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on behalf of herself, all others similarly situated,
and the general public,

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SONOMA

LEAH JARVIS, on behalf of herself and all others similarly situated and on behalf of the general public, Plaintiff, v. SONOMA RECOVERY SERVICE, LLC, a California limited liability company, d/b/a OLYMPIA HOUSE, and DOES 1 through 10, inclusive, Defendants.	CASE NO: 26CV03093 Assigned to the Honorable Dana Beernink Simonds, Dept. 18 **NOTICE OF UNOPPOSED MOTION AND UNOPPOSED MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT** **Date:** **Time:** **Dept.: 18** Complaint Filed: May 1, 2026

PLEASE TAKE NOTICE THAT on _____ at _____ a.m., or as soon thereafter as the matter may be heard, in Department 18 of the above-entitled Court, located at 3055 Cleveland Ave, Santa Rosa, CA 95403, Plaintiff Leah Jarvis will and hereby does move unopposed for an Order (1) preliminarily finding that the settlement between the parties falls within the range of reasonableness and preliminarily approving the proposed class action settlement in the above-captioned case, (2) conditionally certifying, for settlement purposes only, a settlement class, (3) provisionally approving the appointment of Plaintiff Leah Jarvis as Class Representative, (4) provisionally approving the appointment of Gaines Law Corporation as Class Counsel, (5) provisionally approving the appointment of Phoenix Class Action Administration Solutions as settlement administrator, (6) approving as to content and form the notice to the settlement class, and directing it be disseminated by the Settlement Administrator; and (7) setting a final fairness and approval hearing.

This unopposed Motion is made pursuant to Rule 3.769 of the California Rules of Court, which provides for court approval of the settlement of a purported class action and allows the Court to preliminarily certify a class for settlement purposes only.

The basis for this unopposed Motion is that the proposed settlement is fair, adequate, and reasonable and in the best interests of the settlement class as a whole, and that the procedures proposed by the Parties are adequate to ensure the opportunity of class members to participate in, opt out of, or object to the settlement.

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This Motion will be based on the Memorandum of Points and Authorities set forth herein, the Settlement Agreement and Release of Claims, the Declarations of Evan S. Gaines, Jarrod Salinas of Phoenix Class Action Administration Solutions, and Leah Jarvis, such evidence or oral argument as may be presented at the hearing, and on the complete record and file herein.

Dated: October 26, 2026

Respectfully submitted,

GAINES LAW CORPORATION

By: _____
EVAN S. GAINES
Attorney for Plaintiff Leah Jarvis and
Proposed Class Counsel

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

The Parties have reached a resolution of this class action and hereby submit their Settlement Agreement and Release of Claims ("Settlement") for the Court's approval. The Settlement is made and entered into by and between Plaintiff Leah Jarvis ("Plaintiff" or "Jarvis"), individually and on behalf of all others similarly situated, and Defendant Sonoma Recovery Service, LLC, d/b/a Olympia House ("Defendant").

The Settlement occurred as a result of extensive arm's-length negotiations by experienced counsel with experience in the area of employment class actions. Most importantly, the Settlement will result in significant financial benefit to the participating claimants, on terms that are by any measure fair, reasonable and adequate. *See Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801-02. The proposed Settlement provides for a non-reversionary class settlement in the gross amount of $235,000 to a settlement class of approximately 145 Settlement Class Members, yielding a gross recovery of approximately **$1,621** each. As detailed below, the Settlement is in the best interests of the class in light of all of the facts and circumstances and the risks and delays of further litigation.

For the reasons set forth below, the Parties respectfully request that the Court: (a) grant preliminary approval of the Settlement and preliminarily find that the Settlement falls within the range of reasonableness; (b) conditionally grant certification of the proposed Settlement Class, for settlement purposes only; (c) provisionally approve the appointment of Plaintiff Leah Jarvis as Class Representative; (d) provisionally approve the appointment of Gaines Law Corporation as Class Counsel; (e) provisionally approve appointment of Phoenix Class Action Administration Solutions as the Settlement Administrator; (f) authorize the mailing of the proposed class action notice packet; and (g) schedule a final fairness and approval hearing.

II. BACKGROUND AND PROCEDURAL HISTORY

On September 24, 2025 and March 25, 2026, Plaintiff exhausted the pre-filing requirements of the Labor Code Private Attorneys General Act of 2004 ("PAGA"). Declaration of Evan S. Gaines ("Gaines Decl.") ¶ 6.

On May 1, 2026, Plaintiff initiated her Action in the Sonoma County Superior Court by filing a Class and Representative Action Complaint, pursuant to PAGA, on behalf of herself, all others similarly situated, the general public, and all "aggrieved employees" ("Complaint"). Gaines Decl. ¶ 7.

