JAMIE SERB (SBN 289601)
jamie@crosnerlegal.com
NIKKI TRENNER (SBN
nikki@crosnerlegal.com
ZACHARY M. CROSNER (SBN 272295)
zach@crosnerlegal.com
**CROSNER LEGAL, PC**
9440 Santa Monica Blvd. Suite 301
Beverly Hills, CA 90210
Tel: (866) 276-7637
Fax: (310) 510-6429

Attorneys for Plaintiff CHRISTIAN SOLIS,
AKILA DAVENPORT, and PEARL PALACIOS
[Additional Counsel on Next Page]

**SUPERIOR COURT OF CALIFORNIA**

**IN AND FOR THE COUNTY OF LOS ANGELES**

CHRISTIAN SOLIS, RENE A. SORTO, AKILA DAVENPORT, PEARL PALACIOS, CHRISTIAN FERNANDEZ, and RYAN CROWE, as individuals and on behalf of all others similarly situated,
.
Plaintiffs,

v.

WORLDWIDE FLIGHT SERVICES, INC., a Delaware corporation; and DOES 1-100, inclusive,

Defendants.

Case No.: 22STCV04332

Assigned for All Purposes to:
Hon. Timothy Patrick Dillon
Dept. SSC-15

**MEMORANDUM OF POINTS & AUTHORITIES IN SUPPORT OF MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

Date: March 24, 2026
Time: 10:00 a.m.
Dept.: SSC-15

MICHAEL NOURMAND (SBN 198439)
JAMES A. DE SARIO (SBN 262552)
THE NOURMAND LAW FIRM, APC
8822 West Olympic Boulevard
Beverly Hills, California 90211
Telephone: (310) 553-3600
Facsimile: (310) 553-3603

Attorneys for Plaintiff RENE A. SORTO

ZORIK MOORADIAN (SBN 136636)
HAIK HACOPIAN (SBN 282361)
MOORADIAN LAW, APC
24007 Ventura Blvd., Suite 210
Calabasas, CA 91302
Telephone: (818) 487-1998
Facsimile: (888) 783-1030

Attorneys for Plaintiff CHRISTIAN FERNANDEZ

JOSEPH LAVI (SBN 209776)
VINCENT C. GRANBERRY (SBN 276483)
CASSANDRA A. CASTRO (SBN 334238)
COLBY A. MEAGLE (SBN 328594)
LAVI & EBRAHIMIAN, LLP
8889 W. Olympic Boulevard, Suite 200
Beverly Hills, California 90211
Telephone: (310) 432-0000
Facsimile: (310) 432-0001

Attorneys for Plaintiff RYAN CROWE

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## I. INTRODUCTION

Plaintiffs Christian Solis, Rene A. Sorto, Akila Davenport, Pearl Palacios, Christian Fernandez, and Ryan Crowe respectfully request that the Court preliminarily approve the Joint Stipulation of Class Action and PAGA Settlement ("Agreement") entered into between Plaintiffs and Worldwide Flight Services, Inc. ("Worldwide" or "Defendant"). The proposed settlement seeks to resolve claims in this matter in exchange for a non-reversionary $5,115,000 Gross Settlement Amount. The settlement class consists of all current and former non-exempt employees that worked either directly or via a staffing agency for Defendant in California at any time during the Class Period of June 25, 2019, and ending on August 8, 2025.[1]

The Agreement and Notice distribution plan are the products of adversarial, arm's-length negotiations by informed counsel and parties, facilitated by an experienced mediator. The settlement is fair, reasonable, and adequate to all. Plaintiffs analyzed the strengths and vulnerabilities of the claims with Defendants' potential exposure and determined the $4,000,000 proposed settlement is well within the range of reasonableness and is in the Settlement Class Members' best interests. The length and risks of continued litigation and trial that affect the values of the claims were all carefully weighed. In addition, the defenses asserted by Defendants, the uncertainty of class certification, the difficulties of complex litigation, the lengthy process of establishing specific damages and possible delays and appeals, were also considered by Plaintiffs and counsel in negotiating the proposed settlement. Further, the proposed settlement satisfies the criteria for preliminary approval under California Rules of Court, Rule 3.769.

Accordingly, Plaintiffs seek: (1) preliminary approval of the settlement; (2) provisional certification of the Settlement Class; (3) appointment of Plaintiffs as the Class Representatives; (4) appointment of Crosner Legal, PC, The Nourmand Law Firm, APC, Mooradian Law, APC, and Lavi & Ebrahimian, LLP as Class Counsel; (5) approval of the Parties' proposed Notice of Class Action Settlement ("Notice") and method of notifying the Settlement Class Members; (6) a hearing date for Plaintiffs' Motion for Final Approval of Class Action and PAGA Settlement; and (7) entry of an Order Granting Preliminary Approval of Class Action and PAGA Settlement.

[1] The fully executed Agreement is attached to the Declaration of Nikki Trenner as Exhibit 1.

## II. BACKGROUND/LITIGATION HISTORY

Defendant Worldwide Flight Services, Inc. ("Worldwide") is a global organization that provides airline cargo and passenger ramp and baggage handling services including multiple locations in California, including Los Angeles, San Diego, Sacramento, Fresno, and Stockton. Plaintiffs all were employed by Defendants as a non-exempt employees at various of Defendants' California locations during the Class Period. (Declaration of Nikki Trenner "(Trenner Decl."), ¶ 11.)

