts have "discretion to conduct a lodestar cross-check on a percentage fee."). Based on Class Counsel's lodestar to date of \$211,820.00, which the Court finds is reasonable, an award of \$195,188.11 which represents an implied negative multiplier.
- 22. The Court also finds that the \$18,512.59 litigation costs incurred and requested by Class Counsel were necessary and appropriate.
- 23. Accordingly, the Court approves the payment of attorneys' fees to Class Counsel in the amount of \$195,188.11 and reimbursement of reasonable litigation expenses in the amount of \$18,512.59.
- 24. The Court approves the payment of settlement administration costs in the amount of \$9,250.00 to Phoenix Settlement Administrators.
- 25. The Court approves and orders payment in the amount of \$50,000 allocated as PAGA penalties (75% or \$37,500 allocated to the LWDA and 25% or \$12,500 allocated to the PAGA Group Members) which represents a fair and equitable sum for resolution of claims raised pursuant to California Labor Code section 2698 et seq.
- 26. The Gross Settlement Amount, the Net Settlement Amount, and the methodology used to calculate and pay each Settlement Class Member's individual settlement payment are fair and reasonable, and the Court authorizes the Settlement Administrator to issue individual settlement payments to each Settlement Class Member pursuant to the terms of the Settlement Agreement.
- 27. Upon the Effective Date, Plaintiffs and all members of the Settlement Class, shall have, by operation of this Order and the accompanying Judgment, fully, finally, and forever

1	released, relinquished, and discharged Defendant and Released Parties from all Released Claims
2	as defined by the terms of the Amended Settlement Agreement.
3	28. A final accounting status conference regarding the status of settlement administration
4	shall take place on July 23, 2025, at 8:30 a.m., in Department S-26. The final report from Phoenix
5	Settlement Administrators Re: Status of Settlement Administration shall be filed at least ten (10)
6	calendar days prior to the hearing.
7	29. Plaintiffs' Motion for Final Approval of Class Action Settlement is hereby granted
8	and the Court directs that a judgment shall be entered in accordance with the terms stated herein.
()	30. Judgment in this matter is entered in accordance with the terms of the Settlement
10	Agreement against Defendant in favor of Plaintiffs and the Settlement Class.
11	31. This document shall constitute a Judgment for purposes of California Rule of Court
12	3.769(h). This Judgment is intended to be a final disposition of the above captioned action in its
13	entirety, and is intended to be immediately appealable.
14	32. This Judgment shall be posted online on Phoenix Settlement Administrator's
15	website for one-hundred and eighty (180) days.
16	33. This Court shall retain jurisdiction with respect to all matters related to the
17	administration and consummation of the Settlement, to enforce the terms of the judgment, and any
18	and all claims, asserted in, arising out of, or related to the subject matter of the lawsuit, including
19	but not limited to all matters related to the Settlement and the determination of all controversies
20	relating thereto, pursuant to Code of Civil Procedure, §664.6 and California Rules of Court, Rule
21	3.769(h).
22	IT IS SO ORDERED, ADJUDGED AND DECREED.
23	DATED: JUL 2 3 2024 Jessica L. Morgan
24	HONORABLE JESSICA L. MORGAN
25	JUDGE OF THE SUPERIOR COURT
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