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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN DIEGO**

CELENE HERNANDEZ, individually, and on
behalf of other members of the general public
similarly situated;

Plaintiff,

v.

SENDX MEDICAL, INC., a Delaware
corporation; and DOES 1 through 100,
inclusive;

Defendants.

Case No.: 37-2020-00020200-CU-OE-CTL

Assigned for All Purposes to:
Honorable Robert Longstreth
Department C-65

CLASS ACTION

**PLAINTIFFS' NOTICE OF MOTION
AND MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION
SETTLEMENT, CONDITIONAL
CERTIFICATION, APPROVAL OF
CLASS NOTICE, SETTING OF FINAL
APPROVAL HEARING DATE;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT
THEREOF**

[Declaration of Proposed Class Counsel
(Douglas Han); and [Proposed] Order filed
concurrently herewith]

Hearing Date: April 19, 2024
Hearing Time: 08:30 a.m.
Hearing Place: Department C-65

Complaint Filed: June 12, 2020
FAC Filed: February 11, 2021
SAC Filed: October 14, 2022
Trial Date: None Set

1 **PLEASE TAKE NOTICE** that on April 19, 2024 at 8:30 a.m., or as soon as the matter
2 may be heard, before the Honorable Robert Longstreth in Department C-65 of the San Diego
3 County Superior Court located at 330 West Broadway San Diego, California 92101, Plaintiffs
4 Celene Hernandez and Richard Sotelo (“Plaintiffs,” “Plaintiff Hernandez,” and “Plaintiff Sotelo”)
5 will and hereby do move for an order:

- 6 • Granting Preliminary Approval of the class action settlement described herein and
7 as set forth in the Class Action and PAGA Settlement Agreement (“Settlement
8 Agreement,” “Settlement,” or “Agreement”), attached as **Exhibit 3** to the
9 declaration of Douglas Han, including, and not limited to, the means of allocation
10 and distribution of funds;
- 11 • Conditionally certifying the Class for settlement purposes only;
- 12 • Appointing Plaintiffs as the class representatives;
- 13 • Appointing Justice Law Corporation as Class Counsel;
- 14 • Approving the Court Approved Notice of Class Action Settlement and Hearing
15 Date for Final Court Approval (“Class Notice”) attached as **Exhibit A** to the
16 Settlement Agreement;
- 17 • Directing the mailing of the Class Notice with a postage-paid return envelope to
18 the Class;
- 19 • Approving the proposed deadlines for the settlement administration process;
- 20 • Approving CPT Group, Inc. as the Administrator; and
- 21 • Scheduling a hearing to consider whether to grant Final Approval of the Settlement
22 Agreement, at which time the Court will also consider whether to grant Final
23 Approval of the requests for the Class Counsel Fees Payment, Class Counsel
24 Litigation Expenses Payment, Class Representative Service Payments,
25 Administration Expenses Payment, and approval of the allocation of the Private
26 Attorney General Act of 2004 (“PAGA”) Penalties.

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1 This motion is based upon the following memorandum of points and authorities;
2 Declaration of Proposed Class Counsel (Douglas Han); [Proposed] Order filed concurrently with
3 this motion; pleadings and other records on file with the Court in this matter; and such documentary
4 evidence and oral argument as may be presented at the hearing on this motion.
5

6 Dated: March 12, 2024

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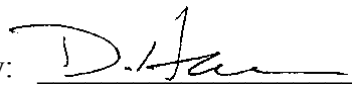
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8 By: 
9 Douglas Han
10 *Attorneys for Plaintiffs*
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1 **I. INTRODUCTION**

2 This motion seeks preliminary approval of a non-reversionary proposed wage-and-hour
3 class action settlement by Plaintiffs on behalf of themselves and all current and former hourly-paid
4 or non-exempt employees of Defendant SenDx Medical, Inc. (“Defendant”) who worked in
5 California at any time during the period from June 12, 2016, through January 7, 2023 (“Class,”
6 “Class Members,” and “Class Period”). At the time of this filing, the number of Class Members is
7 estimated to be three hundred fifty-four (354) and the number of PAGA Employees is estimated
8 to be three hundred two (302), which was confirmed by Defendant. (Declaration of Douglas Han
9 In Support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement (“Han
10 Decl.”), ¶¶ 8-9.)

11 **II. BACKGROUND**

12 On June 12, 2020, Plaintiff Hernandez filed a wage-and-hour class action complaint in the
13 Superior Court of California, County of San Diego, alleging six (6) causes of action. (Han Decl.,
14 *supra*, at ¶ 10.)

