

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

Tentative Ruling

Plaintiff Marjan Iranrouh's ("Plaintiff") motion for preliminary approval of the Parties' settlement and release of class and Private Attorneys General Act ("PAGA") claims is UNOPPOSED and GRANTED, as follows.

Hearing on Motion for Final Approval of Settlement is scheduled for 08/02/2024 at 9:00 AM in Department 22 at Gordon D. Schaber Superior Court.

Plaintiff's Memorandum of Points and Authorities is 45 pages and no request for oversized briefing was made. (CRC rule 3.1113(d).) While the Court generally does not strictly enforce the page limit on motions for preliminary or final approval of a class action settlement, moving parties should take care to efficiently present their arguments and supporting materials.

Moving counsel's Notice of Motion does not provide notice of the Court's tentative ruling system, as required by Local Rule 1.06. Moving counsel is directed to contact opposing counsel and advise them of Local Rule 1.06, the Court's tentative ruling procedure, and the manner to request a hearing.

The Court has provided specific direction on the information and argument the Court requires to grant a motion for preliminary and final approval of a class action settlement. The Parties are urged to carefully review the [Checklist for Approval of Class Action Settlements](#) and fully comply with each applicable item to ensure a prompt ruling from the Court.

Background

On January 31, 2022, Plaintiff gave notice to the Labor and Workforce Development Agency ("LWDA") and Defendant of her intent to file suit and allege claims under PAGA. (Siegel Decl., ¶ 6; Exhs. 2A and 2B.)

Plaintiff initiated this wage and hour class action on July 27, 2022, alleging that, as a matter of uniform and systemic policy, Defendant Highlands Community Charter and Technical Schools ("Defendant") failed to pay minimum and overtime wages, provide meal and rest periods or premium pay in lieu thereof, reimburse necessary business expenses, provide and maintain accurate records, and timely pay all wages during and after employment. Plaintiff alleges that Defendant's failures violated the California Unfair Competition Law. Plaintiff also seeks penalties pursuant to PAGA. Finally, Plaintiff also alleges individual claims for disability discrimination, failure to accommodate, failure to engage in the interactive process, violation of sick leave laws, failure to prevent discrimination, retaliation for complaints about labor code violations, whistleblower retaliation, and wrongful termination in violation of public policy.

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

(Complaint.)

Plaintiff now moves for preliminary approval of the Parties' Joint Stipulation of Settlement and Release of Class and PAGA Action ("Settlement Agreement" or "Agreement"). (Siegal Decl., ¶ 25, Exh. 1 ("SA").) On March 7, 2024, Plaintiff gave notice of the Settlement to the LWDA. (*Id.*, ¶ 6, Exh. 2C.) Concurrent with the filing of the instant motion, Plaintiff also provided copies to the LWDA. (*Id.*, ¶ 6; 4-3-24 Proof of Service.)

Legal Standard

The law favors the settlement of lawsuits, particularly in class actions and other complex cases where substantial resources can be conserved by avoiding the time, expense, and rigors of formal litigation. (See *Neary v. Regents of Univ. of Cal* (1992) 3 Cal.4th 273, 277-281; *Lealao v. Beneficial California, Inc.* (2000) 82 Cal.App.4th 19, 52.) However, a class action may not be dismissed, compromised, or settled without approval of the court, and the decision to approve or reject a proposed settlement is committed to the court's sound discretion. (See Cal. Rules of Court, Rule 3.769; *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 234-35 (*Wershba*.)

In determining whether to approve a class settlement, the court's responsibility is to "prevent fraud, collusion or unfairness to the class" through settlement because the rights of the class members, including the named plaintiffs, "may not have been given due regard by the negotiating parties." (*Consumer Advocacy Group, Inc. v. Kintetsu Enters. of Am.* (2006) 141 Cal.App.4th 46, 60.) The court must independently determine "whether the settlement is in the best interests of those whose claims will be extinguished" and "make an independent assessment of the reasonableness of the terms to which the parties have agreed." (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130, 133.) The burden of establishing the fairness and reasonableness of the settlement is on the proponent. (*Wershba, supra*, 91 Cal.App.4th at p. 245; see also *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135 1165-66.)

