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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN BERNARDINO

CARLOS MARGARITO FLORES, individually, and on behalf of all others similarly situated,

Plaintiff,

vs.

EL RODEO CAFE CORP., a California corporation; and DOES 1 through 10, inclusive,

Defendant.

Case No.: CIVSB2514242

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES

[*Filed with the Declaration of Kane Moon, the Declaration of Plaintiff, the Declaration of Sean Hartranft, and [Proposed] Preliminary Approval Order*]

PRELIMINARY APPROVAL HEARING:
Date: July 22, 2026
Time: 8:30 a.m.
Dept.: S27
Judge: Honorable Thomas S. Garza

Action Filed: May 20, 2025
FAC Filed: July 30, 2025
Trial Date: Not Set

TO THE COURT, AND TO ALL PARTIES AND THEIR COUNSEL OF RECORD:

PLEASE TAKE NOTICE that on July 22, 2026 at 8:30 a.m. in Department S27 of this Court located at San Bernardino Justice Center at 247 West Third Street, San Bernardino, California 92415, pursuant to Code of Civil Procedure section 382 and California Rules of Court, rule 3.769 *et seq*., Plaintiff Carlos Margarito Flores ("Plaintiff") will, and hereby does, move the Court for an order granting preliminary approval of the proposed class action settlement between Plaintiff and Defendant El Rodeo Cafe Corp.

Specifically, Plaintiff moves the Court for an order:

1. Granting preliminary approval of the Joint Stipulation of Class and Representative Action Settlement Agreement;
2. Certifying a Class, for settlement purposes only;
3. Approving the Class Notice and plan for its distribution;
4. Appointing Plaintiff as the Class Representative, for settlement purposes only;
5. Appointing Plaintiff's Counsel Moon Law Group, PC as Class Counsel, for settlement purposes only;
6. Appointing Apex Class Action Administration as the Administrator; and
7. Scheduling a Final Approval Hearing no later than 120 days from the date of preliminary approval.

The motion will be based upon this notice, the attached memorandum of points and authorities, the supporting declarations (and exhibits attached thereto), the records and files in this action, and any other further evidence or argument that the Court may properly receive at or before the hearing.

Respectfully submitted,

Dated: February 18, 2026

MOON LAW GROUP, PC

By:____________________________________

Kane Moon
Allen Feghali
Enzo Nabiev

Attorneys for Plaintiff Carlos Margarito Flores

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I. INTRODUCTION

Plaintiff Carlos Margarito Flores ("Plaintiff") seeks preliminary approval of a proposed $475,000.00, non-reversionary settlement amount as set forth in the Joint Stipulation of Class and Representative Action Settlement Agreement (the "Settlement") with Defendant El Rodeo Cafe Corp. ("Defendant") (together with Plaintiff, the "Parties"). The Settlement will provide substantial monetary payments to roughly 175 current and former employees who worked an estimated aggregate of 12,807 Workweeks during the Class Period. As set forth more fully below, the proposed Settlement satisfies all the criteria for settlement approval under California law. The Settlement was reached after extensive investigation, informal discovery, and negotiations between the Parties. The negotiations were at arm's-length and were facilitated during mediation by experienced, neutral, class action mediator Tripper Ortman, Esq. Accordingly, Plaintiff requests the Court preliminarily approve the proposed Settlement, certify the proposed Settlement Class, approve the proposed Class Notice to Class Members, and set a final approval hearing no earlier than 120 days from the date of preliminary approval.

II. SUMMARY OF THE LITIGATION AND SETTLEMENT

A. Plaintiff's Claims

This is a wage and hour class action and representative action for alleged Labor Code violations and claims for civil penalties pursuant to the California Private Attorneys General Act, Labor Code sections 2698, *et seq.* ("PAGA"). (Declaration of Kane Moon in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ["Moon Decl."], ¶ 2.) Plaintiff seeks to represent a class of all currently or formerly hourly paid, non-exempt employees of Defendant El Rodeo Cafe Corp. ("Defendant") (together with Plaintiff, the "Parties") who were employed by Defendant in the State of California at any time commencing May 20, 2021, through January 6, 2026, as set forth in the Joint Stipulation of Class and Representative Action Settlement Agreement (the "Settlement"). (*Id.*, Ex. 1.)

Defendant operates a restaurant serving traditional American breakfast and lunch options, as well as Tex-Mex and Mexican fusion cuisine, in seven locations in California. (*Id.*at ¶ 3.)

Defendant has employed Plaintiff and other putative Class Members in California during the putative Class Period. (*Id.*) Plaintiff worked for Defendant as a Cook from approximately 2023 to April 2025 and was classified as non-exempt throughout the duration of his employment. (Declaration of Plaintiff Carlos Margarito Flores in Support of Approval of Class Action and PAGA Action Settlement ["Plaintiff Decl."], ¶¶ 2, 7.) Plaintiff contends he and his coworkers were subjected to the same unlawful labor practices, including failure to pay wages for all hours worked. (*Id.* at ¶ 7.)

Plaintiff's claims for unpaid minimum and overtime wages stem from allegations that Defendant failed to incorporate all remunerations into the regular rate of pay for purposes of paying Class Members overtime wages, meal break premiums, and sick pay and that Defendant required Class Members to work off-the-clock without compensation. (Moon Decl. at ¶ 4.) Plaintiff's meal and rest period claims are based on allegations that due to the nature of their work, Class Members' breaks were often short, late, interrupted, and sometimes missed altogether, and that Defendant did not pay all premium wages for non-code-compliant breaks. (*Id.*) Plaintiff further brings a claim for unreimbursed necessary business expenses based on allegations that Class Members were required to use their personal cellphones for business purposes, without reimbursement for the same. Plaintiff and the Class Members were also required to purchase clothing items as part of their uniform, and incur gas and travel expenses. (*Id.*) Finally, Plaintiff also brings derivative claims for waiting time penalties, wage statement violations, unfair business practices, and civil penalties under PAGA. (*Id.*)

Pursuant to PAGA, on May 18, 2025, Plaintiff gave written notice to the California Labor and Workforce Development Agency (the "LWDA") of the alleged Labor Code violations, with certified mail service on Defendant, and paid the required filing fee. (*Id.* at ¶ 5, Ex. 2.) On May 20, 2025, Plaintiff filed a Class Action Complaint against Defendant, which alleged eight individual and class causes of action for violation of the Labor Code and California Business and Professions Code: (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 breaks; (5) failure to indemnify necessary business expenses; (6) failure to timely pay final wages at termination; (7) failure to provide accurate itemized wage statements;

and (8) unfair business practices. (*Id.* at ¶ 5.)