The Complaint asserts claims against Defendant for (1) Failure To Pay All Wages Due (Labor Code §§ 226.7, 227.3, 246, 510, 512, 1194, and 1194.2); (2) Failure To Provide Meal Periods Or Compensation In Lieu Thereof (Labor Code §§ 226.7, 510, 512, 1174, 1174.5, and 1194; IWC Wage Order 5-2001); (3) Failure To Provide Rest Periods Or Compensation In Lieu Thereof (Labor Code § 226.7; IWC Wage Order 5-2001); (4) Failure To Comply With Itemized Employee Wage Statement Provisions (Labor Code § 226(a), (e), (h)); (5) Failure To Timely Pay Wages Due At Separation Of Employment (Labor Code §§ 201-203); (6) Failure To Reimburse All Business-Related Expenses (Labor Code § 2802); (7) Violation Of Business And Professions Code § 17200 *et seq*.; and (8) Penalties Pursuant To Labor Code § 2699(f) For Violations Of Labor Code §§ 201, 202, 226(a), 226.7, 227.3, 246, 510, 512, 1174, 1174.5, 1194, and 2802 and Pursuant To Labor Code § 2699(a) For Violations Of Labor Code §§ 226.3 and 558. Gaines Decl. ¶ 8.

Defendant denies any liability or wrongdoing of any kind whatsoever in connection with the claims in the Action and further denies that, for any purpose other than settling this Action, this Action is appropriate for class action or representative treatment. Gaines Decl. ¶ 9.

The Class Representative contends that Defendant violated the California Labor Code and Industrial Welfare Commission Wage Order(s), and that this case is appropriate for class certification. Gaines Decl. ¶ 10.

III. INVESTIGATION AND SETTLEMENT DISCUSSIONS

Class Counsel conducted a thorough investigation into the facts and law during the prosecution of this class action case, including the exchange of limited informal discovery, including but not limited to documents regarding Defendant's employment/workplace policies in place during the applicable period and a sample of records relating to the wage statement contents and wages paid to Defendant's non-exempt employees during the relevant time periods, and the review and verification of other facts and information provided by Defendant. Class Counsel also

represents that he has investigated the applicable law as applied to the facts discovered regarding the alleged claims of Plaintiff and potential defenses thereto, and the damages and other losses claimed by Plaintiff. Gaines Decl. ¶ 11.

On March 12, 2026, the Parties reached a settlement of Plaintiff's class and representative wage and hour claims. Plaintiff's individual termination-related claims were resolved through a separate individual settlement agreement. The individual settlement is not funded from, and does not reduce, the Gross Settlement Amount, and no portion of it is paid from the settlement fund or to the Settlement Class. The individual settlement releases only Plaintiff's own claims and does not affect the rights of any Class Member or Aggrieved Employee. Class Counsel will receive no attorneys' fees or costs from the individual settlement beyond those sought through this Settlement. The Parties will lodge the individual settlement agreement with the Court for in camera review should the Court request it. Gaines Decl. ¶ 12; Jarvis Decl. ¶ 12.

Based on his own independent investigation and evaluation, Class Counsel is of the opinion that settlement for the consideration and on the terms set forth in the Settlement Agreement is fair, reasonable, and adequate and is in the best interest of the Settlement Class in light of all known facts and circumstances, including the risk of significant delay, the risk the Settlement Class will not be certified by the Court, and the defenses asserted by Defendant. Gaines Decl. ¶ 13.

The Parties agree that the Settlement Class described herein may be certified for settlement purposes only and that any motion for approval seeking, *inter alia*, certification of the Settlement Class is for purposes of the settlement only. If for any reason the Settlement is not approved, the certification will have no force or effect and will immediately be revoked. The Parties further agree that certification for purposes of the settlement is in no way an admission that class certification is proper under the more stringent standard applied for litigation and that evidence of the Settlement Agreement is for settlement purposes only and will not be admissible for any purpose in this or any other proceeding. Gaines Decl. ¶ 14.

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IV. LEGAL ANALYSIS

A. The Proposed Settlement Terms

1. The Settlement Class

The Parties have agreed to a settlement class composed of "all non-exempt employees of Defendant Sonoma Recovery Service, LLC d/b/a Olympia House in California at any time between December 10, 2021 and March 12, 2026." Settlement at A.4.

2. Allocations to be Paid from the Gross Settlement Amount

The Parties agree to settle the Action for a Gross Settlement Amount of $235,000 (the "Gross Settlement Amount").[1] The Gross Settlement Amount includes: (a) payments to Settlement Class Members (excluding any appropriate and lawfully required employer-side payroll taxes owed by Defendant on such payments, which Defendant shall separately be responsible for apart from the Gross Settlement Amount); (b) the PAGA Payment; (c) the Settlement Administrator's fees and costs; and (d) Class Counsel's approved attorneys' fees and costs/expenses. In no circumstance shall Defendant be required to pay any additional monies beyond the Gross Settlement Amount plus the employer-side payroll taxes, subject to the Settlement's escalator provision. Settlement at C.1 and H.16.

