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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

JUAN MANUEL MUNOZ, individually, and on
behalf of other similarly situated employees and
aggrieved employees pursuant to the California
Private Attorneys General Act,

Plaintiff,

vs.

MGA ENTERTAINMENT, INC., a California
corporation; and DOES 1 through 25, inclusive,

Defendants.

Case No. 23STCV06386

Honorable David S. Cunningham
Department 11

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

Date: June 11, 2025
Time: 10:00 a.m.
Dept.: 11

Complaint Filed: March 22, 2023
FAC Filed: October 4, 2024
Trial Date: Not Set

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE THAT** on **June 11, 2025 at 10:00 a.m.** in Department 11 of the
3 above-captioned Court located at Spring Street Courthouse, 312 North Spring Street, Los Angeles,
4 California 90012, pursuant to California Code of Civil Procedure section 382 and Rule 3.769 of the
5 California Rules of Court, Plaintiff Juan Manuel Munoz (“Plaintiff”) will and hereby does move the
6 Court for an Order granting preliminary approval of the proposed class action and PAGA settlement
7 between Plaintiff and Defendant MGA Entertainment, Inc. (“Defendant”).

8 Plaintiff requests that the Court enter an Order:

9 1. Preliminarily approving the Joint Stipulation of Class Action and PAGA Settlement
10 (“Settlement” or “Settlement Agreement”) attached as Exhibit 3 to the Declaration of Jonathan M. Genish
11 in Support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement
12 (“Genish Decl.”);

13 2. Certifying the Class for Settlement purposes;

14 3. Appointing Plaintiff Juan Manuel Munoz as the Class Representative for Settlement
15 purposes;

16 4. Appointing Jonathan M. Genish, Miriam L. Schimmel, Joana Fang, and Alexandra Rose
17 of Blackstone Law, APC as Class Counsel for Settlement purposes;

18 5. Approving the proposed Notice of Class Action Settlement (“Class Notice”), attached as
19 Exhibit A to the Settlement Agreement, to be mailed to the Class;

20 6. Approving the opt-out and objection procedures provided in the Settlement Agreement
21 and set forth in the Class Notice;

22 7. For each Class Member, directing Defendant to furnish their full name, last known mailing
23 address, Social Security number, hired and termination dates, and such other information as is necessary
24 for the Settlement Administrator to calculate Workweeks and Pay Periods to the Settlement
25 Administrator within fourteen (14) calendar days after entry of the order granting preliminary approval
26 of the Settlement;

27 8. Approving the proposed deadlines for the settlement administration process; and

28 9. Setting a Final Approval Hearing.

1 Pursuant to California Labor Code section 2699(1)(2), on January 21, 2025, a copy of the
2 Settlement was submitted to the California Labor and Workforce Development Agency (“LWDA”) via
3 online submission through the LWDA’s website. (Genish Decl., ¶ 46).

4 This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the
5 Declaration of Jonathan M. Genish, the Declaration of Plaintiff Juan Manuel Munoz, the Declaration of
6 Lisa Mullins of ILYM Group, Inc., the pleadings and other records on file with the Court in this matter,
7 and any other further evidence or argument that the Court may properly receive at or before the hearing.

8
9 Respectfully submitted,

10 Dated: February 4, 2025

BLACKSTONE LAW, APC

11
12 By: 
13 Jonathan M. Genish
14 Attorneys for Plaintiff Juan Manuel Munoz
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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Juan Manuel Munoz (“Plaintiff”) seeks preliminary approval of the Joint Stipulation of
4 Class Action and PAGA Settlement (“Settlement” or “Settlement Agreement”) entered into between
5 Plaintiff and Defendant MGA Entertainment, Inc. (“Defendant”) (together, with Plaintiff, the “Parties”).
6 (Declaration of Jonathan M. Genish in Support of Plaintiff’s Motion for Preliminary Approval of Class
7 Action and PAGA Settlement [“Genish Decl.”], Exh. 3). The Settlement terms are outlined as follows:

- 8
- Class Size: Approximately one hundred and ninety-six (196) individuals.
 - 9 • Gross Settlement Amount: Six Hundred Twenty-Five Thousand Dollars and Zero Cents
10 (\$625,000.00).
 - 11 • Attorneys’ Fees and Costs: Attorneys’ fees of third (1/3) of the Gross Settlement Amount
12 (i.e., \$208,333.33 if the Gross Settlement Amount is \$625,000.00) plus actual litigation costs
13 and expenses not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00), to
14 be paid from the Gross Settlement Amount.
 - 15 • Enhancement Payment: Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00),
16 to be paid from the Gross Settlement Amount.
 - 17 • Settlement Administration Costs: Not to exceed Nine Thousand Dollars and Zero Cents
18 (\$9,000.00), to be paid from the Gross Settlement Amount.
 - 19 • PAGA Amount: Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00) from the Gross
20 Settlement Amount, 75% of which will be paid to the Labor and Workforce Development
21 Agency (“LWDA”) and the remaining 25% to be paid to the PAGA Employees.
 - 22 • Estimated Net Settlement Amount: Three Hundred Fifty-One Thousand One Hundred Sixty-
23 Six Dollars and Sixty-Seven Cents (\$351,166.67) to be distributed to Settlement Class
24 Members.

25 As set forth herein, the Settlement is the product of informed discovery and arms-length
26 negotiations, and provides a fair, adequate, and reasonable recovery for the Class. Plaintiff therefore
27 respectfully requests that the Court grant preliminarily approval of the Settlement, conditionally certify
28 the Class, approve the proposed Notice of Class Action Settlement (“Class Notice”), and set a hearing
date for final settlement approval, among other requested relief.

1 **II. FACTUAL AND PROCEDURAL BACKGROUND**

2 Defendant is a private toy company. Plaintiff was employed by Defendant as an hourly-paid,
3 non-exempt employee from approximately August 2020 to approximately April 2022. (Declaration of
4 Plaintiff Juan Manuel Munoz in Support of Motion for Preliminary Approval of Class Action and PAGA
5 Settlement [“Munoz Decl.”], ¶ 2).

6 On March 22, 2023, Plaintiff provided written notice to the LWDA by online submission and to
7 Defendant by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified
8 provisions of the California Labor Code alleged to have been violated by Defendant (“PAGA Letter”).
9 (Genish Decl., ¶ 8 & Exh. 2).

10 On March 22, 2023, Plaintiff filed a Class Action Complaint for Damages in the action entitled
11 *Juan Manuel Munoz v. MGA Entertainment, Inc.*, Los Angeles County Superior Court Case No.
12 23STCV06386 (“Action”), thereby commencing a putative class action against Defendant. (*Id.*, ¶ 9).
13 Defendant answered the complaint and denied all claims and allegations.

