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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

JORGE SOLIS, ANDRES SOLIS, and
ANTHONY BEDOLLA, individuals on behalf
of themselves, the State of California, as a
private attorneys general, and on behalf of all
others similarly situated,

Plaintiffs,

v.

TINY TURNIP, LLC, a California Limited
Liability Company; and DOES 1 TO 50,

Defendants.

Case Number: 30-2025-01521833-CU-OE-CXC

**Plaintiffs' Notice of Motion and Motion for
Preliminary Approval of Class Action
Settlement**

Complaint Filed: October 23, 2025

Trial Date: None Set

Reservation No.: 74947224

Hearing Date: November 9, 2026

Hearing Time: 1:30 p.m.

Dept.: CX103

Judge: Hon. David A. Hoffer

1 **NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL**

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

3 **PLEASE TAKE NOTICE** that that on November 9, 2026, at 1:30 p.m. or as soon thereafter
4 as the matter may be heard, in Department CX103 of the Orange County Superior Court for the State
5 of California, located at the Civil Complex Center, 751 West Santa Ana Boulevard, Santa Ana, CA
6 92701, before the Honorable David A. Hoffer, Plaintiffs Jorge Solis, Andres Solis, and Anthony
7 Bedolla (collectively, “Plaintiffs”), on behalf of themselves, the State of California, as a private
8 attorneys general, and on behalf of all others similarly situated, will and hereby do move this court for
9 entry of an order:

10 1. Preliminarily certifying the settlement class for purposes of settlement pursuant to
11 California Code of Civil Procedure section 382 and California Rules of Court, rule 3.769;

12 2. Preliminarily appointing Plaintiffs as class representatives for purposes of settlement;

13 3. Preliminarily appointing Jonathan Melmed and Hannah Becker of Melmed Law Group
14 P.C. as class counsel for purposes of settlement;

15 4. Preliminarily approving the settlement as fair, adequate, and reasonable, based upon the
16 terms set forth in the parties’ *Class Action and PAGA Settlement Agreement and Class Notice* (the
17 “Settlement Agreement”), which is based on the Los Angeles Superior Court’s *[Model] Class Action*
18 *and PAGA Settlement Agreement* (LASC CIV 296), including payment by Defendant Tiny Turnip,
19 LLC (“Defendant”) of the non-reversionary gross settlement amount of \$114,000.00 (“Gross
20 Settlement Amount”);

21 5. Preliminarily approving payment of reasonable attorneys’ fees from the Gross
22 Settlement Amount in an amount not to exceed one-third of the Gross Settlement Amount (i.e., up to
23 \$38,000.00), plus necessary litigation costs not to exceed \$22,500.00;

24 6. Preliminarily approving class representative service payments in an amount of up to
25 \$2,500.00 for Jorge Solis, \$2,500.00 for Andres Solis, and \$2,500.00 for Anthony Bedolla from the
26 Gross Settlement Amount to compensate them for the responsibilities, time, effort, and risks involved
27 in coming forward on behalf of the proposed class;
28

1 7. Preliminarily approving the allocation of \$10,000.00 for penalties pursuant to the
2 California Labor Code Private Attorneys General Act of 2004, of which 65% (i.e., \$6,500.00) shall be
3 paid to the California Labor and Workforce Development Agency (“LWDA”) from the Gross
4 Settlement Amount, with the remaining 35% (i.e., \$3,500.00) payable to the aggrieved employees;

5 8. Appointing ILYM Group, Inc. (the “Settlement Administrator”) as the settlement
6 administrator to handle the notice and administration process and preliminarily approving settlement
7 administration costs estimated to be \$5,950.00;

8 9. Approving the proposed class notice and ordering it be disseminated to the class
9 members as provided in the Settlement Agreement;

10 10. Directing the Settlement Administrator to mail the class notice to the proposed class;

11 11. Approving the proposed deadlines for the notice and administration process as reflected
12 in this motion and in the Settlement Agreement;

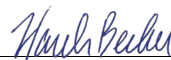
13 12. Setting a date for a final fairness hearing to determine, following dissemination of the
14 proposed class notice packet, whether to grant final approval of the settlement; and

15 13. Granting Plaintiffs leave to file the overlength brief included with this motion.

16 This motion is based on this Notice of Motion and Motion for Preliminary Approval of Class
17 Action Settlement; the Memorandum of Points and Authorities in support thereof; the declaration of
18 Plaintiffs’ counsel Hannah Becker; the declarations of Plaintiffs; the Settlement Agreement; the
19 proposed class notice; the proposed order granting preliminary approval of the Settlement Agreement
20 and setting a settlement fairness hearing; the other records, pleadings, and papers filed in this action;
21 and upon such other evidence or argument as may be presented to the court at the hearing of this motion.

22 Dated: September 3, 2026

MELMED LAW GROUP P.C.



HANNAH BECKER

Attorney for Plaintiffs, the Putative Class, and the
Aggrieved Employees

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

This motion seeks preliminary approval of a wage-and-hour class action settlement between Plaintiffs Jorge Solis, Andres Solis, and Anthony Bedolla (collectively, “Plaintiffs”) and Defendant Tiny Turnip, LLC (“Defendant”) (collectively, the “Parties”) for the Gross Settlement Amount of \$114,000.00 to be distributed to approximately 136 individuals defined as:

All individuals who are or were classified as independent contractors by Defendant in California during the Class Period.

These employees are referred to herein individually as the “Class Members” or collectively as the “Class.” The “Class Period” for these purposes is defined as the period from October 23, 2021, through July 16, 2026. A true and correct copy of the *Class Action and PAGA Settlement Agreement and Class Notice* (the “Settlement Agreement”), which is based on the Los Angeles Superior Court’s [Model] *Class Action and PAGA Settlement Agreement* (LASC CIV 296), is attached as **Exhibit 1** to the concurrently filed *Declaration of Hannah Becker in Support of Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement* (“Declaration of Hannah Becker” or “Becker Decl.”). The Settlement Agreement, in its entirety, is incorporated herein by reference.