15 On February 11, 2021, Plaintiff Hernandez filed a First Amended Complaint that updated
16 the factual allegations underlying the causes of action. (Han Decl., *supra*, at ¶ 11.)

17 After engaging in extensive discovery, investigations, and negotiation, the Parties remotely
18 attended mediation with the mediator Jeffrey Ross on April 11, 2022 but were unable to initially
19 negotiate a settlement. (Han Decl., *supra*, at ¶ 12.)

20 On April 18, 2022, Plaintiff Sotelo provided written notice to the California Labor and
21 Workforce Development Agency and Defendant, contending Defendant violated various
22 provisions of the Labor Code. (Han Decl., *supra*, at ¶ 13; Exhibit 4.)

23 On October 14, 2022, Plaintiff Hernandez filed a Second Amended Complaint adding
24 Plaintiff Sotelo as a named plaintiff and adding a cause of action under Labor Code section 2698,
25 *et seq.* (PAGA). (Han Decl., *supra*, at ¶ 14; Exhibit 5.)

26 After continued negotiations, the Parties eventually reached a tentative settlement on
27 October 16, 2023. (Han Decl., *supra*, at ¶ 15.)

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1 In line with the settlement, Plaintiffs filed a Third Amended Complaint updating the “class”
2 definition, updating the “aggrieved employees” definition, and adding expense reimbursement
3 allegations to the UCL claim and a cause of action for violation of Labor Code section 1194 and
4 1197 (unpaid minimum wages). (Han Decl., *supra*, at ¶ 16.)

5 **III. INVESTIGATION/ LITIGATION HISTORY**

6 **a. Discovery, Investigation, and the Parties’ Staunchly Conflicting Positions**

7 Plaintiffs propounded form interrogatories, special interrogatories, requests for admission,
8 and requests for production of documents. (Han Decl., *supra*, at ¶ 18.) Defendant propounded
9 requests for production of documents. (*Ibid.*) The Parties responded to the formal discovery
10 requests and engaged in extensive motion practices. (*Ibid.*) The Parties also took the deposition
11 of Plaintiff Hernandez and Defendant’s Person Most Qualified. (*Ibid.*) Thereafter, the Parties met
12 and conferred and agreed to engage in an informal exchange of information and then eventually
13 remotely attended mediation. (*Ibid.*)

14 Prior to the mediation, Defendant produced several documents relating to its policies,
15 practices, and procedures. (Han Decl., *supra*, at ¶ 19.) As part of Defendant’s production,
16 Plaintiffs also reviewed time records, pay records, and information relating to the size and scope
17 of the Class. (*Ibid.*) Several putative class members were also located and interviewed to attain a
18 better understanding of the extent and frequency of the alleged day-to-day violations. (*Ibid.*)

19 Based on the information provided by Defendant and interviews with putative class
20 members, Plaintiffs contend – and Defendant denies – Defendant: (1) failed to provide employees
21 with legally mandated meal and rest breaks; (2) failed to pay employees for all hours worked; (3)
22 failed to include non-discretionary bonuses in employees’ regular rate of pay; (4) failed to
23 reimburse employees for necessary business expenses; (5) issued noncompliant wage statements;
24 and (6) is liable for waiting time penalties. (Han Decl., *supra*, at ¶¶ 21-28.)

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1 **b. The Parties Were Able to Reach an Agreement on Settlement of the Action**

2 **i. The Parties Attended Mediation Which Led to the Settlement**

3 The Parties attended mediation with an experienced mediator. (Han Decl., *supra*, at ¶ 29.)
4 While the Parties did not initially reach a settlement at mediation, continued negotiations
5 eventually resulted in the settlement of this matter, the terms were memorialized in the Settlement
6 Agreement. (*Id.* at ¶ 29; Exhibits 3, 6.)

