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TENTATIVE RULINGS will be available beginning at 1:30PM on the court day preceding the scheduled hearing at www.cc-courts.org

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF CONTRA COSTA

LILIANA ESPINOZA and REMI DILLON, on behalf of themselves and all others similarly situated,

Plaintiffs,

vs.

GROOMBUGGY, INC.; BARKBUS, LLC; and DOES 1 through 100, inclusive,

Defendants.

Case No.: C25-00618

CLASS AND PAGA REPRESENTATIVE ACTION

[*Assigned for all purposes to the Hon. Benjamin T. Reyes II, Dept. 16*]

PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA ACTION SETTLEMENT

Date: 01/13/2027
Time: 9:00am
Dept.: 16

Action Filed: March 5, 2025
FAC Filed: May 12, 2025
SAC Filed: June 11, 2026
Trial Date: None Set

PLEASE TAKE NOTICE that pursuant to Rule 3.769 of the California Rules of Court, on a date and time to be determined by the Court, in Department 16 of the above-entitled Court, located at 725 Court Street, Martinez, California 94553, Plaintiffs Liliana Espinoza and Remi Dillon (collectively, "Plaintiffs") will, and hereby do, move this Court for:

1. Preliminary approval of the proposed Settlement Agreement ("Settlement") between Plaintiffs and Defendants Barkbus LLC and Defendant Groombuggy, Inc. ("Defendants");
2. Pursuant to Section 382 of the California Code of Civil Procedure, provisional certification, for settlement purposes only, of the following Settlement Class: **All current and former non-exempt employees who worked for Defendants in California at any time from March 5, 2021 through January 20, 2026**.
3. Preliminary appointment of Plaintiffs as Class Representatives;
4. Preliminary appointment of Tuvia Korobkin, Neil M. Larsen, and Alex Purcell of Marquee Law Group, APC and Isam C. Khhoury, Michael D. Singer, and Maggie C. Realin of Cohelan Khoury & Singer as Class Counsel;
5. Appointment of ILYM Group, Inc. as the Settlement Administrator;
6. Approval of the proposed Notice Packet, and an order that the Notice Packet be disseminated to the Settlement Class as provided in the Settlement; and
7. The scheduling of a hearing to consider whether the Settlement should be finally approved and to award a Class Representative Service Payments to Plaintiffs, and attorneys' fees and costs to Class Counsel.

This motion is based on this notice of motion; the attached memorandum of points and authorities; the declaration of Tuvia Korobkin and exhibits attached thereto; the declaration of Neil M. Larsen; the declaration of Maggie Realin and exhibits attached thereto; the declaration of Isam Khoury; the declarations of Plaintiffs; the declaration of Lisa Mullins of ILYM Group; the pleadings and other papers filed in this action; and any further oral or documentary evidence or argument presented at the time of hearing.

Respectfully submitted,

Dated: June 22, 2026 **MARQUEE LAW GROUP, APC**

By: __/s/ Tuvia Korobkin___________
Tuvia Korobkin
Attorneys for Plaintiffs

Dated: June 22, 2026 **COHELAN KHOURY & SINGER**

By: __/s/ Maggie K. Realin________
Maggie K. Realin
Attorneys for Plaintiffs

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiffs Liliana Espinoza and Remi Dillon ("Plaintiffs") seek preliminary approval of a class and PAGA Settlement Agreement ("Settlement") with Defendants Barkbus, LLC and Groombuggy, Inc. ("Defendants") (together with Plaintiffs, the "Parties").

The Settlement resolves class and PAGA litigation pending before this Court (the "Action"), in which Plaintiffs allege that Defendants failed to pay minimum and overtime wages; failed to provide meal periods and rest periods; committed workplace safety violations; and failed to reimburse business expenses. Plaintiffs further allege that as a result of these violations, Defendants failed to issue accurate itemized wage statements and failed to pay all wages upon termination, and that Defendants are liable for PAGA civil penalties.

Plaintiffs now respectfully request that the Court preliminarily approve this non-reversionary, common-fund class action Settlement,[1] in which Defendants have agreed to pay **$853,150.00** to the following Settlement Class, which is estimated to consist of 291 individuals: **All current and former non-exempt employees who worked for Defendants in California at any time from March 5, 2021 through January 20, 2026**.