From the Gross Settlement Amount, Defendant will not oppose Plaintiff's counsel's application to the Court for up to 33 1/3% of the Gross Settlement Amount for attorneys' fees (projected to be $78,333.33). Settlement at C.1.e.

From the Gross Settlement Amount, Defendant will not oppose Plaintiff's counsel's application to the Court for up to $4,000 in reimbursement of litigation costs and expenses. Settlement at C.1.f.

From the Gross Settlement Amount, settlement administration fees paid to Phoenix Class Action Administration Solutions ("Phoenix") will be no more than $6,250. Settlement at C.1.g. Phoenix has submitted a fixed-fee bid of $6,250 to administer the Settlement, covering notice, skip

[1] The Gross Settlement Amount was calculated with, and is premised on, the understanding that the Class Members worked no more than 7,753 workweeks during the Class Period. The Parties agree that if the total number of workweeks during the Class Period exceeds One Hundred Ten Percent (110%) of the estimated 7,753 workweeks (*i.e.,* exceeds 8,528 workweeks), the Gross Settlement Amount will increase pro rata per additional workweek above the 10%. Settlement at H.16.

tracing and re-mailing, calculation and distribution of payments, reconciliation of uncashed checks, and tax reporting. Declaration of Jarrod Salinas ("Salinas Decl.") ¶¶ 14–15, Ex. B. Before mailing the Notice, Phoenix will update Class Members' addresses through the National Change of Address database, and it will skip trace and promptly re-mail any Notice returned as undeliverable. *Id.* ¶ 12. Phoenix has extensive experience administering wage-and-hour and PAGA settlements, maintains data-security safeguards and insurance coverage, and has no financial interest in or affiliation with the Parties or their counsel. *Id.* ¶¶ 3–11.

From the Gross Settlement Amount, the portion to be allocated for settlement of any and all claims for penalties under the PAGA is $20,000 ("PAGA Payment"), which 65% ($13,000) shall be paid directly to the LWDA and 35% ($7,000) shall be distributed to the Aggrieved Employees. Settlement at C.1.d.

The Gross Settlement Amount shall encompass the following: (1) Class Counsel's fees, costs, and expenses; (2) the Settlement Administrator's fees and costs; (3) the LWDA's share of the PAGA Payment; and (4) the Net Settlement Proceeds. After the deduction of the amounts approved for the LWDA's $13,000 share of the PAGA Payment, the Settlement Administrator's fees and costs, and Class Counsel's fees, costs, and expenses from the Gross Settlement Amount, the remainder shall be referred to as the Net Settlement Proceeds. Settlement at C.1.a. The remaining $7,000 of the PAGA Payment stays in the Net Settlement Proceeds for distribution to Aggrieved Employees. *Id.* at C.1.b, C.1.d. Assuming the Court awards the maximum amounts requested, the Net Settlement Proceeds will be approximately $133,416.67. Of that amount, approximately $126,416.67 will be distributed to participating Class Members (an average gross payment of approximately $872 per Class Member, based on approximately 145 Class Members), and $7,000 will be distributed to the 67 Aggrieved Employees. *Id.* at A.4, A.6, C.1.b.

Each participating Class Member's share of the Net Settlement Proceeds will be calculated pro rata, based on the number of workweeks he or she worked during the Class Period. The Net Settlement Proceeds, less the $7,000 PAGA allocation, will be divided by the total number of workweeks worked by all participating Class Members during the Class Period, and the resulting value will be multiplied by the number of workweeks each participating Class Member worked

during the Class Period. Settlement at C.1.b, as amended by Addendum No. 1 to Settlement Agreement and Release of Claims ("Addendum") ¶ 1 (Gaines Decl., Ex. B). The $7,000 PAGA allocation will be distributed to Aggrieved Employees in the same manner, based on the pay periods each worked during the PAGA Period (September 24, 2024 through March 12, 2026), and Aggrieved Employees will receive their PAGA share whether or not they opt out of the class settlement. Settlement at A.6; Addendum ¶ 1. No claim form is required; participating Class Members and Aggrieved Employees will be mailed their payments automatically. Settlement at E.6.

For tax purposes, the class portion of each Individual Payment Amount will be allocated 50% to wages, reported on IRS Form W-2 and subject to applicable withholdings, and 50% to penalties and interest, reported on IRS Form 1099. The PAGA portion will be allocated 100% to penalties, reported on IRS Form 1099. Settlement at C.1.c. Defendant will pay all employer-side payroll taxes on the wage portion separately, in addition to the Gross Settlement Amount. *Id.* at C.1.