7 **ii. The Settlement Was Reached as a Result of Arm's-Length Negotiations**

8 The Settlement was reached because of arm's-length negotiations. (Han Decl., *supra*, at ¶
9 32.) Though cordial and professional, the settlement negotiations have always been adversarial
10 and non-collusive in nature. (*Ibid.*) At the mediation, the Parties' counsel conducted extensive
11 arm's-length settlement negotiations until an agreement was ultimately reached. (*Ibid.*)

12 Plaintiffs and Class Counsel recognize the expense and length of additional proceedings
13 necessary to continue the litigation through trial and any possible appeals. (Han Decl., *supra*, at ¶
14 33.) Plaintiffs and Class Counsel also considered the uncertainty and risk of further litigation,
15 potential outcome, and difficulties and delays inherent in such litigation. (*Ibid.*) Based on the
16 foregoing, Plaintiffs and Class Counsel believe the Settlement is a fair, adequate, and reasonable
17 settlement and is in the best interests of the Class Members. (*Ibid.*)

18 **iii. The Settlement Is the Result of Thorough Investigation and Discovery**

19 The Parties investigated and evaluated the strengths and weaknesses of the claims and
20 defenses before reaching the Settlement and engaged in research and discovery to support the
21 Settlement. (Han Decl., *supra*, at ¶ 34.) The Settlement was only possible following significant
22 investigation and evaluation of the relevant policies and practices, permitting Class Counsel to
23 engage in a comprehensive analysis of liability and potential damages. (*Ibid.*) This case has
24 reached the stage where the Parties understand "the strength of the case; the reasonableness of the
25 settlement in light of the attendant risks of litigation, and in light of the best possible recovery"
26 sufficient to support the Settlement's reasonableness, adequacy, and fairness. (Han Decl., *supra*,
27 at ¶ 34; *Boyd v. Bechtel Corp.* (N.D.Cal. 1979) 485 F.Supp. 610, 617.)

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1 **c. Terms of the Proposed Settlement**

2 **i. Deductions from the Settlement**

3 The Parties agreed (subject to the Court’s approval) this action be settled and compromised
4 for the non-reversionary total sum of \$400,000 (“Gross Settlement Amount”) which includes: (1)
5 Class Counsel Fees Payment up to \$140,000 (35% of the Gross Settlement Amount); (2) Class
6 Counsel Litigation Expenses Payment up to \$30,000; (3) Class Representative Service Payments
7 totaling \$20,000; (4) Administration Expenses Payment up to \$15,000; and (5) PAGA Penalties
8 up to \$50,000. (Han Decl., *supra*, at ¶ 30.)

9 **ii. Calculating Settlement Payments**

10 After all Court-approved deductions from the Gross Settlement Amount, it is estimated
11 \$145,000 (“Net Settlement Amount”) will be paid to Participating Class Members – with a gross
12 *average* Individual Class Payment estimated at \$409.60. (Han Decl., *supra*, at ¶ 31.)

13 The Participating Class Members will receive a proportionate share of the Net Settlement
14 Amount using the formula set forth in the Settlement Agreement. (Han Decl., *supra*, at ¶ 29;
15 Exhibit 3, *supra*, at § C(2)(d).) Individual Class Payments will be allocated twenty percent (20%)
16 to the settlement of wage claims and eighty percent (80%) to the settlement of claims for interests
17 and penalties. (*Id.* at § C(2)(d)(i).)

18 The portion of the PAGA Penalties that is to be paid to each Aggrieved Employee shall be
19 determined using the formula set forth in the Settlement Agreement. (Han Decl., *supra*, at ¶ 29;
20 Exhibit 3, *supra*, at § C(2)(e)(i).) Aggrieved Employees’ portion of the PAGA Penalties will be
21 allocated as one hundred percent (100%) penalties. (*Id.* at § C(2)(e)(ii).)

22 **iii. Notice to the Class**

23 No later than fourteen (14) calendar days after the Court grants Preliminary Approval of
24 the Settlement, Defendant will deliver the Class Data to the Administrator. (Han Decl., *supra*, at
25 ¶ 29; Exhibit 3, *supra*, at § G(3)(a).) No later than fourteen (14) calendar days after receiving the
26 Class Data, the Administrator will send the Class Notice with a translation to all Class Members
27 identified in the Class Data via first-class United States Postal Service mail. (*Id.* at § G(3)(c).)

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1 **iv. Distribution of Funds**

2 The Gross Settlement Amount will be funded and distributed pursuant to the timeline and
3 manner set forth in the Settlement. (Han Decl., *supra*, at ¶ 29; Exhibit 3, *supra*, at §§ D(2), D(3).)
4 Uncashed settlement checks will be canceled and transmitted to the California Controller's
5 Unclaimed Property Fund in the name of the Class Member. (*Id.* at §§ D(3)(a), D(3)(c).)