On February 3, 2022, Plaintiff Solis filed the instant class action lawsuit against Worldwide alleging causes of action for unpaid minimum and overtime wages, failure to provide meal and rest breaks, wage statement violations, waiting time penalties, unreimbursed business expenses, and unfair competition. On October 3, 2022, after notice to the LWDA and Defendant, and exhausting administrative remedies, Solis filed a First Amended Complaint adding a PAGA cause of action. (Trenner Decl., ¶ 12; Exh. 4.a.)

On August 16, 2023, Plaintiff Sorto filed a class action lawsuit in Los Angeles (Case No. 23STCV19656), alleging causes of action for failure to pay overtime wages, failure to pay sick leave, failure to provide meal and rest periods, waiting time penalties, failure to provide accurate wage statements, and unfair competition. Worldwide then removed Sorto's class case to federal court, before later remanding the case back to state court. On October 24, 2023, after notice to the LWDA and Defendant, and exhausting administrative remedies, Sorto filed a separate lawsuit in Los Angeles (Case No. 23STCV26018) alleging a single cause of action under PAGA. (Trenner Decl., ¶ 13.)

On September 9, 2024, Plaintiffs Davenport and Palacios filed a class action lawsuit in Los Angeles County (Case No. 24STCV23213), alleging causes of action for failure to pay overtime wages, failure to pay sick leave, failure to provide meal and rest periods, waiting time penalties, failure to provide accurate wage statements, and unfair competition. On May 10, 2024, Davenport and Palacios provided PAGA notices to the LWDA, and Worldwide removed the case to federal court on December 2, 2024, where it remains pending. (Trenner Decl., ¶ 14; Exh. 4.b.)

On September 25, 2023, Plaintiff Fernandez filed a class action complaint against

Defendant in Los Angeles Superior Court (Case No. 23STCV23197), alleging various wage and hour claims. Defendant subsequently removed the matter to the United States District Court for the Central District of California, Case No. 2:23-cv-10435-DSF (JPRx). (Trenner Decl., ¶ 15.)

On November 21, 2023, Plaintiff Ryan Crowe commenced his action by filing a Complaint alleging causes of action against Defendant for 1. Failure to Authorize or Permit Rest Periods in Violation of Labor Code §§ 226.7; 2. Failure to Provide Complete and Accurate Wage Statements in Violation of Labor Code §§ 226; 3. Failure to Timely Pay All Earned Wages and Final Paychecks Due at Time of Separation of Employment in Violation of Labor Code §§201, §§202, and §§203; and 4. Violation of Business and Professions Code §§ 17200, et seq., filed in the Los Angeles Superior Court, Case No. 23STCV28645 ("Crowe Class Action"). On January 26, 2024, Plaintiff Crowe filed a PAGA-only action alleging additional causes of action against Defendant for enforcement of Labor Code section 2698 et seq., filed in Los Angeles County under case number 24STCV02184 ("Crowe PAGA Action"). (Trenner Decl., ¶ 16.)

In April 2024, the Parties to the above cases participated in a global mediation with Dan Turner, Esq., respected wage and hour class action mediator. The mediation lasted a full day and, while the Parties did not settle at the mediation, they continued to negotiate with the mediator's assistance and, following a second mediation in June 2025, ultimately reached agreement on all major issues to resolve the matters on a global basis. They then formally reduced the proposed settlement to the Agreement now before the Court for approval. The Agreement meets the requirements in the LASC Checklist for Preliminary Approval. The Agreement has also been uploaded to the LWDA. (Trenner Decl., ¶ 17.)

Finally, in order to fully effect a global settlement of the above cases, the Parties stipulated to file a Second Amended Complaint in this matter to include all plaintiffs and claims alleged in the three complaints. Plaintiffs filed the operative SAC on October 9, 2025.[2] (Trenner Decl., ¶ 18.)

## III. INVESTIGATION

Prior to the mediation, Defendants provided Plaintiffs with extensive informal discovery, including Plaintiffs' personnel, time, and payroll records, time records and payroll records for the

[2] Plaintiffs uploaded the SAC to the LWDA. (Trenner Decl., Exh. 5.)

entire population of Settlement Class Members, wage statement exemplars, Defendants' employee handbooks, including policies and procedures regarding the payment of wages, the provision of meal and rest breaks, timekeeping policies (including recording hours), issuance of wage statements, and termination wages, as well as information regarding the number of putative Settlement Class Members who are current and former employees, sample arbitration agreements, the number of PAGA Aggrieved Employees, the number of workweeks throughout the Class Period, and the number of pay periods throughout the PAGA Period. From this information, Plaintiffs were able to analyze Defendants' liability for the claims asserted in this case and, with the assistance of Plaintiffs' experts at Berger Consulting Group, the potential exposure and damages. (Trenner Decl., ¶ 19.)

Based on this informal discovery, Plaintiffs contend the Settlement Class Members were not paid all minimum or overtime wages, did not receive proper expense reimbursement, were not provided with legally compliant meal and rest periods, did not receive compliant wage statements, and did not receive all wages due on separation of employment. In considering the reasonableness of the proposed settlement, Plaintiffs considered each of Defendants' counterarguments, which sharply contested Plaintiff's claims. Plaintiffs' Counsel weighed the strength of Defendants' arguments, including the risks posed by the various arbitration agreements, the risks of prevailing in the underlying individual arbitrations and on the merits of the representative claims, and determined that the proposed settlement is in the best interests of the Settlement Class. Although remaining confident in the strength of their claims, all these factors led Plaintiffs to discount the exposure analysis, discussed in detail below. (Trenner Decl., ¶ 20.)

