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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

ISMAEL ORTEGA, KRISINDA WOLFE, DORIS WILLIAMS-JENKINS, and LILIA SILVA, individuals, on behalf of themselves and on behalf of all persons similarly situated,

Plaintiffs,

v.

LOYAL SOURCE GOVERNMENT SERVICES LLC, a limited liability company; and DOES 1 through 50, inclusive,

Defendant.

CASE NO. 3:20-cv-0879-LAB-NLS

**ORDER:**

- (1) GRANTING PRELIMINARY APPROVAL OF SETTLEMENT;**
- (2) APPROVING CLASS NOTICE;**
- (3) APPOINTING SETTLEMENT ADMINISTRATOR; AND**
- (4) SCHEDULING FINAL APPROVAL HEARING**

1           On March 22, 2021, a hearing was held on the motion of Plaintiffs  
2 Ismael Ortega, Krisinda Wolfe, Doris Williams-Jenkins and Lilia Silva  
3 (“Plaintiffs”) for preliminary approval of the parties’ proposed settlement  
4 (“Settlement”) with Defendant Loyal Source Government Services, LLC  
5 (“Defendant”), approval of the notice to be sent to the class about the settlement,  
6 and the setting of a date for the hearing on final approval of the settlement.

7           The Court, having read and considered the papers on the motion, the  
8 arguments of counsel, and the law, and good cause appearing therefore,

9           **ORDERS:**

10          1. This Order incorporates the defined terms in the Class Action  
11 Settlement Agreement (the “Agreement”) (Declaration of Kyle Nordrehaug, Exh.  
12 #1). Pursuant to the terms of the Agreement, Plaintiff and Participating Class  
13 Members will take only that which is stated in the Agreement as approved by the  
14 Court.

15          2. Pursuant to the Class Action Fairness Act, 28 U.S.C. § 1711 *et seq.*  
16 (“CAFA”), the Defendant caused the mailing of the CAFA Notice to the Attorney  
17 General of the United States and the appropriate state official in each state in which  
18 a Class Member reportedly resides at the time of CAFA Notice according to  
19 Defendant’s records and as updated following a National Change of Address  
20 search. Accordingly, the Court finds that Defendant has discharged its obligations  
21 under CAFA to provide notice to the appropriate federal and state officials.

22          3. Pursuant to the Agreement, the Class is both the California Class and  
23 the FCRA Class, as defined herein. The California Class is defined as all  
24 individuals who worked for Defendant in California as non-exempt employees  
25 during the California Class Period (the “California Class”). The “California Class  
26 Period” is February 14, 2016 to September 29, 2020. The FCRA Class is defined as  
27 all employees or prospective employees of Defendant in the United States for  
28 whom Defendant procured a background check during the FCRA Class Period (the

1 “FCRA Class”). The “FCRA Class Period” is February 14, 2018 to September 29,  
2 2020. The Court finds for settlement purposes only that this Class and these  
3 subclasses satisfy the requirements of Fed. R. Civ. Proc. 23.

4 4. The parties’ Agreement is granted preliminary approval as it meets the  
5 criteria for preliminary settlement approval. The Settlement falls within the range of  
6 possible approval as fair, adequate and reasonable, and appears to be the product of  
7 arm’s-length and informed negotiations and to treat all Class Members fairly.  
8 Continued litigation would have been expensive for both sides. The Parties  
9 acknowledge that litigating and trying this action may have resulted in delay of any  
10 recovery, involved significant risk as to liability and certification, and led to  
11 possible appeals. Class Counsel received the relevant information for the Class.  
12 Plaintiffs have adequately demonstrated that the agreement to settle did not occur  
13 until Class Counsel possessed sufficient information to evaluate the case and make  
14 an informed decision about settlement.

