## IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON COUNTY OF KING

ALEXANDRA BRADLEY, LENA ZELL, and EVAN GALLO, on behalf of themselves and all others similarly situated,

Plaintiff,

7.

CANLIS, INC., a Washington corporation; BRIAN CANLIS, an individual, MARK CANLIS, an individual,

Defendants.

Case No.: 23-2-12427-8 SEA

ORDER GRANTING PLAINTIFFS' MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT

On July 31, 2024, this Court entered the Order Granting Plaintiffs' Motion for Preliminary Approval of Class Action Settlement (the "Preliminary Approval Order"); and individual notice complying with Civil Rule 23 was sent to the last-known address of each member of the Settlement Class; and on October 11, 2024, a fairness hearing on final approval of the settlement was held before the Court; and

The Court, being advised, finds that good cause exists for entry of the below Order; now, therefore,

## IT IS HEREBY FOUND AND ORDERED THAT:

1. Unless otherwise provided herein, all capitalized terms in this Order shall have the same meaning as set forth in the Settlement Agreement.

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- 2. The Court finds that notice to the Settlement Class has been completed in conformity with the Preliminary Approval Order. The Court finds that this notice was the best notice practicable under the circumstances, that it provided due and adequate notice of the proceedings and of the matters set forth therein, and that it fully satisfied all applicable requirements of law and due process.
- 3. The Court finds it has personal and subject matter jurisdiction over all claims asserted in this litigation with respect to all members of the Settlement Class and Subclasses.
- 4. Pursuant to Civil Rule 23, the Court has certified the following Settlement Class and Subclasses for purposes of settlement:

<u>Stage Class</u>: All current and former non-managerial employees of Canlis who were required to perform unpaid work on their first day of work or "stage" shift for Canlis during the time period from July 11, 2020, through February 23, 2024.

<u>Service Charge Subclass</u>: All current and former non-managerial employees of Canlis working in positions participating in the tip pool system used by Canlis, including servers, hosts, and kitchen staff, during the time period from July 11, 2020, through February 23, 2024.

<u>Rest Break Subclass</u>: All current and former employees of Canlis working as servers who were not provided rest breaks during the time period from July 11, 2020, through February 23, 2024.

- 5. In connection with this certification, the Court has made the following findings:
- a. The Settlement Class and Subclasses are so numerous that joinder of all members is impracticable;
- b. There are questions of law or fact common to the Settlement Class and Subclasses:
  - c. Plaintiffs' claims are typical of the Settlement Class and Subclasses;
- d. Plaintiffs and their counsel are capable of fairly and adequately protecting the interests of the Settlement Class and Subclasses;
  - e. Common questions of law and fact predominate over questions affecting

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ACTION SETTLEMENT -3-

only individual Settlement Class and Subclass Members. Accordingly, the Settlement Class and Subclasses are sufficiently cohesive to warrant settlement by representation; and

- f. Certification of the Settlement Class and Subclasses is superior to other available methods for the fair and efficient adjudication of the claims of the Settlement Class and Subclass Members.
- 6. The Court has appointed Alexandra Bradley, Lena Zell, and Evan Gallo as Class Representatives for the Settlement Class and Subclasses.
- 7. The Court has appointed Matt O'Laughlin, Amy Maloney, and Steven Toff of Maloney O'Laughlin, PLLC as Class Counsel for the Settlement Class and Subclasses.
- 8. There have been no objections made by any of the Settlement Class or Subclass Members. A court may infer a class action settlement is fair, adequate, and reasonable when few class members object to it. *See Pickett v. Holland Am. Line-Westours, Inc.*, 145 Wn.2d 178, 200-01 (2001) (approving settlement with almost fifty objections). The Court finds that the settlement is fair, adequate, and reasonable and the result of good faith, arm's length negotiations by the parties, represented by qualified counsel.
- 9. The terms set forth in the settlement, including the total settlement payment of \$1,450,000, are approved as fair, adequate, and reasonable in light of the degree of recovery obtained in relation to the risks faced by the Settlement Class and Subclasses. The relief provided to the Settlement Class and Subclasses under the Settlement Agreement is appropriate as to the individual members of the Settlement Class and Subclasses and as a whole.
- 10. In *Bowles v. Dep't of Ret. Sys.*, 121 Wn.2d 52, 72 (1993), the Washington Supreme Court held that the "percentage of recovery approach is used in calculating fees" for common fund class action settlements like this one. The benchmark in Washington for an attorney fee award in a common fund settlement is 25 percent of the fund. *Id.* at 72-73. In accordance with *Bowles*, Class Counsel seek a benchmark fee of 25 percent of the common

fund. The Court finds no "special circumstances" to depart from the benchmark award of 25 percent in this case. *Id.* at 73. The Court therefore approves the payment of \$362,500 in attorney fees to Class Counsel as fair and reasonable based on the "percentage of recovery" approach. The approved attorney fee award of \$362,500 is exactly 25 percent of the \$1,450,000 common fund. The 25 percent fee is within the range of reasonableness set forth in *Bowles* and is consistent with fee awards in similar wage and hour class actions. The Court reaches the conclusion that the 25 percent fee award to Class Counsel is reasonable in this case after analyzing (1) the substantial financial recovery for Class and Subclass Members; (2) the diligent effort of Class Counsel in litigating the Class claims; (3) Class Counsel's substantial experience in complex litigation and the skill used to achieve the settlement; (4) the hurdles to maintaining certification of the Class and establishing Defendants' liability and damages at trial; (5) the substantial risks Class Counsel took in litigating this case on a contingency basis and paying all costs; (6) the fact that Class Counsel had to forgo other work due to their duties and obligations to the Class; (7) the high-quality work Class Counsel performed; and (8) the complexity of the litigation and scope of discovery.