On July 30, 2025, Plaintiff filed a First Amended Class and Representative Action Complaint against Defendant, which alleged a ninth individual and representative cause of action for violation of PAGA, *as modified* (the "Operative Complaint"). (*Id.* at ¶ 6.) A file-stamped copy of the Operative Complaint containing the Court-assigned case number was submitted to the LWDA. (*Id.*) To date, the LWDA has not given its intention to investigate and intervene on the matter. (*Id.*)

Defendant ardently opposes the merits of this case and denies Plaintiff's factual allegations. (*Id.* at ¶ 7.) Defendant argues the putative Class was paid all minimum wages, overtime wages, and sick pay owed, that it did not fail to incorporate any remunerations into the regular rate of pay as such remunerations were discretionary bonuses, and that Defendant did not allow its employees to work off-the-clock. (*Id.*) Defendant maintains compliance with all its meal and rest period obligations. (*Id.*) As for the unreimbursed business expenses, Defendant maintains it reimbursed Class Members for all necessary business expenses incurred, and that personal cellphone and vehicle use were not required for work purposes. (*Id.*) To the extent Class Members received wage statements that were allegedly inaccurate, Defendant asserts Class Members suffered no actual damage or harm as a result, and that there was no knowing or intentional violation. (*Id.*; *see, e.g.*, *Angeles v. U.S. Airways, Inc.* (N.D. Cal. Feb. 19, 2013) No. C 12–05860 CRB, 2013 WL 622032, at *10 ["A plaintiff must adequately plead an injury arising from an employer's failure to provide full and accurate wage statements, and the omission of the required information alone is not sufficient."].) With respect to Plaintiff's claim for waiting time penalties, Defendant alleges its good-faith belief that they paid all wages precludes the imposition of waiting time penalties since Plaintiff cannot prove Defendant's alleged failure to pay all final wages at the time of separation was "willful." (Moon Decl., ¶ 7; *see, e.g.*, *Pedroza v. PetSmart, Inc.* (C.D. Cal. June 14, 2012) No. ED CV 11–298 GHK (DTBx), 2012 WL 9506073, *5.) For these reasons, Defendant claims it did not engage in any unfair business practices and denies liability under PAGA. (Moon Decl., ¶ 7.) Defendant also maintains the claims are improper for class treatment, in part, due to the individualized and testimony-intensive nature of the wage claims that could bar class certification or significantly reduce Defendant's overall liability. (*Id.*)

B. Discovery and Investigation

Following the filing of Plaintiff's Complaint, the Parties met and conferred regarding an agreement to mediate Plaintiff's claims. (*Id.* at ¶ 8.) The Parties agreed to mediate with Tripper Ortman, Esq., an experienced class and PAGA action mediator. (*Id.*) In preparation for mediation, the Parties agreed to a protocol for an informal exchange of documents and information before the mediation. (*Id.*) Prior to mediation, Plaintiff obtained from Defendant, through informal but extensive discovery, information sufficient to meaningfully evaluate the claims at issue in the action, including applicable written policies, the employee handbook in effect during the Class Period, Plaintiff's complete personnel file, sample time records and corresponding payroll records for employees, and information regarding the estimated number of current and former employees, Workweeks, PAGA Pay Periods, and average hourly pay. (*Id.*)

In preparation for mediation, Plaintiff's Counsel reviewed and analyzed all the information Defendant provided, including the sample time/pay records and documents regarding Defendant's wage and hour policies. (*Id.* at ¶ 9.) Plaintiff's Counsel retained a statistics expert to analyze the sample records and prepare a damage analysis prior to mediation. (*Id.*) Plaintiff's expert reviewed a statistically significant sample of time and pay records, which allowed him to prepare an analysis with a high degree of certainty. (*Id.*) In conjunction with their extensive factual investigation, Plaintiff's Counsel also investigated the applicable law regarding the claims and defenses asserted in the litigation. (*Id.*) Accordingly, Plaintiff's Counsel were able to evaluate the probability of class certification, success on the merits, and Defendant's maximum and realistic monetary exposure for all claims. (*Id.*) Thus, Plaintiff's and his Counsel's familiarity with the facts of the case and the legal issues raised by the pleadings allowed them to act intelligently in negotiating the Settlement. (*Id.*)

C. Settlement Negotiations

Mediation occurred on November 7, 2025. (*Id.* at ¶ 10.) The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. (*Id.*) The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached. (*Id.*) After extensive negotiations and discussions regarding the strengths and weaknesses of Plaintiff's claims and Defendant's defenses, the Parties reached a settlement, the material terms of which are encompassed within the Settlement. (*Id.*)

Plaintiff's Counsel represent they are not aware of any related case that would be extinguished or adversely affected by approval of this Settlement Agreement. (*Id.* at ¶ 12.)

Plaintiff's Counsel have conducted a thorough investigation into the facts of this case. (*Id.* at ¶ 15.) Based on the foregoing document and information exchange and on their own independent investigation and evaluation, Plaintiff's Counsel are of the opinion that the proposed Settlement is fair, reasonable, and adequate. (*Id.*) Furthermore, considering all known facts and circumstances, the risk of significant delay, trial risk, appellate risk, and the defenses that Defendant may assert both to certification and on the merits, the Settlement is in the best interests of the Class. (*Id.*; *see also id.* at ¶¶ 17–27.) **Indeed, the $475,000.00 gross settlement figure represents roughly 90.5% of the realistic (*risk-adjusted*) recovery estimated to be $525,099.81.** (*Id.* at ¶ 22.)

D. Key Terms of the Proposed Settlement

The Settlement's key terms include:[1]

1. Class: The proposed Class for purposes of the Settlement contains approximately 175 members who worked approximately 12,807 Workweeks and is defined as: all current and former hourly paid, non-exempt employees of Defendant, who were employed by Defendant in the State of California at any time during the Class Period. (*Id.* at ¶¶ 1.4, 7.) The Class will exclude any Class Member who opts out of the Settlement by sending the Administrator a valid and timely Request for Exclusion ("Non-Participating Class Members"). (*Id.* at ¶ 1.28.)

2. Class Period: means the period from May 20, 2021, through January 6, 2026.[2] (*Id.* at ¶ 1.12.)

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[1] A table listing the key financial terms of the Settlement, including the Gross Settlement Amount, each deduction from the gross amount (attorneys' fee, litigation costs, settlement administrator costs, service payment, and the PAGA Penalties), whether exact or in a "not to exceed" amount, and the estimated Net Settlement Amount, and the estimated average of individual settlement payments is provided in the accompanying Moon Decl., ¶ 13.

[2] The Class Period is defined as "the period from May 20, 2021, through the earlier of (i) the date of preliminary approval of the Settlement by the Court or (ii) January 6, 2026."

3. Participating Class Members: means a Class Member who does not submit a valid and timely Request for Exclusion. (*Id.* at ¶ 1.35.)

4. Aggrieved Employee: There are approximately 122 Aggrieved Employees who worked approximately 3,084 PAGA Pay Periods, defined as: all current and former hourly-paid, non-exempt employees of Defendant in the State of California during the PAGA Period. (*Id.* at ¶ 1.3; Moon Decl., ¶ 16.)