14 On June 1, 2023, Plaintiff filed a Complaint for Enforcement Action Under the Private Attorneys
15 General Act, California Labor Code §§ 2698 Et Seq. in the action entitled *Juan Manuel Munoz v. MGA*
16 *Entertainment, Inc.*, Los Angeles County Superior Court Case No. CIVSB2312322 (“PAGA Action”).
17 (*Id.*, ¶ 10). Defendant answered the complaint and denied all claims and allegations.

18 On July 30, 2024, Parties participated in a formal mediation conducted by Gig Kyriacou, Esq.
19 (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour
20 matters, and with the assistance of the Mediator’s evaluations, the Parties were able to reach an agreement
21 to resolve this dispute on a class and representative basis. (*Id.*, ¶ 11). The Parties then worked diligently
22 to negotiate and memorialize the terms in a long form settlement agreement. (*Ibid.*). In entering into the
23 settlement, Defendant does not admit, and specifically denies, it violated any federal, state, or local law;
24 violated any regulations or guidelines promulgated pursuant to any statute or any other applicable laws,
25 regulations, or legal requirements; or engaged in any other unlawful conduct with respect to its
26 employees.

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1 On October 4, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint
2 (“Operative Complaint”) in the Action, which, *inter alia*, added the claims alleged in the PAGA Action.
3 (*Id.*, ¶ 12). The Operative Complaint alleges nine (9) causes of action for violations of the California
4 Labor Code for failure to pay overtime wages, failure to pay minimum wages, failure to provide
5 compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods
6 and premiums payments in lieu thereof, failure to provide accurate wage statements, failure to timely pay
7 wages upon termination, and failure to reimburse necessary business expenses, for violations of
8 California Business & Professions Code Section 17200, *et seq.* based on the aforementioned California
9 Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor
10 Code violations. (Genish Decl., ¶ 12).

11 On October 16, 2024, the PAGA Action was dismissed without prejudice. (*Id.*, ¶ 13).

12 On January 6, 2025, the Parties executed the Settlement Agreement. (*Id.*, ¶ 14 & Exh. 3).

13 **III. THE SETTLEMENT TERMS**

14 **A. Class Definition**

15 1. For purposes of settlement only, the Parties have agreed that the Class shall be defined as
16 “all current and former non-exempt employees who worked for Defendant in the State of California at
17 any time during the Class Period” (“Class Member(s)” or “Class”). (Genish Decl., ¶ 15; Settlement
18 Agreement, ¶ 6.b). The Class Period is defined as the period from March 22, 2019 through October 1,
19 2024. (Genish Decl., ¶ 15; Settlement Agreement, ¶ 6.f). Based on information provided by Defendant,
20 it is estimated that there are a total of one hundred and ninety-six (196) Class Members. (Genish Decl.,
21 ¶ 15).

22 **B. Amount of Settlement**

23 The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint
24 for a non-reversionary Gross Settlement Amount of Six Hundred Twenty-Five Thousand Dollars and Zero
25 Cents (\$625,000.00), exclusive of employer-side payroll taxes. (Genish Decl., ¶ 16; Settlement
26 Agreement, ¶ 6.q).

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1 **C. Allocation and Funding of the Gross Settlement Amount**

2 The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees,
3 and other allocations. (Genish Decl., ¶ 16; Settlement Agreement, ¶ 6.q). The Gross Settlement Amount
4 includes: (1) Class Counsel’s fees in the amount of one-third (1/3) of the Gross Settlement Amount (i.e.,
5 \$208,333.33 if the Gross Settlement Amount is \$625,000.00); (2) Class Counsel’s actual litigation costs
6 and expenses, not to exceed Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00); (3) Settlement
7 Administration Costs, not to exceed Nine Thousand Dollars and Zero Cents (\$9,000.00); (4)
8 Enhancement Payment in the amount of Seven Thousand Five Hundred Dollars and Zero Cents
9 (\$7,500.00); and (5) PAGA Amount in the amount of Twenty-Four Thousand Dollars and Zero Cents
10 (\$24,000.00. (Genish Decl., ¶ 16; Settlement Agreement, ¶¶ 6.q, 9, 10, 11, and 12). After the above-
11 estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount that will
12 be available for Class Members is currently estimated to be Three Hundred Fifty-One Thousand One
13 Hundred Sixty-Six Dollars and Sixty-Seven Cents (\$351,166.67). (Genish Decl., ¶ 16). Additionally,
14 25% of the PAGA Amount (“PAGA Employee Amount”), which is \$6,000.00 out of \$24,000.00 will be
15 fully distributed to “all current and former non-exempt employees who worked for Defendant in the State
16 of California at any time during the PAGA Period” (“PAGA Employee(s)”). (Genish Decl., ¶ 16;
17 Settlement Agreement, ¶¶ 6.q, 6.z, 6.aa, and 11). The “PAGA Period” is defined as the period from
18 March 22, 2022 through October 1, 2024. (Genish Decl., ¶ 16; Settlement Agreement, ¶ 6.bb).

19 The Net Settlement Amount will be distributed and paid to all Class Members who do not submit
20 a timely and valid Request for Exclusion (“Settlement Class Members”) on a *pro rata* basis based on the
21 number of weeks each Class Member worked for Defendant as a non-exempt employee in California
22 during the Class Period (“Workweeks”). (Genish Decl., ¶ 17; Settlement Agreement, ¶¶ 6.oo and 6.pp).
23 The *pro rata* share of the Net Settlement Amount that a Class Member may be eligible to receive under
24 the Class Settlement (“Individual Settlement Share”) will be calculated by the Settlement Administrator,
25 in accordance with the Settlement Agreement. (Genish Decl., ¶ 17; Settlement Agreement, ¶¶ 6.t and
26 14).

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1 The PAGA Employee Amount will be distributed and paid to all PAGA Employees on a *pro rata*
2 basis based on the number of pay periods each PAGA Employee worked for Defendant as a non-exempt
3 employee in California during the PAGA Period (“Pay Periods”). (Genish Decl., ¶ 18; Settlement
4 Agreement, ¶¶ 6.dd and 11). The *pro rata* share of the PAGA Employee Amount that a PAGA Employee
5 may be eligible to receive under the PAGA Settlement (“Individual PAGA Payment”) will be calculated
6 by the Settlement Administrator, in accordance with the Settlement Agreement. (Genish Decl., ¶ 19;
7 Settlement Agreement, ¶¶ 6.r and 15).