6 **v. Release of Claims**

7 Effective on the date when Defendant fully funds the entire Gross Settlement Amount and
8 funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all
9 Participating Class Members, on behalf of themselves and their former and present executors,
10 administrators, representatives, agents, attorneys, heirs, administrators, successors, assigns,
11 trustees, spouses, or guardians release the Released Parties from the Released Class Claims. (Han
12 Decl., *supra*, at ¶ 29; Exhibit 3, *supra*, at § E(2).)

13 Effective on the date when Defendant fully funds the entire Gross Settlement Amount and
14 funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all
15 PAGA Employees, on behalf of themselves and their former and present executors, administrators,
16 spouses, representatives, agents, attorneys, heirs, administrators, successors, trustees, guardians,
17 and assigns, release the Released Parties from the Released PAGA Claims. (Han Decl., *supra*, at
18 ¶ 29; Exhibit 3, *supra*, at § E(3).)

19 Effective on the date when Defendant fully funds the entire Gross Settlement Amount and
20 funds all employer payroll taxes owed on the Wage Portion of the Individual Class Payments,
21 Plaintiffs and their former and present executors, administrators, spouses, representatives, agents,
22 attorneys, heirs, administrators, successors, trustees, guardians and assigns generally release and
23 discharge Released Parties from the Plaintiffs' Release. (Han Decl., *supra*, at ¶ 29; Exhibit 3,
24 *supra*, at § E(1).) Plaintiffs also expressly waive and relinquish the provisions, rights, and benefits,
25 if any, of section 1542 of the Civil Code. (*Id.* at § E(1)(a).)

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1 With regards to class action releases, “[A] court may release not only those claims alleged
2 in the complaint and before the court, but also claims which ‘could have been alleged by reason of
3 or in connection with any matter or fact set forth or referred to in’ the complaint.” (Amaro v.
4 Anaheim Arena Management, LLC (2021) 69 Cal.App.5th 521, 537.) The scope of the releases in
5 this case are acceptable because they are limited to the scope of the allegations in the operative
6 complaints. The released claims are “based on the identical factual predicate as that underlying
7 the claims in the settled class action.” (Ibid.) In other words, the released claims do not “go
8 beyond the scope of the allegations in the operative complaint” (Ibid.)

9 **d. Counsel for Both Parties Are Experienced in Similar Litigation**

10 The Parties’ counsel are experienced in wage-and-hour employment law and class actions.
11 (Han Decl., *supra*, at ¶¶ 2-7; Exhibits 1, 2.) Class Counsel have prosecuted numerous cases on
12 behalf of employees for Labor Code violations and are experienced and qualified to evaluate the
13 class claims, settlement versus trial on a fully informed basis, and viability of the defenses. (Ibid.)
14 This experience instructed Class Counsel on the risks and uncertainties of further litigation and
15 guided their determination to endorse the Settlement.¹ (Ibid.)

16 **IV. ARGUMENT**

17 **a. Class Action Settlements Are Subject to Court Review**

18 California Rules of Court, rule 3.769 requires court approval for class action settlements.²
19 “Before final approval, the court must conduct an inquiry into the fairness of the proposed
20 settlement.” (Cal. Rules of Court, rule 3.769(g).) Rule 3.769 further requires a noticed motion for
21 preliminary approval of class settlements:

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23 _____
24 ¹ The final factor mentioned in *Dunk* – the number of objectors – is not determinable until
25 the Class Notice has been provided to the Class, and they have had an opportunity to respond. This
26 information will be provided to the Court in conjunction with the Motion for Final Approval of
27 Class Action Settlement.

28 ² The California Supreme Court has authorized California’s trial courts to use Federal Rule
23 and cases applying it for guidance in considering class issues. (See *Vasquez v. Superior Court*
(1971) 4 Cal.3d 800, 821; see *Green v. Obledo* (1981) 29 Cal.3d 126, 145-146.) Where appropriate,
the Parties cite Federal Rule 23 and federal case law in addition to California law.

1 (a) A settlement or compromise of an entire class action, or a cause of action in
2 a class action, or as to a party, requires the approval of the court after
3 hearing.

4 (b) Any party to a settlement agreement may serve and file a written notice of
5 motion for preliminary approval of the settlement. The settlement
6 agreement and proposed notice to class members must be filed with the
7 motion, and the proposed order must be lodged with the motion.

