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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

LUIS SANCHEZ, individually, and on behalf of
other members of the general public similarly
situated;

Plaintiff,

v.

SOUTHWEST WINE & SPIRITS, LLC dba
WALLY'S WINE & SPIRITS, a Delaware
limited liability company; and DOES 1 through
100, inclusive;

Defendants.

Case No.: 24STCV27821

Assigned for All Purposes to:
Honorable David S. Cunningham III
Department 11

CLASS ACTION

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

[Declaration of Proposed Class Counsel (Douglas
Han); Declaration of Proposed Class
Representative (Luis Sanchez); Declaration of
Nick Castro; Declaration of Alexander Spellman;
and [Proposed] Order filed concurrently herewith]

Hearing Date: November 4, 2026
Hearing Time: 10:00 a.m.
Hearing Place: Department 11

Complaint Filed: October 23, 2024
FAC Filed: January 13, 2024
SAC Filed: October 13, 2025
Trial Date: None Set

1 **PLEASE TAKE NOTICE** that on November 4, 2026 at 10:00 a.m., or as soon as the
2 matter may be heard, before the Honorable David S. Cunningham III in Department 11 of the Los
3 Angeles County Superior Court located at 312 North Spring Street, Los Angeles, California 90012,
4 Plaintiff Luis Sanchez (“Plaintiff”) will and hereby does move for an order:

- 5 • Granting Preliminary Approval of the class action settlement described herein and
6 as set forth in the Class Action and PAGA Settlement Agreement (“Settlement
7 Agreement,” “Settlement,” or “Agreement”), attached as **Exhibit 2** to the
8 Declaration of Douglas Han, including, and not limited to, the means of allocation
9 and distribution of funds;
- 10 • Approving the Court Approved Notice of Class Action Settlement and Hearing
11 Date for Final Court Approval (“Class Notice”) attached as **Exhibit A** to the
12 Settlement Agreement;
- 13 • Directing the mailing of the Class Notice with a postage-paid return envelope to
14 the Class Members;
- 15 • Approving the proposed deadlines for the settlement administration process;
- 16 • Conditionally certifying the Class for settlement purposes only;
- 17 • Appointing Justice Law Corporation as Class Counsel;
- 18 • Approving ILYM Group, Inc. as the Administrator;
- 19 • Appointing Plaintiff as the class representative; and
- 20 • Scheduling a hearing to consider whether to grant Final Approval of the Settlement
21 Agreement, at which time the Court will also consider whether to grant Final
22 Approval of the requests for the Class Counsel Fees Payment, Class Counsel
23 Litigation Expenses Payment, Class Representative Service Payment,
24 Administration Expenses Payment, and approval of the allocation of the Private
25 Attorney General Act of 2004 (“PAGA”) Penalties.

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

7
8 Dated: May 20, 2026

JUSTICE LAW CORPORATION

9 By: 
10 Douglas Han
11 *Attorneys for Plaintiff*
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1 **I. INTRODUCTION**

2 This motion seeks preliminary approval of a non-reversionary proposed wage-and-hour
3 class action settlement for all current and former hourly-paid or non-exempt employees of
4 Defendant Southwest Wine & Spirits dba Wally’s Wine & Spirits (“Defendant”) within the State
5 of California at any time from October 23, 2020, through November 22, 2025 (“Class,” “Class
6 Members,” and “Class Period”). At the time of mediation (September 18, 2025), the number of
7 Class Members is estimated to be seven hundred forty-five (745), which was confirmed by
8 Defendant. (Declaration of Douglas Han in Support of Motion for Preliminary Approval of Class
9 Action Settlement (“Han Decl.”), ¶¶ 8, 9.)

10 **II. BACKGROUND**

11 On October 23, 2024, Plaintiff filed a wage-and-hour class action lawsuit in the Superior
12 Court of California, County of Los Angeles, alleging eight (8) causes of action. (Han Decl., *supra*,
13 at ¶ 10.)