8 Each Individual Settlement Share will be allocated as twenty percent (20%) wages and eighty
9 percent (80%) penalties, interest, and non-wage damages. (Genish Decl., ¶ 19; Settlement Agreement, ¶
10 16). The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to
11 penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the
12 Settlement Administrator. (Genish Decl., ¶ 19; Settlement Agreement, ¶ 16). The Settlement
13 Administrator will withhold the employee’s share of taxes and withholdings with respect to the wages
14 portion of the Individual Settlement Shares, and issue checks to Settlement Class Members for their net
15 payment of their Individual Settlement Share (“Individual Settlement Payment”). (Genish Decl., ¶ 19;
16 Settlement Agreement, ¶¶ 6.s and 16). The employer’s share of taxes and contributions in connection
17 with the wages portion of Individual Settlement Shares will be paid by Defendant separately and in
18 addition to the Gross Settlement Amount. (Genish Decl., ¶ 19; Settlement Agreement, ¶¶ 6.q and 16).
19 Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be
20 reported on an IRS Form 1099 (if applicable) by the Settlement Administrator. (Genish Decl., ¶ 19;
21 Settlement Agreement, ¶ 16).

22 The Settlement Agreement is a non-reversionary and non-claims made settlement. (Genish Decl.,
23 ¶ 20; Settlement Agreement, ¶¶ 6.q and 34). The Net Settlement Amount will be fully distributed to
24 Settlement Class Members and the PAGA Amount will be fully distributed to the LWDA and PAGA
25 Employees, in accordance with the Settlement Agreement. (Genish Decl., ¶ 20; Settlement Agreement,
26 ¶¶ 14 and 15). No money will revert to Defendant. (Genish Decl., ¶ 20; Settlement Agreement, ¶ 6.q).

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1 Each Individual Settlement Payment and Individual PAGA Payment check will be valid and
2 negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and
3 thereafter, shall be canceled. (Genish Decl., ¶ 21; Settlement Agreement, ¶ 34). Any funds associated
4 with such canceled checks will be distributed by the Settlement Administrator to the State of California's
5 Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee.
6 (Genish Decl., ¶ 21; Settlement Agreement, ¶ 34).

7 **D. Released Claims**

8 Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all
9 Settlement Class Members will be deemed to have fully, finally, and forever released, settled,
10 compromised, relinquished, and discharged the Released Parties of all Released Class Claims.
11 (Settlement Agreement, ¶ 35).

12 Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of
13 California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully,
14 finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of
15 all Released PAGA Claims. (Settlement Agreement, ¶ 36).

16 "Released Class Claims" means all claims that were alleged, or reasonably could have been
17 alleged, based on the factual allegations in the Operative Complaint, arising during the Class Period,
18 including claims for Defendant's alleged failure to pay overtime wages, including alleged failure to pay
19 overtime at the correct rates of pay, and minimum wages, provide compliant meal and rest periods and
20 associated premium payments, provide accurate wage statements, timely pay wages upon termination,
21 and reimburse necessary business-related expenses in violation of California Labor Code Sections 201,
22 202, 203, 226(a), 226.7, 510, 512, 1194, 1197, 1197.1, 1198, 2800, and 2802, and California Business
23 and Professions Code sections 17200, *et seq.*, and expressly excluding all other claims, including claims
24 for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,
25 unemployment insurance, disability, social security, workers' compensation, and claims based on facts
26 occurring outside of the Class Period. (*Id.*, ¶ 6.hh).

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1 “Released PAGA Claims” all claims for civil penalties under the Private Attorneys General Act
2 of 2004, California Labor Code Sections 2698 *et seq.*, that were alleged, or reasonably could have been
3 alleged, based on the factual allegations in the Operative Complaint and PAGA Letter, arising during the
4 PAGA Period, including claims for Defendant’s alleged failure to pay overtime wages, including alleged
5 failure to pay overtime at the correct rates of pay, and minimum wages, provide compliant meal and rest
6 periods and associated premium payments, provide accurate wage statements, timely pay wages during
7 employment and upon termination, provide complete and accurate payroll records, and reimburse
8 necessary business-related expenses in violation of California Labor Code Sections 201, 202, 203, 204,
9 226(a), 226.7, 510, 512, 1174(d), 1194, 1197, 1197.1, 1198, 2800, and 2802. (*Id.*, ¶ 6.ii).

10 “Released Parties” means Defendant and any of its past, present, and future direct or indirect
11 parents, subsidiaries, predecessors, successors, assigns, affiliates, and joint venturers, as well as its past,
12 present, and future owners, officers, directors, employees, associates, partners, shareholders, members,
13 agents, attorneys, insurers, reinsurers, and any individual or entity that could be jointly liable with
14 Defendant. (*Id.*, ¶ 6.jj).

15 **IV. STANDARD OF REVIEW FOR PRELIMINARY APPROVAL**

16 The settlement of a class action requires court approval. (*See Dunk v. Ford Motor Co.*, 48 Cal.
17 App. 4th 1794 (1996)). “In general, questions whether a settlement was fair and reasonable, whether
18 notice to the class was adequate, whether certification of the class was proper, and whether the attorney
19 fee award was proper are matters addressed to the trial court’s broad discretion.” (*Wershba v. Apple*
20 *Computer, Inc.*, 91 Cal.App.4th 224, 234-35 (2001) (disapproved on other grounds)).

21 The review and approval of a proposed class action settlement involves a two-step process. (*See*
22 *Cal. Rules of Court, Rule 3.769(c)*). First, counsel submit the proposed terms of the settlement and the
23 Court makes a preliminary assessment of whether the settlement appears to be sufficiently within the
24 range of a fair settlement to justify providing notice of the proposed settlement to class members. After
25 notice is provided to the class, the Court must conduct a second inquiry into whether the proposed
26 settlement is fair, reasonable, and adequate. (*Ibid*).

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1 The initial evaluation of the settlement at the preliminary approval step “is not a fairness hearing.”
2 (*Armstrong v. Board of School Directors of City of Milwaukee*, 616 F.2d 305, 314 (7th Cir. 1980)).
3 Rather, the limited purpose of this initial inquiry is to determine, at a threshold level, only whether the
4 proposed settlement is within the range of possible approval and, as a result, “whether there is any reason
5 to notify the class members of the proposed settlement and to proceed with a fairness hearing.” A
6 presumption of fairness exists where: (1) the settlement is reached through arm’s length bargaining; (2)
7 investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel
8 is experienced in similar litigation; and (4) the percentage of objectors is small. (*See In re Microsoft I-V*
9 *Cases*, 135 Cal. App. 4th 706, 723 (2006)).