## IV. TERMS OF THE PROPOSED SETTLEMENT

### A. Deductions from the Settlement

The Parties have agreed (subject to Court approval) that this action be settled and compromised for the non-reversionary sum of $5,115,000.00 ("Gross Settlement Amount" or "GSA"). (Agreement, §§ 1.20, 3.1.) The GSA includes: (a) attorney's fees of up to $1,705,000 (one-third of the GSA)[3] to compensate Class Counsel for work already performed and all work remaining to be performed (Agreement, §§ 1.6, 3.2.2. ); (b) actual litigation expenses not to exceed $50,000.00[4] (Agreement, §§ 1.7, 3.2.2.); (c) Administration Costs to Phoenix Settlement Administrators in an amount not to exceed $25,995 (Agreement, §§ 1.3, 3.2.3.); (d) Enhancement Awards to Plaintiffs in an amount not to exceed $5,000 each ($30,000 total)[5] (Agreement, §§ 1.16, 3.2.1.) and (e) PAGA penalties to the LWDA of $75,000.00 (which is 75% of the $100,000.00 PAGA Payment, with the remaining 25% or $25,000.00 to PAGA Aggrieved Employees) (Agreement, §§ 1.33, 3.2.4.). Employer-side payroll taxes (including FICA, FUTA, and SDI) will be paid by Defendants separate and apart from the GSA. (Agreement, § 3.1.)

### B. Calculation of the Individual Settlement Payments to Settlement Class and PAGA Aggrieved Employees

After all Court-approved deductions from the GSA, it is estimated that $3,204,005 ("Net Settlement Amount" or "NSA"), less all applicable employee-side taxes, will be distributed to the estimated 3,319[6] Settlement Class Members, with an average individual settlement amount of around $965. Additionally, it is estimated that the 25% PAGA Payment ($25,000.00) will be distributed to the estimated 2,547 PAGA Aggrieved Employees, resulting in an average payment of $9.81[7] per PAGA Aggrieved Employee. (Trenner Decl., ¶ 22.)

Subject to the terms and conditions of the Settlement, Phoenix will calculate and issue Individual Settlement Payments to Participating Settlement Class Members based on the following formula: (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all

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[3] The percentage method, with or without a lodestar cross-check, may be used in common fund cases like this one. *Laffitte v. Robert Half Int'l., Inc.* (2016) 1 Cal.5th 480, 503. In support of their fee request at Final Approval, Class Counsel will provide the Court with lodestar information to permit the Court to do a lodestar cross-check in connection with Class Counsel's request for attorney's fees.

[4] At Final Approval, Class Counsel will provide documentation regarding actual expenses incurred to support Class Counsels' request for reimbursement of actual expenses.

[5] The Plaintiffs also collectively entered into a separate confidential settlement agreement with Defendant in exchange for a full, general release of claims in addition to the Plaintiffs' Release in § 5.1 of the Agreement. [Trenner Decl., ¶ 21.]

[6] $3,204,005 NSA / 3,319 class members.

[7] $25,000 (25% PAGA Payment) / 2,547 Aggrieved Employees.

Participating Settlement Class Members during the Class Period and (b) multiplying the result by each Participating Settlement Class Member's Workweeks. (Agreement, § 3.2.5.)

Additionally, Phoenix will calculate and issue payments to PAGA Aggrieved Employees based on the following formula: (a) dividing the amount of the PAGA PAGA Aggrieved Employees' 25% share of PAGA Penalties ($25,000.00) by the total number of PAGA Period Pay Periods worked by all PAGA Aggrieved Employees during the PAGA Period and (b) multiplying the result by each PAGA Aggrieved Employee's PAGA Period Pay Periods. Therefore, the value of each PAGA Aggrieved Employee's share of the PAGA Payment ties directly to the amount of pay periods that he or she worked. (Agreement, § 3.2.4.)

The number of pay periods and weeks worked by each Participating Class Member and PAGA Aggrieved Employee will be derived from Defendants' records. Each Class Member's gross settlement award will be apportioned as follows: 20% wages and 80% penalties and interest. Phoenix will be responsible for issuing Form W-2s for amounts deemed "wages" and Form 1099s for the portions allocated to penalties and interest. (Agreement, § 3.2.5.1.)

**C. Uncashed Funds to Unclaimed Property Fund**

Settlement checks must be cashed or deposited within 180 days after the checks are mailed to them. (Agreement, § 4.4.1.) In the event a settlement check remains uncashed, such uncashed funds shall be transmitted to the State Controller's Office Unclaimed Property Fund in the name of the Participating Class Member and/or PAGA Aggrieved Employee for later claim. (Agreement, § 4.4.3.) Because this lawsuit benefits Settlement Class Members/PAGA Aggrieved Employees who release claims by participating in the lawsuit, the funds representing their settlement payments should remain their property. By sending the uncashed funds to the Unclaimed Property Fund in the name of the Class Member/PAGA Aggrieved Employee, he or she can claim his or her property at a future date convenient to the Class Member. Therefore, there will be no unpaid residue or unclaimed or abandoned Class Member funds under California Code of Civil Procedure section 384(a). (Trenner Decl., ¶ 22.)

**D. Notice and Extended Response Deadline for Re-Mailed Notices**

Within fifteen days after entry of the Preliminary Approval Order, Defendant will provide Phoenix with the Class List, containing each Class Member's first and last name, last known mailing address, Social Security number, total number of weeks worked during the Class Period, and total number of pay periods worked during the PAGA Period. (Agreement, § 4.2.) Prior to mailing, Phoenix will perform a search for updated addresses in the National Change of Address Database. (Agreement, § 7.4.2.) Phoenix will use the NCOA and skip traces to attempt to find current addresses for any Notice returned as undeliverable. For any re-mailed Notice, Phoenix will extend the Class Member's Response Deadline by 14 calendar days. If Phoenix is unable to obtain a better address for a Class Member, the Notice will be deemed undeliverable. Within 14 days after receipt of the class data, Phoenix will mail via regular First-Class mail the Notice to all Settlement Class Members. (Agreement, § 7.4.3.)