Plaintiffs also represent a group of approximately 37 aggrieved employees on behalf of the State of California as a private attorney general pursuant to the California Labor Code Private Attorneys General Act of 2004, Labor Code sections 2698 through 2699.6 (“PAGA”). The “PAGA Period” for these purposes is defined as the period from October 23, 2024, through July 16, 2026. The “Aggrieved Employees,” for these purposes, are defined as:

All individuals who are or were classified as independent contractors by Defendant in California during the PAGA Period.

The Settlement Agreement is a non-reversionary settlement, meaning that none of the Gross Settlement Amount will revert to Defendant. (Settlement Agreement, at p. 6.) Class Members are not required to submit a claim form to receive their settlement share. (Settlement Agreement, at p. 6.) The

applicable employer-side payroll taxes are to be paid by Defendant outside the Gross Settlement Amount. (Settlement Agreement, at p. 6.)

Because the settlement is fair and reasonable, was negotiated at arm's length between counsel following extensive investigation and discovery, was reached after participation in a full-day mediation, it should be preliminarily approved. (Becker Decl., ¶ 6.) Subject to court approval, the "Net Settlement Amount" of at least **\$33,550.00**, will be distributed to Class Members who do not request exclusion from the settlement and the Aggrieved Employees.

Gross Settlement Amount	\$114,000.00
Attorneys' Fees	(up to \$38,000.00)
Litigation Costs	(up to \$22,500.00)
Settlement Administration Costs	(up to \$5,950.00)
Service Awards to Plaintiffs	(up to \$7,500.00)
PAGA Payment to LWDA	(\$6,500.00)
Net Settlement Amount	\$33,550.00

This settlement is an excellent result considering the number of Class Members affected. Because the Settlement is well within the zone of reasonableness, Plaintiffs request entry of an order: (1) preliminarily certifying the Settlement Class under California Code of Civil Procedure section 382 and California Rules of Court, rule 3.769(c), for settlement purposes and preliminarily approving the settlement; (2) preliminarily appointing Plaintiffs as class representatives for purposes of settlement; (3) preliminarily appointing Plaintiffs' counsel as class counsel for the purposes of settlement; (4) preliminarily approving the settlement as fair, adequate, and reasonable; (5) preliminarily approving the proposed deductions from the Gross Settlement Amount, including the proposed allocation of PAGA penalties, the attorneys' fees, litigation costs, service award to the named Plaintiffs, and administration costs; (6) approving the proposed class notice attached as Exhibit A to the Settlement Agreement ("Class Notice"), to be distributed to Class Members pursuant to the Settlement Agreement; (7) appointing ILYM Group, Inc. to administer the settlement ("Settlement

Administrator”) and directing the Settlement Administrator to distribute the Class Notice; and (8) scheduling a hearing for final approval after the completion of the settlement notice process.

II. **BACKGROUND**

A. **THE PARTIES**

Defendant Tiny Turnip is a clothing company operating in San Clemente, California. (Becker Decl., ¶ 14.) Defendant employed independent contractors in California during the Class Period and PAGA Period. (Becker Decl., ¶ 14.)

Plaintiffs were employed by Defendant in San Clemente, California, as printers and packers during the Class Period and PAGA Period. (Becker Decl., ¶ 15.) They were classified as independent contractors. Plaintiffs were paid between \$18.00 and \$22.00 per hour. (Becker Decl., ¶ 15.)

Plaintiffs alleged that Defendant’s independent contractors—including Plaintiff, the Class Members, and the Aggrieved Employees (collectively, the “Employees”)—were misclassified and experienced various violations of California’s wage-and-hour laws. (Becker Decl., ¶ 16.)

B. **PROCEDURAL SUMMARY**

On October 23, 2025, Plaintiffs Jorge Solis and Andres Solis submitted a letter to the California Labor and Workforce Development Agency (“LWDA”) to notify the LWDA, pursuant to PAGA, of Plaintiffs’ intent to seek civil penalties against Defendant for violations of Labor Code sections 201, 202, 203, 204, 210, 226, 226.3, 226.7, 226.8, 510, 512, 1174, 1174.5, 1185, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2775, 2802, 2084, and others that may be applicable; and California Industrial Welfare Commission (“IWC”) Wage Orders 1-2001, 4-2001, 6-2001, and 7-2001 (the “Applicable Wage Orders”). (Cal. Code of Regs., tit. 8, §§ 11010, 11040, 11060, 11070; Becker Decl., ¶ 17.) The letter attached Plaintiffs’ original complaint, and incorporated the original complaint by reference, and thus sought penalties for claims identical to those alleged in the case. For the Court’s reference, a copy of Plaintiffs’ letter to the LWDA is attached as **Exhibit 4** to the concurrently filed Declaration of Hannah Becker.

On October 23, 2025, Plaintiffs Jorge Solis and Andres Solis commenced this action by filing a class action complaint alleging causes of action against Defendant for (1) failure to pay minimum wage for all hours worked in violation of Labor Code sections 1194 and 1194.2, and the Applicable

1 Wage Order; **(2)** failure to pay proper overtime wages in violation of Labor Code sections 510, 1197,
2 and 1198, and the Applicable Wage Order; **(3)** failure to provide compliant rest periods and pay missed
3 rest break premiums in violation of Labor Code section 226.7 and the Applicable Wage Order;
4 **(4)** failure to provide compliant meal periods and pay missed meal period premiums in violation of
5 Labor Code sections 226.7 and 512, and the Applicable Wage Order; **(5)** failure to maintain accurate
6 employment records in violation of Labor Code section 1174; **(6)** failure to pay timely wages during
7 employment in violation of Labor Code sections 204, 210; **(7)** failure to pay all wages due and owing
8 at separation in violation of Labor Code sections 201, 202, and 203; **(8)** failure to reimburse business
9 expenses in violation of Labor Code sections 2802 and 2804; **(9)** failure to provide complete and
10 accurate wage statements in violation of Labor Code sections 226 and 226.3; and **(10)** deceptive,
11 fraudulent, or otherwise unlawful business practices based on the foregoing in violation of California's
12 Unfair Competition Law (Bus. & Prof. Code, §§ 17200–17210). (Becker Decl., ¶ 18.)