The Court does not rubber stamp these motions, but rather serves as a guardian of absent class members' rights to ensure the settlement is fair. (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 95.) "Ultimately, the [trial] court's determination is nothing more than 'an amalgam of delicate balancing, gross approximations and rough justice.'" (*7-Eleven, supra*, 85 Cal.App.4th at p. 1145.) "A settlement need not obtain 100 percent of the damages sought in order to be fair and reasonable. Compromise is inherent and necessary in the settlement process. Thus, even if 'the relief afforded by the proposed settlement is substantially narrower than it would be if the suits were to be successfully litigated,' this is no bar to a class settlement because 'the public interest may indeed be served by a voluntary settlement in which each side gives ground in the interest of avoiding litigation.'" (*Wershba, supra*, 91 Cal.App.4th at p. 250,

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

citations omitted.) The court’s primary objective for preliminary approval is to establish whether to direct notice of the proposed settlement to the class, invite the class’s reaction, and schedule a final fairness hearing. (Rubenstein et al., *Newberg on Class Actions* (6th ed. 2023) § 13:10.)

Provisional Class Certification

If the class has not yet been certified, part of the motion for preliminary approval will include a request for provisional certification for purposes of settlement only. (See Cal. Rule of Court, Rule 3.769.) Although the provisional process is less demanding than a traditional motion for class certification, a trial court reviewing an application for preliminary approval of a settlement must still find that the normal class prerequisites have been met. (See *Amchem Products, Inc. v. Windsor*, 521 U.S. 591, 625-627 (1997); in accord, *Carter v. City of Los Angeles* (2014) 224 Cal.App.4th 808, 826.)

Here, Plaintiff seeks provisional certification of the following class: “all persons who worked at least one 3.5-hour shift as a non-exempt employee in the State of California from the period four years prior to the filing of the Action and January 16, 2024.” (SA, ¶ 20.)

Plaintiff argues that provisional certification is appropriate because (1) the Class of approximately 400 current and former employees is sufficiently numerous; (2) common questions of law and fact predominate and the Parties agree for settlement purposes that the Class is subject to a common rounding policy, overtime compensation, and meal and rest period policies and practices; (3) Plaintiff’s claims are typical in that she alleges that she was subject to the same policies and practices; (4) Plaintiff is an adequate representative because she was employed by Defendant during the Class Period, experienced the same wage and hour practices as the rest of the Class, understands her duties as a class representative, has been willing to undergo the risks of litigation, has no conflicts of interest with the other Class Members, and has retained qualified and experienced Counsel; and (5) a class action is superior to the litigation of multiple individual claims. (Mot., pp. 34:10-35:25.) While Plaintiff does not address it in this context, the Court notes that the putative Class was ascertainable from Defendant’s records, as demonstrated by the *Belair West* notice process. (See Siegel Decl., ¶ 139.) The Court finds Plaintiff’s arguments persuasive and provisionally certifies the Class for settlement purposes for the reasons specified in Plaintiff’s moving papers.

Class Representative and Class Counsel

Plaintiff is preliminarily appointed as Class Representative. (SA, ¶¶ 22, 37.) Elliot Siegel of King & Siegel LLP and Xavier Villegas of Law Office of Xavier Villegas, APC are preliminarily appointed as Class Counsel (“Counsel”). (*Id.*, ¶ 18.)

Fair, Adequate, and Reasonable Settlement

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

Before approving a class action settlement, the Court must find that the settlement is “fair, adequate, and reasonable.” (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) The Court considers such factors as “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of class members to the proposed settlement.” (*Id.*) “[A] presumption of fairness exists where: (1) the settlement 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.” (*Id.* at p. 1802.)

Under the terms of the Agreement, Defendant denies liability, but agrees to pay a Maximum Settlement Amount (“MSA”) of \$1,500,000. (SA, ¶ 30.) No claims forms are required and no portion of the MSA will revert to Defendant. (*Id.*, ¶¶ 30, 40.) Defendant will separately pay all required payroll taxes in addition to the MSA. (*Id.*, ¶ 34.)