The Settlement was reached after the Parties engaged in private mediation with Monique Ngo-Bonnici, Esq., a highly respected class action mediator. In connection with mediation, Defendants provided Plaintiffs with informal discovery including timekeeping and payroll records for a sampling of putative class members; Defendants' written policies; and additional relevant data and information. After extensive research and investigation, including a detailed analysis of Defendants' potential exposure made with the assistance of an expert data analyst, the Parties attended a full-day mediation with Ms. Ngo-Bonnici on November 5, 2025. The Parties did not reach a settlement at mediation; however, they continued negotiations with Ms. Ngo-Bonnici's assistance and ultimately reached a settlement by way of a mediator's proposal.

For the reasons discussed herein, Plaintiffs respectfully request that the Court grant preliminary approval of the Settlement.

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[1] The Settlement is attached as Exhibit 1 to the Korobkin Declaration. The Class Notice and Notice of Estimated Settlement Award are attached as Exhibits A and B, respectively, to the Settlement.

II. SUMMARY OF THE LITIGATION

A. FACTUAL AND PROCEDURAL BACKGROUND

Defendants operate a mobile dog grooming service throughout California. *See* Declaration of Tuvia Korobkin ("Korobkin Decl."), ¶ 10. Plaintiff Espinoza worked for Defendants as a non-exempt employee from approximately December 2023 to approximately December 2024. *Id*. Plaintiff Dillon worked for Defendants as a non-exempt employee from approximately May 2024 to approximately April 205. *See* Declaration of Maggie Realin ("Realin Decl."), ¶ 2.

On March 5, 2025, Plaintiff Espinoza filed a Class Action Complaint in this Court, entitled *Liliana Espinoza v. Groombuggy, Inc.*, et al., Case No. C25-00618, alleging causes of action for: (1) failure to pay minimum wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to reimburse business expenses; (6) wage statement violations; (7) failure to timely pay final wages; and (8) violation of the Unfair Competition Law ("UCL"). Korobkin Decl., ¶ 11.

On March 6, 2025, Plaintiff Espinoza submitted a notice letter to Defendants and to the Labor and Workforce Development Agency ("LWDA"), notifying Defendants and the LWDA of her intent to pursue civil penalties under the PAGA. Korobkin Decl., ¶ 12. On May 12, 2025, Plaintiff Espinoza filed a First Amended Complaint adding a cause of action for PAGA civil penalties. *Id*.

On April 24, 2025, Plaintiff Dillon filed a Class Action Complaint, *Remi Dillon v. Barkbus, LLC, et al*, San Diego Superior Court Case No. 25CU021498C, alleging meal and rest period violations, wage statement violations, business expense reimbursements, and failure to timely pay final wages. Realin Decl., ¶ 5. On June 20, 2025, after submitting a notice to the LWDA regarding Labor Code violations and workplace safety violations[2], Plaintiff Dillon filed a First Amended Complaint adding a cause of action for PAGA civil penalties.

On June 11, 2026, and pursuant to the Settlement, Plaintiffs filed the operative Second Amended Complaint ("SAC") in this Action, which added Plaintiff Dillon as a named plaintiff as well as all allegations alleged in the *Dillon* Action. Korobkin Decl., ¶ 14.

[2] On June 25, 2025, after reviewing Defendants' response regarding the alleged workplace safety violations, Cal/OSHA informed Dillon's counsel that it intended to close the file. Realin Decl., ¶ 9.

B. PLAINTIFFS' CLAIMS AND DEFENDANTS' DEFENSES

1. Claims for Underpaid Wages Based on Regular Rate Miscalculation

Plaintiffs allege that Defendants miscalculated their and other employees' "regular rate" of pay, which resulted in an underpayment of overtime wages, meal period premium wages, and sick pay wages. Korobkin Decl., ¶ 15. Specifically, Plaintiffs allege that during certain pay periods Defendants paid them and other employees non-discretionary bonuses, but failed to incorporate the value of these bonuses into the regular rate when calculating overtime wages, meal period premium wages, and sick pay wages. *Id.*; *see also Ferra v. Loews Hollywood Hotel, LLC*, 11 Cal.5th 858, 878 (2021) ("we hold that the term 'regular rate of compensation' in section 226.7(c) has the same meaning as 'regular rate of pay' in section 510(a) and encompasses not only hourly wages but all nondiscretionary payments for work performed by the employee."). Defendants argue that many of the alleged bonuses were discretionary in nature and therefore did not need to be incorporated into the regular rate. *Id*. Defendants further argue that any bonuses that were non-discretionary were paid as percentage of total compensation and therefore no adjustment to overtime was necessary. *Id.*; *see also* 29 C.F.R. § 778.210 (Percentage of total earnings as bonus). *Id*. Defendants further argue that any overtime under-payments were *de minimis* and not recoverable. *Id*. Finally, Defendants argue this claim would not be certified due to differences among employees with regard to the types and amounts of bonuses paid, as well as differences in damages. *Id*.