8 Courts have discretion to approve settlements that are fair, not collusive, and consider “all
9 the normal perils of litigation as well as the additional uncertainties inherent in complex class
10 actions.” (*In re Beef Industry Antitrust Litigation* (5th Cir. 1979) 607 F.2d 167, 179, cert. den. *sub*
11 *nom. Iowa Beef Processors, Inc. v. Meat Price Investigators Ass’n* (1981) 452 U.S. 905.)

12 **b. The Proposed Settlement Is a Reasonable Compromise of Claims**

13 An understanding of the amount in controversy is an important factor in whether the
14 settlement “of the class members’ claims is reasonable in light of the strengths and weaknesses of
15 the claims and the risks of the particular litigation.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168
16 Cal.App.4th 116, 129; see also *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186
17 Cal.App.4th 399, 409.) The most important factor in this regard is ““the strength of the case for
18 plaintiffs on the merits, balanced against the amount offered in settlement.”” (*Kullar*, at p. 130;
19 see also *Munoz*, at p. 409.)

20 *Kullar* instructs the court is not to “decide the merits of the case or to substitute its
21 evaluation of the most appropriate settlement for that of the attorneys.” (*Kullar v. Foot Locker*
22 *Retail, Inc., supra*, 168 Cal.App.4th at p. 133.) *Kullar* does not require a statement of the maximum
23 amount the class could recover if plaintiff prevailed on all his claims, provided there is a record
24 that allows “an understanding of the amount that is in controversy and the realistic range of
25 outcomes of the litigation.” (*Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles, supra*, 186
26 Cal.App.4th at p. 409.) “[A]s the court does when it approves a settlement as in good faith under
27 Code of Civil Procedure § 877.6, the court must at least satisfy itself that the class settlement is
28 within the ‘ballpark’ of reasonableness.” (*Kullar*, at p. 133.)

///

1 **i. The Settlement Amount of \$400,000 Is Fair and Reasonable**

2 The Settlement Agreement was only possible following significant investigation and
3 evaluation of the relevant policies and procedures, as well as the data produced, as referenced in
4 Section III above, permitting Class Counsel to engage in a comprehensive analysis of liability and
5 potential damages. (Han Decl., *supra*, at ¶ 34.)

6 The claims are predicated on the purported: (1) failure to properly calculate and pay
7 overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal and rest breaks and
8 consistently pay applicable premium wages; (4) failure to timely pay wages; (5) failure to issue
9 compliant wage statements; (6) failure to reimburse business expenses; (7) violation of PAGA;
10 and (8) violation of Business & Professions Code section 17200, *et seq.* (Han Decl., *supra*, at ¶
11 35.) Defendant vehemently denies the theories of liability. (*Id.* at ¶ 36.)

12 While Plaintiffs believe the case is suitable for certification, uncertainties with respect to
13 certification are always present. (Han Decl., *supra*, at ¶ 37.) As the California Supreme Court
14 ruled in *Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, class certification is
15 always a matter of the trial court's sound discretion. (*Ibid.*) Decisions following *Sav-On Drug*
16 *Stores, Inc.* have reached different conclusions concerning certification of wage-and-hour claims.³
17 (*Ibid.*) Thus, the calculations for potential damages were discounted.

18 **ii. The PAGA Penalties of \$50,000 Is Reasonable**

19 The provisions of the Labor Code potentially triggering PAGA penalties include Labor
20 Code sections 201, 202, 203, 204, 210, 218.5, 221, 226(a), 226.3, 226.7, 246, 432.5, 510, 512(a),
21 558, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802. (Han Decl., *supra*, at ¶ 46.) Defendant
22 asserted, regardless of the results of the underlying causes of action, PAGA penalties are not
23 mandatory but permissive and discretionary. (*Ibid.*) Defendant also maintained it had a strong

24 _____
25 ³ (See e.g. *Harris v. Superior Court* (2007) 154 Cal.App.4th 164 [reversing decertification
26 of class claiming misclassification and ordering summary adjudication in favor of employees],
27 review granted Nov. 28, 2007, (2007) 171 P.3d 545 [not cited as precedent, but rather for
28 illustrative purposes only]; *Walsh v. IKON Office Solutions, Inc.* (2007) 148 Cal.App.4th 1440
[affirming decertification of class claiming misclassification]; *Aguiar v. Cintas Corp. No. 2* (2006)
144 Cal.App.4th 121 [reversing denial of certification]; *Dunbar v. Albertson's Inc.* (2006) 141
Cal.App.4th 1422 [affirming denial of certification].)

argument it would be unjust to award maximum PAGA penalties given the law’s current unsettled state concerning PAGA penalties. (Han Decl., *supra*, at ¶ 46; *Thurman v. Bayshore Transit Mgmt.* (2012) 203 Cal.App.4th 1112 [reducing penalties by 30% under this authority].) Furthermore, Defendant argued without stacking and limited to the initial violation, the PAGA penalties would be limited to about **\$30,200** (302 employees x \$100 penalty for initial violation) on the low end and **\$181,200** (302 employees x \$100 penalty for initial violation x 6 theories of recovery) on the high end. (Han Decl., *supra*, at ¶¶ 47-49.)