The contents of the Notice are consistent with the terms of the Agreement. The Notice informs Settlement Class Members how and when to request exclusion from or object to the settlement and of their estimated payment amount which they will automatically receive a settlement payment if they do nothing. The Notice further advises Settlement Class Members how to obtain documents filed in the case from the Court, Phoenix or Class Counsel, how to check the Court's website to find out whether the Final Approval hearing date/location has been changed, directs the Class Member to Phoenix's website and the Court's website to find out whether final judgment has been entered. (Trenner Decl., ¶ 28, Exh. 3.)

**E. Responses to the Settlement**

Settlement Class Members will have 45 days from the initial mailing of the Notice to respond to the settlement by submitting a challenge to the number of weeks or pay periods attributed to them, submitting an objection, or requesting to be excluded from the settlement and the consequences of each choice. (Agreement, § 1.44.) Settlement Class Members can object to the settlement in writing via mail or fax by submitting a document with their name, the words "Notice of Objection" or "Formal Objection" and a description of the arguments supporting their objection. Settlement Class Members are informed that the Court will hear any objections from any Class Member who attends the Final Approval Hearing. (Agreement, § 7.7.)

Settlement Class Members can also submit a written request for exclusion from the settlement by mailing or faxing a written request, including his or her name, address, and phone number, and a statement demonstrating his or her intent to opt out of the settlement. (Agreement, § 7.5.)

The Notice also informs the Class Member/PAGA Aggrieved Employees that they can dispute the number of weeks/pay periods allotted to them to calculate their settlement payments by contacting Phoenix before the Response Deadline and include any documentation supporting the dispute. Phoenix will investigate the dispute, request additional information from Defendants, and make a final decision as to the number of eligible work weeks/pay periods. (Agreement, § 7.6.)

**F. Funding and Distribution of the Settlement**

Defendants shall fund the within 14 days of the Effective Date. (Agreement, § 4.3.) Phoenix shall disburse all payments under this Settlement within 14 days of receipt. (Agreement, § 4.4.)

**G. Release of Claims**

Upon Defendants' payment funding the GSA, Participating Settlement Class Members shall forever release the Released Parties[8] for the Released Claims for the Class Period. (Agreement, § 5.2.) Likewise, upon Defendants' payment funding the GSA, Plaintiffs, the PAGA Aggrieved Employees, and the State of California shall forever release the Released Parties for the PAGA Released Claims for the PAGA Period. (Agreement, § 5.3.)

As discussed below, Plaintiffs' Counsel is convinced that the proposed settlement is in the Settlement Class Members' best interests based on the negotiations and a detailed knowledge of the issues present in this action. The length and risks continued litigation that affect the value of the claims were all carefully weighed. In addition, the affirmative defenses asserted by Defendants, the uncertainty of class certification, the difficulties of complex litigation, the lengthy process of establishing specific damages and various possible delays and appeals were also carefully

[8] "Released Parties" means Defendant and any of its past, present, and future direct or indirect parents, including SATS, Ltd., subsidiaries, predecessors, successors, affiliates, sectors, divisions, assigns, joint venturers, third parties, and other related entities, as well as each of their present and/or future officers, directors, administrators, staff, members, managers, employees, agents, representatives, attorneys, insurers, re-insurers, partners, investors, and shareholders (Agreement, § 1.42.)

considered by Plaintiffs' Counsel in arriving at the proposed settlement. (Trenner Decl., ¶ 34.)

## IV. ARGUMENT

In deciding whether to approve a proposed class action settlement under Code of Civil Procedure section 382, the Court must find that a proposed settlement is "fair, adequate and reasonable." *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 *quoting Officers for Justice v. Civil Serv. Comm'n* (9th Cir. 1982) 688 F.2d 615, 625, cert. den. (1983) 459 U.S. 1217. A proposed class action settlement is **presumed** fair under the following circumstances: (1) the parties reached settlement after arms-length negotiations; (2) investigation and discovery were 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 1802. As the following shows, all of these elements are present here and the Court should grant of preliminary approval.

### A. The Settlement was Reached as a Result of Arm's Length Negotiations

The proposed settlement was reached as a result of arm's-length negotiations. Though cordial and professional, the settlement negotiations have been, at all times, adversarial and non-collusive in nature. Following mediation, Counsel for the Parties further negotiated regarding the settlement terms memorialized in the Agreement. (Trenner Decl., ¶ 35.)

While Plaintiffs believe in the merits of their case, they also recognize the inherent risks of litigation and understand the benefit of Settlement Class Members receiving significant settlement funds immediately as opposed to risking continued litigation in achieving class certification, the merits of the case before and after trial, the damages awarded and/or an appeal that can take several more years to litigate. (Trenner Decl., ¶ 36.)

### B. The Settlement is the Result of Thorough Investigation and Discovery

The Parties thoroughly investigated and evaluated the factual strengths and weaknesses of their arguments before reaching the proposed settlement, and engaged in sufficient investigation, research and discovery, referenced above, to support the settlement. The proposed settlement was only possible following significant analysis and evaluation of Defendants' relevant policies and procedures, as well as the data it produced for the putative Class, which permitted Plaintiffs' Counsel and experts to engage in a comprehensive analysis of liability and potential damages to prepare for mediation. (Trenner Decl., ¶ 37.) This litigation has reached the stage where "the Parties certainly have a clear view of the strengths and weaknesses of their cases" sufficient to support the Settlement. *Boyd v. Bechtel Corp.* (N.D. Cal. 1979) 485 F. Supp. 610, 617.