2. Claim for Unpaid Wages

Plaintiffs allege that Defendants required employees to remain on-call and subject to Defendants' control during "gaps" of unpaid time that sometimes occurred between customer appointments. Korobkin Decl., ¶ 16. Defendants argue that it consistently pays employees for all hours worked, that it does not control employees during such gaps, and that any unpaid wages would be *de minimis*. *Id*. Defendants further argue this claim would not be certified, as it would require individual inquiries into each unique "gap" and each employee, as to whether the employee was subject to Defendants' control, how much time each gap consisted of, and whether such gaps were reported to Defendants. *Id*.

3. Meal Period Claim

Plaintiffs allege that Defendants did not provide all required meal periods, as there was not always enough time between appointments to take meal periods and did not provide second meals on shifts over 10 hours. Korobkin Decl., ¶ 17. Defendants argue they maintained legally compliant meal period policies throughout the Class Period, that they provide meal periods consistent with those lawful policies, and that under *Brinker* they are only required to "provide" the opportunity to take meal periods, not "ensure" they are taken. *Id*.; *see also Brinker Rest. Corp. v. Sup. Ct.*, 53 Cal.4th 1004, 1038 (rejecting "ensure" standard). Defendants further argue that any non-compliant meal period was a result of lawful employee waiver or choice, thereby precluding liability. *Id*. Defendants additionally argue that individualized inquiries would be required to determine whether individual employees did not take meal periods on each individual shift, and why any particular meal period was late, short, or missed, thereby precluding certification of this claim. *Id.*

4. Rest Period Claim

Plaintiffs allege that Defendants failed to authorize and permit rest periods, for the same reasons mentioned above regarding meal periods. Korobkin Decl., ¶ 18. Defendants argue they have always maintained legally compliant rest period policies, and that, in practice, they have always authorized and permitted all required rest periods to non-exempt employees; that they inform employees of their right to rest periods; and that any failure to take a rest period is the result of employee choice rather than any policy or practice of Defendants. *Id*. Defendants further argue that this claim is not amenable to class treatment as individualized inquiries would be required to determine whether individual employees were in fact authorized and permitted to take rest periods on any given shift, on various shifts and locations and time periods, thus precluding class certification. *Id*. These manageability concerns are particularly present with respect to rest periods, Defendants contend, since rest periods are not (and need not be) recorded. *Id*.

5. Failure to Reimburse Business Expenses

Plaintiffs allege that Defendants failed to reimburse employees for the purchase and use of their own grooming supplies, such as pet brushes and scissors, as well as having to launder towels on a regular basis, that were used during the regular course of their job duties. Korobkin Decl., ¶ 19. Defendants argue that employees were not required to use their own tools in connection with their job duties, and that if they did, there are procedures in place for employees to request reimbursement of work-related expenses. *Id*. Defendants also argue this claim would not be certified, as it would require hundreds of individualized inquiries as to whether employees incurred business related expenses, whether they were reimbursed, whether Defendants knew (or reasonably should have known) about the expense, and whether the expense was "necessary" under the circumstances. *Id*.; *Gattuso v. Hart-Hanks Shoppers, Inc.*, 42 Cal.4th 554, 568 (2007) ("In calculating the reimbursement amount due under section 2802, the employer may consider not only the actual expenses that the employee incurred, but also whether each of those expenses was 'necessary,' which in turn depends on the reasonableness of the employee's choices."); *Grissom v. Vons Companies, Inc.*, 1 Cal.App.4th 52, 58 (1991) (under § 2802, "ascertaining what was a necessary expenditure will require an inquiry into what was reasonable under the circumstances").

6. Claims Under Lab. Code §§ 203, 226, and the PAGA

As a result of its alleged failure to pay all minimum and overtime wages, as well as its alleged failure to provide all meal and rest periods, Plaintiffs assert that Defendants failed to comply with its final payment and wage statement obligations, in violation of Cal. Labor Code §§ 203 and 226, respectively. Korobkin Decl., ¶ 20. Finally, Plaintiffs seek civil penalties under the PAGA based on the aforementioned claims, as well as based on alleged workplace safety violations, including failing to provide level areas for parking, failing to require proof of dogs' vaccinations, and failing to provide proper washing facilities for the dogs. *Id*.