15 5. The Parties’ proposed notice plan is constitutionally sound because  
16 individual notices will be mailed to all Class Members whose identities are known  
17 to the parties, and such notice is the best notice practicable. The Parties’ proposed  
18 Notice of Pendency of Class Action Settlement and Hearing Date for Court  
19 Approval (“Class Notice”), attached to the Agreement as Exhibit A, sufficiently  
20 informs Class Members of the terms of the Settlement, their rights under the  
21 Settlement, their rights to object to the Settlement, their right to receive a  
22 Settlement Share or elect not to participate in the Settlement, and the processes for  
23 doing so, and the date and location of the final approval hearing, and therefore is  
24 approved.

25 6. Any Class Member who does not submit a valid request for exclusion  
26 will be deemed a Participating Class Member and will be entitled to receive a  
27 Settlement Share based upon the allocation formula in the Agreement.  
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1           7. Any Class Member who wishes to comment on or object to the  
2 Settlement, the attorneys' fees and costs, and/or the proposed Class Representative  
3 Service Payment, or who elects not to participate in the Settlement, has until 60  
4 days after the mailing of the Class Notice to submit his or her written comment,  
5 objection, or request for exclusion in Settlement pursuant to the procedures set forth  
6 in the Class Notice. Class Counsel must file their application for the attorneys' fees  
7 and costs no later than 14 days prior to the end of the objection period, and the  
8 application will be heard at the Final Approval Hearing.

9           8. KCC, LLC is appointed to act as the Settlement Administrator,  
10 pursuant to the terms set forth in the Settlement. Blumenthal Nordrehaug Bhowmik  
11 De Blouw LLP is approved as Class Counsel and the Plaintiffs are approved as the  
12 representatives of the Class.

13           9. Defendant is directed to provide the Settlement Administrator with the  
14 Class Data for each Class Member as specified by the Agreement no later than  
15 fourteen (14) days after the date of entry of this order. Pursuant to the terms set  
16 forth in the Agreement, the Class Data, its contents and any files containing Class  
17 Data shall remain confidential and will not be disclosed to anyone except as set  
18 forth in the Agreement.

19           10. The Class Notice attached as Exhibit A to the Agreement is approved.  
20 The Settlement Administrator is directed to mail the approved Class Notice by first-  
21 class mail to the Class Members at their last known address no later than 14 days  
22 after receipt of the Class Data.

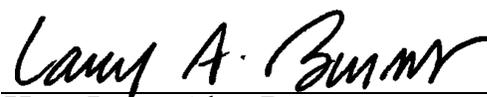
23           11. A Final Approval Hearing will be held on July 26, 2021, at 11:30 a.m.  
24 in Courtroom 14A, to determine whether the Settlement should be granted final  
25 approval as fair, reasonable, and adequate as to the Class Members. The Court will  
26 hear all evidence and argument necessary to evaluate the Settlement and will  
27 consider the request for approval of attorneys' fees and costs and for approval of  
28 the Class Representative Service Payments. The Court grants preliminary approval

1 with the condition that the Class Representative Service Payments be reduced to an  
2 amount not to exceed \$5,000 to each Plaintiff. Class Members and their counsel  
3 may support or oppose the Settlement and the motion for an award of attorneys'  
4 fees and costs and the Class Representative Service Payments, if they so desire, as  
5 set forth in the Class Notice.

6 12. Any Class Member may appear at the final approval hearing in person  
7 or by his or her own attorney and show cause why the Court should not approve the  
8 Settlement, or object to the motion for an award of attorneys' fees and costs and the  
9 service award. For any written comments or objections to be considered at the  
10 hearing, the Class Member must submit the written objections to the Settlement  
11 Administrator in compliance with the instructions in the Class Notice and describe  
12 the nature of the Class Member's comments, support or objection. Written  
13 comments or objections to the Settlement or to the attorneys' fees and costs must be  
14 postmarked no later than 60 days after mailing of the Class Notice.

15 13. The Court reserves the right to continue the date of the final approval  
16 hearing without further notice to Class Members. The Court retains jurisdiction to  
17 consider all further applications arising out of or in connection with the Settlement.

18 DATED: March 31, 2021

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21 Hon. Larry Alan Burns  
22 United States District Judge  
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