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THE HONORABLE DAVID WHEDBEE Noted for Consideration: November 27, 2023 Without Oral Argument

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

KRISTA BELLE and DEVIN MAGGARD, on their own behalf and on the behalf of all others similarly situated,

Plaintiffs,

v.

PPC SOLUTIONS, INC., a Washington Corporation; PHOENIX PROTECTIVE CORPORATION, a Washington Corporation; JAGRUT SHAH, individually and/or the marital community composed of JAGRUT SHAH and JANE DOE SHAH; and SHEILA LESLIE, individually and/or the marital community composed of SHEILA LESLIE and JOHN DOE LESLIE,

Phoenix.

No: 20-2-02871-1 KNT

[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

WHEREAS, Plaintiffs Krista Kane<sup>1</sup> and Devin Maggard have applied for an order preliminarily approving the settlement of this action as stated in the Settlement Agreement (attached as Exhibit 1 to the Declaration of Hardeep S. Rekhi in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement), which sets forth the terms and conditions

<sup>&</sup>lt;sup>1</sup> Ms. Belle recently changed her last name to Kane. We will refer to her as her current name, Ms. Kane. While working for Phoenix, Ms. Kane's last name was White.

for a proposed class action settlement and for dismissal of the action with prejudice upon the terms and conditions set forth therein;

WHEREAS, the Court has read and considered the Settlement Agreement, the exhibit thereto, and the briefing submitted in support of preliminary approval of the settlement and is fully advised;

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#### NOW, THEREFORE, IT IS HEREBY ORDERED:

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

- 1. The Court preliminarily approves the Settlement Agreement and the terms set forth therein—including the relief afforded the Settlement Class, the service awards to the Plaintiffs, the attorneys' fees and costs award to Class Counsel, and the Settlement Administration expenses award—as being fair, reasonable and adequate. The Settlement Agreement is the result of arm's length negotiations between experienced attorneys who are familiar with class action litigation in general and with the legal and factual issues of this case in particular.
- 2. The Court appoints Simpluris as Settlement Administrator. The Court approves the Settlement Administrator to perform the functions required by the terms of the Settlement Agreement. The Court also approves reasonable compensation and costs to the Settlement Administrator in accordance with the Settlement Agreement.
- 3. A final fairness hearing ("Final Fairness Hearing") for purposes of determining whether the Settlement should be finally approved, shall be held before the Court on April 26, and p.m. in the courtroom of the Honorable David Whedbee at King County Superior Court, 516 Third Avenue, Courtroom E-201, Seattle, Washington. At the hearing, the Court will hear arguments concerning whether the proposed Settlement and the terms and conditions provided for in the Settlement Agreement should be granted final approval by the Court as fair, reasonable and adequate. The Court will also consider

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Class Counsel's request for attorneys' fees and costs and for a service payment to each of the Class Representatives, and rule on any other matters that the Court deems appropriate.

- 4. The Court approves, as to form and content, the Notice of Settlement to be sent to the members of the Settlement Class, which is attached to the Settlement Agreement as **Exhibit A**. In addition, the Court finds that distribution of the Notices in the manner set forth in Paragraph 5 of this Order and Section III.7 of the Settlement Agreement will meet the requirements of due process and applicable law, will provide the best notice practicable under the circumstances, and will constitute due and sufficient notice to all individuals entitled thereto.
  - 5. The procedure for distributing notice shall be as follows:
- a. Within five (5) days of the date of this Order, Defendants shall produce to the Settlement Administrator for each Class Member in MS Excel format: name, last known address, last known telephone number and non-work email address (to the extent previously included in a production to Class Counsel in this case), and social security number.
- b. No later than thirty (30) days of the date of this Order, the Settlement Administrator shall issue notice to all Settlement Class Members ("Class Notice") by regular mail and email. The date on which Class Notices are sent shall be deemed the "Initial Mailing Date."
- c. Before mailing the Class Notices, the Settlement Administrator will perform normal and customary address updates and verifications as necessary.
- d. The Class Notice shall provide that Class Members may exclude themselves from the Settlement by submitting a written request which must be postmarked and received by the Settlement Administrator within sixty (60) days from the Initial Mailing Date.
- e. If a Class Notice is returned as undeliverable with a forwarding address provided by the United States Postal Service, the Settlement Administrator will promptly resend the Class Notice to that forwarding address. If a Class Notice is returned as undeliverable and without a

forwarding address, the Settlement Administrator will perform a reasonable skip trace, and if it obtains a more recent address, will resend the Class Notice.