### C. Counsel for the Parties are Experienced in Similar Litigation

Counsel for the Parties are particularly experienced in wage and hour employment law, class actions and PAGA actions. Plaintiffs' Counsel have prosecuted numerous cases on behalf of employees for wage and hour violations and thus are experienced and qualified to evaluate the class and PAGA claims, evaluate settlement versus trial on a fully informed basis, and to evaluate the viability of the defenses. This experience informed Plaintiffs' Counsel on the risks and uncertainties of further litigation and guided their determination to endorse the proposed settlement.[9] (Trenner Decl. ¶¶ 4-10; Declaration of Daniel U. Fryndman ("Fryndman Decl."); ¶¶ 14-16; Declaration of Michael Nourmand ("Nourmand Decl."), ¶¶ 3-5; Declaration of Zorik Mooradian ("Mooradian Decl."), ¶¶ 2-4; Declaration of Haik Hacopian ("Hacopian Decl."), ¶¶ 2-4.)

### D. The Proposed Settlement is a Reasonable Compromise of Claims

An understanding of the amount in controversy is an important factor into whether the settlement "of the Settlement Class Members' claims is reasonable in light of the strengths and weaknesses of the claims and the risks of the particular litigation." *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116; 129; *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th 399, 409. The most important factor in this regard is "the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement." *Kullar*, 168 Cal.App.4th at 129.

In weighing the strength of Plaintiffs' case, *Kullar* instructs that the court is not to "decide the merits of the case or to substitute its evaluation of the most appropriate settlement for that of the attorneys." 168 Cal.App.4th at 133. Further, this analysis does not require an explicit statement of the maximum amount the plaintiff class could recover if it prevailed on all its claims, provided

[9] The final factor mentioned in *Dunk* - the number of objectors - is not determinable until the Notice of Class Action Settlement has been provided to the Class and they have had an opportunity to respond. This information will be provided to the Court in conjunction with the Motion for Final Approval of Class Action Settlement.

there is a record which allows "an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation." *Munoz*, 186 Cal. App. 4th at 409. Put differently, "as the court does when it approves a settlement as in good faith under Code of Civil Procedure section 877.6, the court must at least satisfy itself that the class settlement is within the 'ballpark' of reasonableness." *Kullar*, 168 Cal. App. 4th at 133 citing *Tech-Bilt v. Woodward-Clyde & Associates* (1985) 38 Cal. 3d 488, 499-500. As shown below, the Parties' investigation and discovery revealed several reasons to discount claims and agree to this settlement.

### E. The Settlement is Fair and Reasonable Based on the Strengths of Plaintiff's Case and the Risks and Costs of Further Litigation

The proposed settlement was only possible following significant analysis and evaluation of Defendants' relevant policies and procedures, as well as the data that Defendants produced for the Class. This permitted Plaintiffs' Counsel to engage in a comprehensive analysis of liability and potential damages. The discovery conducted resulted in Plaintiffs' central theories of liability, which are based on Plaintiffs' claims that Defendants failed to provide compliant meal and rest periods, failed to pay all minimum and overtime wages at the correct rate, failure to pay gratuities, failed to provide accurate, itemized wage statements and failed to pay all wages due on separation of employment As explained above, Defendants maintained that Plaintiffs signed binding arbitrations agreements with class action waivers and, even if the arbitration agreements were determined to be unenforceable, the discovery produced demonstrates that it would succeed at both class certification and on the merits. (Trenner Decl., ¶ 38.)

Plaintiffs believe this case is suitable for certification on the claimed basis that there are company-wide policies that Plaintiffs contend violate California law and uniformly affect the Settlement Class Members. However, Defendants' counterarguments raise uncertainties with respect to both class certification and success on the merits. As the California Supreme Court emphasized in *Sav-On v. Superior Court* (2004) 34 Cal.4th 319 (2004), class certification is always a matter of the trial court's sound discretion, and decisions following *Sav-On* have reached different conclusions with respect to certification of wage and hour claims.[10] While remaining confident in the strengths of her claims, all of these factors led Plaintiffs to discount the following maximum potential damage claims. (Trenner Decl., ¶ 39.)

**1. The Settlement Amount is Reasonable**

Defendants provided Plaintiffs with class-wide data from which Plaintiffs' Counsel could extrapolate a damage analysis in preparation of mediation. Prior to mediation, there were a total of about 3,319 putative class members and 272,164 work weeks in the Class Period. There are also approximately 2,547 Aggrieved Employees and 93,777 pay periods within the PAGA Period. (Trenner Decl., ¶ 40.)

Plaintiffs assert Defendants' failed to pay for all hours worked, and allege WFS fails to relieve employees of all duties during meal periods because it requires employees to remain on premises and perform work-related tasks during meal periods. Plaintiffs allege this resulted in unpaid "off the clock" work and estimated they lost about one hour of compensable work time each week. In response, WFS argued its timekeeping and payroll policies accurately tracked and paid for all hours worked by the Settlement Class Members, and that its policies strictly forbade any off the clock work. Thus, per Defendants, if any off the clock work occurred it was done in violation of company policy and without the company's knowledge or authorization. <u>White v. Starbucks Corp.</u> (N.D. Cal. 2007) 497 F.Supp.2d 1080, 1083 (employer must have actual or constructive knowledge of the off the clock work). For these reasons as well, WFS argued that class certification would be impossible due to the individualized inquiries that would be needed to determine if off the clock work occurred and the reasons therefor. Without considering any of Defendants' defenses to certification or on the merits, Plaintiff's expert estimated Defendants' maximum exposure for this claim as about $5,816,500 on the off the clock claim. (Trenner Decl., ¶ 41.)