14 On January 13, 2025, Plaintiff filed an amended complaint that removed all causes of
15 action except for violation of Business and Professions code section 17200. (Han Decl., *supra*, at
16 ¶ 11.)

17 After engaging in discovery, investigations, and negotiations, on September 18, 2025, the
18 Parties attended mediation with the mediator Michael Ludwig that resulted in the settlement of
19 this matter via a mediator’s proposal. (Han Decl., *supra*, at ¶ 12.)

20 On September 26, 2025, Plaintiff provided written notice to the California Labor and
21 Workforce Development Agency and Defendant. (Han Decl., *supra*, at ¶ 13; Exhibit 3.)

22 On October 13, 2025, Plaintiff filed a second amended complaint adjusting the “class”
23 definition, reasserting the original seven (7) causes of action that were removed from the
24 complaint, and adding a cause of action for violation of Labor Code section 2698 (PAGA). (Han
25 Decl., *supra*, at ¶ 14; Exhibit 4.)

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1 **III. INVESTIGATION/ LITIGATION HISTORY**

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

3 After initiating this lawsuit, the Parties engaged in discovery. (Han Decl., *supra*, at ¶ 16.)
4 The Parties met and conferred and agreed to engage in the informal exchange of information and
5 then eventually attended mediation. (*Ibid.*)

6 Prior to the mediation, Defendant produced documents relating to its policies, practices,
7 and procedures. (Han Decl., *supra*, at ¶ 17.) As part of Defendant’s production, Class Counsel
8 reviewed time records, pay records, and information relating to the size and scope of the Class.
9 (*Ibid.*) Putative class members were also located and interviewed to attain a better understanding
10 of the extent and frequency of the alleged day-to-day violations. (*Ibid.*)

11 Based on the information provided by Defendant and interviews with putative class
12 members, Plaintiff contends – and Defendant denies – Defendant: (1) failed to provide employees
13 with legally mandated meal and rest breaks; (2) failed to pay employees for all hours worked; (3)
14 failed to include non-discretionary bonuses in employees’ regular rate of pay; (4) failed to
15 reimburse employees for necessary business expenses; (5) issued noncompliant wage statements;
16 and (6) is liable for waiting time penalties. (Han Decl., *supra*, at ¶¶ 19-26.)

17 **b. The Parties Were Able to Reach an Agreement**

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

19 The Parties attended mediation with an experienced mediator. (Han Decl., *supra*, at ¶ 27.)
20 Under the auspices of the mediator, the Parties reached a settlement via a mediator’s proposal, the
21 terms of which were memorialized in the Settlement Agreement. (*Id.* at ¶ 27; Exhibits 2, 5.)

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

23 The Settlement Agreement was reached because of arm’s-length negotiations. (Han Decl.,
24 *supra*, at ¶ 30.) Though cordial and professional, the settlement negotiations have always been
25 adversarial and non-collusive in nature. (*Ibid.*) At the mediation, the Parties’ counsel conducted
26 extensive arm’s-length settlement negotiations until an agreement was ultimately reached. (*Ibid.*)

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1 Plaintiff and Class Counsel recognize the expense and length of additional proceedings
2 necessary to continue the litigation through trial and any possible appeals. (Han Decl., *supra*, at ¶
3 31.) Plaintiff and Class Counsel also considered the uncertainty and risk of further litigation,
4 potential outcome, and difficulties and delays inherent in such litigation. (*Ibid.*) Based on the
5 foregoing, Plaintiff and Class Counsel believe that the Settlement Agreement is a fair, adequate,
6 and reasonable settlement and is in the best interests of the Class Members. (*Ibid.*)

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

8 The Parties investigated and evaluated the strengths and weaknesses of the claims and
9 defenses before reaching the Settlement Agreement and engaged in research and discovery to
10 support the Settlement Agreement. (Han Decl., *supra*, at ¶ 32.) The Settlement Agreement was
11 only possible following an investigation and evaluation of the relevant policies and practices,
12 permitting Class Counsel to engage in an analysis of liability and potential damages. (*Ibid.*) This
13 case has reached the stage where the Parties understand “the strength of the case; the
14 reasonableness of the settlement in light of the attendant risks of litigation, and in light of the best
15 possible recovery” sufficient to support the reasonableness, adequacy, and fairness of the
16 Settlement Agreement. (Han Decl., *supra*, at ¶ 32; *Boyd v. Bechtel Corp.* (N.D.Cal. 1979) 485
17 F.Supp. 610, 617.)