- f. The Settlement Administrator shall also mail a Class Notice to any Class Member who contacts the Settlement Administrator or one of the Parties and requests a Class Notice.
- 6. No later than thirty (30) days from the deadline for Settlement Class Members to submit exclusions and objections to this Settlement Agreement, or within seven (7) days following resolution of a dispute as set forth in Section III.6(c), Class Counsel shall file a motion requesting that the Court grant final approval of the Settlement Agreement and enter final judgment as to Defendants in the Action.
- 7. The Court reserves the right to adjourn the date of the Final Fairness Hearing without further notice to the members of the Settlement Class and retains jurisdiction to consider all further applications arising out of or connected with the proposed Settlement Agreement.
- 8. If the Court does not enter an order finally approving the Settlement, or if the Settlement does not become final for any other reason, then the action shall proceed as if the Settlement Agreement had not been executed.

IT IS SO ORDERED.

DATED this 18 day of December, 2023.

JUDGE DAVID WHEDBEE

1	Presented by:
2	REKHI & WOLK, P.S.
3	By: /s/ Hardeep S. Rekhi, WSBA #34579
4	Hardeep S. Rekhi, WSBA #34579
5	Gregory A. Wolk, WSBA #28946 Cameron Mease, WSBA #59550
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7	Seattle, Washington 98109 Telephone: (206) 388-5887
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11	HAYWARD LAW PLLC
12	By: /s/ Daniel R. Hayward
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15	Telephone: (509) 838-9146
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16	Attorneys for Plaintiffs and the Class
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[PROPOSED] ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT - 5 CASE NO. 20-2-02871-1 KNT

Rekhi & Wolk, P.S. 529 Warren Ave N., Suite 201 Seattle, WA 98109 Phone: (206) 388-5887 Facsimile: (206) 577-3924

# EXHIBIT A NOTICE OF SETTLEMENT

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

Krista Belle and Devin Maggard v. Phoenix Protective Corp. and PPC Solutions, Inc. Case No. 20-2-02871-1 KNT

## — NOTICE OF SETTLEMENT —

A court authorized this notice. This is not a solicitation from a lawyer. This is not a lawsuit against you and you are not being sued. However, your legal rights are affected whether you act or not. Please read this notice carefully.

**TO:** All current and former employees of *Phoenix Protective Corp. and PPC Solutions, Inc.*, who at any time from January 31, 2017 through August 8, 2023 worked for either company while based or residing in the State of Washington.

- Two former security guard employees, Krista Belle and Devin Maggard, ("Plaintiffs") have sued Phoenix Protective Corporation and PPC Solutions, Inc. ("Phoenix" or "Defendants") based on alleged violations of Washington state wage and hour laws. In particular, Plaintiffs allege that Phoenix failed to pay minimum and overtime wages to security guards for all hours worked including attending mandatory orientation and training programs, failed to provide for and pay for missed meal and rest breaks, failed to provide mandatory safe and sick time and indicate such time on security guards' paystubs, and made unlawful deductions from security guards' pay. Defendants deny the allegations in the lawsuit.
- In order to resolve the lawsuit, and without any party admitting liability, the Plaintiffs and Defendants have agreed to a Class Action Settlement.
- The Class Action Settlement includes a total settlement payment by Defendants of \$2,500,000.
- To qualify for a share of this payment, you must have been employed by Phoenix Protective Corporation and PPC Solutions, Inc. and worked for the company while based or residing in Washington between January 31, 2017, and August 8, 2023 and have not excluded yourself from the Class Action Settlement.
- You do not have to do anything to be eligible to receive a share of the settlement payment.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT					
Do Nothing	You will be eligible to get a payment for your share of the Class Action Settlement. (You may need to provide the Settlement Administrator any updated contact information to ensure you receive a payment.) You will give up rights relating to the legal claims in this Case.				
ASK TO BE EXCLUDED	Get no payment. This is the only option that allows you to ever be a part of any other lawsuit against Defendants with respect to the legal claims in this Case.				