5. PAGA Period: means the period from May 18, 2024, through January 6, 2026. (Settlement, ¶ 1.31.)

6. Gross Settlement Amount: This amount is $475,000.00, subject to a potential increase under the Escalator Clause. (*Id.* at ¶ 3.0.) Defendant agrees to separately pay any and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments. (*Id.*) The Administrator will disburse the entire Gross Settlement Amount without asking or requiring Participating Class Members or Aggrieved Employees to submit any claim as a condition of payment. (*Id.*) None of the Gross Settlement Amount will revert to Defendant. (*Id.*)

7. Escalator Clause: It is estimated that there are 12,807 Workweeks through the November 7, 2025 mediation date. (*Id.* at ¶ 7.0.) If the actual number of Workweeks during the Class Period exceeds 12,807 by more than 10% (i.e. by more than 1,281 Workweeks), Defendant shall have the option of (a) increasing the Gross Settlement Amount by the percentage increase in the number of Workweeks worked by the Class Members above 10% (e.g. if the number of Workweeks increases by 11%, the Gross Settlement Amount will increase by 1%); or (b) rolling back the Class and PAGA Periods to the date in which 12,807 Workweeks is met. (*Id.*) Defendant shall inform Class Counsel of its selection within sixteen (16) court days of the Preliminary Approval Hearing. (*Id.*) If Defendant exercises option (b), it shall be prepared to inform the Court of the Class Period end date at the Preliminary Approval Hearing. (*Id.*)

8. Net Settlement Amount: means the Gross Settlement Amount less the following court-approved payments: Individual PAGA Payments, LWDA PAGA Payment, Class Counsel Fees Payment,

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(Settlement, ¶ 1.12.) January 6, 2026 is earlier than the date of preliminary approval. (Moon Decl., ¶ 2, n. 1.)

Class Counsel Expenses Payment, Class Representative Service Payment, and Administration Expenses Payment. (*Id.* at ¶ 1.27.) The remainder is to be paid to Participating Class Members as Individual Class Payments. (*Id.*)

9. Individual Class Payments: means the Participating Class Member's pro rata share of the Net Settlement Amount, calculated according to the number of Workweeks he or she worked during the Class Period. (*Id.* at ¶ 1.23.) "Workweek" means any week in which a Class Member worked for Defendant for at least one day during the Class Period. (*Id.* at ¶ 1.43.)

10. Individual PAGA Payment: means each Aggrieved Employee's pro rata share of 35% of the PAGA Penalties allocated pursuant to Labor Code section 2699(m) and calculated accordingly to the number of PAGA Pay Periods he or she worked during the PAGA Period. (*Id.* at ¶ 1.24.) "PAGA Pay Period" means any Pay Period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period. (*Id.* at ¶ 1.30.)

11. Tax Allocation of Individual Class Payments: Twenty percent (20%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for wages (the "Wage Portion"). (*Id.* at ¶ 3.1.3.2.) Eighty percent (80%) of each Participating Class Member's Individual Class Payment will be allocated to the settlement of claims for interest and penalties (the "Non-Wage Portion"), with forty percent (40%) as interest and forty percent (40%) as penalties. (*Id.*) One hundred percent (100%) of each Individual PAGA Payment will be allocated as penalties. (*Id.* at ¶ 3.1.4.2.)

12. Released Parties: means Defendant and any of its former and present direct and/or indirect parents, subsidiaries, divisions, predecessors, successors, assigns, joint venturers, corporate members, and affiliated companies, and their respective officers, directors, employees, partners, investors, shareholders, administrators, agents, successors, assigns, managers, agents, insurers and legal representatives. (*Id.* at ¶ 1.40.)

13. Released by Participating Class Members: All Participating Class Members fully and finally release and discharge the Released Parties from liability for all claims, rights, demands, liabilities and causes of actions that are alleged, or reasonably could have been alleged, based on the facts alleged in the operative complaint in the Action, or could have reasonably been alleged based on the facts alleged in the operative complaint in the Action during the Class Period, including: (i) any and all claims for

failure to pay minimum wages, (ii) any and all claims for failure to pay overtime (iii) any and all claims for failure to provide meal periods and/or pay meal premiums in lieu thereof at the correct regular rate of pay; (iv) any and all claims for failure to authorize and permit rest breaks and/or pay rest break premiums in lieu thereof at the correct regular rate of pay; (v) any and all claims for failure to reimburse business expenses, (vi) any and all direct and derivative claims for wages owed at separation of employment under Labor Code §§ 201-203; (vii) any and all direct and derivative claims for failure to furnish accurate itemized wage statements in accordance with Labor Code section 226, and including any associated claims for penalties under Labor Code section 226(e); (viii) and all claims for unfair business practices, related to the alleged Labor Code violations, the Industrial Welfare Commission Wage Orders, interest and attorney's fees and costs in connection therewith during the Class Period (collectively, the "Released Class Claims"). (*Id.* at ¶ 5.1.) The Released Class Claims exclude claims not permitted by law and are limited to claims arising during the Class Period. (*Id.* at ¶ 5.1.1.)

14. <u>Release by the State of California and LWDA:</u> Plaintiff, as the PAGA Representative, and as agent and proxy of the State of California (including the LWDA), and the State of California (including the LWDA and all individuals who seek to serve as agent and proxy of the State of California in bringing PAGA claims) shall be deemed to release and discharge, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims under the California Labor Code Private Attorneys General Act of 2004 for civil penalties that could have been premised on the facts alleged in the May 18, 2025 PAGA Letter to the LWDA (LWDA-CM-1103286-25) and the operative complaint, including, but not limited to, penalties that could have been awarded pursuant to Labor Code sections 201, 202 203, 226, 226(a), 226.3, 510, 512(a), 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 1199 2800, 2802, 2699, and the Industrial Welfare Commission Wage Orders (collectively, the "Released PAGA Claims"). (*Id.* at ¶ 5.2.) The Released PAGA Claims are limited to claims arising during the PAGA Period and do not release any Aggrieved Employees' claims for wages or statutory penalties. In light of the binding nature of a PAGA judgment on non-party employees under *Arias v. Sup. Ct.* (*Angelo Dairy*) (2009) 46 Cal.4th 969 and *Cardenas v. McLane Foodservice, Inc.* (2011) 796 F.Supp.2d 1246, individuals otherwise meeting the definition of an Aggrieved Employee who are eligible to receive an Individual PAGA Payment shall be

deemed to have released the Released PAGA Claims, regardless of whether his or her check for the Individual PAGA Payment is cashed or not, and regardless of whether he or she is a Non-Participating Class Member. (*Id.* at ¶ 5.2.1.)

15. Uncashed Settlement Checks: Each check will be voided 180 days after the date of mailing ("void date"). (*Id.* at ¶ 4.1.1.) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, or for any Class Member whose envelope is returned and no forwarding address can be located for the Class Member after reasonable efforts have been made, the Administrator shall transmit the funds represented by such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member, thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure ("CCP") section 384(b). (*Id.* at ¶ 4.1.3.)

16. PAGA Penalties: means the total amount of PAGA civil penalties to be paid from the Gross Settlement Amount in settlement of the Released PAGA Claims, not to exceed $40,000.00. (*Id.* at ¶ 1.34.) Plaintiff sent to Defendant and the LWDA a PAGA notices of his alleged Labor Code violations, and Plaintiff's respective PAGA administrative exhaustion period expired without the LWDA indicating any intent to investigate the alleged violations. (Moon Decl., ¶¶ 5, 13, Exh. 2.) A file-stamped copy of the Operative Complaint containing the Court-assigned case number was submitted to the LWDA. (*Id.* at ¶ 6.) The LWDA has not sought to intervene. (*Id.* at ¶ 12.) Further, the proposed Settlement Agreement was submitted to the LWDA, and to date, the LWDA has not indicated any objection thereto. (*Id.* at ¶ 12, Exh. 3.)