Plaintiffs recognized the risk that any PAGA award could be reduced. (Han Decl., *supra*, at ¶ 50.) Many of the causes of action brought were also duplicative of the statutory claims. (*Ibid.*) Thus, allocating \$50,000 to PAGA civil penalties was reasonable given that Defendant is also paying an additional \$350,000 in the class settlement. (*Ibid.*) When PAGA penalties are negotiated in good faith and “there is no indication that [the] amount was the result of self-interest at the expense of other Class Members,” such amounts are reasonable.⁴ (*Ibid.*)

Considering the defenses, supporting evidence, and position that the case is not suitable for class treatment, the Settlement Agreement is reasonable, adequate, and fair.

c. Discount Analysis Justifies the Settlement

Excluding the civil penalties, which could be completely discretionary, the total estimated potential exposure, assuming certification and prevailing at trial, would be about **\$4,935,079.57** on the low end and around **\$5,188,298.32** on the high end. (Han Decl., *supra*, at ¶ 51.)

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⁴ (*Hopson v. Hanesbrands Inc.* (N.D.Cal. Apr. 3, 2009, No. CV-08-0844 EDL) 2009 U.S.Dist.LEXIS 33900, at *24; see e.g. *Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 579, “[T]rial court did not abuse its discretion in approving a settlement which does not allocate any damages to the PAGA claims”).

Category	Potential Exposure	Certification Risk	Merits Risk	Realistic Exposure
Rest Break Premiums	\$600,477.54	75%	65%	\$52,541.78
Meal Break Premiums	\$1,650,177.03	65%	65%	\$202,146.69
Overtime/Minimum Wage: Off-the-Clock Work	\$506,163.75 to \$759,382.50	65%	65%	\$62,005.06 to \$93,024.36
Regular Rate	\$47,137.45	45%	55%	\$11,666.52
Unreimbursed Business Expenses	\$310,735	35%	75%	\$50,494.44
Wage Statement Penalty	\$1,208,000	70%	70%	\$108,720
Waiting Time Penalty	\$612,388.80	70%	70%	\$55,114.99
MAXIMUM TOTAL EXPOSURE	\$4,935,079.57 to \$5,188,298.32⁵			\$542,689.48 to \$573,708.78⁶

The realistic recovery for this case is about **\$542,689.48** on the low end and **\$573,708.78** on the high end. (Han Decl., *supra*, at ¶ 59.) The Gross Settlement Amount is about seven percent (7.71%) of the maximum potential exposure and around sixty-nine percent (69.72%) of the maximum realistic exposure at trial, which is a reasonable settlement. (*Ibid.*)

The only question at preliminary approval is whether the settlement is within the range of possible approval. (*In re General Motors Corp. Engine Interchange Litigation* (7th Cir. 1979) 594 F.2d 1106, 1124; *Acosta v. TransUnion, LLC* (C.D. Cal. 2007) 240 F.R.D. 564, 575.) “The fact that a proposed settlement may only amount to a fraction of the potential recovery does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved.” (*Detroit v. Grinnell Corp.* (2d Cir. 1974) 495 F.2d 448, 455; see also *Linney v. Cellular Alaska P’ship* (9th Cir. 1998) 151 F.3d 1234, 1242, “[I]t is the very uncertainty of outcome in litigation and avoidance of wasteful and expensive litigation that induce consensual settlements. The proposed settlement is not to be judged against a hypothetical or speculative measure of what might have been achieved by the negotiators”). This settlement is in line with the realistic exposure if Plaintiffs prevailed at trial and provides a significant recovery for the Class Members.

⁵ (Han Decl., *supra*, at ¶¶ 38-45.)

⁶ (*Id.* at ¶¶ 52-58.)