Овјест	Write to the Court if you do not like the settlement and explain why. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.
GO TO A HEARING	Ask to speak in Court about the fairness of the Class Action Settlement. If the Settlement is approved, you will still receive a payment and you will give up rights relating to the legal claims in this Case.

- These rights and options—and the deadlines to exercise them—are explained in this Notice.
- The Court in charge of this Case still has to decide whether to finally approve the Settlement. If the Court approves the Settlement, payments will be made after any appeals are resolved and Defendants fully fund the settlement. We expect payments will go out spring/summer of 2024. Please be patient.

#### **BASIC INFORMATION**

#### 1. Why did I get this Notice?

Defendants records show that you were employed by Phoenix Protective Corporation and/or PPC Solutions, Inc. and worked while based or residing in Washington between January 31, 2017, and August 8, 2023. The Court has allowed this Notice to be sent to you to inform you about a proposed settlement of a class action lawsuit, and about your options, before the Court decides whether to finally approve the Settlement. If the Court approves the Settlement, and after any appeals are resolved, payments will be made to Settlement Class Members, unless they affirmatively request to be excluded from the Settlement.

This Notice explains the Case, the Class Action Settlement, your legal rights, what benefits are available, who is eligible for them, and how to get them.

#### 2. What is the Case about?

The Class Representatives claim Defendants have violated Washington wage and hour laws and regulations by: (1) failing to pay minimum and overtime wages to security guards for all hours worked including time spent in orientation and training, (2) failing to provide adequate rest breaks to security guards, (3) failing to provide adequate meal breaks to security guards, (4) making unlawful deductions from security guards' pay, (5) failing to provide security guards with mandatory paid safe and sick time and statements showing how much time had accrued, and (6) willfully refusing to pay wages owed to security guards.

Phoenix Protective Corporation and PPC Solutions deny all of the above claims and allegations. Defendants maintain that all security guards were paid the wages required by state and local laws, that security guards had adequate and compliant rest and meal break time, that all deductions from security guards' pay were proper, and that security guards were provided all required safe and sick time.

Plaintiffs' Complaint in this lawsuit is available at https://www.rekhiwolk.com/class-actions/phoenix/.

#### 3. What is a class action and who is involved?

In a class action lawsuit, one or more people called "Class Representatives" (in this case, Plaintiffs Krista Belle and Devin Maggard) sue on behalf of other people who may have similar claims. The people and the Class Representatives together are called a "Class" or "Class Members." The persons or companies that have been sued (in this case Phoenix Protective Corporation and PPC Solutions, Inc.) are called the Defendants.

#### 4. Why is there a Settlement?

Both sides agreed to a Settlement. This allows the parties to avoid the cost of a trial. The Class Representatives and their attorneys think the Settlement is best for everyone in the Class.

#### WHO IS IN THE SETTLEMENT

#### 5. How do I know whether I am part of the Settlement?

A Superior Court Judge decided that the following individuals are Class Members: All current and former employees of PPC Solutions, Inc. and/or Phoenix Protective Corporation who worked as security guards at any time from January 31, 2017 through August 8, 2023 while based or residing in the State of Washington.

If it is approved, the Settlement will cover all Class Members who have not timely and affirmatively excluded themselves from the Case. To be a part of and receive any money pursuant to the Settlement, Settlement Class Members need do nothing.

#### THE TERMS OF THE SETTLEMENT

#### 6. What claims are covered by the Settlement?

The Settlement will resolve all of the claims Settlement Class Members could have brought against Defendants regarding orientation and training pay, failure to provide proper meal and rest breaks, and improper deductions in violation of Washington law, as well as any claims for attendant penalties, interest, fees, costs, attorneys' fees and all other forms of relief that were sought or could have been sought based on the facts alleged in the Complaint.

#### 7. What are the basic terms of the Settlement?

Subject to Court approval, the essential terms of the Settlement are as follows:

Defendants will pay a total of \$2,500,000 as part of the Settlement, apportioned as follows:

- Class Fund: \$1,633,966.67 which will be available for the payment of Settlement Awards to Settlement Class Members who do not timely opt out of this Settlement.
- Service Awards: \$10,000 each to Named Plaintiffs and Class Representatives as service awards in recognition of their efforts in prosecuting the Case.