In exchange for the settlement consideration, participating Class Members will release Defendant and the other Released Parties from the "Released Class Claims," defined as claims that were alleged, or reasonably could have been alleged, based on the facts and claims asserted in the Complaint, arising during employment in a non-exempt position in California during the Class Period, for alleged violations of Labor Code §§ 201, 202, 203, 226, 226.7, 227.3, 246, 510, 512, 1174, 1174.5, 1194, 1194.2, and 2802 and the applicable IWC Wage Orders, including derivative unfair business practice claims premised on those violations. Settlement at D.1, D.3. Aggrieved Employees will release claims for PAGA civil penalties based on the facts and claims asserted in the Complaint during the PAGA Period, including for alleged violations of Labor Code §§ 201, 202, 203, 226, 226.3, 226.7, 227.3, 246, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, and 2802. *Id.* at D.2, D.4. Because both releases are limited to claims arising from the facts alleged in the Complaint, they are appropriately tailored to the claims being settled. *See Amaro v. Anaheim Arena Management, LLC* (2021) 69 Cal.App.5th 521.

3. **Settlement of Claims Pursuant to Labor Code § 2699 *et seq.* (PAGA)**

Pursuant to PAGA, the Parties have agreed that $20,000 of the Gross Settlement Amount will be allocated to settle the claims brought under Labor Code § 2699 *et seq*. Pursuant to Labor Code § 2699(m), "civil penalties recovered by aggrieved employees shall be distributed as follows: 65 percent to the Labor and Workforce Development Agency . . . and 35 percent to the aggrieved employees." As such, 65% of the apportioned PAGA settlement amount – or $13,000 – shall be paid directly to the LWDA, and 35%, i.e., $7,000, shall be distributed to the Aggrieved Employees. Settlement at C.1.d.

B. Two-Step Approval Process

Any settlement of class litigation must be reviewed and approved by the Court. Cal. R. Ct. 3.769; Fed. R. Civ. P. 23(e).[2] This is done in two steps: (1) an early (preliminary) review by the trial court, and (2) a final review after notice has been distributed to the Class Members informing them of the terms of the settlement and allowing them to exclude themselves from, participate in and/or object to the settlement. The Manual for Complex Litigation (Third) § 30.41 states:

> Approval of class action settlements involves a two-step process. First, counsel submit the proposed terms of settlement and the court makes a preliminary fairness evaluation. If the preliminary evaluation of the proposed settlement does not disclose grounds to doubt its fairness or other obvious deficiencies, such as unduly preferential treatment of class representatives or of segments of the class, or excessive compensation for attorneys, and appears to fall within the range of possible approval, the court should direct that notice … be given to the class members of a formal fairness hearing, at which arguments and evidence may be presented in support of and in opposition to the settlement.

Thus, the preliminary approval by the trial court is simply a conditional finding that the settlement appears to be within the range of acceptable settlements. *See Wershba v. Apple Computer* (2001) 91 Cal.App.4th 224, 234-35. "The strength of the findings made by a judge at a preliminary hearing or conference concerning a tentative settlement proposal may vary. The court may find that the settlement proposal contains some merit, is within the range of reasonableness

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

required for a settlement offer, or is presumptively valid subject only to any objections that may be raised at a final hearing." 4 Alba Conte & Herbert B. Newberg, *Newberg on Class Actions*, § 11.26 (4th ed. 2002).

The procedures for the Parties' submission of a proposed settlement for preliminary approval by the Court also are discussed in 4 *Newberg on Class Actions*:

> When the parties to an action reach a monetary settlement, they will usually prepare and execute a joint stipulation of settlement, which is submitted to the court for preliminary approval. The stipulation should set forth the essential terms of the agreement, including but not limited to, the amount of settlement, form of payment, manner of determining the effective date of settlement and any recapture clause.

Id. at § 11.24.

Here, the Parties have reached such an agreement and have submitted the Settlement herewith. *See* Gaines Decl., **Exhibit B**; Gaines Decl. ¶ 15.

C. Procedures for Settlement Before Class Certification.

Pursuant to California Rules of Court, Rule 3.769(d), parties also may, at the preliminary approval stage, request that the court provisionally approve certification of the class – conditioned upon final approval of the settlement. "[P]re-certification settlements are routinely approved if found to be fair and reasonable." *Wershba*, *supra*, 91 Cal.App.4th at 240. *Accord Dunk, supra*, 48 Cal.App.4th at 1803 (although the settlement was reached before any "adversary certification," the court was satisfied that it was "fair, adequate and reasonable."). *See also In re Baldwin-United Corp.* (S.D.N.Y. 1984) 105 F.R.D. 475, 478[3] ("many courts have employed this practice in the name of judicial efficiency in order to facilitate apparently beneficial settlement proposals.")