18 **c. Terms of the Settlement**

19 **i. Deductions from the Settlement**

20 The Parties agreed that (subject to the Court’s approval) this matter be settled and
21 compromised for the non-reversionary sum of \$719,000 (“Gross Settlement Amount”) which
22 includes: (1) Class Counsel Fees Payment up to \$239,666.67 (1/3 of the Gross Settlement
23 Amount); (2) Class Counsel Litigation Expenses Payment up to \$30,000; (3) Class Representative
24 Service Payment up to \$7,500; (d) Administration Expenses Payment up to \$15,000; and (e)
25 PAGA Penalties up to \$50,000. (Han Decl., *supra*, at ¶ 28.)

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1 **ii. Calculating Settlement Payments**

2 After all the Court-approved deductions from the Gross Settlement Amount, it is estimated
3 that \$376,833.33 (“Net Settlement Amount”) will be paid to the Participating Class Members –
4 with a gross *average* Individual Class Payment estimated at \$505.82. (Han Decl., *supra*, at ¶ 29.)

5 The Participating Class Members will receive a proportionate share of the Net Settlement
6 Amount as their Individual Class Payments using the formula set forth in the Settlement
7 Agreement. (Han Decl., *supra*, at ¶ 27; Exhibit 2, *supra*, at § C(2)(e).) The Individual Class
8 Payments will be allocated twenty percent (20%) to the settlement of wage claims and eighty
9 percent (80%) to the settlement of claims for interests and penalties. (*Ibid.*)

10 The portion of the PAGA Penalties that is to be paid to each Aggrieved Employee as their
11 Individual PAGA Payments shall be determined using the formula set forth in the Settlement
12 Agreement. (Han Decl., *supra*, at ¶ 27; Exhibit 2, *supra*, at § C(2)(d).) The Individual PAGA
13 Payments will be allocated as one hundred percent (100%) penalties. (*Ibid.*)

14 **iii. Notice to the Class**

15 No later than fourteen (14) calendar days after the Court grants Preliminary Approval of
16 the Settlement, Defendant will deliver the Class Data to the Administrator. (Han Decl., *supra*, at ¶
17 27; Exhibit 2, *supra*, at § G(4)(a).) No later than fourteen (14) calendar days after receiving the
18 Class Data, the Administrator will send the Class Notice with a translation to all the Class Members
19 identified in the Class Data via first-class United States Postal Service mail. (*Id.* at § G(4)(c).)

20 **iv. Distribution of Funds**

21 The Gross Settlement Amount will be funded and distributed pursuant to the timeline and
22 manner set forth in the Settlement. (Han Decl., *supra*, at ¶ 27; Exhibit 2, *supra*, at §§ D(2), D(3).)
23 The uncashed settlement checks will be canceled and transmitted to the California Controller’s
24 Unclaimed Property Fund in the name of the Class Member. (*Id.* at §§ D(3)(a), D(3)(c).)

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1 **v. Release of Claims**

2 Effective on the date when Defendant fully funds the Gross Settlement Amount and funds
3 all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all the
4 Participating Class Members, on behalf of themselves and their former and present representatives,
5 agents, attorneys, heirs, administrators, successors, and assigns, release the Released Parties from
6 the Released Class Claims. (Han Decl., *supra*, at ¶ 27; Exhibit 2, *supra*, at § E(2).)