10 Preliminary approval does not require a court to make a final determination that the settlement is
11 fair, reasonable, and adequate. Rather, that decision is made only at the final approval stage, after notice
12 of the settlement has been given to the class members and they have had an opportunity to object or
13 exclude themselves from the settlement. (*See* Cal. Rules of Court, Rule 3.769(g)). In considering a
14 potential class settlement, the court need not reach any ultimate conclusions on the issues of fact and law
15 which underlie the merits of the dispute and need not engage in a trial on the merits. (*See Officers for*
16 *Justice v. Civil Service Commission*, 688 F.2d 615, 625 (9th Cir. 1982)).

17 **V. THE SETTLEMENT IS PRESUMED FAIR**

18 **A. The Settlement Was Reached as a Result of Arm’s-Length Bargaining**

19 California courts recognize that “a presumption of fairness exists where . . . [a] settlement is
20 reached through arm’s-length bargaining.” (*Wershba*, 91 Cal.App.4th at 245; *see also Clark v. Am.*
21 *Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties’ settlement negotiations
22 were at all times made at arm’s-length and were adversarial. (Genish Decl., ¶ 22). The Settlement was
23 reached following a full day of mediation with a highly respected mediator with substantial experience
24 mediating wage and hour cases. (Ibid). At all times, Plaintiff was willing and prepared to litigate this
25 matter through class certification and trial if the Parties had been unable to reach a favorable resolution.
26 (*Id.*, ¶ 43).

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1 **B. Sufficient Investigation and Discovery by Experienced Class Counsel**

2 Courts typically assess the status of discovery in determining whether a class action settlement
3 agreement is fair, reasonable, and adequate. (*Dunk*, 48 Cal.App.4th at 1801). Prior to mediation,
4 Defendant produced all putative class members’ time and pay data for the time period November 6, 2023
5 to June 2, 2024 (which was then extrapolated out for all class members across the entire putative class
6 period), as well as Defendant’s relevant wage and hour policies, and information regarding the total
7 number of putative class members, the number of current versus former employees, the total workweeks
8 worked by the putative class members, and the average rate of pay for the putative class members.
9 (Genish Decl., ¶ 23).

10 This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and
11 weaknesses of the claims and the potential class-wide damages. (*Id.*, ¶ 24). Based on information
12 exchanged, the Parties extensively briefed issues regarding class certification and liability and provided
13 their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective
14 positions. (*Id.*, ¶ 25). Additionally, settlement negotiations were conducted by highly capable and
15 experienced counsel. (Genish Decl., ¶¶ 1-7). Accordingly, Class Counsel had sufficient information and
16 experience to act intelligently in negotiating the Settlement.

17 **C. The Settlement is Fair and Reasonable in Light of the Parties’ Respective Legal Positions**
18 **and Recovery Risks**

19 A settlement is not judged against what might have been recovered had a plaintiff prevailed at
20 trial, nor does the settlement have to obtain 100% of the damages sought to be fair and reasonable.
21 (*Wershba*, 91 Cal.App.4th at 246, 250). In evaluating the reasonableness of a settlement, a trial court
22 must consider “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
23 litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the
24 extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the
25 presence of a governmental participant, and the reaction of the class members to the proposed settlement.”
26 (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).

27 ///

28 ///

1 Here, the reasonableness of the Settlement is underscored by the fact that Defendant has legal and
2 factual grounds for defending the Action. Based upon Class Counsel's experience litigating similar
3 complex matters, Plaintiff reasonably expected a vigorous and lengthy defense to both class certification
4 and the merits of the Action absent a settlement.

5 **1. Class Counsel's Analysis of the Maximum Available Liability and Damages**

6 Class Counsel analyzed all available data and estimated Defendant's maximum potential exposure
7 to be approximately \$6,684,712, assuming the litigation was successful at trial on all claims at issue and
8 every employee had a violation for each claim on every shift worked. (Genish Decl., ¶ 26). This
9 maximum potential analysis was then reduced based on the challenges facing the likelihood of obtaining
10 class certification, prevailing at trial, and other attendant risks. (Ibid). This estimate is based off an
11 estimated maximum liability for all claims at issue and the total aggregate workweeks during the relevant
12 time period, less interest, and based on the analysis of the data which was extrapolated out for all class
13 members across the entire putative class period, which included: \$896,129 for meal period violations;
14 \$3,688,548 for rest period violations at a 100% violation rate; \$42,024 for unpaid wages (regular,
15 overtime, and double time wages) due to rounding; \$784,911 for unpaid off-the-clock work for 1 hour
16 per workweek of off-the-clock work; \$57,093 for unpaid overtime wages at the required regular rate of
17 pay; \$451,847 for waiting time penalties; \$552,000 for wage statement penalties; and \$212,160 for
18 unreimbursed business expenses. (Ibid). Plaintiff further estimated that Defendant faced an additional
19 exposure of \$649,900 in potential, non-stacked (i.e., one penalty, per employee, per pay period during
20 the PAGA statutory period) PAGA penalties. (Genish Decl., ¶ 26). Together with the PAGA penalties,
21 Defendant's maximum potential exposure totaled \$7,334,612 in damages. (Ibid).

22 **2. Class Counsel's Risk-Based Analysis and Risk-Based Adjustments**

23 While Plaintiff believes that Defendant faced significant exposure, substantial barriers to a
24 recovery existed. Defendant contended that Plaintiff's claims are not suitable for class certification
25 including because Plaintiff entered into an arbitration agreement with a class waiver and because
26 individual issues and affirmative defenses would predominate should this case go to trial. (Genish Decl.,
27 ¶ 29; *See Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012); *Duran v. U.S. Bank Nat.*
28 *Assn.*, 59 Cal.4th 1, 35-36 (2014); *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541, 2551 (2011)). While

1 Plaintiff and Class Counsel disagree with Defendant’s predictions, they also recognize that there is a
2 significant risk that the Court may deny class certification. (Genish Decl., ¶ 29; *see also*, *Findings of the*
3 *Study of California Class Action Litigation*, 2000-2006, available at
4 <http://www.courts.ca.gov/documents/class-action-lit-study.pdf> (finding that only 21.4% of all class
5 actions were certified either as part of a settlement or as part of a contested certification motion)).