> The strength of the findings made by a judge at a preliminary hearing or conference concerning a tentative settlement proposal . . . may be set out in conditional orders granting tentative approval to the various items submitted to the court. Three basic rulings are often conditionally entered at this preliminary hearing. These conditional rulings may approve a temporary settlement class, the proposed settlement, and the class counsel's application for fees and expenses.

4 *Newberg on Class Actions*, at § 11.26.

As required by Labor Code § 2699(s)(2), concurrent with Plaintiff's submission of the

[3] In determining the fairness and reasonableness of a proposed settlement, California courts may look to federal cases for guidance. *See Wershba*, 91 Cal.App.4th at 239-40.

Settlement to the Court, her counsel is transmitting it, together with this Motion, to the LWDA. Gaines Decl. at ¶ 31.

1. **The Settlement Class Should Be Certified for Settlement Purposes**

It is well established that trial courts should use a lower standard for determining the propriety of certifying a settlement class, as opposed to a litigation class. *Dunk*, *supra*, 48 Cal.App.4th at 1807, n. 19. The reason for this is that no trial is anticipated in a settlement class, so the case management issues inherent in determining if the class should be certified need not be confronted. *Amchem Products, Inc. v. Windsor* (1997) 521 U.S. 591, 620. The proposed Settlement Class meets all requirements for certification, as discussed below.

a. **The Settlement Class is Ascertainable**

The proposed Settlement Class is ascertainable. The class definition, the size of the Class, and the means for identifying the members of the class determine whether the class is ascertainable. *Reyes v. Board of Supervisors* (1987) 196 Cal.App.3d 1263, 1274. In this case, the Class Members are identifiable from Defendant's employment and payroll records. Further, the Settlement Class is sufficiently numerous to warrant certification. According to Defendant's records, the Class comprises approximately 145 members. Gaines Decl. ¶ 26.

b. **Questions of Law or Fact Common to Members of the Settlement Class Predominate**

The Class Members' claims all stem from a common source: members of the Settlement Class allege that Defendant violated the same Labor Code provisions in connection with their employment in non-exempt positions. All members of the Class seek the same relief under the same California laws (related to failure to pay all wages due, provide meal and rest periods, issue accurate and complete wage statements, timely pay wages due upon separation, and derivative claims). Under these circumstances, the commonality requirement is satisfied for purposes of certifying the Settlement Class for settlement purposes. Gaines Decl. ¶ 27. Defendant does not concede commonality, and reserves all rights to contest certification for any purpose other than this Settlement. For settlement purposes only, Defendant stipulates that commonality is satisfied as to the proposed Settlement Class.

c. **The Proposed Class Representative's Claims Are Typical of the Class Members' Claims**

A class representative's claims are typical when they arise from the same event or course of conduct that gives rise to the claims of the class, and are based on the same legal theory. *Classen v. Weller* (1983) 145 Cal.App.3d 27, 46-47. In this case, named Plaintiff and proposed Class Representative Leah Jarvis is a former non-exempt employee who worked for Defendant in the State of California during the Class Period. She contends that Defendant failed to pay all minimum and overtime wages, failed to provide meal and rest periods, failed to comply with itemized employee wage statement provisions, and failed to timely pay wages at the separation of employment, in violation of Labor Code §§ 201, 202, 203, 226(a), 226.7, 510, 512, 1174, 1174.5, 1194, 1194.2, 2698, and 2699, among other Labor Code provisions. She has the same claims as those that the members of the Settlement Class would reasonably be expected to bring based on the course of conduct alleged herein. Gaines Decl. ¶ 28.

Plaintiff has also demonstrated that she will aggressively and competently assert the interests of the proposed Settlement Class; she has taken an active role in the litigation and has no apparent conflicts with other class members. Gaines Decl. ¶ 29; Declaration of Leah Jarvis ("Jarvis Decl.") ¶¶ 4–11. Plaintiff is not seeking any class representative enhancement or service award, and will receive only her pro rata share of the Net Settlement Proceeds as a Class Member. Jarvis Decl. ¶ 4. Although Plaintiff separately resolved her individual termination-related claims, that settlement is independent of and not paid from the Gross Settlement Amount, and it does not create a conflict between Plaintiff and the Settlement Class. Jarvis Decl. ¶ 12; Gaines Decl. ¶ 30. Furthermore, Plaintiff has retained competent counsel, experienced in litigating class action claims in the employment context. *See* Gaines Decl. ¶¶ 2-5. Defendant does not concede that Plaintiff's claims are typical of the Class Members' claims, or that she is an adequate class representative. However, for purposes of this Settlement only, and solely to facilitate the resolution of the Action on a class-wide basis, Defendant stipulates that the typicality and adequacy requirements are satisfied as to the proposed Settlement Class.