The following amounts will be paid from the MSA:

- Attorneys’ fees not to exceed one-third of the MSA or \$500,000 (SA, ¶¶ 15, 52);
- Reimbursement of Counsel’s litigation costs not to exceed \$35,000 (*ibid.*);
- A Class Representative Enhancement Payment not to exceed \$5,000 (*id.*, ¶¶ 23, 53);
- Settlement administration costs not to exceed \$25,000 (*id.*, ¶¶ 17, 54);
- A PAGA penalties payment in the amount of \$100,000, with \$75,000 to be paid to the LWDA and \$25,000 to be paid to the Aggrieved Employees (*id.*, ¶¶ 29, 55).

The remaining amount – the Net Settlement Amount (“NSA”) – is estimated to be \$835,000. (SA, ¶ 56.) The Court notes that Plaintiff’s moving papers misstate the NSA as being \$880,000, by deducting the currently estimated litigation and settlement administration costs, and by only deducting the LWDA portion of the PAGA payment. (Mot., p. 1:8-14.)

The NSA will be distributed to the Participating Class Members as Individual Class Payments representing their pro-rata share of the NSA. (SA, ¶ 27.) Individual Class Payments will be calculated and apportioned based on the workweeks a Participating Class Member worked during the Class Period. (*Id.*, ¶ 58.) Similarly, the Aggrieved Employees’ portion of the PAGA Payment will be allocated on a pro-rata basis. (*Id.*, ¶ 28.) The Individual PAGA Payments will be separately calculated and apportioned based on the number of PAGA Periods an Aggrieved Employee worked during the PAGA Period. (*Id.*, ¶ 58.)

Thirty-three percent (33%) of all Individual Class Payments shall constitute unpaid wages in the form of back pay (and each Class Participant will be issued an IRS Form W-2 for such payment to him or her), thirty-three percent (33%) shall constitute civil penalties, and thirty-four percent

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

(34%) shall constitute interest (and each Class Participant will be issued an IRS Form 1099 for such payment to him or her). (SA, ¶¶ 56-57, 75.) All Individual PAGA Payments will be allocated as alleged penalties and will be reported on an IRS Form 1099. (*Id.*, ¶ 7.) Any checks issued by the Settlement Administrator to Participating Class Members and/or Aggrieved Employees will be negotiable for 180 calendar days from the date the check was issued. (*Id.*, ¶ 72.) For any Class Member whose individual payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the California Bar's Justice Gap Fund. (*Id.*, ¶¶ 72-73.) Counsel attests that the Parties and Counsel have no interest or relationship, financial or otherwise, with the cy pres recipient. (Siegel Decl., ¶ 143; SA, ¶ 77.)

Within 10 calendar days of Preliminary Approval, Defendant will provide the Class List to the Settlement Administrator. (SA, ¶ 63.) Within 5 calendar days following receipt of the Class List, the Settlement Administrator will mail a Notice Packet to all Class Members via regular First-Class U.S. mail, using the most current, known address after conducting a National Change of Address Database search. (*Id.*, ¶¶ 64-65.) Any Notice Packets returned as non-deliverable will be promptly sent via regular First-Class U.S. Mail to the forwarding address affixed thereto. (*Id.*, ¶ 65.) If no forwarding address is provided, the Settlement Administrator will promptly attempt to determine the correct address using a skip-trace or other search. (*Ibid.*) Those Class Members who receive a re-mailed Notice Packet will have the later of an additional 15 calendar days or the original Response Deadline to submit a request for exclusion or objection to the settlement. (*Id.*, ¶¶ 46, 65.) Unless they received a re-mailed Notice Packet, Class Members will have 45 days to dispute the number of weeks he/she worked during the Class Period or PAGA Period, or the amount of their Individual Class Payment or Individual PAGA Payment; request exclusion from the settlement; or object to the settlement. (*Id.*, ¶¶ 46, 67, 68, 70.) To dispute the number of workweeks or the amount of their individual payments, Class Members must use the "Share Form" and "Challenge Form" attached to the Notice. (*Id.*, ¶ 46.)

The Court notes that the Agreement provides that "[t]he Response Deadline will be forty-five (45) calendar days from the initial mailing of the Notice Packet by the Settlement Administrator, unless the 30th [sic] day falls on a Sunday or federal holiday, in which case the Response Deadline will be extended to the next day on which the U.S. Postal Service is open." (SA, ¶ 46.) Plaintiff's moving papers also occasionally refer to a 30-day response deadline. (See Mot., pp. 31:28, 40:5-7.) The Court assumes these references are typographical errors and the 45-day response deadline controls. (*Id.*, p. 31:1-22.)