6 For example, Plaintiff’s meal period claims, which were based on Defendant’s alleged failure to
7 provide lawful meal periods, have been increasingly difficult to certify in recent years. (Genish Decl., ¶
8 30; *See Brinker*, 53 Cal. 4th at 1034-35). Plaintiff’s theory of liability for meal period violations was
9 based on allegations that Defendant had failed to implement its policies and that its practices failed to
10 allow Class Members to take meal breaks in the manner required under California law. (Genish Decl., ¶
11 30; *See Bradley v. Networkers Int’l, LLC*, 211 Cal.App.4th 1129, 1150 (2012) (holding that “the lack of
12 a meal/rest break policy and uniform failure to authorize such breaks are matters of common proof.”)).
13 Defendant contended that its policies and practices at all times during the Class Period were lawful.
14 (Genish Decl., ¶ 30). Indeed, Plaintiff’s analysis revealed only a 24.9% violation rate for purported
15 unique meal period violations. (Ibid). Defendant further argued that the rate of purported meal period
16 violations reflected in the data would require individualized inquiry and that such inquiry would prohibit
17 a class from being certified. (Ibid). Class Counsel also had to consider the risk that the Court would find
18 validity in an individualized proof defense to certification of Plaintiff’s meal period claim. (Ibid).

19 Additionally, a large portion of Defendant’s overall liability lies in Plaintiff’s rest period
20 allegations. (Genish Decl., ¶ 31). Plaintiff’s theory of liability on this claim was based on the argument
21 that Defendant’s practices failed to provide employees with timely, full, and uninterrupted rest periods.
22 (Ibid). Defendant contended that it had a lawful written rest period policy, provided compliant rest
23 breaks, and relieved Class Members of all duties as required under California law. (Ibid).
24 Notwithstanding, this claim was even more uncertain given the difficulties associated with proving the
25 alleged rest period violations, as Defendant was not required to record these breaks. (Ibid). Given the
26 lack of records demonstrating rest period violations, there were legitimate concerns Plaintiff would not
27 be able to certify these claims or prove substantial damages with requisite certainty, which made the
28 estimated value of this claim subject to much challenge. (Ibid).

1 Plaintiff also faced challenges certifying and proving liability for his minimum wage and overtime
2 claims. (*Id.*, ¶ 32). These claims were largely based on Defendant’s rounding and unrecorded, off-the-
3 clock work performed by the Class Members. (*Ibid.*). Plaintiff argued that Defendant rounded employees’
4 time in a manner which was entirely in favor of Defendant and to the detriment of the employees. (*Ibid.*).
5 While Defendant did round employees’ time to the nearest quarter-hour in a non-neutral manner, the
6 analysis of Plaintiff’s time records, which was extrapolated for the putative class, revealed that a total of
7 only approximately 1,546.6 hours (or 0.8 minutes per shift) were underpaid to employees and a total of
8 approximately 4,327.3 hours (or 5.8 minutes per shift) were overpaid to employees. (*Ibid.*). Further, it
9 was found that Defendant stopped its practice of rounding in approximately November 2023. (*Ibid.*).
10 Plaintiff’s off-the-clock claims rested on unrecorded, off-the-clock work performed by the Class
11 Members both during purported meal periods and after their shifts. (*Ibid.*). This alleged off-the-clock
12 work included, amongst other things, requiring Plaintiff and the other Class Members to operate heavy
13 machinery, perform inventory, fulfill orders and prepare shipments, and receive and load containers to
14 transport to offsite locations. (*Ibid.*). However, the individualized nature of why this work was performed
15 and the individualized nature of damages presented substantial concerns regarding the manageability of
16 the case and the risk the Court could find these issues prevented certification, and the estimated damages
17 for this claim were based on an assumption that all Class Members worked off the clock for at least one
18 hour per week. (*Ibid.*).

19 There are also substantial risks associated with Plaintiff’s waiting time penalties and wage
20 statement claims. (Genish Decl., ¶ 33). First, these claims were derivative of Plaintiff’s claims for unpaid
21 meal period premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime
22 wages, and if certification was denied on those underlying claims, these derivative claims for penalties
23 would also likely fail. (*Ibid.*). Further, even if Plaintiff prevailed on his underlying claims, he would still
24 be required to demonstrate that Defendant’s violations of California Labor Code section 203 were *willful*
25 violations. (Genish Decl., ¶ 33; *See, e.g., Choate v. Celite Corp.*, 215 Cal App. 4th 1460, 1468 (2013)
26 (holding that “an employer’s reasonable, good faith belief that wages are not owed may negate a finding
27 of willfulness”)). Wage statement claims have also seen varying treatment at the appellate level because
28 such claims have an element of discretion attached to them rather than a pure calculation of damages after

1 liability is proven. (Genish Decl. ¶ 33; *Jaimez v. DAIOHS USA, Inc.*, 181 Cal.App.4th 1286 (2010) *with*
2 *Price v. Starbucks Corp.*, 192 Cal.App.4th 1136 (2011)). Accordingly, these derivative claims, which
3 comprised a substantial portion of Defendant's estimated liability, were therefore uncertain. (Genish
4 Decl., ¶ 33).

5 Plaintiff also contended that Defendant failed to reimburse Plaintiff and the other Class Members
6 for necessary business-related expenses, such as the purchase of safety vests, usage of personal vehicle,
7 and usage of personal cell phones for work-related purposes. (*Id.*, ¶ 34). Defendant contended that it had
8 a policy and practice of reimbursing employees for necessary business-related expenses. (*Ibid.*).
9 Defendant further contended that, with respect to the alleged expenses for which Plaintiff and the other
10 Class Members never requested reimbursement from Defendant, it did not know and had no reason to
11 know that alleged business-related expenses had been incurred. (*Ibid.*). Defendant further contended that
12 the reason for why a Class Member undertook certain expenses, while not others, and failed to receive
13 reimbursement for certain expenses while not others, would raise individual issues that could not be
14 certified. (*Ibid.*).

15 Class Counsel also recognized that, even if Plaintiff prevailed at class certification, proving the
16 amount of wages due to Class Members would be an expensive, time-consuming, and uncertain
17 proposition. (*Id.*, ¶ 35). In order to prove liability and damages, Class Counsel will need to request and
18 analyze thousands of pages of documents, obtain the Class Members' contact information, contact them,
19 and obtain their declarations at great expense. (Genish Decl., ¶ 35). Obtaining the cooperation of current
20 employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a
21 current employer. (*Ibid.*). On the other hand, Defendant would likely be able to obtain the cooperation
22 of their employees. (*Ibid.*). Moreover, even if Plaintiff prevailed at class certification and trial, possible
23 appeals would substantially delay any recovery by the Class. (*Ibid.*).