17. Class Representative Service Payment: means the court-approved payment allocated to the Class Representative for his services in support of the Action and General Release, not to exceed $7,500.00. (*Id.* at ¶¶ 1.14, 3.1.1.) If the Court approves Class Representative Service Payments less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount. (*Id.* at ¶ 3.1.1.)

18. Class Counsel Fees and Litigation Expenses Payments: The Settlement provides for a Class Counsel Fees Payment not to exceed one-third of the Gross Settlement Amount ($158,333.33), and a Class Counsel Expenses Payment not to exceed $26,000.00. (*Id.* at ¶ 3.1.2.) If the Court

approves a Class Counsel Fees Payment and/or a Class Counsel Litigation Expenses Payment less than the amounts requested, the Administrator will allocate the remainder to the Net Settlement Amount. (*Id.*) To date, Plaintiff's Counsel has incurred $18,047.88 in litigation costs. (Moon Decl., ¶ 13(c), Ex. 4.) Plaintiff's Counsel base the proposed award of fees on the "common fund" method. (Moon Decl., ¶ 51.)

19. Administration Expenses Payment: The Parties jointly appoint Apex Class Action Administration ("Apex") as the neutral entity to administer this Settlement. (Settlement, ¶ 1.1.) The Administrator will be paid from the Gross Settlement Amount in an amount up to $6,990.00, for its fees and expenses in administering this Settlement, including, but not limited to, to receive the Class Data and mail the Class Notice, receive and process any objections or opt-outs, and establish and maintain a website to post information of interest to Class Members, such as a copy of a final approval order and judgment. (*Id.* at ¶¶ 3.1.3, 6.0. *et seq*.) In the event the amount of actual and/or approved costs is less, the difference will revert to Participating Class Members. (*Id.* at ¶ 3.1.3.) Apex has submitted a will not exceed bid for $6,990.00 as costs. (Moon Decl., ¶ 13(d), Ex. 5.)

20. Class Data and Notice: No later than thirty (30) calendar days after the Court grants Preliminary Approval of the Settlement, Defendant will deliver the Class Data to the Administrator in the form of a Microsoft Excel spreadsheet (Settlement, ¶ 6.1.) No later than seven (7) calendar days after receiving the Class Data from Defendant, the Administrator will send all Class Members identified in the Class Data, via first-class United States Postal Service ("USPS") mail, the Class Notice in English and Spanish, substantially in the form attached to the Agreement. (*Id.* at ¶ 6.3, Ex. A.) Before mailing the Class Notices, the Administrator shall update Class Member addresses using the National Change of Address database (*Id.*) No later than three (3) business days after its receipt of any Class Notice returned by the USPS as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by USPS. (*Id.* at ¶ 6.4.) If USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. (*Id.*) The Administrator has no obligation to make further attempts to locate or send the Class Notice to Class Members whose Class Notice is returned by USPS a second time. (*Id.*)

21. Response Deadline and Procedure for Disputing Workweeks and/or Pay Periods, Opting Out, or Objecting: Class Members will have 60 calendar days from the date the Administrator mails the Class Notice to the Class to: (a) mail a Request for Exclusion from the Settlement; or (b) mail an Objection to the Settlement. (*Id.* at ¶ 1.42.) Class Members to whom a Class Notice is resent after having been returned undeliverable to the Administrator shall have an additional fourteen (14) calendar days beyond the Response Deadline to timely mail a Request for Exclusion or Objection. (*Id.*) A Class Member may exclude himself or herself from the Settlement by mailing a Request for Exclusion to the Administrator. (*Id.* at ¶ 6.12.1.) A Class Member and/or Aggrieved Employee may challenge the allocation by sending a Challenge to Calculation of Workweeks and/or Pay Periods to the Administrator. (*Id.* at ¶ 6.12.2.) A Participating Class Member may object to the Settlement by (1) appearing at the Final Approval Hearing and verbally objecting to the Settlement or any term thereof; and/or (2) sending a written Objection to the Administrator. (*Id.* at ¶ 6.12.3.)

22. Funding of the Gross Settlement Amount: The Gross Settlement Amount and all employer payroll taxes owed on the Wage Portions of the Individual Class Payments shall be fully funded by transmission of such funds to the Administrator within thirty (30) calendar days of the Effective Date. (*Id.* at ¶ 4.0.) "Effective Date" means the later of the following: (a) if no timely objections are filed or if all objections are withdrawn, the date upon which the Court enters Final Approval; (b) if an objection is filed and not withdrawn, the date for filing an appeal and no such appeal is filed; (c) if any timely appeals are filed, the day after the final resolution (or withdrawal) or any such appeal (including any request for rehearing and/or petitions for certiorari), in a way that does not alter the material terms of the settlement and results in final judicial approval of the Settlement. (*Id.* at ¶ 1.18.)

III. THE COURT SHOULD GRANT PRELIMINARY APPROVAL

The law favors the settlement of lawsuits, particularly in class actions and other complex cases. (*See, e.g.*, *Neary v. Regents of Univ. of Cal.* (1992) 3 Cal.4th 272, 277–81.) To prevent fraud, collusion, or unfairness to the class, the settlement of a class action requires court approval. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1800–01 [citing authority omitted].) To approve a settlement, the Court must find "the settlement is fair, adequate, and reasonable." (*Id.*) This Court has wide discretion in making this determination. (*Mallick v. Super. Ct.* (1979) 89 Cal.App.3d 434, 438.) Fairness, adequacy, and reasonableness are presumed, as here, when: "(1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are 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." (*Dunk,* 48 Cal.App.4th at p. 1802 [citing Newberg, Newberg on Class Actions (3rd ed. 1992) § 11.41].)

In evaluating a settlement, the trial court considers the following factors: (1) the strength of plaintiff's case; (2) the risk, expense, complexity, and likely duration of further litigation; (3) the risk of maintaining class action status through trial; (4) the settlement amount offered; (5) the extent of discovery completed and the stage of the proceedings; (6) counsel's experience and views; (7) the presence of a governmental participant; and (8) the class members' reaction to the proposed settlement. (*Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 128.) In order to approve a class action settlement, "the court must satisfy itself that the class settlement is within the 'ballpark' of reasonableness." (*Id*. at p. 133.) The record need not contain an explicit statement of the maximum theoretical recovery. (*Munoz v. BCI Coca-Cola Bottling Co. of L.A.* (2010) 186 Cal.App.4th 399, 408–09 [holding that *Kullar* does not require "an explicit statement of the maximum amount the plaintiff class could recover if it prevailed on all its claims," but instead, only an "understanding of the amount that is in controversy and the realistic range of outcomes of the litigation"].)

As discussed below, Plaintiff's Counsel have provided information exceeding the threshold required to provide this Court with materials and information necessary to determine that the proposed Settlement is fair, adequate, and reasonable.