- Settlement Administration Expenses Award: An amount not to exceed\_\$13,300 to the Settlement Administrator for the processing of the Settlement, including the expenses of providing notice of the Settlement to Settlement Class Members, handling the claims administration process, processing payments to Settlement Class Members, handling tax reporting requirements.
- Attorneys' Fees and Costs Award: \$833,333.33 to Plaintiffs' counsel for the attorneys' fees and costs for litigation they have incurred and will incur through final judgment in representing Named Plaintiffs and the Settlement Class.

**Monetary Relief**: The amount available to the Settlement Class is intended to compensate Settlement Class Members for the wages and other compensation the Named Plaintiffs claim that allegedly were underpaid and damages they are allegedly owed as a result of the practices alleged in the Case.

**Distribution of Settlement Fund**: Each Settlement Class Member who does <u>not</u> submit a valid and timely request for exclusion will automatically have a settlement payment issued to their last known address. Your settlement payment will be calculated based on an analysis of your time records at PPC Solutions, Inc. and/or Phoenix Protective Corporation, which includes your hours worked and rates of pay. The calculation of the settlement award for each individual Settlement Class Member will be based on the percentage relationship between the dollar value of your damages and the aggregate dollar value of all damages. The damages will be weighted based on the probable success of the claims. Checks will be mailed to Settlement Class Members by the Settlement Administrator. If any checks have not been deposited within one hundred twenty (120) days after distribution, the funds from those checks will be considered Residual Funds. Any Residual Funds will be distributed to the Washington State Department of Revenue's Unclaimed Property program. Defendants will not receive funds from any uncashed checks.

Tax Treatment of Settlement Awards: 50% of each Settlement Class Member's settlement award will be treated as wages from which withholdings will be made and a W-2 issued and 50% of each Settlement Class Member's settlement will be treated as non-wages on which there will be no tax withholding and for which an IRS Form 1099 (marked "Other Income") may be issued to the taxing authorities and the Settlement Class Member by the Settlement Administrator. Each Class Member should consult a tax advisor with respect to any concerns regarding the tax treatment of this award.

Release of Claims: Upon final approval by the Court, the Settlement Class and each Settlement Class Member who has not submitted a valid and timely written request to be excluded from the Settlement will irrevocably release all claims against Defendants for the period from January 31, 2017 through the [ADD Specific date of the Settlement Agreement] that were brought or that could have been brought based on any facts alleged in the Complaint in this Case. This Release specifically includes any claims for wages, overtime, deductions, meal breaks and rest breaks, paid sick leave, penalties, interest, fees, costs, attorneys' fees and all other forms of relief that were sought or that could have been sought based on the facts alleged in the Complaint.

**Dismissal of Action**: Upon final approval, the Court will enter a judgment of dismissal of the Case with prejudice but shall retain jurisdiction to enforce the terms of the Settlement.

#### HOW YOU CAN GET PAYMENT

#### 8. How can I get a payment?

To get a payment, you need do nothing. As long as you do <u>not</u> submit a written request to be excluded from the Settlement, you will be a Settlement Class Member and will be entitled to payment.

#### 9. When would I get my payment?

The Court will hold a hearing on [HEARING DATE] to decide whether to finally approve the Settlement. If the King County Superior Court approves the Settlement, the parties will then have to wait to see whether there is an appeal. This will take at least thirty (30) days and, if there is an appeal, can take up to a year of more to resolve. If there is no appeal, we expect payments will go out in Spring/Summer of 2024. Please be patient.

#### THE LAWYERS REPRESENTING YOU

#### 10. Do I have a lawyer in this case?

Lawyers from the law firm of Rekhi & Wolk, P.S. and Hayward Law, PLLC represent you and all Settlement Class Members. These lawyers are called "Class Counsel." You will not be charged extra for these lawyers. If you want to be represented by our own lawyer, you may hire one at your own expense.

#### 11. How will the lawyers be paid?

As indicated above, Class Counsel will seek payment of their attorneys' fees and costs in the combined amount of \$833,333.33, which must be approved by the Court as part of the final approval of this Settlement. Class Counsel have been working on this case since approximately January 2019 and have not received any fees for their work or reimbursements for the costs of the lawsuit.