24 Therefore, taking into account how each of the above risks potentially effected Plaintiff's ability
25 to first obtain class certification, and then prove the underlying violations, plus the cost and delay in
26 recovering the alleged potential damages, Class Counsel discounted Defendant's estimated liability based
27 on the challenges facing his ability to succeed on class certification by 65% to \$2,567,114. (*Id.*, ¶ 36).
28 The merits-based risk factors further reduced Defendant's estimated liability by an additional 60%.

(Ibid). This resulted in an adjusted estimated liability of \$1,026,846. In light thereof, the settlement amount of \$625,000 is a significant settlement. (Ibid).

Class Counsel also separately contemplated the risks of proceeding with the PAGA action and potential liability Defendant could face from this claim as part of the global resolution. (*Id.*, ¶ 37). Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiff's underlying wage claims. (Genish Decl., ¶ 37; see, *Elliot v. Spherion Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D. Cal. 2008) ("Plaintiff's claim under [PAGA] is wholly dependent upon her other claims. Because all of Plaintiff's other claims fail as a matter of law, so does her PAGA claim")). Class Counsel also anticipated that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory, and that Defendant would argue that it made a good faith attempt to comply with its legal obligations warranting a reduction in penalties. (Genish Decl., ¶ 37).¹ Class Counsel also anticipated Defendant would argue that it made a good faith attempt to comply with its legal obligations and that the violations per pay period were low, warranting an additional reduction in civil penalties. (Genish Decl., ¶ 37). Finally, Class Counsel was also mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by financing state activities and educating and deterring non-compliance. (Ibid).

Therefore, after considering this multitude of factors, Plaintiff and Class Counsel concluded that it was in the best interest of the State of California and the PAGA Employees to enter into the Settlement, and to allocate Twenty-Four Thousand Dollars and Zero Cents (\$24,000.00) of the Gross Settlement Amount towards the PAGA claim, which represents approximately 3.84% of the Gross Settlement Amount. (*Id.*, ¶ 38). This percentage of the settlement is well within the range of wage and hour

¹ See, e.g., *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1131 (2012) (imposition of both statutory and civil penalties for same conduct is impermissible double recovery) (disapproved on other grounds); *Aguirre v. Genesis Logistics*, 2013 WL 10936035, at *3 (C.D. Cal. 2013) ("duplicative effect" of penalties is a factor in favor of "reducing ...the PAGA penalty"); *Smith v. Lux Retail North America, Inc.*, 2013 WL 2932243, at *3 (N.D. Cal. June 13, 2013) (declining to stack penalties based on the same conduct); *Castillo v. ADT, LLC*, 2017 WL 363108, at *4 (E.D. Cal. Jan. 25, 2017); *Sanchez v. McDonalds Restaurants of California, Inc.*, 2017 WL 4620746 (LA Super. Ct. July 6, 2017) (declining to stack penalties arising out of the same conduct); *Fleming v. Covidien, Inc.*, 2011 WL 756304718, at *4 (C.D. Cal. Aug. 12, 2011) (reducing PAGA penalties by 80%); *Cotter v. Lyft, Inc.*, 193 F.Supp.3d 1030 (N.D. Cal. 2016) (indicating that a substantial reduction is warranted where good faith dispute exists in legal obligations); *Carrington v. Starbucks Corp.*, 30 Cal.App.5th 504, 529 (2018) (approving reduction in penalties from \$50 per pay period to \$5 per pay period based on good faith attempts to comply with obligations and minimal violations).

1 settlements regularly approved in both state and federal court for cases that include both a class and
2 PAGA action. (Ibid). Typically, such hybrid cases allocate only 1% of the gross settlement value to
3 resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement
4 amount have been approved as reasonable by courts. (Ibid). Moreover, the overall relief obtained by the
5 Settlement is significant, not only from a monetary perspective, but also because it fulfills the public
6 policy objectives of PAGA—to promote enforcement of California’s labor laws, provide funds to the
7 state, and deter future non-compliance by the employer. (Ibid).

8 Therefore, the Settlement is in the best interest of the Class Members, the PAGA Employees, and
9 the State of California and is within the accepted range of recoveries for this type of litigation given the
10 inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further
11 litigation. (*Id.*, ¶ 39).

12 VI. CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED

13 Code of Civil Procedure Section 382 provides that three basic requirements must be met in order
14 to sustain any class action: (1) there must be an ascertainable class; (2) there must be a well-defined
15 community of interest in the question of law or fact affecting the parties to be represented; and (3)
16 certification will provide substantial benefits to litigants and the courts, i.e., proceeding as a class action
17 is superior to other methods. (*See Dunk*, 48 Cal.App.4th at 1806). Plaintiff contends that the Action,
18 which is based upon Defendant’s wage and hour policies and practices, satisfies the class certification
19 requirements under California Code of Civil Procedure section 382. Defendant denies Plaintiff’s
20 allegations, but for purposes of the Settlement only, Defendant has stipulated to certification of the Class.

21 A. An Ascertainable Class Exists Which is So Numerous That Joinder of All Members is 22 Impracticable

23 Whether an ascertainable class exists turns on three factors: (1) the class definition, (2) the size of
24 the class, and (3) the means of identifying the class members. (*See Miller v. Woods*, 148 Cal.App.3d 862,
25 873 (1983)). In this case, all three considerations strongly favor class certification. Here, the Class is
26 defined as “all current and former non-exempt employees who worked for Defendant in the State of
27 California at any time during the Class Period.” (Genish Decl., ¶ 15; Settlement Agreement, ¶ 6.b). This
28 provides a clear and definite scope for the proposed class.

1 Next, the Class is sufficiently numerous. There is no magic number that satisfies the numerosity
2 requirement. Courts have certified classes with as few as ten or twenty-eight class members. (*Rose v.*
3 *City of Hayward*, 126 Cal.App.3d 926, 934 (1981); *Bowles v. Superior Court*, 44 Cal. 2d 574 (1995);
4 *Hebbard v. Colgrove*, 28 Cal.App.3d 1017, 1030 (1972)). Here, the estimated Class size of one hundred
5 and ninety-six (196) meets the numerosity requirement.

6 Finally, the question of whether class members are easily identifiable turns on whether a plaintiff
7 can establish “the existence of an ascertainable class.” (*Daar v. Yellow Cab Co.*, 67 Cal.2d 695 at 706
8 (1967)). The existence of an ascertainable class in this case can be established through Defendant’s
9 payroll records, and the Class definition is sufficiently specific to enable the Parties, Class Members, and
10 the Court to determine the parameters of the Class. (*See Clothesrigger, Inc. v. GTE Corp.*, 191
11 Cal.App.3d 605, 617 (1987)).