13 On January 26, 2026, Plaintiffs filed a first amended complaint alleging causes of action against
14 Defendant for those described in the original Complaint and adding two causes of action for penalties
15 based on the foregoing pursuant to PAGA, and for penalties for willful misclassification under PAGA.
16 (Lab. Code, §§ 2698–2699.6.) Becker Decl., ¶ 19.)

17 Thereafter, the Parties agreed to attend a private mediation with Lisa Klerman. (Becker Decl.,
18 ¶ 20.) Prior to the mediation, Plaintiffs' counsel conducted significant informal discovery. (Becker
19 Decl., ¶ 20.) Discovery, investigation, and prosecution has included, among other things, numerous
20 telephonic conferences with Plaintiffs; inspection and analysis of hundreds of pages of documents,
21 including Defendant's relevant policies and employee handbook, and other information produced by
22 Plaintiffs and Defendant; analysis of work-related data from a sample of Class Members and Aggrieved
23 Employees; an analysis of the legal positions taken by Defendant; investigation into the viability of
24 class treatment of the claims asserted in the action; analysis of potential class-wide damages, including
25 information sufficient to understand Defendant's potential defenses to Plaintiffs' claims; research of
26 the applicable law with respect to the claims asserted in the Operative Complaint and the potential
27 defenses thereto; and assembling and analyzing of data for calculating damages. (Becker Decl., ¶ 20.)
28

1 Among other key pieces of information, Plaintiffs' counsel requested in its informal discovery
2 letter the wage statements and time records for a statistically significant sample size of Class Members
3 during the Class Period. (Becker Decl., ¶ 21.) The Parties agreed on, and Defendant produced, a 100%
4 sample of the independent contractors. (Becker Decl., ¶ 21.) This sampling included payroll records
5 and timesheets for the Class Members' shifts during the Class Period. (Becker Decl., ¶ 21.) From these
6 records, Plaintiffs' expert was able to carefully craft a damages model for each of the categories of
7 alleged claims for which the data would reflect violations. (Becker Decl., ¶ 21.)

8 On July 16, 2026, the Parties participated in a full-day mediation with Lisa Klerman who is a
9 full-time mediator with extensive experience in California wage and hour class action lawsuits. (Becker
10 Decl., ¶ 22.) The mediation negotiations were contentious, but the Parties were eventually able to reach
11 the broad terms of an agreement. After further negotiation, the Parties executed the long-form
12 Settlement Agreement now before the Court for approval. (Becker Decl., ¶ 22.) The Settlement
13 Agreement generally follows the Los Angeles Superior Court's *[Model] Class Action and PAGA*
14 *Settlement Agreement* (LASC CIV 296), with changes reflecting the specific terms of the Parties'
15 agreement.

16 On September 3, 2026, pursuant to the Settlement Agreement, Plaintiffs filed a second amended
17 complaint amending the class definition from "non-exempt employees" to "independent contractors,"
18 and notified the LWDA of the same. (Becker Decl., ¶ 23.) The second amended complaint is the
19 operative complaint in the action (the "Operative Complaint"). (Becker Decl., ¶ 23.)

20 Plaintiffs now seek the Court's preliminary approval of the Settlement Agreement.

21 **III. SUMMARY OF THE CLAIMS, DEFENSES, AND EXPOSURE**

22 Plaintiffs allege several categories of wage and hour violations on behalf of the Employees.
23 Plaintiffs' primary claims stem from misclassification as independent contractors. (Becker Decl., ¶ 24.)

24 Defendant has persistently denied all liability of any kind associated with the claims and
25 allegations, and further denied that the Class Members are entitled to any relief. Defendant also denies
26 that these allegations are appropriate for class or representative treatment for any purpose other than
27 the settlement. Defendant maintains, among other things, that it has complied with California laws in
28 all respects. (Becker Decl., ¶ 25.)

1 A summary of the legal and factual basis for each claim, the applicable defenses, and the
2 potential damages are summarized in more detail below. (*Kullar v. Foot Locker Retail, Inc.* (2008) 168
3 Cal.App.4th 116, 133; *Munoz v. BCI CocaCola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th
4 399, 409.)

5 **A. INDEPENDENT CONTRACTOR MISCLASSIFICATION ALLEGATIONS**

6 Labor Code section 2775, subdivision (b), provides the test for determining whether an
7 individual performing work for another is an independent contractor or an employee. An individual is
8 considered to be an employee unless all the following factors are met: **(a)** the person is free from the
9 control and direction of the hiring entity in connection with the performance of the work, both under
10 the contract for the performance of the work and in fact; **(b)** the person performs work that is outside
11 the usual course of the hiring entity’s business; and **(c)** the person is customarily engaged in an
12 independently established trade, occupation, or business of the same nature as that involved in the work
13 performed. (Lab. Code, § 2775.)

14 This standard is commonly referred to as the “ABC Test.” Under the ABC Test, the alleged
15 employer, rather than the worker, has the burden of establishing that the worker is an independent
16 contractor and not intended to be included within the relevant wage orders’ coverage. “The focus is not
17 on the label attached to a worker’s position, but on how that individual’s job may reasonably be
18 viewed.” (*Gonzales v. San Gabriel Transit, Inc.* (2019) 40 Cal.App.5th 1131, 1154–1155.) Further, the
19 alleged employer must establish that the worker meets **all three** factors of the ABC Test or falls within
20 an exception to the ABC Test. (*Id.* at p. 1154 [“The ABC test is conjunctive, and the hiring entity’s
21 failure to establish *any* of the following three factors precludes a finding that the worker is an
22 independent contractor . . .”].) Otherwise, Labor Code section 2775’s default presumption applies and
23 the worker must be treated as an employee. (See *Dynamex Operations W. v. Superior Court* (2018) 4
24 Cal.5th 903, 955 [“The ABC test presumptively considers all workers to be employees, and permits
25 workers to be classified as independent contractors only if the hiring business demonstrates that the
26 worker in question satisfies each of three conditions . . .”].)