Defendants argue that Plaintiffs' derivative claims fail for the same reasons their underlying claims fail. Korobkin Decl, ¶ 21. Defendants further assert that they have strong, good-faith defenses to Plaintiffs' underlying wage claims, precluding waiting time penalties. *See* 8 Cal. Code Regs. § 13520 (a "good faith dispute that any wages are due will preclude imposition of waiting time penalties"); *Kao v. Joy Holiday*, 12 Cal.App.5th 947, 963 (2017) (holding "good faith dispute" precluded imposition of waiting time penalties). Defendants further contend that any alleged wage statement violations were not "knowing and intentional," particularly given their good-faith defenses; that Plaintiffs cannot show that they or other employees "suffer[ed] injury" due to alleged wage statement violations, as required by Lab. Code § 226(e); and that employee wage statements always accurately reflect amounts *paid* to employees. Korobkin Decl., ¶ 21; *see also Maldonado v. Epsilon Plastics, Inc.*, 22 Cal.App.5th 1308, 1336-37 (2018) ("The purpose of section 226 is to '*document* the *paid wages* to ensure the employee is fully informed regarding the calculation of those wages.") (citing *Soto v. Motel 6 Operating, L.P.*, 4 Cal.App.5th 385, 392 (2016)).

Finally, Defendants argue that Plaintiffs' PAGA claim fails because the underlying Labor Code claims fail. *See, e.g., Price v. Starbucks Corp.*, 192 Cal.App.4th 1136, 1147 (2011) ("Because the underlying causes of action fail, the derivative UCL and PAGA claims also fail."). With respect to the workplace safety allegations, Defendants point to the fact that Cal/OSHA directed Defendants to investigate the alleged violations, Defendants investigated and either addressed the alleged issues or confirmed that the alleged issues did not exist, Defendants provided Cal/OSHA with its response, and Cal/OSHA subsequently closed its investigation based on Defendants' response. (*See* Realin Decl., ¶¶ 7, 9 & Exh. 4.) Thus, Defendants argue, any workplace safety issues – to the extent they existed in the first place – have been cured.

Defendants further argue that given their strong defenses and good-faith attempts to comply with the law, the Court would substantially reduce PAGA penalties even if it were to find in Plaintiffs' favor on their underlying claims. Korobkin Decl., ¶ 22; *see also* Lab. Code § 2699(e)(2) (authorizing discretionary reduction in PAGA penalties); *Thurman v. Bayshore Transit Mgmt., Inc.*, 203 Cal.App.4th 1112, 1135 (2012) (affirming reduction of PAGA penalties); *Fleming v. Covidien, Inc.*, No. ED-CV-10-1487-RGK (OPx), 2011 WL 7563047 at *4 (C.D. Cal. 2011) (reducing PAGA penalties by over 82%); *Carrington v. Starbucks Corp.*, 30 Cal.App.5th 504, 529 (2018) (affirming PAGA penalty of just $5 per pay period where employer made "good faith attempts" to comply with the law); *Taduran v. Glidewell*, --- Cal.App.5th ---, 2026 WL 1469486 (published June 17, 2026) (affirming reduction of PAGA penalties by over 99%, from $55.9 million to $515,955).

C. DISCOVERY AND MEDIATION

Prior to mediation, the Parties engaged in extensive informal discovery. Defendants produced a sampling of timekeeping and payroll records for putative class members, its wage and hour policies, and other relevant information. Korobkin Decl., ¶ 23. Plaintiffs' counsel hired an expert data analyst (Berger Consulting Group) to analyze and extrapolate the data produced by Defendants. *Id*. This discovery allowed the Parties to assess the merits and value of Plaintiffs' claims and Defendants' defenses, as well as the chances for class certification. *Id*.

The Parties attended a full-day mediation with highly respected and well-regarded wage and hour class action mediator Monique Ngo-Bonnici on November 5, 2025. Korobkin Decl., ¶ 24. At mediation, the Parties vigorously debated Plaintiffs' claims and Defendants' defenses, the potential value of Plaintiffs' claims, and the chances of certification. *Id*. The Parties did not reach a settlement at mediation, but continued their settlement negotiations with the assistance of Ms. Ngo-Bonnici, who eventually issued a mediator's proposal that was accepted by the Parties. *Id*.