12 **B. The Class Shares a Well-Defined Community of Interest**

13 The community of interest requirement embodies three factors: (1) predominant questions of law
14 and fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives
15 who can adequately represent the class. (*Dunk*, 48 Cal.App.4th at 1806). Here, all three requirements
16 are easily satisfied.

17 The commonality criterion requires the existence of common question of law or fact and is
18 generally established with the issues of predominance and typicality. (*See Daar*, 67 Cal.2d 695, 706).
19 What is required is that a common question of fact or law exists which predominates over issues unique
20 to individual plaintiffs. The existence of individual issues or facts—generally present in any case arising
21 from employment—is not a bar to class certification as long as they do not render class litigation
22 unmanageable or predominate over the common issues. (*See B.W.I. Custom Kitchen v. Owens-Illinois,*
23 *Inc.*, 191 Cal.App.3d 1341, 1354 (1987)).

24 Here, Plaintiff’s claims present common issues of law and fact that predominate and warrant class
25 certification. Plaintiff alleges that Defendant denied compliant meal and rest periods to employees,
26 required employees to perform work off-the-clock, and failed to fully compensate employees for all time
27 actually worked. These policies and practices meant that Defendant allegedly failed to pay minimum and
28 overtime wages, and other related claims. Plaintiff alleges that Defendant’s policies and practices were

1 uniform as to all Class Members. Thus, class treatment is appropriate.

2 To satisfy the typicality requirement, California law does not require that plaintiffs' claims be
3 identical to the other class members. Rather, the test of typicality for a class representative is whether
4 other members have the same or similar injury, whether the action is based on conduct which is not
5 unique to the named plaintiff, and whether other class members have been injured by the same course of
6 conduct. (*See Seastrom v. Neways, Inc.*, 149 Cal.App.4th 1496, 1502 (2007)). The typicality requirement
7 for a class representative refers to the nature of the claim or defense of the representative, and not to the
8 specific facts from which it arose or the relief sought. (*See Ibid*).

9 Here, Plaintiff alleges that his claims are similar to that of the other Class Members and that
10 Plaintiff's claims arise out of the same alleged course of conduct giving rise to the claims of the other
11 Class Members. Because Plaintiff's claims are based upon the same alleged conduct and business
12 practices as those of Class Members, the typicality requirement has been satisfied.

13 Finally, the question of adequacy of representation "depends on whether the plaintiff's attorney
14 qualifies to conduct the proposed litigation in the plaintiff's interest or not antagonistic to the interests of
15 the class." (*McGee v. Bank of America*, 60 Cal.App.3d 442, 450 (1976)). Here, these considerations are
16 satisfied. Class Counsel is well-regarded and is qualified and experienced in employment-related, class-
17 action litigation. (Genish Decl., ¶¶ 1-7). Plaintiff will vigorously, adequately, and fairly represent the
18 interests of the Class. Plaintiff has, at all times, throughout the course of the litigation considered the
19 interests of the Class and understood that he must take steps to adequately represent the Class and their
20 interests. (Munoz Decl., ¶ 10). Because Plaintiff's claims are typical of other Class Members and are
21 not based on unique circumstances, there is no antagonism between the interests of Plaintiff and the Class.

22 **C. A Class Action is Superior to a Multiplicity of Litigation**

23 Under the circumstances, proceeding as a class action is a superior means of resolving this dispute,
24 as the Class Members and the Court will derive substantial benefits. Class certification would serve as
25 the only means to deter and redress the alleged violations. (*See Linder v. Thrifty Oil Co.*, 23 Cal.4th 429,
26 434 (2000) (relevant considerations include the probability that each class member will come forward to
27 prove his or her separate claim and whether the class approach would actually serve to deter and redress
28 the alleged wrongdoing)). Further, individual actions arising out of the same operative facts would

unduly burden the courts and could result in inconsistent results. Therefore, class action proceedings are superior to individual litigation.

VII. THE REQUESTED ENHANCEMENT PAYMENT IS REASONABLE

Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as compensation “for the expense or risk they have incurred in conferring a benefit on other members of the class.” (*Munoz v. BCI Coca-Cola Bottling Co.*, 186 Cal.App.4th 399, 412 (2010)). Courts routinely grant approval of class action settlement agreements containing enhancements for the class representative, 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 In re Online DVD Rental*, 779 F.3d 934, 947-948 (9th Cir. 2014) (approving incentive award 417 times larger than individual payments where incentive award made up a mere .17% of the settlement); *Gaudin v. Saxon Mortgage Servs., Inc.*, 2015 WL 7454183, at *10 (N.D. Cal. Nov. 23, 2015) (finding service award of \$15,000 to be “fair and reasonable”)).

Plaintiff initiated this litigation on behalf of his former co-workers who will now be entitled to receive payment from the Settlement. Plaintiff invested substantial time and effort into litigation, including his own research, reviewing documents, and extensive discussions with Class Counsel. (Munoz Decl., ¶¶ 3-5). Further, the requested amount for Plaintiff is also reasonable given the average award and the benefit gained by other Class Members. For these reasons, Plaintiff requests that an Enhancement Payment of Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff be preliminarily approved by the Court. (Genish Decl., ¶ 40; Munoz Decl., ¶ 12).

VIII. THE REQUESTED ATTORNEYS’ FEES AND COSTS ARE REASONABLE

Trial courts have “wide latitude” in assessing the value of attorneys’ fees and their decisions will “not be disturbed on appeal absent a manifest abuse of discretion.” (*Lealao v. Beneficial Cal, Inc.*, 82 Cal.App.4th 19, 41 (2000)). California law provides that attorney fee awards should be equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred. (*Id.* at 47). In cases where class members present claims against a common fund and the defendant agrees to a percentage of the fund as part of the settlement, use of the percentage method is appropriate. (*Id.* at 32).

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1 Here, the requested attorneys' fees of one-third (1/3) of the Gross Settlement Amount (i.e.,
2 \$208,333.33 if the Gross Settlement Amount is \$625,000.00) is disclosed to Class Members in the
3 proposed Class Notice. (Settlement Agreement, Exh. A). The requested fee was freely negotiated, is
4 common in the legal marketplace, and is not opposed by Defendant. The Motion for Final Approval will
5 elaborate on the nature of the legal services provided and will also support Class Counsel's request for
6 the reimbursement of litigation costs and expenses not to exceed Twenty-Five Thousand Dollars and Zero
7 Cents (\$25,000.00). (Genish Decl., ¶¶ 41 and 43). The Attorneys' Fees and Costs that are not ultimately
8 approved by the Court shall instead be included in the Net Settlement Amount to be distributed to
9 Settlement Class Members. (Settlement Agreement, ¶ 9).