Upon the latter of the Effective Date, essentially meaning the date the Agreement is finally approved, and the full funding of the MSA, the Settlement Class and each Participating Class Member fully releases and discharges the Released Parties for the Released Claims for the Class Period. (SA, ¶ 80.) The Agreement defines the 'Released Claims' as "those claims asserted in the Complaint or that reasonably could have been alleged based on the factual allegations contained

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

in the operative complaint or LWDA letter, including but not limited to all of the following claims for relief: (1) failure to pay minimum wages, (2) failure to pay overtime wages, (3) failure to provide meal periods or premium pay in lieu thereof, (4) failure to provide rest periods or premium pay in lieu thereof, (5) failure to reimburse necessary business expenses (6) failure to provide accurate itemized wage statements, (7) failure to pay wages when due or at the end of employment, (8) civil penalties under the Private Attorneys General Act ('PAGA'), and (9) unfair business practices.” (*Id.*, ¶ 40.) Similarly, “[u]pon the Effective Date and the full funding the MSA by Defendant, the Aggrieved Employees fully release and discharge the Released Parties for the Released PAGA Claims for the PAGA Release Period.” (*Id.*, ¶ 82.) The Agreement defines the 'Released PAGA Claims' as “the release of claims by Aggrieved Employees for civil penalties under PAGA asserted in the Complaint or LWDA letter, or that could have reasonably been alleged based on the factual allegations contained in the Operative Complaint and PAGA Notice.” (*Id.*, ¶ 42.) The releases are appropriately limited to the Class Release Period and PAGA Release Period, respectively. (*Id.*, ¶¶ 41, 43, 80, 82.) Given this separate PAGA Release, it is duplicative and unnecessary for the Class Released Claims to include civil penalties under PAGA. However, the Court will not require a revision under the circumstances.

Plaintiff, as Class Representative, “agrees to a limited release releasing only her claims within the definition of ‘Released Claims’ Plaintiff does not release her individual causes of action as raised in the class action complaint, specifically Causes of Action Nos. 11 through 18, and this Settlement shall in [no] way act to compromise, waiver, or settle those claims and causes of action.” (SA, ¶ 81.)

The moving papers demonstrate that the settlement was reached after extensive investigation and arms-length negotiations by the Parties. (Siegel Decl., ¶¶ 15-19.) Following numerous successful motions to compel discovery and the Parties’ agreement to mediate, the Parties engaged in extensive formal and informal discovery. (*Id.*, ¶ 16.) Defendant provided data and documents relating to the Class, including per-shift actual time punch and rounded time data, plus itemized wage statements, for the entirety of the Class; a list of Class Members containing individual pay rates, classifications, location, and start and end dates of employment; and all compensation, security, payroll, time-keeping, time tracking, and meal/rest period policy-related documents in effect during the relevant period; and information relevant to potential damages, including Defendant’s positions as to shifts worked and total pay periods of the Class and other aggregate data and information related to their defenses and contentions. (*Ibid.*) Plaintiff’s Counsel analyzed the data provided by Defendant and retained an expert to analyze the maximum and realistic exposure for each claim alleged in the Complaint. (*Id.*, ¶ 18.)

On January 16, 2024, the Parties attended an all-day mediation with David A. Rotman of Mediated Negotiations, a well-respected mediator of wage and hour class actions and employment litigation. (Siegel Decl., ¶ 20.) Negotiations lasted all day and the Parties ultimately agreed to settle the entire action. (*Id.*, ¶¶ 20-21.) The Parties executed a Memorandum of

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

Agreement that day containing the key deal points and executed the Settlement Agreement on March 6, 2024. (*Id.*, ¶¶ 21-22.)