#### EXCLUDING YOURSELF FROM THE SETTLEMENT

#### 12. How do I exclude myself from the Settlement?

If you fit the definition of a Settlement Class Member and want to exclude yourself from the Settlement, you <u>must</u> request exclusion in writing by [NOTICE DEADLINE]. You may be excluded as a member of the class by submitting a written request stating, "I request that I be excluded from the Class in the case of *Belle v. Phoenix*." The request must include your name, address, and signature. You must mail a copy of the letter to the Settlement Administrator at the following address postmarked no later than [NOTICE DEADLINE]:

If you exclude yourself from the Settlement (i.e., opt out), you will not receive any payment from the Settlement. You will also not be entitled to object to the Settlement. If you exclude yourself,

you will not be bound by the terms of the Settlement, including the Release described in Section 7, above. This means you will retain the right at your own expense to pursue any claims you may have against Defendants.

#### **OBJECTING TO THE SETTLEMENT**

#### 13. If I don't like the Settlement, how do I tell the Court?

If you are a Settlement Class Member, have <u>not</u> excluded yourself from the Settlement, and do not like the Settlement or the fee request, you can object. You <u>must</u> do so in writing and you <u>must</u> state the reasons why you think the Court should not approve the Settlement. If you object, be sure to include your name, address, and telephone number, the name of the Case (*Belle, et al. v. PPC Solutions, Inc., et al., Case No. 20-2-02871-1 KNT*), the reasons you object to the Settlement, and a signature. You <u>must</u> mail a copy of the objection to the following address **postmarked no later than [OBJECTION DEADLINE**]:

#### THE COURT'S FAIRNESS HEARING

#### 14. When and where will the Court decide to approve the Settlement?

The Court will hold a Fairness Hearing at [HEARING TIME] on [HEARING DATE], at the King County Superior Court at516 3rd Ave, Room C-203, Seattle, WA 98104. The Court may provide for a video hearing in addition to or instead of an in-person hearing. If the Court provides a video hearing, the details will be posted to the website as it becomes available.

If there are objections, the Court will consider them. Judge David Whedbee will listen to people who have asked to speak at the hearing (see Section 16). After the hearing, the Court will decide whether to finally approve the Settlement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and Service Award for the Named Plaintiffs. We do not know how long that decision will take.

#### 15. Do I have to come to the hearing?

No. Class Counsel will answer any questions Judge David Whedbee may have, but you are welcome to attend at your own expense. If you send an objection, you do not have to come to Court to talk about it. As long as you mailed your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but that is not necessary.

#### 16. May I speak at the hearing?

You may ask the Court for permission to speak at the Fairness Hearing. To do so, you <u>must</u> send a letter saying it is your "Notice of Intention to Appear in *Belle, et al. v. PPC Solutions, Inc., et al., Case No. 20-2-02871-1 KNT*" Be sure to include your name, address, phone number, and your signature. Your Notice of Intention to Appear <u>must</u> be **postmarked no later than NOTICE** 

**DEADLINE**], and be sent to the Court, Class Counsel, and Defense Counsel at the three addresses set forth below:

Court	CLASS COUNSEL	DEFENSE COUNSEL
Hon. David Whedbee King County Superior Court 516 3rd Ave, Room C-203, Seattle, WA 98104	Hardeep Rekhi Gregory A. Wolk Rekhi & Wolk, P.S. 529 Warren Avenue North, Suite 201 Seattle, Washington 98109  Dan Hayward Hayward Law PLLC 905 Riverside Ave., Suite 505 Spokane, Washington 99201	Mathias Deeg LITTLER MENDELSON, P.C. One Union Square 600 University Street, Suite 3200 Seattle, WA 98101

#### IF YOU DO NOTHING

#### 17. What happens if I do nothing at all?

If you do nothing—that is, if you do not mail or deliver a timely written request to exclude yourself from the Settlement—you will be part of the Settlement Class and will be entitled to a share of the Settlement. You will also be bound by the terms of the Settlement, including the Release described in Section 7, above.

#### **GETTING MORE INFORMATION**

#### 18. Are there more details about the Settlement?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement. You can get a copy of the Settlement Agreement by visiting https://www.rekhiwolk.com/class-actions/phoenix/, which has a copy of the Settlement Agreement posted. Plaintiffs' motion for final approval of the settlement agreement, including Class Counsel's request for attorneys' fees, costs, Settlement Administration Expenses, and a Service Award for the Named Plaintiffs will be available for you to review on [DATE] at https://www.rekhiwolk.com/class-actions/phoenix/.