Plaintiffs and the Class Members also were paid non-discretionary bonuses and shift

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

differentials, which payments they claim were not incorporated into the regular rate for purposes of calculating overtime, sick leave pay and meal period premiums. For example, Solis received holiday pay and shift bonuses of $0.25 - $0.50 per hour for working certain shifts but these amounts were not taken into account when compensating him for overtime, sick pay, and meal period premiums. Instead, Plaintiffs allege Defendant paid overtime, sick leave, and meal period premium payments to all employees at their base hourly rates. Failure to correctly calculate the regular rate of pay for such payments led to an underpayment of over **$2.4 million** in wages to employees. (Trenner Decl., ¶ 42.)

Plaintiffs next contend Defendants failed to provide legally compliant meal and rest breaks. Specifically, as discussed above, Plaintiffs contend Defendants contend Defendant regularly required employees to perform while purportedly clock out on meal breaks. Beyond that, Plaintiffs further allege their experts' review of the time and payroll data suggests substantial "de facto" violations for lunch breaks that were taken late, cut short or interrupted by work, or not provided at all. Plaintiffs' experts' review of the sample records suggested (1) 10% of shifts had late first meal periods and 14% had completely missed first meal periods; and (2) 67% of shifts over 12 hours had completely missed second meal periods; and (3) Defendant did not pay meal period premiums to employees prior to 2023. Plaintiffs contend that due to the volume of work Defendants imposed and inadequate staffing resulted in these "de facto" meal period violations and violated Labor Code sections 512, 226.7, and the applicable IWC Wage Order, as well as *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal.4th 1004 and *Augustus v. ABM Security Serv., Inc.* (2016) 2 Cal.5th 257 for failure to provide compliant meal and rest periods within the applicable time frames. Plaintiffs similarly allege that ten-minute rest periods either were not provided or were non-compliant and cut short or interrupted. (Trenner Decl., ¶ 43.)

Defendant denies Plaintiffs' contentions, and argued it made meal and rest breaks available to Settlement Class Members in compliance with California law and its fully compliant meal and rest break policies. WFS contended Class Members were provided with all required breaks, or that it paid appropriate meal period premiums on the rare occasions a violation did occur, as reflected in its time/payroll records. The payroll data produced by Defendants confirms that Defendants paid a substantial amount of meal period premiums. Defendants further argued Plaintiffs' meal and rest break claims are not susceptible to common proof, as the claims would require individualized inquiry, including whether there was an unlawful companywide policy, whether employees had the opportunity to take meal and rest periods, whether they voluntarily chose to forego their meal and rest periods, and whether Defendants ever prevented them from taking meal and rest periods. Accordingly, Defendants contend these claims are vulnerable to a ruling that class treatment is not appropriate. Without taking into consideration any of Defendants' defenses to certification or on the merits, Plaintiffs calculated Defendants' maximum exposure for the meal and rest break claims as approximately $10,492,880 for the meal break claims and the rest break claims at about $27,863,510. (Trenner Decl., ¶ 44.)

Plaintiffs also contend WFS failed to reimburse Plaintiffs and the other Class Members for their business expenses, including personal cellular phone bills incurred due to use of the employees' cell phones for communications. On a daily basis, the Plaintiffs claim they would be called or texted by their supervisors while working, inquiring as to what they were doing, when they would be back from breaks, and requesting they complete additional and/or other tasks; and multiple times per week, the Plaintiffs would be contacted on their cell phones for work-related purposes outside of work hours. Per Plaintiffs, they received no reimbursement for using the personal phones. *Cochran v. Schwan's Home Services, Inc*. (2014) 228 Cal.App.4th 1137, 1144 ("[T]o be in compliance with section 2802, the employer must pay some reasonable percentage of the employee's cell phone bill."). In response WFS argued that use of personal phones while working was prohibited, and to the extent Class Members used their own phones for any work purposes it was purely for personal convenience and not necessary for performing their job duties. For this reason, WFS argued it owed no reimbursement under Labor Code § 2802. (Trenner Decl., ¶ 45.)

On the alleged violations of Labor Code § 226 (wage statement violations) and §§ 201-203 (waiting time penalties), Defendants argued their wage statements complied with Section 226 and provided all required information. As far as the derivative claims, they will rise or fall along with the primary unpaid wage claims, in addition to being subject to "good faith" and other defenses available to Defendants. Amaral v. Cintas Corp. No. 2 (2008) 163 Cal.App.4th 1157, 1203-04 (holding employer did not willfully fail to pay wages under Labor Code § 203 even though the class prevailed on the merits on the underlying claim for failing to pay living wages). Without taking into consideration any of Defendant's defenses to certification or on the merits, we calculated Defendants' maximum exposure for wage statement penalties as $9,260,400 and the maximum exposure for waiting time penalties at about $21,024,000. (Trenner Decl., ¶ 46.)

As far as potential PAGA liability, the theoretical civil penalties likely exceed $71 million should Plaintiffs prevail on all claims and establish violations of the multiple Labor Code sections at issue, and recover the maximum penalty for every single pay period at issue. (Trenner Decl., ¶ 47.) As with the class claims, Plaintiffs discounted the potential PAGA penalties based on Defendants' various defenses on the merits and also accounted for the Court's wide discretion to reduce such penalties, or to decline to award penalties at all. Labor Code § 2699(e)(2); *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504 (trial court awarded penalties of $5 per pay period after a bench trial, which decision was upheld on appeal); *In re Taco Bell Wage and Hour Actions* (E.D. Cal. Apr. 8, 2016) 2016 U.S. Dist. LEXIS 48557 (PAGA penalties denied after trial). Accordingly, the Parties allocated $100,000 to PAGA penalties.