27 Labor Code section 226.8 provides for penalties ranging from \$5,000 to \$25,000 for each
28 violation if an employer’s misclassification of an employee as an independent contractor is determined

1 to have been “willful.” (Lab. Code, § 226.8.) The amount of the applicable penalty depends, in large
2 part, on whether the employer has engaged in a “pattern or practice” of the alleged conduct. (Lab. Code,
3 § 226.8, subd. (c).) This penalty is “in addition to any other penalties or fines permitted by law.” (Lab.
4 Code, § 226.8, subds. (b), (c).)

5 Plaintiffs argued that there was a clear pattern and practice of willful misclassification of the
6 Class Members. (Becker Decl., ¶ 26.) Plaintiffs argued Defendant has maintained a business of hiring
7 individuals as “independent contractors,” without a basis for such misclassification. (*Id.*) Plaintiffs
8 argued that, under applicable law, Plaintiffs and the Class Members were employees of Defendant.
9 (*Id.*)

10 Plaintiffs argued Defendant exerted significant direction and control over Plaintiffs and the
11 Class Members, including, but not limited to providing training, providing all necessary work
12 equipment, setting and managing all hours and schedules, tracking time via an application, directing
13 all job duties and tasks, and controlling production levels and output. (Becker Decl., ¶ 27.) Plaintiffs
14 were solely employees of Defendant and did not have their own businesses. (*Id.*) Plaintiffs worked as
15 printers and packers, directly in Defendant’s course of usual business. (*Id.*)

16 Plaintiffs estimated Defendant’s total potential liability at \$5,000.00 per Class Member, which
17 is \$680,000.00 in total potential exposure. (Becker Decl., ¶ 28.) After conferring with Defendant and
18 considering the very real possibility that the misclassification would not be determined to be “willful,”
19 Plaintiffs estimated Defendant’s realistic exposure at \$1,000.00 per Class Member, which totals
20 approximately **\$136,000.00**. (*Id.*)

21 **B. MINIMUM AND OVERTIME WAGE ALLEGATIONS**

22 Labor Code section 1197 requires employees to be paid at least the minimum wage fixed by
23 the IWC, and any payment of less than the minimum wage is unlawful. Similarly, Labor Code section
24 1194 entitles “any employee receiving less than the legal minimum wage . . . to recover in a civil action
25 the unpaid balance of the full amount of this minimum wage.” (See also Lab. Code, §§ 1185 [giving
26 the Applicable Wage Orders the force of law], 1198 [same].) Labor Code sections 1194, subdivision
27 (a), and 1194.2, subdivision (a), provide that an employer who has failed to pay its employees the legal
28 minimum wage is liable to pay those employees the unpaid balance of the unpaid wages as well as

1 liquidated damages in an amount equal to the wages due and interest thereon. (See also Lab. Code, §§
2 1197.1, 1199.) Liquidated damages under this provision, however, may not be applicable where the
3 employer acted in good faith and “had reasonable grounds for believing that the act or omission was
4 not a violation of any provision of the Labor Code relating to minimum wage, or an order of the
5 commission.” (Lab. Code, § 1194.2, subd. (b).)

6 These minimum wage standards apply to each hour that employees work. Therefore, an
7 employer’s failure to pay for any particular time worked by an employee is unlawful, even if averaging
8 an employee’s total pay over all hours worked, paid or not, results in an average hourly wage above
9 minimum wage. (*Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th 314, 324.)

10 Labor Code section 510 requires an employer to compensate an employee who works more
11 than eight hours in one workday, 40 hours in a workweek, and for the first eight hours worked on the
12 seventh consecutive day no less than one and one-half times the regular rate of pay for the employee.
13 It further obligates employers to compensate employees at no less than twice the regular rate of pay
14 when an employee works more than 12 hours in a day or more than eight hours on the seventh
15 consecutive day of work. The “regular rate of pay” for these purposes is not the same as the employee’s
16 base hourly rate, but rather it must include “adjustments to the straight time rate, reflecting, among
17 other things, shift differentials and the per-hour value of any nonhourly compensation the employee
18 has earned.” (*Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 554.)

19 Plaintiffs argued that they and the Class were and are not fully compensated for all hours
20 worked. (Becker Decl., ¶ 29.) Further, Plaintiffs argued that Defendant did not pay Plaintiffs and the
21 Class Members one- and one-half times their regular rate of pay for all hours worked over eight in a
22 day or forty in a week. (*Id.*) Defendant frequently paid these overtime hours at Plaintiffs and the Class
23 Members’ base hourly rate rather than at an overtime rate. (*Id.*)

24 Defendant argued that there would be significant variation between the Class Members in terms
25 of what off-the-clock hours were actually worked and what overtime hours may have been incorrectly
26 paid. (Becker Decl., ¶ 30.) Defendant further argued that separate, highly-individualized
27 determinations would be needed to ascertain whether the Class Members did in fact engage in off-the-
28

1 clock work (*Id.*) Thus, Defendant concluded that the individualized inquiries necessary to determine
2 liability and damages would render any class action unmanageable. (*Id.*)

3 According to Plaintiffs’ expert’s analysis, Defendant underpaid overtime wages by
4 approximately **\$3,465.00**. (Becker Decl., ¶ 31.)

5 **C. REST PERIOD ALLEGATIONS**

6 Under Labor Code section 226.7 and the Applicable Wage Orders, employers are required to
7 provide their non-exempt employees with compensated, duty-free rest periods of not less than ten
8 minutes for every major fraction of four hours worked. Likewise, Labor Code section 226.7 provides
9 that “[a]n employer shall not require an employee to work during a meal or rest or recovery period
10 mandated pursuant to an applicable statute, or applicable regulation, standard, or order of the Industrial
11 Welfare Commission” (Lab. Code, § 226.7, subd. (b).)