- 11. For commor fund settlements, reasonable litigation costs incurred by attorneys for a class are awarded in addition to percentage fee awards. *See Bowles*, 121 Wn.2d at 70. The settlement notices issued to Settlement Class and Subclass Members in this case indicated that litigation costs were estimated to be \$5,000. Class Counsel seek reimbursement of less than the estimated amount. The Court approves payment of \$4,792.39 in litigation costs to Class Counsel as fair and reasonable to compensate Class Counsel for the relevant and necessary costs incurred. The remaining amount shall be included in the Net Settlement Fund distributed to Settlement Class and Subclass Members.
- 12. The Court approves payment of \$10,000 from the common fund to the Settlement Administrator, CPT Group, Inc. This payment is fair and reasonable to compensate

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- 13. The Court approves service awards of \$15,000 for the Class Representatives, Alexandra Bradley, Lena Zell, and Evan Gallo. This award reasonably compensates the Class Representatives for the reputational risk they took in bringing this case and for their time and effort in stepping forward to serve as a class representatives, assisting in the investigation, participating actively in the litigation, and reviewing and approving the proposed settlement terms after consulting with Class Counsel.
- 14. Each Qualified Class Member shall be entitled to receive a proportional share of the Net Settlement Fund as described in Paragraph 12 of the Settlement Agreement after deduction of the amounts awarded for attorney fees and costs, the service awards, and the settlement administration expenses.
- 15. No later than three days after entry of this Final Approval Order, Defendants shall pay the sum of \$1,450,000 to the Settlement Administrator to create a common fund to establish a Qualified Settlement Fund.
- 16. Within three days after receiving Defendants' payment, the Settlement Administrator shall pay to Class Counsel \$362,500 in attorney fees and \$4,792.39 in costs and shall pay the service awards to the Class Representatives as detailed above.
- Administrator shall issue and mail all Settlement Award checks to Qualified Class Members. If a Settlement Award check remains uncashed sixty days after the First Distribution, the Qualified Class Member who has not cashed that check will no longer have any interest in the Settlement Award, and the Settlement Administrator shall promptly request the placement of a stcp payment on the check. The funds from such uncashed checks will be considered "residual funds." Of the residual funds, the Settlement Administrator shall maintain a reserve fund of up to \$15,000 to cover any payment discrepancies. If, after 60 days following issuance of checks to

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Qualified Class Members ("the First Distribution"), the aggregate amount of checks remaining uncashed exceeds \$100,000, the Settlement Administrator will redistribute the remaining amount (except for the \$15,000 reserve fund) proportionally to all Qualified Class Members who cashed their original checks ("the Second Distribution"). The proceeds of any uncashed checks after 30 days following the Second Distribution (or if there is no Second Distribution and no necessity to use any of the reserve fund to ensure appropriate payments) will be considered residual funds and will be paid as *cy pres* equally to Legal Foundation of Washington (50%) and Columbia Legal Services (50%). No funds from the Class Payment will revert to Defendants.

- 18. All Settlement Class Members, except any who have submitted a timely and valid request for exclusion, are bound by the terms of the Settlement Agreement, including the Release in Paragraph 13. After Defendants have made all settlement payments outlined in the Settlement Agreement and this Court has issued the Final Approval of Class Action Settlement, the Settlement will constitute a full and final settlement and release of all Qualified Class Member released claims, as defined in Paragraph 13 of the Settlement Agreement.
- 19. The parties and their counsel shall implement and consummate the Settlement Agreement according to its terms and provisions, including all payments to be made by Defendants and the Settlement Administrator under the Agreement.
- 20. This Court hereby dismisses with prejudice all Qualified Class Member claims, as set forth in Paragraph 13 of the Settlement Agreement. This dismissal shall be without costs or attorney fees, except as otherwise ordered here, to any party.
- 21. The dismissal of the Qualified Class Member released claims against Defendants is without prejudice to the rights of the parties to enforce the terms of the Settlement Agreement and the rights of Class Counsel to seek the payment of fees and costs as provided for in this Order.

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22. The Court retains jurisdiction over the parties, the Qualified Class Members, and the Settlement with respect to the future performance of the terms of the Settlement Agreement, including the administration and enforcement of the Agreement, to ensure that all payments and other actions required by the Settlement are properly carried out.

Entered this // day of Oatober, 2024.

The Honorable William L. Dixon King County Superior Court Judge