A. <u>The Settlement is Fair, Reasonable, Adequate, and the Product of Investigation, Litigation, and Negotiation</u>

1. The Settlement is the Product of Discovery, Investigation, and Informed and Non-Collusive Arm's-Length Negotiations

Courts presume the absence of fraud or collusion in the negotiation of a settlement, unless evidence to the contrary is offered; thus, there is a presumption here that the negotiations were conducted in good faith. (Newberg, Newberg on Class Actions (3rd ed. 1992) § 11.51.) Settlement is favored, and settlement agreements are realistically assessed. (*Stamburgh v. Super. Ct.* (1976) 62 Cal.App.3d 231, 236; *Priddy v. Edelman* (6th Cir. 1989) 883 F.2d 438, 447 ["The fact that the plaintiff might have received more if the case had been fully litigated is no reason not to approve the settlement."].)

Mediation occurred on November 7, 2025. (Moon Decl., ¶ 10.) The settlement negotiations were at arm's length and, although conducted in a professional manner, were adversarial. (*Id.*) The Parties went into the mediation willing to explore the potential for a settlement of the dispute, but each side was also prepared to litigate their position through trial and appeal if a settlement had not been reached. (*Id.*) After extensive negotiations and discussions regarding the strengths and weaknesses of Plaintiff's claims and Defendant's defenses, the Parties reached a settlement, the material terms of which are encompassed within the Settlement. (*Id.*)

Prior to mediation, Plaintiff obtained from Defendant, through informal but extensive discovery, information sufficient to meaningfully evaluate the claims at issue in the action, including applicable written policies, the employee handbook in effect during the Class Period, Plaintiff's complete personnel file, sample of handwritten time records and corresponding payroll records for employees, and information regarding the estimated number of current and former employees, Workweeks, PAGA Pay Periods, and average hourly pay. (*Id.* at ¶ 8.) All of this information was reviewed and analyzed in preparation for mediation. (*Id.* at ¶ 9.) With the assistance of a statistics expert who reviewed the sample records, Plaintiff's Counsel prepared a damage analysis for mediation. (*Id.*) Based on the foregoing and their investigation of the applicable law regarding the claims and defenses at issue, Plaintiff's Counsel were able to evaluate the probability of class certification, success on the merits, and Defendant's maximum and realistic monetary exposure for all claims. (*Id.*) Accordingly, Plaintiff and his Counsel acted intelligently in negotiating the Settlement. (*Id.*)

Furthermore, Plaintiff's Counsel have considerable experience and demonstrated competence with litigating wage and hour class actions. (*Id.* at ¶¶ 33–48.) The experience of Plaintiff's Counsel was helpful in assessing the reasonableness of the Settlement at issue here, and from this experience

Plaintiff's Counsel concluded that this litigation could not have been settled on better terms than provided under the proposed Settlement. (Moon Decl., ¶ 49.) Again, this supports the conclusion that the terms of the Settlement are based on objective evidence that has been considered and weighed against the risks, expenses, and time consumption to both sides of continued litigation of this action.

2. The Settlement is Fair and Reasonable Considering the Parties' Respective Legal Positions

A settlement is not judged against what a plaintiff might recover had he prevailed at trial, nor does the settlement have to provide 100% of the damages sought to be fair and reasonable. (*Wershba v. Apple Comp., Inc.* (2001) 91 Cal.App.4th 224, 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.'"] [quoting *Air Line Stewards v. Am. Airlines, Inc.* (7th Cir. 1972) 455 F.2d 101, 109].)

Here, the Settlement obviates the significant risk that this Court may deny certification of all or some of Plaintiff's claims, particularly considering the arbitration agreement signed by Plaintiff containing a class action waiver. (Moon Decl., ¶ 25.) Furthermore, even if Plaintiff was able to pursue his claims on a class-wide basis and obtain certification of all or some of the claims, continued litigation would be expensive, involving a trial and possible appeals, and would substantially delay and reduce any recovery by the Class. (*Id.*) While Plaintiff is confident in the merits of his claims, a legitimate controversy exists as to each cause of action. (*Id.* at ¶ 23.) Plaintiff also recognizes that proving the amounts of wages owed to each Class Member would be an expensive, time-consuming, and uncertain proposition. (*Id.*)

Plaintiff's Counsel are also of the opinion that because the issues here are fairly contested, there is a possibility of the Court not awarding the PAGA penalties even if Plaintiff prevailed on the merits due to the largely discretionary nature of awarding PAGA penalties. (*Id.* at ¶ 24.) Indeed, under Labor Code section 2699, subdivision (e)(2), a Court can reduce PAGA penalties "if, based on the facts and circumstances of the particular case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory." (Lab. Code § 2699(e)(2).) In other words, were this matter to go to trial, any award granted would be at the discretion of the Court and subject to a substantial reduction. (Moon Decl., ¶ 24.)

Because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of not being able to recover anything. (*Id.* at ¶ 22.) This Settlement avoids the risks, burdens, and the accompanying expense of further litigation. (Moon Decl., ¶ 26.) Although the Parties have engaged in a significant amount of investigation, informal discovery, and class-wide data analysis, they have not conducted extensive formal discovery. (*Id.*) Moreover, preparation for class certification and a trial would remain for the Parties as well as the prospect of appeals in the wake of a disputed class certification ruling for Plaintiff and/or any summary judgment ruling. (*Id.*) As a result, the Parties would incur considerably more attorneys' fees and costs through trial. (*Id.*)

The proposed settlement of $475,000.00 therefore represents a substantial recovery when compared to the reasonably forecasted recovery of the Class. (*Id.* at ¶ 28.) When considering the risks of litigation, the uncertainties involved in continued litigation, the burdens of proof necessary to establish liability, and the probability of appeal, it is clear the Settlement amount of $475,000.00 is within the "ballpark" of reasonableness, and that preliminary settlement approval is appropriate. (*Id.*)

Indeed, the Net Settlement Amount available for settlement payments is no less than **$236,176.67** for an estimated Class size of **175 individuals**.[3] (*Id.* at ¶ 27.) As a result, it is estimated each Participating Class Member is eligible to receive an average benefit of approximately **$1,349.58** prior to tax withholdings on the wage portion of payments. (*Id.*) Considering Class Members' average hourly rate is $18.63, the average benefit is approximately **72.44 hours of work**. (*Id.*) Additionally, it is estimated there are **122 Aggrieved Employees** who are each receive an estimated average of **$114.75** from the total Individual PAGA Payments of $14,000.00, which results in an estimated **PAGA Pay Period value of $4.54** based on the estimated **3,084 PAGA Pay Periods** during the

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[3] The Net Settlement Amount is at least $475,000.00 less the following: $7,500.00 for the Class Representative Service Payment, $6,990.00 for the Administration Expenses Payment, $40,000.00 for the PAGA Penalties to the LWDA and to Aggrieved Employees, $158,333.33 for Class Counsel's attorneys' fees, and up to $26,000.00 for Class Counsel's litigation expenses. (Settlement, ¶¶ 1.27, 3.1. *et seq.*)

PAGA Period. (*Id.*) The actual amounts to Participating Class Members and Aggrieved Employees will vary based on each individual's duration of work during the Class Period or PAGA Period, respectively; thus, those who worked longer for Defendant during the relevant period will receive a benefit greater than the average estimated amount. (*Id.*) The high and low range of payments to Class Members will be calculated by the Administrator following preliminary approval and receipt and processing of the Class Data and will be provided to the Court in a motion for final approval. (*Id.*)

3. Plaintiff's Counsel Have Extensive Experience in Class Action and PAGA Litigation

The Settlement negotiations were conducted by highly capable and experienced counsel. (*Id.* at ¶¶ 33–48.) Plaintiff's Counsel have a strong record of vigorous and effective advocacy for their clients and are experienced in handling complex wage and hour class action litigation. (*Id.* at ¶¶ 33-48.) Although Plaintiff and his counsel were prepared to try the claims alleged in the litigation, they support the proposed Settlement as being in the best interest of the Class. (*Id.* at ¶¶ 10, 15.)