D. The Settlement Is Fair and Reasonable and Not the Result of Fraud or Collusion

Courts presume the absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered. *Priddy v. Edelman* (6th Cir. 1989) 883 F.2d 438, 447; *Mars Steel Corp. v. Continental Illinois Nat'l Bank & Trust Co.* (7th Cir. 1987) 834 F.2d 677, 682; *In re Chicken Antitrust Litig.* (N.D. Ga. 1980) 560 F. Supp. 957, 962. Courts do not substitute their judgment for that of the proponents, particularly where, as here, settlement has been reached with the participation of experienced counsel familiar with the litigation. *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.* (C.D. Cal. 2004) 221 F.R.D. 523, 528; *Hammon v. Barry* (D.D.C. 1990) 752 F. Supp. 1087, 1093; *Steinberg v. Carey* (S.D.N.Y. 1979) 470 F. Supp. 471, 478; *In re Armored Car Antitrust Litig*. (N.D. Ga. 1979) 472 F. Supp. 1357, 1368; *Sommers v. Abraham Lincoln Federal Sav. & Loan Ass'n* (E.D. Pa. 1978) 79 F.R.D. 571, 580.

While the recommendations of counsel proposing the settlement are not conclusive, the Court can properly take them into account, particularly where, as here, such counsel have been involved in informal discovery and negotiations for some period of time, appear to be competent, have experience with this type of litigation, and have exchanged substantial evidence with the opposing party. *See Newberg on Class Actions, supra*, § 11.47; *In re Paine Webber Ltd. P'ships Litig.* (S.D.N.Y. 1997) 171 F.R.D. 104, 125 ("[s]o long as the integrity of the arm's-length negotiation process is preserved, however, a strong initial presumption of fairness attaches to the proposed settlement . . . [citations] and 'great weight' is accorded to the recommendations of counsel, who are most closely acquainted with the facts of the underlying litigation"); *see* Gaines Decl. ¶¶ 2-5, 13-24.

Here, the Parties' counsel have a great deal of experience in class action litigation and specialize in employment wage and hour matters. Moreover, counsel for both Parties conducted an extensive investigation of the factual allegations involved in this case. The Parties have engaged in a broad exchange of documents, data, records and other information. Each side has apprised the other, informally, of their respective factual contentions, legal theories and defenses, resulting in extensive arm's-length negotiations taking place among the Parties. *See* Gaines Decl. ¶¶ 2-5, 13-

24.

1. **The Settlement Falls Within The "Ballpark" of Reasonableness**

The Court must make an "independent assessment of the reasonableness of the terms of the settlement" prior to granting preliminary and final approval. *Clark v. American Residential Services LLC* (2009) 175 Cal.App.4th 785, 799; *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 127-28, 130, 133. To do so requires the Parties to submit "basic information about the nature and magnitude of the claims in question and the basis for concluding that the consideration being paid for the release of those claims represents a reasonable compromise." *Clark*, *supra*, 175 Cal.App.4th at 800. However, the Court should *not* "attempt to decide the merits of the case or to substitute its evaluation of the most appropriate settlement for that of the attorneys." *Kullar*, *supra*, 168 Cal.App.4th at 133.

Plaintiff asserts that Defendant failed to pay Plaintiff and Class Members premium wages for missed, denied and unauthorized rest periods in violation of Labor Code § 226.7 and IWC Wage Order 5-2001. Plaintiff and other Class Members contend that they were denied, and therefore unable to take, 10-minute on-the-clock rest periods for every four hours of work or major fraction thereof, but were not paid premium wages of one hour's pay for each missed, denied and unauthorized rest period. Plaintiff and Class Members contend they were frequently too busy to take a rest period and were also barred from leaving the work premises during rest periods. However, Defendant maintained substantial defenses to this claim, contending that employees were at all times free to and did take compliant rest periods, that rest periods were fully authorized and employees were permitted to leave the premises, and that any missed rest periods were the result of employees' own voluntary choices rather than any policy or practice of Defendant. Assuming a 50% violation rate based on Plaintiff's experience, she calculates the damage liability for this claim at up to $505,814 and PAGA civil penalty liability totaling up to $109,000. Gaines Decl. ¶ 16.