7 Effective on the date when Defendant fully funds the Gross Settlement Amount and funds
8 all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, all the
9 Participating and Non-Participating Class Members, who are Aggrieved Employees, are deemed
10 to release, on behalf of themselves and their former and present representatives, agents, attorneys,
11 heirs, administrators, successors, and assigns, the Released Parties from the Released PAGA
12 claims. (Han Decl., *supra*, at ¶ 27; Exhibit 2, *supra*, at § E(3).)

13 Effective on the date when Defendant fully funds the Gross Settlement Amount and funds
14 all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiff
15 and his former and present spouses, representatives, agents, attorneys, heirs, administrators,
16 successors, and assigns generally release and discharge the Released Parties from the Plaintiff's
17 Release. (Han Decl., *supra*, at ¶ 27; Exhibit 2, *supra*, at § E(1).) Furthermore, Plaintiff expressly
18 waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the Civil
19 Code. (*Ibid.*)

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

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

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

8 **IV. ARGUMENT**

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

10 Rules of Court, rule 3.769 requires court approval for class action settlements.² "Before
11 final approval, the court must conduct an inquiry into the fairness of the proposed settlement."
12 (Rules of Court, rule 3.769(g).) Rule 3.769 further requires a noticed motion for preliminary
13 approval of class settlements:

- 14 (a) A settlement or compromise of an entire class action, or a cause of action
15 in a class action, or as to a party, requires the approval of the court after
16 hearing.
17 ...
18 (b) Any party to a settlement agreement may serve and file a written notice of
19 motion for preliminary approval of the settlement. The settlement
20 agreement and proposed notice to class members must be filed with the
21 motion, and the proposed order must be lodged with the motion.

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

29 ² The California Supreme Court has authorized California's trial courts to use Federal Rule
30 23 and cases applying it for guidance in considering class issues. (*Vasquez v. Superior Court*
31 (1971) 4 Cal.3d 800, 821; *Green v. Obledo* (1981) 29 Cal.3d 126, 145-146.) Where appropriate,
32 the Parties cite Federal Rule 23 and federal case law in addition to California law.

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

5 **b. The Settlement Is a Reasonable Compromise of Claims**

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

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

23 **i. The Settlement Amount of \$719,000 Is Fair and Reasonable**

24 The Settlement Agreement was only possible following an investigation and evaluation of
25 the relevant policies and procedures, as well as the data produced, as referenced in Section III
26 above, permitting Class Counsel to engage in an analysis of liability and potential damages. (Han
27 Decl., *supra*, at ¶ 32.)

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1 The claims are predicated on the alleged: (1) failure to pay overtime wages; (2) failure to
2 pay minimum wages; (3) failure to provide meal and rest breaks and pay applicable premium
3 wages; (4) failure to timely pay wages; (5) failure to issue compliant wage statements; (6) failure
4 to reimburse business expenses; (7) violation of PAGA; and (8) violation of Business &
5 Professions Code section 17200. (Han Decl., *supra*, at ¶ 33.) Defendant vehemently denies the
6 theories of liability. (*Id.* at ¶ 34.)

7 While Plaintiff believes that the case is suitable for certification, uncertainties with respect
8 to certification are always present. (Han Decl., *supra*, at ¶ 35.) As the California Supreme Court
9 ruled in *Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, class certification is
10 always a matter of the trial court's sound discretion. (*Ibid.*) Decisions following *Sav-On Drug*
11 *Stores, Inc.* have reached different conclusions regarding certification of wage-and-hour claims.³
12 (Han Decl., *supra*, at ¶ 35.) Thus, the calculations for potential damages were discounted.