1 **d. Conditional Certification of the Class Is Appropriate**

2 Code of Civil Procedure section 382 “authorizes class actions ‘when the question is one of
3 a common or general interest, of many persons, or when the parties are numerous, and it is
4 impracticable to bring them all before the court.’” (*Sav-On Drug Stores, Inc. v. Superior Court*,
5 *supra*, 34 Cal.4th at p. 326.) California courts certify class actions if plaintiff identifies “both [1]
6 an ascertainable class and [2] a well-defined community of interest among class members.” (*Ibid.*)

7 The Class is ascertainable and numerous as to make it impracticable to join all Class
8 Members, and there are common questions of law and fact that predominate over any questions
9 affecting any individual Class Member. (Han Decl., *supra*, at ¶ 60.) Plaintiffs contend their claims
10 are typical of the claims of the Class, and Class Counsel will fairly and adequately protect the
11 interests of the Class. (*Ibid.*) Plaintiffs assert the prosecution of separate actions by individual
12 Class Members would create the risk of inconsistent or varying adjudications. (*Ibid.*)

13 **i. The Proposed Class Is Ascertainable and Sufficiently Numerous**

14 “Ascertainability is required in order to give notice to putative class members as to whom
15 the judgment in the action will be res judicata.” (*Hicks v. Kaufman & Broad Home Corp.* (2001)
16 89 Cal.App.4th 908, 914.) “A class is ascertainable if it identifies a group of unnamed plaintiffs
17 by describing a set of common characteristics sufficient to allow a member of that group to identify
18 himself or herself as having a right to recover based on the description.” (*Bartold v. Glendale*
19 *Federal Bank* (2000) 81 Cal.App.4th 816, 828.) The proposed class must also be sufficiently
20 numerous. (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.)

21 This case involves approximately three hundred fifty-four (354) Class Members, meaning
22 the Class is sufficiently numerous. (Han Decl., *supra*, at ¶ 61; *Ghazaryan v. Diva Limousine, Ltd.*
23 (2008) 169 Cal.App.4th 1524, 1531, n.5 [finding a proposed class of “as many as 190 current and
24 former employees” is sufficiently numerous].)

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1 **ii. Class Members Share a Well-defined Community of Interest**

2 The community of interest requirement “embodies three factors: (1) predominant common
3 questions of law or fact; (2) class representatives with claims or defenses typical of the class; and
4 (3) class representatives who can adequately represent the class.” (*Sav-On Drug Stores, Inc. v.*
5 *Superior Court, supra*, 34 Cal.4th at p. 326.) “[T]he community of interest requirement for
6 certification *does not mandate that class members have uniform or identical claims.*” (*Capitol*
7 *People First v. Department of Developmental Services* (2007) 155 Cal.App.4th 676, 692 (emphasis
8 in original).) Rather, courts focus on the defendant’s internal policies and “pattern and practice . .
9 . in order to assess whether that common behavior toward similarly situated plaintiffs renders class
10 certification appropriate.” (*Ibid.*) The application of each of these factors is discussed below.

11 **1. Common Issues Predominate**

12 The “common issues” requirement “involves analysis of whether the proponent’s ‘theory
13 of recovery’ is likely to prove compatible with class treatment.” (*Capitol People First v.*
14 *Department of Developmental Services, supra*, 155 Cal.App.4th at p. 690.) In other words, courts
15 determine whether the elements necessary to establish liability are susceptible to common proof,
16 even if the class members must individually prove their damages. (*Brinker Restaurant Corp. v.*
17 *Superior Court* (2012) 53 Cal.4th 1004, 1024). These types of claims are regularly granted class
18 certification when the plaintiff can present evidence of common policies. (See e.g. *Jones v. JGC*
19 *Dallas LLC* (N.D.Tex. Nov. 29, 2012, Civil Action No. 3:11-CV-2743-O) 2012 U.S.Dist.LEXIS
20 185042 [certified collective action involving 190 dancers]; *Espinoza v. Galardi South Enters.*
21 (S.D.Fla. Jan. 11, 2016, No. 14-21244-CIV-GOODMAN) 2016 U.S.Dist.LEXIS 2904 [court
22 certified class of dancers on state law claims].)