Plaintiffs submit this amount is reasonable under the circumstances and in line with comparable settlements in other wage and hour class actions in California. *E.g.*, *Van Kempen v. Matheson Tri-Gas, Inc.* (N.D. Cal. Aug. 25, 2017) 2017 U.S. Dist. LEXIS 137182 (granting final approval of $5,000 PAGA penalty from $370,000 settlement, or 1.4 percent of total settlement); *Slavkov v. First Water Heater Partners I* (N.D. Cal. July 25, 2017) 2017 U.S. Dist. LEXIS 116303 (finding a $7,500 PAGA payment reasonable when measured against the overall settlement of $345,000 and the possible weaknesses in plaintiffs' case, or 2.2 percent of total settlement). Additionally, the LWDA has been informed of the terms of the PAGA portion of the settlement, and will be able to weigh in as necessary. *Jennings v. Open Door Mktg. Inc.* (N.D. Cal. Oct. 3, 2018) 2018 U.S. Dist. LEXIS 171356, at *27 (approving settlement with PAGA penalties of 0.6% where "[p]laintiffs [have] submitted the settlement agreement to the LWDA, and the LWDA has not objected to the settlement.

Thus, Plaintiffs and their counsel discounted the value of the class claims consistent with the risks discussed above, as well as the potential applicability of arbitration agreements signed by many Settlement Class Members. They carefully weighed the likelihood of the class receiving substantially greater benefit if the litigation continued, and concluded – in light of these very real and substantial risks – settlement on the proposed terms and without prolonged and costly litigation was in the best interests of the class. The overall $5,115,000 recovery represents a significant percentage of Defendants' potential exposure and, given Defendants' multi-layered defenses and all other potential risks of continued litigation, a total recovery for the class of $4,000,000, which will result in average award of some $965 per class member, plus additional sums under PAGA, is a significant result well within the range of reasonableness considering all potential outcomes, and it will provide direct monetary awards to all Settlement Class Members without further delay. [Trenner Decl., ¶¶ 48-49; Frydman Decl.; ¶¶ 3-4; Nourmand Decl., ¶ 6; Mooradian Decl., ¶ 7; Hacopian Decl., ¶ 6.)

Importantly, the mere fact that a settlement does not provide the same recovery as might be achieved at trial is not a proper indicator of whether the settlement is fair, reasonable, and adequate. *Wershba,* 91 Cal.App.4th at 246, 250 ("Compromise is inherent and necessary in the settlement process…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"); *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1150 ("The fact that a proposed settlement may amount to only a fraction of the potential recovery does not, in and of itself, mean that the proposed settlement is grossly inadequate and should be disapproved"); *White v. Experian Information Solutions, Inc.* (C.D. Cal. 2011) 803 F.Supp.2d 1086, 1098 (rejecting contention settlement was not fair and reasonable even though it represented 99% discount off the maximum value of the claims); *Lane v. Facebook, Inc.* (9th Cir. 2012) 696 F.3d 811, 819 ("[T]he question whether a settlement is fundamentally fair . . . is different from the question whether the settlement is perfect in the estimation of the reviewing court"). Importantly as well, the proposed settlement is non-reversionary and will provide immediate benefits to the Settlement Class Members without a claims process. *White*, 803 F.Supp.2d at 1098; c.f., Federal Judicial Center, *Managing Class Action Litigation: A Pocket Guide for Judges* (3d ed. 2010) at 20, available at http://www.fjc.gov/sites/default/files/2012/ClassGd3.pdf (reversionary provisions and/or cumbersome claims process may indicate lack of fairness). Plaintiffs and their counsel submit the settlement is within the "range of reasonableness," and is fair and adequate for the Class.

**F. Provisional Class Certification Should be Granted**

A class action is appropriate when the class is ascertainable and there is "a well-defined community of interest in the questions of law and fact involved affecting the parties to be represented." Code Civ. Proc. § 382. Class certification requirements under Section 382 follow Rule 23 of the Federal Rules of Civil Procedure, and require: numerosity, typicality of the class representatives' claims, adequacy of representation, predominance of common issues, and superiority. Fed.R.Civ.Pro. 23(b)(3); *Hanlon v. Chrysler Corp.* (9th Cir. 1998) 150 F.3d 1011, 1019. While a court must certify a class for settlement purposes if a class has not already been certified, "it is well established that trial courts should use different standards to determine the propriety of a settlement class, as opposed to a litigation class certification. Specifically, a lesser standard of scrutiny is used for settlement cases." *Glob. Minerals & Metals Corp. v. Superior Court* (2013) 113 Cal.App.4th 836, 859 *citing Dunk*, Cal.App.4th 1794, 1807, n.19; *Wershba v. Apple Computer* (2001) 91 Cal.App.4th 224, 237-38.

**1. The Proposed Class is Sufficiently Numerous and Ascertainable**

First, the class is both sufficiently numerous, consisting of approximately 3,319 individuals, and ascertainable by reference to Defendants' personnel and payroll records. (Trenner Decl., ¶ 50.) "There is no set number required to maintain a class action, and the statutory test is whether a class is so numerous that 'it is impracticable to bring them all before the court.'" *Hebbard v. Colgrove* (1972) 28 Cal. App. 3d 1017, 1030 (noting that there is no set minimum to meet the numerosity prerequisite, but that a class of as few as 28 is acceptable); *Bowles v. Superior Court* (1995) 44 Cal. 2d 574 (upholding a class of ten members); *Rose v. City of Hayward* (1981) 126 Cal. App. 3d 926, 932 (finding that "Settlement Class Members are 'ascertainable' where they may be readily identified without unreasonable expense or time by reference to official records."). Thus, the ascertainability requirement is met.