12 Labor Code section 226.7 also provides that employers must pay their employees one additional
13 hour of pay at the employee’s regular rate for each workday that a “meal or rest or recovery period is
14 not provided.” (Lab. Code, § 226.7, subd. (c).) The “regular rate” for these purposes is synonymous
15 with the “regular rate” in the overtime context, which means that it must include “adjustments to the
16 straight time rate, reflecting, among other things, shift differentials and the per-hour value of any
17 nonhourly compensation the employee has earned.” (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11
18 Cal.5th 858, 869; *Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 554.)

19 The California Supreme Court has held that, during required rest periods, “employers must
20 relieve their employees of all duties and relinquish any control over how employees spend their break
21 time.” (*Augustus v. ABM Security Services, Inc.* (2016) 2 Cal.5th 257, 260.) Relinquishing control over
22 employees during rest periods requires that employees be “free to leave the employer’s premises” and
23 be “permitted to attend to personal business.” (*Id.* at p. 275.)

24 Here, Plaintiffs alleged that Defendant failed to authorize or permit Plaintiffs and the Class
25 Members to take duty-free rest periods of no less than ten minutes for every major fraction of four
26 hours worked. (Becker Decl., ¶ 32.) Plaintiffs alleged that they and the other employees almost never
27 took a compliant rest period. (*Id.*) Specifically, Plaintiffs alleged that they and the Class Members were
28 not authorized or permitted to rest periods due to the demands of the job. (*Id.*) Additionally, Plaintiffs

1 alleged that they and the Class Members were not compensated with one hour's pay at their regular
2 rate when they were not provided a compliant rest break. (*Id.*)

3 Defendant argued that Plaintiffs and Class Members were authorized or permitted to take
4 compliant rest periods. (Becker Decl., ¶ 33.) Defendant asserted that no documentary evidence
5 demonstrated that Defendant deprived Plaintiffs and Class Members of timely and complete rest
6 periods. (*Id.*) Likewise, Defendant argued that Plaintiffs would be unable to certify their rest period
7 claims because his theory of recovery is not based on facts common to all putative class members. (*Id.*)
8 Defendant argued that Plaintiffs' rest period claim was not "likely to prove amenable to class
9 treatment." (*Brinker Rest. Corp. v. Superior Court* (2012) 53 Cal.4th 1004, 1021.). Thus, whether
10 Class Members missed their rest periods would turn on individualized issues and therefore present
11 significant difficulty in obtaining class certification. (*Id.*)

12 Assuming a 25% violation rate, Plaintiffs estimate \$126,055.93 in potential exposure for unpaid
13 rest period premiums (12,593 shifts x 2 rest breaks per shift x \$20.01 x 0.25 violation rate). (Becker
14 Decl., ¶ 34.) After applying a 75% discount due to Defendant's alleged defenses, its realistic exposure
15 for this claim is approximately **\$31,513.98** (*Id.*)

16 **D. MEAL PERIOD ALLEGATIONS**

17 Employers are required to provide their nonexempt employees with a thirty-minute
18 uninterrupted and duty-free meal period within the first five hours of work. (Lab. Code, § 512, subd.
19 (a).) Additionally, an employee who works more than ten hours per day is entitled to receive a second
20 thirty-minute uninterrupted and duty-free meal period. (Lab. Code, § 512, subd. (a).)

21 Labor Code section 226.7 provides that employers must pay their employees one additional
22 hour of pay at the employee's regular rate for each workday that a "meal or rest or recovery period is
23 not provided." (Lab. Code, § 226.7, subd. (c).) The "regular rate" for these purposes is synonymous
24 with the "regular rate" in the overtime context, which means that it must include "adjustments to the
25 straight time rate, reflecting, among other things, shift differentials and the per-hour value of any
26 nonhourly compensation the employee has earned." (*Ferra v. Loews Hollywood Hotel, LLC* (2021) 11
27 Cal.5th 858, 869; *Alvarado v. Dart Container Corp. of California* (2018) 4 Cal.5th 542, 554.)
28

1 Plaintiffs argued that the Class Members’ meal periods were often late, short, missed, or
2 interrupted. (Becker Decl., ¶ 35.) Further, Plaintiffs argued that despite the fact that they and the Class
3 Members were not provided timely 30-minute duty-free meal periods, Defendant failed to pay missed
4 meal period premiums to Plaintiffs and the Class Members. (*Id.*)

5 Defendant argued that Plaintiffs and Class Members were provided with compliant meal breaks.
6 (Becker Decl., ¶ 36.) Defendant further argued that any late or missed meal periods were, at most,
7 sporadic such that even if Plaintiffs succeeded in arguing that Defendant did not sufficiently inform
8 their employees of their right to take meal and rest breaks, the resulting inquiries are entirely individual
9 and would overwhelm any class-wide questions. (*Id.*)

10 From the sampling of records, Plaintiff’s expert estimated 7,496 demonstrated unique meal
11 break violations during the Class Period. (Becker Decl., ¶ 37.) These meal break violations collectively
12 create \$151,201.00 in potential exposure for unpaid meal period premiums. (*Id.*) After applying a 50%
13 discount due to Defendant’s alleged defenses, its realistic exposure for this claim is approximately
14 **\$75,600.50** (*Id.*)

15 **E. RECORDKEEPING ALLEGATIONS**

16 Labor Code section 226, subdivision (a), requires employers to keep an accurate record of,
17 among other things, all hours worked by employees, their gross wages earned, and all applicable hourly
18 rates in effect during the pay period. Labor Code section 226.3 provides that “in addition to any other
19 penalty provided by law” employers who fail to keep the records required by Labor Code section 226,
20 subdivision (a), are subject to a civil penalty of \$250 per employee per violation in an “initial citation”
21 and \$1,000 per employee for each violation “in a subsequent citation.” (Lab. Code, § 226.3.)