Counsel provides an extensive discussion of Plaintiff's claims, Defendant's argued defenses, and the risks of continued litigation. (Siegal Decl., ¶¶ 28-70.) Counsel also provides an analysis of Defendant's exposure. (*Id.*, ¶ 71-83.) Counsel's exposure analysis relies on the following data points: (A) Class size of 400 non-exempt employees; (B) Extrapolated workweeks of 33,619; (C) Extrapolated shifts of 151,285; (D) Average rate of pay of \$23.58 per hour; (E) Average shift was 7.7 hours; (F) PAGA pay periods of 11,536; and (G) 140 estimated former non-exempt employees (three-year window). (*Id.*, ¶ 74.) For Plaintiff's unpaid minimum and overtime wages claims, Plaintiff determined Defendant's maximum exposure is approximately \$987,782 and \$378,210 in potential liquidated damages. (*Id.*, ¶¶ 76-77.) For Plaintiff's unpaid meal period premiums claim, Plaintiff determined Defendant's maximum exposure is \$1,009,545.98. (*Id.*, ¶ 78.) For Plaintiff's unpaid rest period premiums claim, Plaintiff determined Defendant's maximum exposure is \$713,460. (*Id.*, ¶ 79.) For Plaintiff's reimbursable expenses claim, Plaintiff determined Defendant's maximum exposure is \$200,113. (*Id.*, ¶ 80.) For Plaintiff's waiting time penalties claim, Plaintiff determined Defendant's maximum exposure is \$762,577. (*Id.*, ¶ 81.) For Plaintiff's wage statement penalties claim, Plaintiff determined Defendant's maximum exposure is \$755,000. (*Id.*, ¶ 82.) Finally, for Plaintiff's PAGA penalties claim, Plaintiff determined Defendant's maximum exposure is \$1,153,600. (*Id.*, ¶ 83.) Accordingly, Defendant's total maximum damages and penalties exposure is \$5,960,289. (*Id.*, ¶¶ 85-87.) Plaintiff's Counsel provides sufficient detail regarding the underlying assumptions and methodologies used to arrive at these estimates. (*Id.*, ¶¶ 74-83)

Counsel also conducted a risk analysis, taking into account the possibility of unfavorable decisions on class certification, summary judgment, at trial and/or on the damages awarded, and/or on an appeal; that any judgment, pre- and post-appeal might take several more years to litigate; the risk of Plaintiff not prevailing on one or more of the underlying claims; the risk that a court may not award waiting time penalties, wage statement penalties, and/or PAGA penalties; and the costs and time of continued litigation. (Siegal Decl., ¶ 88.) For Plaintiff's unpaid wages and overtime claims, Plaintiff ascribed a 40% discount for the possibility of losing at class certification and a further 40% discount for the possibility of losing on the merits or failing to obtain the full value. (*Id.*, ¶¶ 89-90.) For Plaintiff's meal period premiums claim, Plaintiff ascribed a 20% discount for the possibility of losing at class certification and a further 30% discount for the possibility of losing on the merits. (*Id.*, ¶¶ 91-92.) For Plaintiff's unpaid rest period premiums claim, Plaintiff ascribed a 40% discount for the possibility of losing at class certification and a further 40% discount for the possibility of losing on the merits. (*Id.*, ¶¶ 93-94.) For Plaintiff's reimbursement claim, Plaintiff ascribed a 33% discount for the risk of being unable to show a common question of fact and another 40% discount on the merits. (*Id.*, ¶ 95.) For Plaintiff's waiting time and/or wage statement penalties, Plaintiff ascribed a 60% discount for the risk of the Court not awarding penalties. (*Id.*, ¶ 96.) Finally, Plaintiff ascribed an 80%

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

discount for the risk of a significant reduction of PAGA penalties in the Court's discretion. (*Id.*, ¶ 97.) Ultimately, Counsel determined that Defendant's risk-adjusted, realistic maximum damage exposure was approximately \$1,860,441.70. (*Id.*, ¶ 100.) The MSA of \$1,500,000 represents approximately 80.6% of Defendant's realistic exposure and 25.2% of Defendant's maximum exposure.

Counsel attests to their extensive experience in similar cases. (Siegel Decl., ¶¶ 114-126; Villegas Decl., ¶¶ 2-9.) Counsel attests to their belief that the settlement is fair, reasonable, and adequate and in the best interests of the Class. (Siegel Decl., ¶¶ 27, 88, 103, 106.) Based on the foregoing, the Court preliminarily finds, subject to the final fairness hearing, that the Settlement is within the ballpark of reasonableness and is entitled to a presumption of fairness and that all relevant factors support preliminary approval.