Plaintiff further alleges that Defendant failed to permit or authorize Plaintiff and Class Members to take timely 30-minute meal periods for shifts greater than 5 hours in length, in violation of Labor Code §§ 226.7, 512, and 558 and IWC Wage Order 5-2001. Plaintiff further contends that she and Class Members were required to record that they received a meal period regardless of

whether they took one or not, thus depriving them of all wages due since they were not paid for all hours worked (and a related claim for failing to maintain accurate records). Plaintiff and Class Members were also required to remain on the work premises during their meal periods. This violates Labor Code §§ 226.7, 510, 512, 1174, 1174.5, 1194 and 1194.2 and IWC Wage Order 5-2001. Time data provided by Defendant through informal discovery demonstrates a gross violation rate of 19.2% (Defendant did pay some meal period premiums). Plaintiff contends that, based on her analysis of Defendant's time and payroll records, 54.5% of all pay periods exhibit some form of meal period violation (net of premiums paid). Accordingly, Plaintiff calculates premium wages on this claim at up to $178,068.05 and PAGA civil penalty liability for this claim at $59,400. However, Defendant maintained defenses to this claim. Defendant contends that it maintained lawful meal period policies that authorized and permitted compliant meal periods for all non-exempt employees, and that employees were provided the opportunity to take timely, off-premises, duty-free meal periods in accordance with applicable law. Defendant further contends that the time records on which Plaintiff's violation rate calculations are based do not reliably establish actual meal period violations, as timing anomalies in electronic timekeeping records may reflect clocking errors or voluntary employee choices rather than employer-imposed violations. Defendant further contends that its payment of meal period premiums during the Class Period demonstrates good-faith compliance efforts and undermines any characterization of its conduct as a uniform unlawful policy or practice. Gaines Decl. ¶ 17.

Plaintiff contends that Defendant failed to properly blend bonuses, commissions, and other non-base hourly wages (including shift differential wages), earned by Plaintiff and Class Members into their regular rate of pay for purposes of paying them meal and rest period premiums, overtime wages, double-time wages, vacation wages, and sick pay wages at the correct rates, in violation of Labor Code §§ 226.7, 227.3, 246, 510, 512, and 1194. Defendant paid Plaintiff and Class Members bonuses and other non-base hourly wages (including shift differential wages); however, Defendant failed to properly blend these wages, and instead paid Plaintiff and Class Members meal and rest period premiums, overtime wages, vacation wages, and sick pay wages based only on the base hourly rate of pay. However, Defendant also maintained defenses to this claim. Defendant contends

that it properly calculated the regular rate of pay for all employees in accordance with applicable law, and that to the extent any non-base compensation was not included in the regular rate calculation for any particular employee or pay period, such omission was not uniform across all Class Members, all time periods, or all compensation types. Based on informal sampling provided by Defendant, Plaintiff's expert calculated damage liability of $9,489.72. Gaines Decl. ¶ 18.

Plaintiff also contends that Defendant allegedly failed to pay all minimum and overtime wages due during the course of employment, in violation of Labor Code §§ 510, 1194, and 1194.2. Plaintiff and Class Members were required to work off-the-clock and without compensation because Defendant did not compensate them for all hours worked—they would be required to undergo mandatory COVID testing outside of work hours. None of this time was compensated even though Defendant is required to pay them since an employer is obligated to pay the wages of an hourly employee for all time that the employee is under the control of the employer, and this includes all the time the employee is suffered or permitted to work, whether or not required to do so. However, Defendant also maintained defenses to this claim. Defendant contends that any time spent on COVID testing outside of scheduled work hours did not constitute compensable "hours worked" under applicable law because such testing was required by public health authorities and government mandate rather than by Defendant, and that employees were not under Defendant's control during such time within the meaning of the applicable wage orders and Industrial Welfare Commission regulations. Defendant further contends that it complied with all applicable minimum wage and overtime requirements for all hours actually worked, that employees were fully compensated for all time they were suffered or permitted to work under Defendant's direction and control, and that any uncompensated time did not meet the legal threshold for compensable work under California law. This claim has nominal value given the limited nature in which the violation occurred and was not a widespread issue among all Class Members. Gaines Decl. ¶ 19.

Plaintiff also argues that Defendant failed to issue Plaintiff and Class Members accurate itemized wage statements. As detailed above, Plaintiff and Class Members contend that they were not paid all wages due. As a result, the wage statements issued by Defendant to Plaintiff and Class Members would fail to accurately state all gross wages earned, in violation of Labor Code §

226(a)(1); total hours worked, in violation of Labor Code § 226(a)(2); net wages earned, in violation of Labor Code § 226(a)(5); and all applicable hourly rates in effect during the pay period and the corresponding number of hours worked, in violation of Labor Code § 226(a)(9). This is a wholly derivative claim. Plaintiff calculates the statutory penalty liability for this claim at up to $97,850 and PAGA civil penalty liability for this claim at $109,000. Gaines Decl. ¶ 20.

Defendant also allegedly failed to pay Plaintiff and 80 formerly employed Class Members all wages due timely upon separation of employment, in violation of Labor Code §§ 201-203. This is a derivative claim for which Plaintiff calculates the statutory penalty liability at $623,040. Gaines Decl. ¶ 21.