22 Likewise, Labor Code section 1174, subdivision (d), requires every employer to keep these
23 records for at least three years. Labor Code section 1174.5 provides for a civil penalty of \$500 for any
24 employer who willfully fails to maintain the records required by Labor Code section 1174. These
25 penalties are recoverable through PAGA. (Lab. Code, § 2699.5 [listing violations of Labor Code
26 section 1174, subdivision (d), as an applicable PAGA claim]; *Raines v. Coastal Pacific Food*
27 *Distributors, Inc.* (2018) 23 Cal.App.5th 667, 680 [claims under Labor Code section 226.3 recoverable
28 through PAGA].)

1 Due to the violations described above, Plaintiffs alleged that Defendant did not maintain
2 accurate records. (Becker Decl., ¶ 38.)

3 Based on the records, there were approximately 1,305 pay periods in the 226 period. (Becker
4 Decl., ¶ 39.) Because 75 of these are initial (\$50 penalty) and 1,230 are subsequent (\$100 penalty), the
5 total maximum exposure is \$126,750.00. After applying a 75% discount based on the unlikelihood of
6 full penalties being granted, Defendant's realistic exposure is **\$31,687.50**.

7 **F. UNTIMELY WAGES ALLEGATIONS**

8 Labor Code section 204 expressly requires employers who pay employees on a weekly,
9 biweekly, or semimonthly basis to pay all wages "not more than seven calendar days following the
10 close of the payroll period." Labor Code section 210, subdivision (a), makes employers who violate
11 Labor Code section 204 subject to a penalty of \$100 for each initial violation, and \$200 for each
12 subsequent violation, plus 25% of the amount unlawfully withheld. (Lab. Code, § 210, subd. (a).) The
13 penalty provided by Labor Code section 210 is "[i]n addition to, and entirely independent and apart
14 from, any other penalty provided in this article" (Lab. Code, § 210, subd. (a).)

15 Due to the violations described above, Plaintiffs alleged that Defendant did not pay all wages
16 due at separation. (Becker Decl., ¶ 40)

17 As with Plaintiff's other claims, Defendant argued that the Class Members were fully
18 compensated and that such violations were rare and nominal in value, if they occurred at all. (Becker
19 Decl., ¶ 41.) Based on the records, there were approximately 1,305 pay periods in the statutory period.
20 Since 75 of these are initial (\$100 penalty) and 1,230 are subsequent (\$200 penalty), there is a total of
21 \$253,500.00 in total possible liability.

22 After applying a 75% discount based on the unlikelihood of full penalties being granted,
23 Defendant's realistic exposure is **\$63,375.00**. (Becker Decl., ¶ 42.)

24 **G. WAITING TIME PENALTY ALLEGATIONS**

25 Labor Code section 203 provides that if an employer willfully fails to pay compensation
26 promptly upon discharge or resignation, as required by Labor Code sections 201 and 202, then the
27 employer is liable for penalties in the form of continued compensation up to thirty workdays. (See
28 *Mamika v. Barca* (1998) 68 Cal.App.4th 487, 492.)

1 Due to the violations described above, Plaintiffs alleged that Defendant did not pay all wages
2 due at separation. (Becker Decl., ¶ 43.)

3 As with Plaintiffs' other claims, Defendant argued that the Class Members were fully
4 compensated and that such violations were rare and nominal in value, if they occurred at all. (Becker
5 Decl., ¶ 44.) Defendant thus concluded that the Class Members could not claim waiting time penalties
6 because the Class Members had been fully and timely compensated upon discharge. (*Id.*) Defendant
7 further argued that waiting time penalties under Labor Code section 203 are only triggered if the
8 violation is determined to be willful. (*Id.*) Defendant argued that it attempted to accurately reflect
9 California's legal requirements a short while after beginning to do business in California, and argued
10 that it therefore was acting in good faith. (See *Alonzo v. Maximus, Inc.* (C.D. Cal. 2011) 832 F.Supp.2d
11 1122, 1133 ["a good faith dispute that any wages are due will preclude imposition of waiting time
12 penalties"].) Thus, even if any underpayments had occurred, Defendant argued that they were
13 inadvertent, made in good faith, and could not result in waiting time penalties. (*Id.*)

14 There were 91 terminated employees in the waiting time period. (Becker Decl., ¶ 45.) Assuming
15 30 days per employee at 6.1 hours per day, per employee, Plaintiffs estimate \$330,927.00 in potential
16 liability for waiting time penalties. (*Id.*) However, after applying a 75% discount due to Defendant's
17 alleged defenses, its realistic exposure for this claim is approximately **\$82,731.75**.

18 **H. REIMBURSEMENT ALLEGATIONS**

19 Labor Code section 2802 provides that "an employer shall indemnify his or her employees for
20 all necessary expenditures or losses incurred by the employee in direct consequence of the discharge
21 of his or her duties, or of his or her obedience to the directions of the employer." The purpose of this
22 section is to "prevent employers from passing along their operating expenses onto their employees."
23 (*Gattuso v. Harte-Hanks Shoppers, Inc.* (2007) 42 Cal.4th 554, 562.) The duty to reimburse extends to
24 the use of equipment the employee may already own and would be required to pay for anyway.
25 (*Cochran v. Schwan's Home Service, Inc.* (2014) 228 Cal.App.4th 1137, 1144 [employer must
26 reimburse an employee for the reasonable expense of the mandatory use of a personal cell phone].)

27 Importantly, an employer may not simply place the burden on employees to request
28 reimbursement for their expenses. Employers have a "duty to exercise due diligence and take any and

1 all reasonable steps to ensure that the employee is paid” for their reimbursable expenses. (*Stuart v.*
2 *RadioShack Corp.* (N.D. Cal. 2009) 641 F.Supp.2d 901, 904.) This duty creates an obligation on the
3 part of employers to determine the scope and extent of reimbursable expenses when the employer has
4 reason to know that such expenses are being incurred.