10 **IX. THE CLASS NOTICE AND THE OPT-OUT AND OBJECTION PROCESS**
11 **MEETS DUE PROCESS REQUIREMENTS**

12 The Parties have jointly drafted the Class Notice, which will be mailed to the Class Members.
13 (*Id.*, Exh. A). The Class Notice will include information regarding the nature of the Action, a summary
14 of the terms of the Settlement, the Class definition, information on how to object to and/or opt-out of the
15 Class Settlement and to dispute Workweeks and/or Pay Periods, and the date of the Final Approval
16 Hearing. (*Ibid.*). The Class Notice will list each Class Member's total Workweeks and their estimated
17 Individual Settlement Share and each PAGA Employee's total Pay Periods and their estimated Individual
18 PAGA Payment. (Settlement Agreement, Exh. A).

19 Within fourteen (14) calendar days after entry of the preliminary approval order, Defendant will
20 provide a list in a formatted readable Microsoft Office Excel spreadsheet to the Settlement Administrator
21 containing the following information for each Class Member: full name; last known mailing address;
22 Social Security number; hire and termination dates; and such other information as is necessary for the
23 Settlement Administrator to calculate Workweeks and Pay Periods (collectively referred to as the "Class
24 List"). (*Id.*, ¶¶ 6.d and 23). Within seven (7) calendar days after receiving the Class List from Defendant,
25 the Settlement Administrator will perform a search based on the National Change of Address Database
26 or other similar services available, such as provided by Experian, for information to update and correct
27 for any known or identifiable address changes, and will mail a Class Notice in English and Spanish to all
28 Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by

1 the Settlement Administrator. (*Id.*, ¶ 24.a). The Parties have agreed to use ILYM Group, Inc. as the
2 Settlement Administrator. (Genish Decl., ¶ 44; Settlement Agreement, ¶ 6.mm).

3 In determining whether to approve a settlement of a class action, a trial court has virtually
4 complete discretion as to the manner of giving notice to class members, and review on appeal is governed
5 by the abuse of discretion standard. (*See In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380
6 (2010)). Here, Class Counsel is not aware of an alternative method of providing notice to the Class which
7 would result in a higher likelihood of actual notice. (Genish Decl., ¶ 45). The original source of the
8 mailing addresses is from Class Members, who provided the information to Defendant. (*Ibid*).

9 Class Members will have forty-five (45) calendar days from the initial mailing of the Class Notice
10 by the Settlement Administrator to submit a Request for Exclusion, Notice of Objection, and/or Dispute
11 (“Response Deadline”). (Settlement Agreement, ¶ 6.ll).

12 Any Class Notice returned to the Settlement Administrator as undeliverable on or before the
13 Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed
14 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Class Notice.
15 (*Id.*, ¶ 24.b). If no forwarding address is provided, the Settlement Administrator will promptly attempt
16 to determine a correct address using a skip-trace or other search, using the name, address, and/or Social
17 Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.
18 (Settlement Agreement, ¶ 24.b). In the event that a Class Notice is re-mailed to a Class Member, the
19 Response Deadline for that Class Member shall be extended fifteen (15) calendar days from the original
20 Response Deadline. (*Id.*, ¶ 6.ll).

21 Class Members will have an opportunity to dispute the number of Workweeks and/or Pay Periods
22 to which they have been credited, as reflected in their respective Class Notices, by submitting a timely
23 and valid letter (“Dispute”) to the Settlement Administrator, by mail, postmarked on or before the
24 Response Deadline. (*Id.*, ¶¶ 6.j and 25). A Dispute must: (a) contain the case name and number of the
25 Action; (b) contain the Class Member’s full name, signature, address, telephone number, and the last four
26 (4) digits of the Class Member’s Social Security number; (c) clearly state that the Class Member disputes
27 the number of Workweeks and/or Pay Periods credited to the Class Member and what the Class Member
28 contends is the correct number; and (d) be returned by mail to the Settlement Administrator at the

1 specified address, postmarked on or before the Response Deadline. (*Id.*, ¶ 6.j).

2 Any Class Member wishing to be excluded from the Class Settlement must submit a timely and
3 valid letter (“Request for Exclusion”) to the Settlement Administrator, by mail, postmarked on or before
4 the Response Deadline. (*Id.*, ¶¶ 6.kk & 26). A Request for Exclusion must: (a) contain the case name
5 and number of the Action; (b) contain the Class Member’s full name, signature, address, telephone
6 number, and last four (4) digits of the Class Member’s Social Security number; (c) clearly state that the
7 Class Member does not wish to be included in the Class Settlement; and (d) be returned by mail to the
8 Settlement Administrator at the specified address, postmarked on or before the Response Deadline. (*Id.*,
9 ¶ 6.kk). Notwithstanding the above, all PAGA Employees will be bound by the PAGA Settlement and
10 will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for
11 Exclusion. (*Id.*, ¶ 26).

12 To object to the Class Settlement, Settlement Class Members must submit a timely and complete
13 written objection (“Notice of Objection”) to the Settlement Administrator, by mail, postmarked on or
14 before the Response Deadline. (*Id.*, ¶¶ 6.x & 27). A Notice of Objection must: (a) contain the case name
15 and number of the Action; (b) contain the objector’s full name, signature, address, telephone number, and
16 the last four (4) digits of the objector’s Social Security number; (c) contain a written statement of all
17 grounds for the objection accompanied by any legal support for such objection; (d) contain copies of any
18 papers, briefs, or other documents upon which the objection is based; and (e) be returned by mail to the
19 Settlement Administrator at the specified address, postmarked on or before the Response Deadline.
20 (Settlement Agreement, ¶ 6.x). Settlement Class Members, individually or through counsel, may also
21 present their objection orally at the Final Approval Hearing, regardless of whether they have submitted a
22 Notice of Objection. (*Id.*, ¶ 27).

23 X. CONCLUSION

24 For all of the foregoing reasons, Plaintiff respectfully requests that this Court grant Plaintiff’s
25 Motion for Preliminary Approval of Class Action and PAGA Settlement and the relief requested herein.

26 Dated: February 4, 2025

Respectfully submitted,
BLACKSTONE LAW, APC

27 By:


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