Finally, Plaintiff also argues that Defendant failed to reimburse Plaintiff and Class Members for all business expenses incurred, in violation of Labor Code § 2802; however, Plaintiff was unable to calculate the actual unreimbursed expenses owed due to the individual nature of the claims. Gaines Decl. ¶ 22.

The compromise reached here is fair and reasonable considering the factual and legal disputes among the Parties, the defenses raised by Defendant as to class certification and the merits of Plaintiff's claims, and the risk the Court would reduce or eliminate any award of penalties. Defendant strongly contends that its policies and practices do not violate any laws. It contends that it properly paid all wages due upon separation of employment and that the wage statements it provided to its employees were fully compliant with California law. Gaines Decl. ¶ 23.

When the costs and risks of non-certification and loss on the merits are considered, Plaintiff's counsel is of the opinion that the Settlement reached is clearly a favorable one. Gaines Decl. ¶¶ 13-24.

The settlement for each Class Member is fair, reasonable and adequate, given the inherent risk of litigation, the risk relative to class certification and the costs of pursuing such litigation. The settlement shall finally resolve all claims of the Class Members as alleged in the Action. Gaines Decl. ¶ 25.

2. **Despite the Asserted Fairness of the Settlement Terms, Class Members May Request Exclusion From, Or Object To, The Settlement**

Despite the asserted fairness of the settlement terms, any potential Class Member who objects to the terms of the settlement set forth in the Settlement has the right to submit a request for exclusion (*i.e.*, opt out) from the settlement, pursuant to which the Class Member would otherwise retain any claim he or she may have against Defendant.

Moreover, Class Members who do not opt out may, upon providing proper notice to the Parties and the Court, attend the final fairness and approval hearing for the purpose of objecting to one or more of the settlement terms set forth in the Settlement.

3. **The Proposed Notice and Notice Procedures Are Adequate**

The content of the proposed Notice satisfies California Rules of Court, rules 3.766(d) and 3.769(f). The Notice explains the nature of the Action and the Parties' contentions, including Defendant's denial of liability; defines the Settlement Class and the Aggrieved Employees; and describes the Gross Settlement Amount, the requested attorneys' fees and costs, the settlement administration costs, the PAGA Payment, the formula for calculating Individual Payment Amounts, and the claims being released. Addendum, Ex. A. Each Notice will also state the Class Member's workweeks, pay periods, and estimated Individual Payment Amount, and explain how to dispute that information. Settlement at E.5; Addendum ¶ 3 & Ex. A. The Notice informs Class Members that they may request exclusion by a specified deadline and explains how to do so; that Class Members who do not request exclusion will be bound by the Settlement and its release; how to object in writing or at the final approval hearing; and that Class Members may appear through counsel. It also states the date, time, and location of the final approval hearing. Addendum, Ex. A; Settlement, Ex. 2.

The manner of notice is likewise appropriate. Cal. Rules of Court, rule 3.766(e). Within 10 calendar days after preliminary approval, Defendant will provide the Settlement Administrator with each Class Member's contact information and workweek and pay period data, and the Settlement Administrator will mail the Notice by first-class mail within 20 calendar days after preliminary approval. Settlement at E.1–E.2; Addendum ¶ 2. Before mailing, the Settlement

Administrator will update addresses through the National Change of Address database, and it will skip trace and re-mail any Notice returned as undeliverable. Salinas Decl. ¶ 12; Settlement at E.3, E.9. Class Members will have 45 days after mailing to request exclusion or object, and the exclusion deadline is extended by 30 days for Class Members whose Notices are returned as undeliverable and re-mailed. Settlement at E.7–E.8, E.11. Because every Class Member is identifiable from Defendant's records and addresses will be updated before mailing, individual notice by mail is the best notice practicable under the circumstances.

V. CONCLUSION

Based on the foregoing, Plaintiff respectfully requests that the Court, as part of its preliminary approval of the settlement, enter an order:

1. Preliminarily finding that the settlement falls within the range of reasonableness and approving the proposed settlement;

2. Conditionally certifying, for settlement purposes only, the Settlement Class;

3. Provisionally appointing Plaintiff Leah Jarvis as the Class Representative;

4. Provisionally appointing Gaines Law Corporation as Class Counsel;

5. Provisionally approving Phoenix Class Action Administration Solutions as Settlement Administrator;

6. Approving as to content and form the notice to the Settlement Class, and directing it to be disseminated by the Settlement Administrator; and

7. Setting a final approval hearing and the related schedule of settlement proceedings set forth in the [Proposed] Order Granting Preliminary Approval of Class and Representative Action Settlement, filed concurrently herewith.

Dated: October 26, 2026

Respectfully submitted,
GAINES LAW CORPORATION

By: _____
EVAN S. GAINES
Attorney for Plaintiff Leah Jarvis and
Proposed Class Counsel