PAGA Payment

The Agreement allocates for a PAGA penalties payment in the amount of \$100,000, with \$75,000 to be paid to the LWDA and \$25,000 to be paid to the Aggrieved Employees. (SA, ¶¶ 29, 55.) The Aggrieved Employees are those Class Members who worked for Defendant within the PAGA Period. (*Id.*, ¶ 14.) The PAGA Period is the period from January 31, 2021 to January 16, 2024. (*Id.*, ¶ 34.) There are an estimated 380 Aggrieved Employees in the PAGA Period and Aggrieved Employees worked a total of 11,536 pay periods in the PAGA Period. (*Ibid.*) The Agreement makes clear that Aggrieved Employees cannot opt out of the PAGA portion of the settlement. (*Id.*, ¶ 28.)

For Plaintiff's PAGA penalties claim, Plaintiff determined Defendant's maximum exposure is \$1,153,600. (Siegel Decl., ¶ 83.) This estimate is for unstacked PAGA penalties, using the \$100 penalty amount for approximately 11,536 pay periods. (*Id.*, ¶¶ 83-84.) Plaintiff ascribed an 80% discount for the risk of a significant reduction of PAGA penalties in the Court's discretion. (*Id.*, ¶ 97.) This results in a risk adjusted exposure estimate of \$138,432. (*Id.*, ¶ 111.) The PAGA allocation represents approximately 72% of that realistic exposure. (*Ibid.*) The Court finds the PAGA allocation reasonable under the circumstances and it is preliminarily approved.

Proposed Class Notice

The notice to Class Members must fairly apprise the prospective members of the terms of the settlement without expressing an opinion on the merits of the settlement. (*7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1164; see also Cal. Rule of Court, Rule 3.769.) "Whether a claimant would want to accept or reject the proposed settlement is a decision to be made by him independently and without influence or pressure from those competing parties who either favor or oppose the settlement." (*Phila. Hous. Auth. v. Am. Radiator & Std. Sanitary Corp.* (E.D. Pa. 1970) 323 F.Supp. 364, 378.)

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

Here, the Court finds that Plaintiff's proposed Notice fairly apprises the Class Members of the terms of the proposed settlement and their rights as prospective Class Members. (SA, Exh. A ("Notice").) The Court notes that the footnote at page 5 appears to incorrectly refer to the 15th day, instead of the 45th day. (Notice, p. 5, fn 3.) This should be corrected. With this modification the Notice is approved. Given the minor nature of this revision, Plaintiff need not file a revised copy of the Notice.

Class Counsel Fees and Costs

The Agreement provides for an attorneys' fees award not to exceed one-third of the MSA or \$500,000 and the reimbursement of Counsel's litigation costs not to exceed \$35,000. (SA, ¶¶ 15, 52.) Counsel attests to having a fee-splitting arrangement and co-counsel agreement, which has been fully disclosed and agreed to by Plaintiff, who has signed a written consent as to the fee split pursuant to California Rules of Professional Responsibility, Rule 1.5.1. (Siegel Decl., ¶ 130; Villegas Decl., ¶ 12.) The fee-splitting arrangement provides that Law Office of Xavier Villegas, APC shall receive 45% of the of the Attorneys' Fee Award; King & Siegel LLP shall receive 45% of the Attorney's Fee Award, and Law Offices of Jospheh [sic] Chun shall receive the remaining 10% as a referral fee. (*Ibid.*) Plaintiff argues the requested attorneys' fees award is fair as a percentage of the common fund and consistent with awards in other, similar cases. (Mot., pp. 40:24-41:23.)

The requested award is preliminarily approved. In moving for final approval, the Court expects Counsel to support their arguments with respect to this amount, including by providing information necessary to perform a lodestar analysis. (See *In re Activision Sec. Litigation* (N.D. Cal. 1989) 723 F.Supp. 1373, 1379; *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557-58 & fn. 13.; *Martin v. Ameripride Servs.* (S.D. Cal. June 9, 2011), 2011 WL 2313604 at *22 (collecting cases); *Vasquez v. Coast Valley Roofing, Inc.* (E.D. Cal 2010) 266 F.R.D. 482, 491 (same); see also *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 & n.11.)

The Court also preliminarily approves the Agreement's allocation for litigation costs with the expectation that Counsel will provide a declaration, in moving for final approval, that shows actual costs.