5 Plaintiffs alleged that, at the direction of Defendant and/or with Defendant’s knowledge and
6 acquiescence, they and the Class have used their personal cell phones to communicate with their
7 supervisors to perform necessary work-related duties for Defendant. (Becker Decl., ¶ 46.) Plaintiffs
8 argued that Defendant required Plaintiffs and the Class to shoulder the cost associated with business
9 use of their personal cell phones and personal devices. (*Id.*)

10 Defendant contended that Plaintiffs and the Class Members were not required to use their
11 personal cell phones for work-related purposes and this claim was entirely without merit. (Becker
12 Decl., ¶ 47.) Defendant also argued that there were multiple individualized liability issues related to
13 the expense reimbursement claims. (*Id.*) Defendant, relying on *Dugan v. Ashley Furniture Industries,*
14 *Inc.* (C.D. Cal., Nov. 29, 2016, No. SACV161125PAFFMX) 2016 WL 9173459, and *Morgan v. Wet*
15 *Seal, Inc.* (2012) 210 Cal.App.4th 1341, contended that those issues included whether phones were
16 made available, the motivation of each employee who opted to use his or her own cell phone, whether
17 any expenses claimed were necessary or reasonable, and whether individual Class Members chose not
18 to seek reimbursement. (*Id.*)

19 Plaintiffs estimated approximately \$5 of work-related cell phone use per pay period, resulting
20 in \$17,875.00 in unreimbursed business expenses. (Becker Decl., ¶ 48.) After applying a 50% discount
21 due to Defendant’s alleged defenses, its realistic exposure for this claim is approximately **\$8,937.50**
22 (*Id.*)

23 I. WAGE STATEMENT ALLEGATIONS

24 Labor Code section 226, subdivision (a), obligates employers, semi-monthly or at the time of
25 each payment to furnish an itemized wage statement. Employers that knowingly and intentionally fail
26 to provide their employees with accurate, itemized wage statements may be subject to penalties under
27 Labor Code section 226, subdivision (e). Plaintiffs alleged that, by virtue of the allegations that
28 Defendant failed to properly pay the Employees their wages as described above, Defendant had

likewise failed to provide the Employees with compliant wage statements reflecting their gross wages earned and their net wages earned. (Becker Decl., ¶ 49.)

As with Plaintiffs’ other claims, Defendant argued that the Employees were fully compensated and that such violations were rare and nominal in value, if they occurred at all. Defendant thus concluded that Plaintiffs could not claim wage statement penalties because there were no wage statement violations. (Becker Decl., ¶ 50.)

Defendant further argued that purely derivative wage statement claims could not support a cause of action for wage statement penalties. In *Maldonado v. Epsilon Plastics, Inc.* (2018) 22 Cal.App.5th 1308, 1334–1337, the appellate court held that inaccurate wage statements alone based on derivative Labor Code violations do not justify penalties. Rather, the plaintiff must establish injury from the inaccuracy and independent inaccuracies different from underpayments or derivative claims. Defendant further argued that Plaintiffs would be unable to prove “injury” for purposes of recovering penalties under Labor Code section 226, subdivision (e). (Becker Decl., ¶ 51.)

In terms of Defendant’s exposure for this claim, Plaintiffs’ Expert estimated 1,305 pay periods in the wage statement period and 75 employees owed a wage statement penalty. (Becker Decl., ¶ 52.) Defendant’s estimated exposure is 126,750.00 using \$50.00 for the first violation and \$100.00 for subsequent violations, with a \$4,000.00 per employee maximum. (*Id.*) However, after applying a 75% discount due to Defendant’s alleged defenses, its realistic exposure for this claim is approximately **\$31,687.50.** (*Id.*)

J. UNFAIR COMPETITION ALLEGATIONS

California’s Unfair Competition Law (“UCL”) proscribes unlawful business practices, which is defined broadly to include “any unlawful, unfair or fraudulent business act or practice.” (Bus. & Prof. Code, § 17200.) Violations of California’s Labor Code are actionable under the UCL. (*Sullivan v. Oracle Corp.* (2011) 51 Cal.4th 1191, 1206; *Hodge v. Superior Court* (2006) 145 Cal.App.4th 278, 283.) Under the UCL, damages cannot be recovered, and plaintiffs are generally limited to restitution and injunctive relief. (Bus. & Prof. Code, § 17203.) Claims for “payment of wages unlawfully withheld from an employee are . . . a restitutionary remedy authorized by section 17203.” (*Cortez v. Purolator Air Filtration Products Co.* (2000) 23 Cal.4th 163, 177.)

1 Here, Plaintiffs alleged that, by virtue of the allegations that Defendant failed to properly pay
2 the Employees their wages as described above, Defendant was liable for restitution in the same amount
3 of the unlawfully withheld wages described above. Because the relief sought under Plaintiffs’ UCL
4 claims—namely, in the form of restitution for unpaid wages—was coterminous with Plaintiffs’ other
5 claims, Plaintiffs’ UCL allegations did not materially change Plaintiffs’ analysis of Defendant’s
6 exposure. (Becker Decl., ¶ 53.)

7 **K. PAGA ALLEGATIONS**

8 Under Labor Code section 2699, subdivision (f)(2), and section 2699.5, employers that violate
9 certain provisions of the Labor Code are subject to penalties according to the following formula:

- 10 1. \$100.00 for the initial violation per employee per pay period; and
11 2. \$200.00 for each subsequent violation per employee per pay period.

12 These penalties must be allocated seventy-five percent (75%) to the LWDA and twenty-five
13 percent (25%) to the affected employees. (Lab. Code, § 2699, subd. (i).) Plaintiffs alleged that, because
14 of the violations described above, Defendant was liable for these penalties for each applicable pay
15 period during the applicable PAGA Period.

16 In ascertaining Defendant’s exposure for this claim, Plaintiffs considered several important
17 cases. First, courts to consider the issue have refused to “stack” PAGA penalties, severely limiting the
18 recoverable PAGA penalties. (See *Carrington v. Starbucks Corp.* (2018) 30 Cal.App.5th 504, 529
19 [approving PAGA penalty reduction to \$5 per pay period]; accord *Atempa v. Pedrazzani* (2018) 27
20 Cal.App.5th 809.)