III. THE PROPOSED SETTLEMENT

A. ESSENTIAL TERMS OF THE SETTLEMENT

Under the Settlement, Defendants will pay a non-reversionary Gross Settlement Amount ("GSA") of $853,150.00. The monetary terms of the Settlement are summarized below:

• Gross Settlement Amount ("GSA"):	$853,150.00
• Minus Court-approved attorneys' fees (one-third):	$284,383.33
• Minus Court-approved costs (up to):	$40,000.00
• Minus Court-approved Service Payments:	$20,000.00
• Minus Amount Set Aside as PAGA penalties:	$60,000.00
• Minus estimated settlement administration costs:	$10,000.00
Net Settlement Amount ("NSA"):	**$438,766.67**
PLUS 35% of PAGA penalties ("PAGA Amount"):	$21,000.00
Total Amount Paid to Settlement Class:	**$459,766.67**

1. The Settlement Provides for Reasonable Monetary Payments

After deducting amounts for attorney fees, litigation costs, Plaintiffs' Class Representative Service Payments, PAGA penalties, and administration costs, the Settlement provides for the total distribution of approximately $459,766.67 to the Settlement Class. *See* Settlement, § 6(C)(i)-(v). As noted, there are an estimated 291 Settlement Class members (*see* Settlement, § 1); thus, the estimated average payment to Settlement Class members is $1,579.95.

The NSA shall be distributed to Participating Class Members (i.e., those Settlement Class members who do not opt-out of the class portion of the Settlement) based on each Participating Class Member's proportional number of workweeks worked for Defendants as a non-exempt employee in California during the Class Period. *See* Settlement, § 8(B). In addition, all PAGA Group members (regardless whether they opt-out of the class portion of the Settlement) who worked for Defendants as a non-exempt employee in California at any time between March 6, 2024 through January 20, 2026 (the "PAGA Period"), will receive a portion of the $21,000.00 PAGA Amount, based on their proportionate number of pay periods worked during the PAGA Period. *See* Settlement, §§ 2, 6(C)(v), 8(C).

Payments from the NSA will be treated as one-third wages reported on a Form W-2, with the remaining two-thirds treated as interest and penalties and reported on a Form 1099. *See* Settlement, § 8(E). Payments from the PAGA Amount will be treated as 100% penalties. *Id.* Defendants will separately pay the employer's share of payroll taxes on the amount designated as "wages," in addition to the GSA. *Id*., §§ 3, 8(E).

2. Notice Period and Release of Claims

Settlement Class members will have sixty (60) days from the Notice mailing to opt-out of or object to the Settlement, or submit disputes, thereby providing ample time to review the Notice without unduly delaying the Settlement. *See* Settlement, § 13(C)-(D).

Participating Class Members will be bound by the Settlement and will release all California claims that were alleged in the operative Complaint in the Action or that could have been alleged based on the facts alleged in the operative Complaint in the Action, arising during the Class Period. *See* Settlement, § 3. In addition, all PAGA Group members (regardless whether they opt-out of the class portion of the Settlement) will release all claims for civil penalties or other relief under the PAGA, based on the allegations set forth in the PAGA notice letters submitted by Plaintiffs to the LWDA, arising during the PAGA Period. *See* Settlement, § 4.

3. Funding of the Settlement

Defendants will deposit the GSA with ILYM no later than five (5) Court days after the "Effective Date" of the Settlement, or within thirty (30) days of the Court granting Final

Approval, whichever date is later. Settlement, § 6(B). If there are no objections to the Settlement, the Effective Date will be the date of final approval. *Id.*, §§ 6(B), 7.

4. Attorneys' Fees and Costs, Class Representative Service Payments, and PAGA Payment

At final approval, Plaintiffs will apply for a service payment of $10,000 each (totaling $20,000). *See* Settlement, § 6(C)(iii). "[I]ncentive awards are fairly typical in class action cases…and are intended to compensate class representatives for work done on behalf of the class [and] to make up for financial or reputational risk undertaken in bringing the action." *In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380, 1393-94 (2010).

As will be fully briefed at final approval, Plaintiffs' requested service payments are in recognition of the time and effort they expended on behalf of the Settlement Class, including providing factual information and documents to counsel, discussing with counsel the claims and theories at issue in the litigation, reviewing the settlement agreement, and otherwise actively participating in the prosecution of this case, as well as for Plaintiffs' respective general release of claims and waiver of Civil Code § 1542. *See* Settlement, § 5. Plaintiffs respectfully submit that the requested service payments are well within the range of approval. *See, e.g., Bellinghausen v. Tractor Supply Company,* 306 F.R.D. 245, 268 (N.D. Cal. 2015) (approving $15,000 payment to named plaintiff from wage and hour class action settlement, including $10,000 incentive payment and additional $5,000 for his general release, where payments to class members averaged just over $450); *Martinez v. Knight Transportation*, No. 1:16-cv-01730, 2023 WL 5917989 (E.D. Cal. Sept. 11, 2023) (approving $10,000 award to plaintiff in $400,000 claims-made wage and hour class action settlement where payments to class members averaged about $127).