Settlement Administrator

The Parties propose CPT Group to serve as the Settlement Administrator. (Siegel Decl., ¶ 136.) CPT Group estimates their settlement administration costs to be \$10,000, which is less than the maximum \$25,000 allocated in the Agreement. (*Id.*, ¶ 136; Green Decl., ¶ 11, Exh. B; SA, ¶¶ 17, 54.) CPT Group is appointed as Settlement Administrator and the allocation is reasonable and preliminarily approved.

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

Class Representative Service Payment

The Agreement provides for a Class Representative Service Payment not to exceed \$5,000. (SA, ¶¶ 23, 53.) Plaintiff generally describes her efforts and estimates that she spent at least 60 hours prosecuting this case. (Iranrouh Decl., ¶ 25.) Plaintiff explains that, in addition to the wage and hour claims brought on behalf of the Class, Plaintiff also brought individual claims related to discrimination on the basis of Plaintiff’s medical condition. (*Id.*, ¶¶ 13-22.) However, Plaintiff agreed to negotiate her individual claims outside the mediation “to avoid any appearance of impropriety between resolution of the Class claims and [her] own individual claims.” (*Id.*, ¶ 23.) The service payment is preliminarily approved. At final approval, Plaintiff is expected to update the Court regarding the status of her individual claims and to provide proposed dates for trial. If the individual claims are still pending at final approval, the Court will likely designate the matter as non-complex, and the trial would be set in Dept. 47 (Master Calendar).

Final Approval Hearing

The Court will again review and consider the terms of this settlement at the time of the final approval hearing. The Court sets a Final Approval Hearing for **August 2, 2024 at 9:00 a.m.** If either party is unavailable on that date, the parties shall meet and confer to identify three other Fridays at 9:00 a.m. that work for the parties to schedule the hearing. They shall then submit those dates to the Court via email at Dept22@saccourt.ca.gov, and the Court will reschedule the hearing accordingly.

The briefing shall be filed in conformity with Code of Civil Procedure section 1005.

To request oral argument on this matter, you must call Department 22 at (916) 874-5762 by 4:00 p.m., the court day before this hearing and notification of oral argument must be made to the opposing party/counsel. If no call is made, the tentative ruling becomes the order of the court. (Local Rule 1.06.)

Parties requesting services of a court reporter may arrange for private court reporter services at their own expense, pursuant to Government code §68086 and California Rules of Court, Rule 2.956. Requirements for requesting a court reporter are listed in the Policy for Official Reporter Pro Tempore available on the Sacramento Superior Court website at <https://www.saccourt.ca.gov/court-reporters/docs/crtrp-6a.pdf>. The list of Court Approved Official Reporters Pro Tempore is available at <https://www.saccourt.ca.gov/court-reporters/docs/crtrp-13.Pdf>.

If you are not using a reporter from the Court’s Approved Official Reporter Pro Tempore list, a

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO**

**34-2022-00324342-CU-OE-GDS: Marjan Iranrouh vs. Highlands Community Charter and
Technical Schools, a California Corporation
04/26/2024 Hearing on Motion for Preliminary Approval of Settlement in Department 22**

Stipulation and Appointment of Official Reporter Pro Tempore (CV/E-206) must be signed by each party, the private court reporter, and the Judge. The signed form must be filed with the clerk prior to the hearing.

If a litigant has been granted a fee waiver and requests a court reporter, the party must submit a Request for Court Reporter by a Party with a Fee Waiver (CV/E-211). The form must be filed with the clerk at least 10 days prior to the hearing or at the time the hearing is scheduled if less than 10 days away. Once approved, the clerk will forward the form to the Court Reporter's Office and an official reporter will be provided.

If oral argument is requested, the Parties are encouraged to appear via Zoom with the links below:

To join by Zoom link - <https://saccourt-ca-gov.zoomgov.com/my/sscdept22>

To join by phone dial (833) 568-8864 ID 16184738886

Counsel for Plaintiff is directed to notice all parties of this order.

Please note that the Complex Civil Case Department now provides information to assist you in managing your complex case on the Court website at <https://www.saccourt.ca.gov/civil/complex-civil-cases.aspx>. The Court strongly encourages parties to review this website regularly to stay abreast of the most recent complex civil case procedures. Please refer to the website before directly contacting the Court Clerk for information.