**2. The Typicality and Adequacy Requirements Are Met**

The typicality requirement is met if the claims of the named representative are typical of those of the Class, though, "they need not be substantially identical." *Classen v. Weller* (1983) 145 Cal.App.3d 27, 46-47. Here, Plaintiffs contends their claims all are typical of the Settlement Class Members' claims because they arise from the same factual basis and are based on the same legal theories applicable to the Settlement Class Members. Plaintiffs further contend Defendants' policies applied to all Settlement Class Members and each Class Member is challenging the same policies and practices. As such, the typicality requirement is satisfied for purposes of settlement. (Solis Decl., ¶¶ 2-9; Davenport Decl, ¶¶ 2-9; Palacios Decl., ¶¶ 2-9; Sorto Decl., ¶¶ 3-4; Fernandez Decl., ¶¶ __; Crowe Decl., ¶¶ 2-8; Trenner Decl. ¶ 51.)

Adequacy requires that the Plaintiffs have no interests adverse to the interests of the proposed Settlement Class Members and be committed to vigorously prosecuting the case on behalf of the Class. *McGhee v. Bank of America* (1976) 70 Cal.App.3d 442, 450-51. Plaintiffs all have been and will continue to be committed to vigorously prosecuting this case, and they have no conflicts of interest with the Class. (Solis Decl., ¶¶ 2-9; Davenport Decl, ¶¶ 2-9; Palacios Decl., ¶¶ 2-9; Sorto Decl., ¶¶ 3-4; Fernandez Decl., ¶¶ 2-8; Crowe Decl., ¶¶ 2-8; Trenner Decl. ¶ 52.) Further, their counsel are experienced class action counsel. For these reasons, Plaintiffs contend they are adequate class representatives. (Trenner Decl. ¶¶ 4-10; Frydman Decl.; ¶¶ 14-16; Nourmand Decl., ¶¶ 3-5; Mooradian Decl., ¶¶ 2-4; Hadopian Decl., ¶¶ 2-4.)

**3. The Commonality Requirement is Met**

Next, common questions of law and fact predominate – particularly for purposes of a settlement class – as the Settlement Class Members all were subject to the same meal and rest break policies and alleged "de facto" policies resulting in meal period violations, and similarly subject to the same alleged time keeping policies that resulted in off the clock work. Since the focus of the claims against Defendants concern the legality of common policies applied uniformly to the entire class, common issues predominate over individualized inquiries concerning liability. For instance, Defendants' meal and rest break policy is company-wide policy applied equally and consistently to all Settlement Class Members, and this policy is either compliant with California law or it is not. Regardless of that determination, it will decide liability for all Settlement Class Members one way or another. [Trenner Decl., ¶ 53.]

By now it is well-settled a theory of recovery asserting the existence of a uniform policy violating California law is sufficient to satisfy the requirements for class certification. *Jones v. Farmers Ins. Exch.* (2013) 221 Cal.App.4th 986, 996 ("Claims alleging that a uniform policy consistently applied to a group of employees is in violation of the wage and hour laws are of the sort routinely, and properly, found suitable for class treatment"); *Williams v. Superior Court* (2013) 221 Cal.App.4th 1353 ("A company-wide practice can sustain a common question of fact or law that supports commonality for class certification"). Lastly, a class action is superior to other means for the fair and efficient adjudication of this controversy. [Trenner Decl., ¶ 54.]

**G. Phoenix Should be Appointed as the Settlement Administrator**

The Parties agreed to use Phoenix Settlement Administrators as the Settlement Administrator in this matter. (Agreement, § 7.1.) Phoenix is highly qualified and experienced as a settlement administrator, committed to the security of data (having experienced no data breaches at all), carries insurance for the theft of money or data, and has no relationship with Counsel. (Declaration of Jodey Lawrence, ¶¶ 2-17; Exhs. A-B; Trenner Decl., ¶ 55.)

**H. Notice to Settlement Class Members Complies With California Rule of Court 3.769(f)**

California Rule of Court 3.769(f), provides: "If the court has certified the action as a class action, notice of the final approval hearing must be given to Settlement Class Members in the manner specified by the court. The notice must contain an explanation of the proposed settlement and procedures for Settlement Class Members to follow in filing written objections to it and in arranging to appear at the settlement hearing and state any objections to the proposed settlement." Here, the proposed Notice meets all of these requirements, as it advises Settlement Class Members of their rights to participate in the settlement, how to and when to object to or request exclusion from the settlement, and the date, time, and location of the final approval hearing. Settlement Class

Members need not do anything to receive their *pro rata* share of the settlement. (Trenner Decl., ¶ 56; Exh. 3.)

## V. **CONCLUSION**

Plaintiffs respectfully submit that the proposed settlement is in the best interests of the Settlement Class Members, as it is fair, adequate, and reasonable. Plaintiffs accordingly request the Court certify the class for settlement purposes, appoint Plaintiffs as the Class Representatives, appoint Plaintiffs' Counsel as Class Counsel, appoint Phoenix as Settlement Administrator, approve the method of notice and the Notice to be sent to the Class, preliminarily approve the Settlement Agreement, enter the proposed order filed herewith, and set a Final Approval hearing date.

Dated: February 19, 2026

**CROSNER LEGAL, P.C.**

Nikki Trenner

Nikki Trenner
Zachary Crosner
Jamie Serb
Attorneys for Plaintiffs