23 Plaintiffs assert common issues of fact and law predominate as to each of the claims
24 alleged. (Han Decl., *supra*, at ¶ 62.) Plaintiffs contend all Class Members were subject to the same
25 or similar employment practices, policies, and procedures described in detail above. (*Ibid.*)

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Plaintiffs are former employees of Defendant and allege they and the Class Members were employed by the same company and injured by the common policies and practices related to the claims described above. (Han Decl., *supra*, at ¶ 63.) Plaintiffs seek relief for these claims and derivative claims on behalf of the Class. (*Ibid.*) Thus, the claims arise from the same employment practices and are based on the same legal theories applicable to the Class. (*Ibid.*)

Plaintiffs have proven to be adequate class representatives. (Han Decl., *supra*, at ¶ 64.) Plaintiffs conducted themselves diligently and responsibly in representing the Class in this litigation, understand the fiduciary obligations, and actively participated in the prosecution of this case. (*Ibid.*) Plaintiffs spent time in meetings and conferences with Class Counsel to provide them with a complete understanding of the work experience and environment. (*Ibid.*) Plaintiffs also have no interest averse to the interests of the other Class Members. (*Ibid.*)

A class action is superior to other available means for the fair and efficient adjudication of this controversy. Plaintiffs contend the joinder of all Class Members is impractical and that class treatment will permit many similarly situated persons to prosecute their common claims for settlement purposes simultaneously in a single forum without the duplication of effort and expense that numerous individual actions would necessitate. Because several Class Members are also current employees, Plaintiffs believe fear of retaliation further supports the superiority of class-wide relief as this fear often discourages current employees from seeking legal redress.

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1 **e. The Settlement Is Fair, Reasonable, and Adequate**

2 In deciding whether to approve a proposed class action settlement under Code of Civil
3 Procedure section 382, the Court must find a proposed settlement is “fair, adequate and
4 reasonable.” (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) A proposed class
5 action settlement is presumed fair under the following circumstances: (1) parties reached
6 settlement after arm’s-length negotiations; (2) investigation and discovery were sufficient to allow
7 counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and
8 (4) percentage of objectors is small. (*Dunk v. Ford Motor Co.*, *supra*, 48 Cal.App.4th at p. 1802.)
9 All these elements are present here.

10 **f. Notice to the Class Complies with California Rules of Court, Rule 3.769(f)**

11 California Rules of Court, rule 3.769(f), provides:

12 If the court has certified the action as a class action, notice of the final approval hearing
13 must be given to class members in the manner specified by the court. The notice must
14 contain an explanation of the proposed settlement and procedures for class members to
15 follow in filing written objections to it and in arranging to appear at the settlement hearing
16 and state any objections to the proposed settlement.

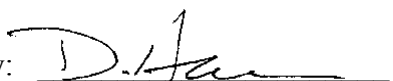
17 The Class Notice meets all these requirements. The Class Notice advises the Class
18 Members of their right to participate in the Settlement, how and when to object to or request
19 exclusion from the Settlement, and date, time, and location of the Final Approval Hearing.

20 **V. CONCLUSION**

21 Plaintiffs submit the Settlement is in the Class’s best interests. Under the applicable class
22 action criteria and guidelines, the Settlement should be preliminarily approved by the Court, Class
23 should be conditionally certified for settlement purposes, and Class Notice should be approved.

24 Dated: March 12, 2024

25 **JUSTICE LAW CORPORATION**

26 By: 
27 Douglas Han
28 Attorneys for Plaintiffs

**PROOF OF SERVICE
1013A(3) CCP**

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 751 N. Fair Oaks Ave., Ste. 101 Pasadena, California 91103 and my electronic service address is hdonnelly@justicelawcorp.com.

On March 12, 2024, I served the foregoing document described as

PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT, CONDITIONAL CERTIFICATION, APPROVAL OF CLASS NOTICE, SETTING OF FINAL APPROVAL HEARING DATE; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF

for the following case: **Hernandez v. Sendx Medical, Inc.**
LWDA/Court Case No.: **LWDA-CM-879155-22**
37-2020-00020200-CU-OE-CTL
San Diego County Superior Court

on interested parties in this action by electronically submitting as follows:

State of California
Labor & Workforce Development Agency
800 Capitol Mall, MIC-55
Sacramento, California 95814

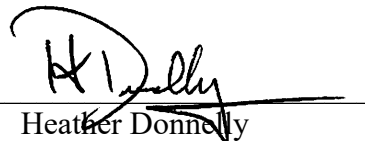
[X] BY ELECTRONIC SUBMISSION

Pursuant to California Senate Bill No. 836, I caused the documents described above to be electronically submitted by and through the procedure stated on the website of the State of California Labor and Workforce Development Agency.

[X] STATE

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on March 12, 2024, at Pasadena, California.


Heather Donnelly