13 **ii. The PAGA Penalties of \$50,000 Are Reasonable**

14 The provisions of the Labor Code potentially triggering the PAGA penalties include Labor
15 Code sections 96, 98.6, 200, 201, 201.5, 202, 203, 204, 210, 212, 218.5, 221, 223, 226, 226.3,
16 226.7, 227.3, 229, 232, 232.5, 245, 246(l), 350, 351, 352, 353, 354, 355, 356, 432, 432.3, 432.5,
17 432.7, 438.8, 510, 512(a), 558, 1102.5, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1527,
18 2800, and 2802. (Han Decl., *supra*, at ¶ 44.) Defendant asserted that, regardless of the results of
19 the underlying causes of action, the PAGA penalties are not mandatory but permissive and
20 discretionary. (*Ibid.*) Defendant also maintained that it had a strong argument that it would be
21 unjust to award the maximum PAGA penalties given the state of the law regarding the PAGA
22 penalties. (Han Decl., *supra*, at ¶ 44; *Thurman v. Bayshore Transit Mgmt.* (2012) 203 Cal.App.4th
23 1112 [reducing penalties by 30% under this authority].) When limited to the initial violation, the

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

1 PAGA penalties could be limited to about **\$34,500** (345 employees x \$100 penalty for initial
2 violation) on the low end and around **\$241,500** (345 employees x \$100 penalty for initial violation
3 x 7 theories of recovery) on the high end. (Han Decl., *supra*, at ¶¶ 45-47.)

4 Plaintiff recognized that the risk that any PAGA award could be reduced. (Han Decl.,
5 *supra*, at ¶ 48.) Many of the causes of action brought were also duplicative of the statutory claims.
6 (*Ibid.*) Allocating \$50,000 to PAGA penalties was reasonable given that Defendant is also paying
7 an additional \$669,000 in the class settlement. (*Ibid.*) When the PAGA penalties are negotiated in
8 good faith and “there is no indication that [the] amount was the result of self-interest at the expense
9 of other Class Members,” such amounts are reasonable.⁴ (Han Decl., *supra*, at ¶ 48.)

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

12 **c. Discount Analysis Justifies the Settlement**

13 Excluding the civil penalties, which could be completely discretionary, the total estimated
14 potential exposure, assuming certification and prevailing at trial, could be about **\$5,406,170.82** on
15 the low end and around **\$5,906,448.81** on the high end. (Han Decl., *supra*, at ¶ 49.)

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

Category	Potential Exposure	Certification Risk	Merits Risk	Realistic Exposure
Rest Break Premiums	\$753,079.46	70%	60%	\$90,369.54
Meal Break Premiums	\$505,851.57	60%	60%	\$80,936.25
Overtime/Minimum Wage: Off-the-Clock Work	\$1,000,012.79 to \$1,500,290.78	60%	50%	\$200,002.56 to \$300,058.16
Regular Rate	\$21,705.80	30%	50%	\$7,597.03
Unreimbursed Business Expenses	\$150,420	20%	70%	\$36,100.80
Wage Statement Penalty	\$1,017,750	60%	60%	\$162,840
Waiting Time Penalty	\$1,957,351.20	60%	60%	\$313,176.19
MAXIMUM TOTAL EXPOSURE	\$5,406,170.82 to \$5,906,448.81⁵			\$891,022.37 to \$991,077.97⁶

The realistic recovery for this case could be about **\$891,022.37** on the low end and **\$991,077.97** on the high end. (Han Decl., *supra*, at ¶ 57.) The Gross Settlement Amount is about twelve percent (12.17%) of the maximum potential exposure and around seventy-two percent (72.55%) of the maximum realistic exposure at trial, which is a reasonable settlement. (*Ibid.*)

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

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⁵ (Han Decl., *supra*, at ¶¶ 36-43.)

⁶ (*Id.* at ¶¶ 50-56.)

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

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

7 The Class is ascertainable and numerous as to make it impracticable to join all the Class
8 Members, and there are common questions of law and fact that predominate over any questions
9 affecting the individual Class Member. (Han Decl., *supra*, at ¶ 58.) Plaintiff contends that
10 Plaintiff’s claims are typical of the claims of the Class Members, and Class Counsel will fairly and
11 adequately protect the interests of the Class Members. (*Ibid.*) Plaintiff asserts that the prosecution
12 of separate actions by the individual Class Members would create the risk of inconsistent or
13 varying adjudications. (*Ibid.*)

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

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

22 This case involves approximately seven hundred forty-five (745) Class Members, meaning
23 that the Class is sufficiently numerous. (Han Decl., *supra*, at ¶ 59; *Ghazaryan v. Diva Limousine*,
24 *Ltd.* (2008) 169 Cal.App.4th 1524, 1531, n.5 [finding a proposed class of “as many as 190 current
25 and former employees” is sufficiently numerous].)