B. <u>The Proposed Class Notice of Settlement Should Be Approved</u>

The proposed Class Notice, in the form attached to the Settlement as Exhibit A, should be approved for dissemination to the Class. The Class Notice informs the Class of the terms of the Settlement and of their rights to be excluded from or object to the Settlement. (Settlement, Exh. A.) Accordingly, the proposed Class Notice meets all the requirements of rule 3.769(f) of the California Rules of Court. (Cal. Rules of Court, rule 3.769(f).)

C. <u>The Proposed Attorneys' Fees and Costs are Reasonable</u>

Subject to Court approval, the Settlement Agreement provides for attorneys' fees payable to Class Counsel in an amount up to one-third of the Gross Settlement Amount (currently estimated to be $158,333.33) for Plaintiff's Counsel's attorneys' fees, plus reimbursement for out-of-pocket litigation costs not to exceed $26,000.00. (Settlement, ¶ 3.1.2.) These amounts are disclosed to Class Members in the proposed Class Notice and are reasonable. (*Id.* at Exh. A.)

1. Counsel Will Request a Fees Award Based On the "Common Fund" Method

California courts have long awarded attorneys' fees as a percentage of the benefit created by counsel in pursuing claims on behalf of a class. (*See, e.g.*, *Serrano v. Priest* (1977) 20 Cal.3d 25.)

The California Supreme Court has held, "when a number of persons are entitled in common to a specific fund, and an action brought by a plaintiff or plaintiffs for the benefit of all results in the creation or preservation of that fund, such plaintiff or plaintiffs may be awarded attorney's fees out of the fund." (*Id.* at p. 34.)

Plaintiff's Counsel will seek an award of attorneys' fees on the "percentage of recovery/common fund" theory. (Moon Decl., ¶ 51.) The purpose of this approach is to "spread litigation costs proportionately among all the beneficiaries so that the active beneficiary does not bear the entire burden alone." (*Vincent v. Hughes Air W., Inc.* (9th Cir. 1977) 557 F.2d 759, 769.) In *Quinn v. State of California* (1975) 15 Cal.3d 162, the California Supreme Court stated, "one who expends attorneys' fees in winning a suit which creates a fund from which others derive benefits, may require those passive beneficiaries to bear a fair share of the litigation costs." (*Id.* at p. 167.) Similarly, in *City and County of San Francisco v. Sweet* (1995) 12 Cal.4th 105, the California Supreme Court recognized that the common fund doctrine has been applied "consistently in California when an action brought by one party creates a fund in which other persons[ ] are entitled to share." (*Id.* at pp. 110–11 [pincite omitted].)

The California Supreme Court recently affirmed in *Laffitte v. Robert Half International Inc.* (2016) 1 Cal.5th 480 that, "when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created." (*Id.* at p. 503.) The court explained: "The recognized advantages of the percentage method—including relative ease of calculation, alignment of incentives between counsel and the class, a better approximation of market conditions in a contingency case, and the encouragement it provides counsel to seek an early settlement and avoid unnecessarily prolonging the litigation[ ]—convince us the percentage method is a valuable tool that should not be denied our trial courts." (*Id.* [internal citations omitted].) This line of legal authority supports a request for attorneys' fees based on the percentage of recovery/common fund method.

2. The Requested Fee Award is in Line with Typical Cases

According to a leading treatise on class actions: "No general rule can be articulated on what is a reasonable percentage of a common fund. Usually 50% of the fund is the upper limit on a reasonable fee award from a common fund in order to assure that the fees do not consume a disproportionate part of the recovery obtained for the class, although somewhat larger percentages are not unprecedented." (Newberg, Newberg on Class Actions (3rd ed. 1992) § 14.03.) Attorneys' fees that are fifty percent of the fund are typically considered the upper limit, with thirty to forty percent commonly awarded in cases where the settlement is relatively small. (*Id.*; *see also Van Vranken v. Atlantic Richfield Co.* (N.D. Cal. 1995) 901 F.Supp. 294, 297 [stating that most cases where 30–50% was awarded involved "smaller" settlement funds of under $10 million].)

Here, Plaintiff's Counsel request fees equal to one-third of the Gross Settlement Amount, which is in line with the prevailing guidelines established in California case law and academic literature and is consistent with awards in California. (*Compare* Settlement, ¶ 3.1.2, *with Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, n.11 ["Empirical studies show that, regardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery."].) Accordingly, Plaintiff requests the Court preliminarily approve their counsel's ability to request attorneys' fees as negotiated by the Parties.

3. This Matter Involves a "Fee-Shifting" Provision of the Labor Code

Labor Code sections 218.5, 226, 1194, 2699, and 2802 provide for the recovery of reasonable fees and costs of suit, for the claims made in this action. (Lab. Code §§ 218.5, 226, 1194, 2699(k)(1), 2802(d).) Under these sections, Plaintiff would be permitted to recover his actual attorneys' fees, even if those fees were larger than the total class recovery at the conclusion of this case. (*Id.*) This Settlement is beneficial in that it limits the risk of continued expenses and consumption of time, energy, and resources facing Defendant while at the same time rewarding Plaintiff's Counsel for their decision to assume risk by taking on this matter. (*See* Moon Decl., ¶ 26.) In fact, prosecution of this action involved significant financial risk for Plaintiff's Counsel as they undertook this matter solely on a contingent basis, with no guarantee of recovery. (*Id.* at ¶¶ 52–57.) Once Counsel undertook this litigation on behalf of the Class, they committed to pursue it to its conclusion, placing their fiduciary duty to the Class ahead of all other concerns. (*Id.* at ¶ 54.)

4. Counsel's Experience, Reputation, and Ability Support the Requested Fees

As demonstrated by their past experience in pursuing class actions on behalf of consumers and employees, Plaintiff's Counsel possess considerable expertise in litigating class actions. (*Id.* at ¶¶ 33–48.) Plaintiff's Counsel have been involved as lead counsel or co-counsel in numerous class actions that resulted in millions in recovery. (*Id.* at ¶¶ 33-48.) Because it is reasonable to compensate Plaintiff's Counsel commensurate with their skill, reputation, and experience, the requested fee award is supported here.