The Parties have also designated $60,000 of the GSA as PAGA penalties, of which $39,000 (65%) will be paid to the LWDA, with the remaining $21,000 (35%) distributed to Aggrieved Employees (*see* Settlement, §§ 6(C)(v), 8(C)), consistent with the PAGA's requirement that 65% of penalties be allocated to the LWDA with the remaining 35% of penalties allocated to aggrieved employees (Labor Code § 2699(m)). Plaintiffs submit that this allocation to the LWDA is appropriate in light of other settlements allocating penalties to the LWDA. *See,* *e.g., Chu v. Wells Fargo Inv., LLC*, No. C-05-4526-MHP, 2011 WL 672645 at *1 (N.D. Cal. Feb. 16, 2011) (approving PAGA allocation of $10,000 from $6.9 million settlement); *Ceron de Orozco v. Flagship Facility Services, Inc.,* No. 18-cv-2397-JLS, 2020 WL 7426139 (S.D. Cal. Dec. 18, 2020) (approving PAGA allocation of $20,000 from $2,000,000 settlement).

At final approval, Plaintiffs' counsel will request attorneys' fees of one-third of the GSA (currently estimated at $284,383.33), and up to $40,000.00 in litigation costs. *See* Settlement, § 6(C)(iv), § 9. The requested fee is fair compensation for undertaking complex, risky, expensive, and time-consuming litigation on a contingent basis. Plaintiffs' counsel have incurred substantial attorneys' fees conducting pre-filing investigation and legal research; analyzing timekeeping records, payroll records, and other data with Plaintiffs' data expert to create a comprehensive damages model; preparing for and attending mediation; negotiating and preparing the Settlement; preparing this Motion; and otherwise prosecuting this case. Korobkin Decl., ¶ 38. Counsel will incur future fees in overseeing the Notice process, fielding phone calls from Settlement Class members, preparing the Final Approval Motion, and appearing at the Final Approval Hearing. *Id*.

It is appropriate to award attorney fees as a percentage of the "common fund" created by the settlement. *Laffitte v. Robert Half Int'l, Inc.,* 1 Cal.5th 480 (2016) (holding "the percentage of fund method survives in California class action cases"). Counsel's fee request is well within the range of reasonableness and is typical for common fund settlements. *See*, *e.g.*, *Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, n.11 (2008) ("regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery"). As will be briefed at final approval, the fee request is reasonable in light of the substantial risks and work undertaken, the results obtained, and the efficiency with which counsel conducted the litigation.

IV. ARGUMENT

A. PRELIMINARY APPROVAL IS WARRANTED

California Rule of Court 3.769 conditions class action settlements on court approval, which is generally evaluated under the same standards as Fed. R. Civ. Proc. 23. *See Reed v. United Teachers Los Angeles*, 208 Cal.App.4th 322, 337 (2012) (Rule 3.769 requires court to determine "that the settlement is fair, reasonable and adequate to all concerned"); *Hanlon v. Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1998) (Rule 23(e) requires court to determine "whether a proposed settlement is fundamentally fair, adequate, and reasonable"). Settlement is the preferred means of dispute resolution, particularly in complex class action litigation. *See In re Syncor ERISA Litig.*, 516 F.3d 1095, 1101 (9th Cir. 2008). The Court's role is to ensure the settlement agreement taken as a whole is fair and within the range of reasonableness. *Hanlon*, 150 F.3d at 1027. There is a presumption of fairness when a settlement is negotiated at arm's length by counsel. *See, e.g.*, *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 130 (2008).

1. <u>The Standard for Preliminary Approval is Met Here</u>

To make a fairness determination, the Court should consider several factors, including: "the strength of Plaintiff's case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, [and] the experience and views of counsel..." *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996). "The list of factors is not exclusive and the Court is free to engage in a balancing and weighing of the factors depending on the circumstances of each case." *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 245 (2001). As discussed below, the proposed Settlement is fair, adequate, and reasonable in light of the overall balance of factors in this case.

a. <u>The Strength of Plaintiffs' Case</u>

Although Plaintiffs maintain their claims are meritorious, Plaintiffs acknowledge there were substantial risks and uncertainty in proceeding with class certification and eventual trial on the merits. As described in section II.B., *supra*, Defendants presented multiple defenses to Plaintiffs' claims, both on the merits and to class certification, rendering success far from certain.