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

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

11 **1. Common Issues Predominate**

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

23 Plaintiff asserts that common issues of fact and law predominate as to each of the claims
24 alleged. (Han Decl., *supra*, at ¶ 60.) Plaintiff contends that all the Class Members were subject to
25 the same or similar employment practices, policies, and procedures described above. (*Ibid.*)

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2. Plaintiff's Claims Are Typical of the Class Claims

Typical claims rely on legal theories and facts that are substantially like those of other class members. (*Classen v. Weller* (1983) 145 Cal.App.3d 27, 46.)

Plaintiff is a former employee of Defendant and alleges that Plaintiff and the Class Members were employed by the same company and injured by the common policies and practices related to the claims described above. (Han Decl., *supra*, at ¶ 61; Declaration of Luis Sanchez ("Sanchez Decl."), ¶¶ 2-7, 17-19.) Plaintiff seeks relief for these claims and derivative claims on behalf of the Class. (Han Decl., *supra*, at ¶ 61; Sanchez Decl., *supra*, at ¶¶ 2-7, 17-19.) Thus, the claims arise from the same employment practices and are based on the same legal theories applicable to the Class. (Han Decl., *supra*, at ¶ 61; Sanchez Decl., *supra*, at ¶¶ 2-7, 17-19.)

3. Plaintiff Is Adequate to Represent the Class

Plaintiff has proven to be an adequate class representative. (Han Decl., *supra*, at ¶ 62; Sanchez Decl., *supra*, at ¶¶ 8-16, 20-26.) Plaintiff conducted himself diligently and responsibly in representing the Class Members, understands the fiduciary obligations, and actively participated in the prosecution of this case. (Han Decl., *supra*, at ¶ 62; Sanchez Decl., *supra*, at ¶¶ 8-16, 20-26.) Plaintiff spent time in meetings and conferences with Class Counsel to provide them with a complete understanding of the work experience and environment. (Han Decl., *supra*, at ¶ 62; Sanchez Decl., *supra*, at ¶¶ 8-16, 20-26.) Plaintiff has no interest adverse to the interests of the other Class Members. (Han Decl., *supra*, at ¶ 62; Sanchez Decl., *supra*, at ¶¶ 8-16, 20-26.)

4. Class Action Is Superior for the Fair and Efficient Adjudication of this Controversy

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

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

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

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

Plaintiff submits the Settlement is in the best interests of the Class. Under the applicable class action criteria and guidelines, the Settlement should be preliminarily approved, Class should be conditionally certified for settlement purposes, and Class Notice should be approved.

JUSTICE LAW CORPORATION

By: D. Han
Douglas Han
Attorneys for Plaintiff

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

STATE OF CALIFORNIA, COUNTY OF LOS ANGELES

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

On May 20, 2026, I served the foregoing document described as

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

for the following case: **Luis Sanchez v. Southwest Wine & Spirits, LLC dba Wally's Wine & Spirits**
LWDA/Court Case No.: **LWDA Case No.: CM- 1128540-25**
Court Case No.: 24STCV27821
Los Angeles County Superior Court

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

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

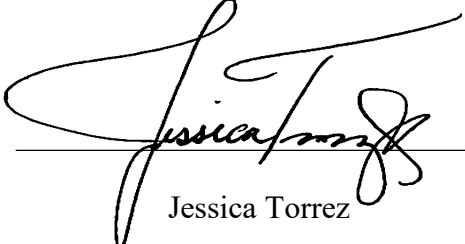
[X] BY ELECTRONIC SUBMISSION

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

[X] STATE

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

Executed on May 20, 2026, at Pasadena, California.



Jessica Torrez