Plaintiff's Counsel's experience in wage and hour class actions was integral in evaluating the strengths and weaknesses of the case against Defendant and the reasonableness of the settlement. (*Id.* at ¶ 49.) Practice in the narrow field of wage and hour litigation requires skill and knowledge concerning the rapidly evolving substantive law (state and federal), as well as the procedural law of class action litigation. (*Id.* at ¶ 47) Based on these and other factors, Plaintiff's Counsel have frequently received fee awards of this percentage from the gross recovery for the class. (*See id.* at ¶¶ 37, 42, 46.) Therefore, the requested fee award is fair, reasonable, and adequate.

D. <u>The Service Payment to Named Plaintiff is Reasonable</u>

Named plaintiffs in class action lawsuits "are eligible for reasonable incentive payments to compensate them for the expense or risk they have incurred in conferring a benefit on other members of the class." (*Munoz*, *supra*, 186 Cal.App.4th at p. 412.) Courts routinely grant approval of class action settlement agreements containing enhancements for the class representatives, which are necessary to provide incentive to represent the class and are appropriate given the benefit the class representatives help to bring about for the class. (*See Rodriguez v. W. Publ'g Corp*. (9th Cir. 2009) 563 F.3d 948, 958–59.)

Service awards are particularly important to plaintiffs in wage and hour cases because they promote the important public policies underlying the wage and hour laws. This strong policy is codified in California Labor Code section 90.5, which provides, "[i]t is the policy of this state to vigorously enforce minimum labor standards in order to ensure employees are not required or permitted to work under substandard unlawful conditions . . .” (Lab. Code § 90.5.) Nonetheless, the California Supreme Court has noted that “retaliation against employees for asserting statutory rights under the Labor Code is widespread,” despite anti-retaliation statutes designed to protect employees. (*Gentry v. Super. Ct.* (2007) 42 Cal.4th 443, 460–61.) In this context, class representatives should be rewarded for assuming the risk of retaliation for the sake of class members. (*See Frank v. Eastman Kodak Co.* (W.D.N.Y. 2005) 228 F.R.D. 174, 187.)

Under the Settlement here, subject to the Court’s approval, a Class Representative Service Payment will be paid to Plaintiff in an amount up to $7,500.00. (Settlement, ¶ 3.1.1.) This award is in recognition of Plaintiff initiating the action and providing services in support of the action. (*Id.* at ¶ 1.14.) Plaintiff is also providing a general release of claims against Defendant, including a waiver of Plaintiff’s rights under California Civil Code section 1542. (*Id.* at ¶ 5.0.) Plaintiff has devoted a great deal of time and work assisting counsel in the case and communicated with counsel frequently for litigation and to prepare for the mediation session. (Moon Decl., ¶¶ 29–32; Plaintiff Decl., ¶¶ 12–23.) The requested award is fair and reasonable, particularly considering the substantial benefits Plaintiff generated for all Class Members. (Moon Decl., ¶¶ 29–32.)

When compared with the amounts awarded in typical class action cases, the amount requested here is particularly reasonable. A 2006 study examining the average incentive award given to class action plaintiffs from 1993 to 2002 found that the “average award per class representative was $15,992 and the median award per class representative was $4357.” (Eisenberg & Miller, *Incentive Awards to Class Action Plaintiffs: An Empirical Study* (2006) 53 UCLA L. Rev. 1303, 1307–08.) The same study found that named plaintiffs in employment discrimination class actions received an average award of $69,850 and a median award of $31,081, while named plaintiffs in other employment class actions received an average award of $12,121 and a median award of $13,059. (*Id.* at p. 1333.) The authors of the study found that higher awards in employment cases reflected the “courts’ wish to make representative plaintiffs whole by compensating them for the high costs of their service to the class, including risks of stigmatization or retaliation on the job.” (*Id.* at p. 1308.)

IV. CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED

A. Legal Standard

The proposed Settlement Class is well suited for class certification. All of the claims derive from a core set of alleged violations of California's wage and hour laws and regulations. (Moon Decl., ¶¶ 4-5.) For the reasons set forth more fully below, the Class, for purposes of Settlement, satisfies the prerequisites for certification under Code of Civil Procedure section 382. (Code Civ. Proc. § 382.) Section 382 provides that "when the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court, one or more may sue or defend for the benefit of all." (*Id.*) There are two requirements to section 382: "(1) there must be an ascertainable class[ ]; and (2) there must be a well defined community of interest in the questions of law and fact involved affecting the parties to be represented." (*Daar v. Yellow Cab Co*. (1967) 67 Cal. 2d 695, 704 [internal citations omitted].) To clarify these requirements, the California Supreme Court has looked to Federal Rule of Civil Procedure 23 to explain that the community-of-interest requirement itself embodies three factors: "(1) predominant common questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class." (*Richmond v. Dart Indus., Inc*. (1981) 29 Cal. 3d 462, 470.)

California law and policy favor the fullest and most flexible use of the class action device. (*Id.* at pp. 469–73.) Indeed, "Courts long have acknowledged the importance of class actions as a means to prevent a failure of justice in our judicial system" particularly where the rights of consumers are at issue. (*Linder v. Thrifty Oil Co*. (2000) 23 Cal. 4th 429, 434.) Any doubt as to the appropriateness of class treatment should be resolved in favor of certification. (*Richmond*, *supra,* 29 Cal.3d at pp. 473–75.)

B. Plaintiff Maintains that the Criteria for Class Certification are Satisfied

1. The Class is Ascertainable and Numerous

When determining whether a class is ascertainable, California courts focus on the following three factors: "(1) the class definition, (2) the size of the class and (3) the means of identifying class members." (*Miller v. Woods* (1983) 148 Cal.App.3d 862, 873.) Here, the proposed Class that Plaintiff seeks to represent is ascertainable because (1) the Class definition is sufficiently precise, (2) the Class consists of approximately 175 individuals, and (3) Class Members can be readily identified by looking at Defendant's records. (Settlement, ¶¶ 1.4, 1.8.) Plaintiff maintains there is an easily ascertainable Class, defined by objective and precise criteria. (*Id.*) Because Class Members are identified using specific criteria in the regular business records of Defendant—their employment by Defendant in California, non-exempt classification, and actual work during the Class Period—the Class is ascertainable. (*See Wilner v. Sunset Life Ins. Co*. (2000) 78 Cal.App.4th 952, 959–60 [class membership defined by ownership of product that is the subject of the lawsuit is sufficient to make the class ascertainable].)

"The requirement of Code of Civil Procedure section 382 that there be 'many' parties to a class action suit is indefinite and has been construed liberally." (*Rose v. City of Hayward* (1981) 126 Cal.App.3d 926, 934.) "Where a question is of common interest to 'many' persons, an action may be maintained as a class action even where the parties are numerous and it is in fact practicable to join them all." (*Id.*) "No set number is required as a matter of law for the maintenance of a class action." (*Id.*) "Thus, our Supreme Court has upheld a class representing the 10 beneficiaries of a trust in an action for removal of the trustees." (*Id.* [citing *Bowles v. Super. Ct.* (1955) 44 Cal.2d 574]; *see also Collins v. Rocha* (1972) 7 Cal.3d 232 [upholding a class of 9 plaintiffs and 35 members].) Therefore, numerosity is plainly satisfied.