b. <u>Risk, Expense, Complexity, and Duration of Further Litigation</u>

Although the Parties had engaged in significant informal discovery, they still had much formal discovery remaining and Plaintiffs still had to file for class certification. Even if Plaintiffs obtained certification, the Parties would incur considerable fees and costs through a possible decertification motion, motions for summary judgment, trial, and potential appeals. The Settlement avoids those risks and the accompanying expense.

c. Risk of Maintaining Class Action Status

Plaintiffs had not yet filed their motion class certification, and as such, the extent to which Plaintiffs' proposed classes were certifiable is somewhat speculative. Absent settlement, there was a risk there would not be a certified class at trial, or if there were, that it would consist of a significantly smaller group of employees than the proposed Settlement Class, and the expected recovery would be significantly reduced. Thus, this factor supports preliminary approval.

d. Amount Offered in Settlement Given Realistic Value of Claims

The Settlement provides a fair and reasonable monetary recovery for the Settlement Class for disputed claims. As detailed in the Korobkin Declaration, and with the assistance of an expert data analyst, Plaintiffs conducted an analysis of potential damages due to Defendants' allegedly unlawful policies and practices. After applying reasonable discounts for risks of not obtaining class certification and risks of losing on the merits, Plaintiffs estimated their claims had a realistic potential value of approximately $1,208,075. Korobkin Decl., ¶¶ 28-36. The proposed settlement of $853,150 therefore represents more than 70% of Plaintiffs' reasonably forecasted classwide recovery. Korobkin Decl., ¶ 36.

In sum, the Settlement resulted from an exchange of substantial information, extensive discovery, arm's-length negotiations, a full-day mediation, and months of additional negotiations. Plaintiffs carefully vetted the claims at issue and conducted a detailed analysis of the relevant data and information with the help of an expert. The Settlement is thus entitled to a presumption of fairness. *Kullar*, 168 Cal.App.4th at 130.

e. The Experience and Views of Counsel

"Parties represented by competent counsel are better positioned than courts to produce a settlement that fairly reflects each party's expected outcome in litigation." *In re Pac. Enter. Securities Litig.*, 47 F.3d 373, 378 (9th Cir. 1995). Here, counsel has extensive experience litigating wage and hour class actions, and has been appointed class counsel in numerous cases alleging similar claims. *See* Korobkin Decl., ¶¶ 2-9, 37; Larsen Decl., ¶¶ 2-5; Declaration of Isam Khoury ("Khoury Decl."), ¶¶ 2-12. Counsel conducted an in-depth review of Defendants' policies, timekeeping and payroll records, and other relevant data, and drew on their extensive experience to assess Plaintiffs' claims. Korobkin Decl., ¶¶ 28-36. The Settlement was also reached after a full-day mediation with Monique Ngo-Bonnici, Esq., a highly respected mediator. *Id.*, ¶ 24. This strongly supports preliminary approval. *Kullar*, *supra*, 168 Cal.App.4th at 130.

f. <u>The Settlement Is Devoid of Obvious Deficiencies</u>

The Settlement provides tangible monetary relief to the Settlement Class, and the amounts proposed for attorneys' fees, costs, Plaintiffs' service payments, and PAGA penalties are all reasonable and appropriate based on the facts of this case. Because the Settlement is devoid of obvious deficiencies, this supports preliminary approval.

B. <u>THE COURT SHOULD CERTIFY THE PROPOSED CLASS</u>

The proposed Settlement Class satisfies the criteria for certification because: (1) the Settlement Class is ascertainable and numerous; (2) common questions of law and fact predominate; (3) Plaintiffs' claims are typical of the Settlement Class; and (4) Plaintiffs and their counsel will fairly and adequately represent the Settlement Class. Cal. Code Civ. Proc. § 382.

1. <u>The Proposed Class Is Ascertainable and Numerous</u>

A class is "ascertainable" where members "may be readily identified without unreasonable expense or time by reference to official [or business] records." *Sevidal v. Target Corp.*, 189 Cal.App.4th 905, 919 (2010). The Settlement Class includes all non-exempt employees who worked for Defendants in California at any time during the Class Period, and thus can be readily identified from Defendants' records. Defendants represent that there are approximately 291 Settlement Class members, rendering it impracticable to bring them all before the Court. Numerosity is therefore satisfied.