2. There are Many Common Issues of Law and Fact Which Predominate

To satisfy the community of interest requirement, Parties must show (1) common questions of law and fact that predominate over individual issues, (2) class representatives have claims or defenses typical of the class, and (3) class representatives adequately represent the class. (*Dunk*, *supra*, 48 Cal.App.4th at p. 1806.) This inquiry tests whether proposed classes are sufficiently cohesive to rationally warrant adjudication by representation. (*See, e.g.*, *Clothesrigger, Inc. v. GTE Corp*. (1987) 191 Cal.App.3d 605, 611–12.)

Here, Plaintiff's claims satisfy all three requirements. The employment practices at issue include whether Defendant: had legally compliant policies and practices to pay employees all minimum and overtime wages owed; had legally compliant policies and practices to provide employees with and authorize meal and rest periods; had legally compliant policies to reimburse employees for all necessary expenditures or losses incurred by employees in direct consequence of the discharge of their duties; paid all wages to employees during employment and at the time of termination; intentionally failed to pay all final wages; provided inaccurate itemized wage statements; engaged in unfair business practices; and violated civil penalty provisions recoverable under PAGA. (Moon Decl., ¶¶ 4-5.) Plaintiff contends the factual and legal issues are the same for all Class Members, including Plaintiff, and further, that all Class Members suffered from and seek redress for the same alleged injuries. (Plaintiff Decl., ¶¶ 3–7.) Considering Class Members would need to prove the same issues of law and fact to prevail, and their legal remedies are identical, it would be preferable to resolve all claims through a settlement agreement than to force each Class Member to litigate their own individual claims. Thus, the Court should grant conditional class certification for settlement purposes because common questions of law and fact predominate over any individual questions within the Class.

3. Plaintiff's Claims are Typical of the Claims of the Class

The typicality requirement does not focus on the individual characteristics or circumstances of the representative plaintiff compared to those of the remainder of the class, but rather, upon the typicality of the proposed representative's claims as they relate to the defendant's conduct and activities. (*Classen v. Weller* (1983) 145 Cal.App.3d 27, 47 ["The only requirements a re [sic] that common questions of law and fact *predominate* and that the class representative be *similarly* situated" vis-à-vis the class.] [emphasis in original].) A representative plaintiff's claims are typical of the class if they arise from the same event, practice, or course of conduct, and if the claims rest on the same legal theories. (*Id.*) That is precisely the case here. Plaintiff is a former employee of Defendant; as such, he alleges he was subject to the same policies and practices as other similarly situated employees. (Plaintiff Decl., ¶¶ 2, 7.)

4. Plaintiff and His Counsel Meet the Adequacy Requirement

The adequacy of representation requirements is met by fulfilling two conditions: (1) a named plaintiff must be represented by counsel qualified to conduct the pending litigation, and (2) a named plaintiff's interests cannot be antagonistic to those of the class. (*McGhee v. Bank of Am.* (1976) 60

Cal.App.3d 442, 450.) Here, all requirements are met. Plaintiff retained counsel with extensive experience in prosecuting complex class actions, including similar class actions that previously settled. (Moon Decl., ¶¶ 33–48.) With their experience, Plaintiff's Counsel unquestionably are "qualified, experienced and generally able to conduct the proposed litigation." (*Miller*, *supra*, 148 Cal.App.3d at p. 874.) In addition, Plaintiff has no known conflicts, and Plaintiff has, with counsel, litigated this case and diligently reviewed the settlement terms, showing dedication. (Plaintiff Decl., ¶¶ 9–22.) Plaintiff's willingness to serve as the representative demonstrates his serious commitment to bringing about the best results possible for the Class. (*Id.* at ¶¶ 12-22.)

5. A Class Action is Superior to a Multiplicity of Litigation

Finally, in making its class certification decision, the Court must determine that a class action would be superior to alternative means for the fair and efficient adjudication of the litigation. (*See Leyva v. Medline Indus. Inc.* (9th Cir. 2013) 716 F.3d 510, 514–15.) By consolidating many potential individual actions into a single proceeding, this Court's use of the class action device enables it to manage this litigation in a manner that serves the economics of time, effort, and expense for the litigants and the judicial system. (*Id.*) Absent class treatment, similarly situated employees with small, but nevertheless meritorious, claims for damages would, as a practical matter, have no means of redress because of the time, effort, and expense required to prosecute individual actions. (*Id.* at p. 515; *Gentry*, *supra*, 42 Cal.4th at pp. 457–62.) Moreover, in the context of settlement, the superiority concerns are essentially non-existent. (*See generally, e.g.*, *Stamburgh*, *supra*, 62 Cal.App.3d.)

V. <u>THE PROPOSED CLASS NOTICE IS CONSTITUTIONALLY SOUND</u>

A. <u>The Proposed Class Notice Plan Satisfies Due Process</u>

Class Notice requirements are set forth in the California Rules of Court. (Cal. Rules of Court, rule 3.766(e)–(f).) California law vests the Court with broad discretion in fashioning an appropriate notice program. (*Cartt v. Super. Ct.* (1975) 50 Cal.App.3d 960, 970, 973–74.) There is no statutory or due process requirement that all class members receive actual notice, but in this matter, the Class Members will receive direct mailed notice. (Settlement, ¶ 6.3.) As the Court of Appeals has explained, "[t]he notice given should have a reasonable chance of reaching a substantial percentage of the Class Members . . ." (*Cartt*, 50 Cal.App.3d at p. 974.) In this case, notice of the proposed

Settlement will be provided by direct mailing, the best possible form of notice under the circumstances. (Settlement, ¶ 6.3.)

B. <u>The Class Notice Is Accurate and Informative</u>

The proposed Class Notice should be approved. It will be disseminated through direct U.S. first-class mail to the current address for each Class Member. (*Id.* at ¶ 6.3.) It informs the Class Members of the terms of the Settlement and their right to be excluded from the Settlement. (*Id.* at ¶¶ 1.11, 6.12.1. Exh. A.) And if there are Class Members who wish to object to the proposed Settlement, they will have the opportunity to submit written objections and/or be heard at the Final Approval Hearing. (*Id.* at ¶ 6.12.3.)

The Class Notice also fulfills the requirement of neutrality in class notices. (Newberg, Newberg on Class Actions (3rd ed. 1992) § 8.39.) It summarizes the proceedings to date and the terms and conditions of the Settlement in an informative and coherent manner. (Settlement, Exh. A.) It makes clear the Settlement does not constitute an admission of liability by Defendant, who denies all liability, and it recognizes that this Court has not ruled on the merits of the action. (*Id.*) It also states that the final approval decision has yet to be made, and provides the date, time, and location of the Final Approval Hearing. (*Id.*) Accordingly, the Class Notice complies with the standards of fairness, completeness, and neutrality required of a combined settlement-certification class notice.

VI. <u>CONCLUSION</u>

For the foregoing reasons, Plaintiff respectfully requests the Court grant this motion, enter the proposed order submitted herewith regarding preliminary approval, and set a final approval hearing no earlier than 120 days from the preliminary approval order.

Respectfully submitted,

Dated: February 18, 2026 **MOON LAW GROUP, PC**

By: ______________________________

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