2. <u>Common Issues of Law and Fact Predominate</u>

The focus on certification is not on the merits of the case, but rather on what types of questions, "common or individual," are likely to arise in the action. *Sav-On Drug Store, Inc. v. Sup. Ct.*, 34 Cal.4th 319, 327 (2004). Plaintiffs' primary claims include Defendants' allegedly unlawful failure to pay overtime based on the correct "regular rate," allegedly unlawful meal and rest period policies/practices, and alleged failure to reimburse expenses. Such claims are commonly held proper for class certification. *See, e.g., Carlino v. CHG Medical Staffing, Inc.,* No. 1:17-cv-01323-DAD-JLT, 2019 WL 1005070 (N.D. Cal. Oct. 20, 2019) (certifying regular rate claim); *Benton v. Telecom Network Specialists, Inc.* 220 Cal.App.4th 701, 726 (2013) (reversing denial of certification of meal and rest period claims); *Cochran v. Schwan's Home Service,* 228 Cal.App.4th 1137 (2014) (reversing denial of certification of reimbursement claim).

3. <u>The Named Plaintiffs' Claims Are Typical</u>

The typicality requirement is satisfied where class representatives have claims that are typical of the class. *B.W.I. Custom Kitchen v. Owens-Illinois, Inc.,* 191 Cal.App.3d 1341, 1347 (1987). Here, Plaintiffs' claims are typical of those held by Settlement Class members. Plaintiffs were employed by Defendants as non-exempt employees in California during the Class Period, and they were injured collectively by the same challenged policies that allegedly injured the Settlement Class as a whole. *See* Declaration of Lilian Espinoza ("Espinoza Decl."), ¶¶ 2-6; Declaration of Remi Dillon ("Dillon Decl."), ¶¶ 2-10. Thus, typicality is satisfied.

4. <u>Plaintiffs and Class Counsel Will Adequately Represent the Class</u>

The adequacy requirement examines conflicts of interest between named parties and the class(es) they seek to represent. *Capital People First v. State Dept. of Developmental Svcs.,* 155 Cal.App.4th 676, 697 (2007). Plaintiffs and their counsel will adequately represent the Settlement Class, as there are no known conflicts between Plaintiffs or their counsel and the Settlement Class. *See McGhee v. Bank of Am.,* 60 Cal.App.3d 442, 450 (1976) (finding adequacy satisfied where there was no indication that plaintiff's counsel was not qualified and the named plaintiff had no interests antagonistic to those of the proposed class). Class Counsel also have extensive experience in wage and hour class action litigation, as noted above.

C. <u>THE COURT SHOULD ORDER DISTRIBUTION OF THE NOTICE</u>

The Court should order distribution of the proposed Notice by U.S. Mail, using last known mailing addresses provided by Defendants. *See* Settlement, § 13. This is the "best notice practicable" under the circumstances, as it provides "individual notice to all members who can be identified through reasonable effort." *Eisen v. Carlisle & Jacquelin,* 417 U.S. 156, 173 (1974). Plaintiffs propose the Settlement be administered by ILYM Group, Inc., an experienced class action settlement administrator. *See* Lisa Mullins Declaration and exhibits. Settlement Class members' addresses will be ascertainable through Defendants' records. ILYM will also run all addresses through the U.S. Postal Service National Change of Address database and/or perform "skip traces" to obtain current addresses. *See* Settlement, § 13(B).

The proposed Notice satisfies Cal. Rule of Court 3.766(d) because it advises Settlement Class members of the nature of the claims; the basic contentions of the parties; the key terms of the Settlement; the 60-day deadline to opt out, object, or submit a dispute and how to do so; explains the recovery formula and expected recovery amount for each Settlement Class member; and explains the releases of claims included in the Settlement. *See* Korobkin Decl., Exh. A to Exh. 1. The proposed Notice also includes the final approval hearing date and time, and it provides contact information for Class Counsel in the event Settlement Class members have any questions about the Settlement. *Id.* This Notice satisfies Cal. Rule of Court 3.766(e) as the most reliable and cost-effective method of reaching the Settlement Class.

D. THE COURT SHOULD SET A FINAL APPROVAL HEARING

Finally, the Court should set a hearing for final approval on a date appropriately scheduled to follow Settlement Class members' response deadline. *See* Cal. Rule of Court 3.769.

V. CONCLUSION

For the foregoing reasons, Plaintiffs respectfully request that the Court preliminarily approve the proposed Settlement, provisionally certify the Settlement Class, and enter the Proposed Order submitted concurrently herewith.

Respectfully submitted,

Dated: June 22, 2026

MARQUEE LAW GROUP, APC

By: *__/s/ Tuvia Korobkin__________*
Tuvia Korobkin
Attorneys for Plaintiffs

Dated: June 22, 2026

COHELAN KHOURY & SINGER

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