21 Second, Defendant argued that Plaintiffs are not entitled to recover PAGA penalties at the
22 subsequent violation rate of \$200 per pay period. (Becker Decl., ¶ 55.) California’s appellate courts
23 have held that “[u]ntil the employer has been notified that it is violating a Labor Code provision
24 (whether or not the commissioner or court chooses to impose penalties), the employer cannot be
25 presumed to be aware [of the violation]” and therefore, until a Court or the Commissioner issues a
26 finding of a violation, the initial \$100 violation rate applies for each pay period in which the alleged
27 violation occurred. (*Amaral v. Cintas Corp. No. 2* (2008) 163 Cal.App.4th 1157, 1209.) Thus,
28 Defendant argued that even if Plaintiffs were able to establish any violation of the Labor Code, the

1 PAGA penalties assessed for these violations will be computed at the \$100 rate, as opposed to the \$100
2 per pay period rate at maximum.

3 Defendant further argued that, given the nature of the allegations and Defendant's efforts at
4 good faith compliance with the Labor code, there is a likelihood that a further reduction of the penalty
5 to \$5 per pay period as approved in *Carrington* would apply. (Becker Decl., ¶ 56; *Carrington v.*
6 *Starbucks Corp.*, *supra*, 30 Cal.App.5th at p. 529.) Defendant further argued that even if Plaintiffs were
7 able to recover some PAGA penalties on behalf of other aggrieved employees, courts frequently use
8 their discretion under Labor Code section 2699, subdivision (e)(2), to significantly reduce PAGA
9 penalties where such penalties would be unjust, arbitrary, and improper.

10 There were approximately 653 PAGA pay periods, after applying a 50% reduction because the
11 pay periods were weekly. (Becker Decl., ¶ 57.) At \$100.00 per pay period, this results in \$65,300.00
12 in potential liability. (*Id.*) For settlement purposes, Plaintiffs discounted to \$50.00 per pay period,
13 resulting in **\$32,650.00** in realistic exposure. (*Id.*)

14 **IV. SUMMARY OF THE PROPOSED SETTLEMENT**

15 Under the terms of the Settlement Agreement, Defendant will be released of all claims asserted
16 in the Complaint in exchange for Defendant's agreement to pay a non-reversionary settlement Gross
17 Settlement Amount of \$114,000.00. (See generally, Settlement Agreement.)

18 **A. REASONABLENESS OF THE GROSS SETTLEMENT AMOUNT**

19 Plaintiffs have applied appropriate discounts on the maximum settlement value as calculated
20 above to come to Defendant's realistic exposure of \$497,648.73. (Becker Decl., ¶ 58.) As explained
21 above, the issues in this case were hotly contested—both legally and factually. (*Id.*) While Plaintiffs
22 continue to believe in the merits of the case, Defendant argued that it fully complied with California's
23 wage and hour laws, and thus faced minimal exposure, if any. (*Ibid.*) Therefore, the Gross Settlement
24 Amount of \$114,000.00 is an excellent result and within the zone of reasonableness for all parties.
25 (*Ibid.*) If preliminary approval is granted, Plaintiffs will have recovered **23%** of the estimated realistic
26 exposure for the Class Members in this case—a fair compromise of the claims, by any measure. (*Ibid.*)

27 The Gross Settlement Amount in the Settlement Agreement was reached only after the case
28 was thoroughly investigated by Plaintiffs' counsel. (Becker Decl., ¶ 59.) As explained above, Plaintiffs

1 reviewed, among other key pieces of information, the records of all putative Class Members. (*Id.*) This
2 included payroll records and timesheets for the Class Members' shifts during the Class Period. (*Id.*)
3 Plaintiffs' counsel also conducted a detailed examination of Defendant's relevant policies to inform
4 Plaintiffs' counsel's analysis of Defendant's potential exposure. (*Id.*) From these records, Plaintiffs'
5 expert was able to carefully craft a damages model for each of the categories of alleged claims for
6 which the data would reflect violations. (*Id.*) In total, Plaintiffs' counsel and Plaintiffs' expert reviewed
7 hundreds of pages of documents prior to agreeing to settle the case. (*Id.*)

8 These documents, along with the other investigation and discovery described above, were
9 sufficient to allow counsel to act intelligently in reaching the Settlement Agreement and determining
10 that the Gross Settlement Amount was adequate. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794,
11 1802.) Indeed, after a thorough review of all available evidence in the case, Plaintiffs' counsel have
12 concluded that the Gross Settlement Amount represents an excellent result for the Class. (Becker Decl.,
13 ¶ 60.)

14 **B. SETTLEMENT CONSIDERATION AND ALLOCATION**

15 The Gross Settlement Amount includes: (1) the fees and expenses of the Settlement
16 Administrator, currently estimated to not exceed \$5,950.00; (2) Plaintiffs' counsel's attorney fees not
17 to exceed one-third of the Gross Settlement Amount, i.e., \$38,000.00; (3) litigation expenses and costs
18 not to exceed \$22,500.00; (4) a service award to the named Plaintiffs in a combined amount of up to
19 7,500.00; and (5) payment to the LWDA of \$6,500.00 for its 65% share of the settlement for civil
20 penalties pursuant to PAGA. (Settlement Agreement, at p. 6–8.)

21 After all Court-approved deductions from the Gross Settlement Amount, the Net Settlement
22 Amount, which consists of at least \$33,550.00, will be distributed to all Class Members who do not
23 request exclusion from the settlement and the Aggrieved Employees. (Settlement Agreement, at p. 7–
24 8.) Applicable employer-side payroll taxes will be paid by Defendant outside and separate from the
25 Gross Settlement Amount. (Settlement Agreement, at p. 6.)

26 **C. THE RELEASE**

27 Under the Settlement Agreement, the “Released Claims” are divided into two categories: (1) the
28 released claims for the purposes of the class action portion of the Settlement Agreement, and (2) the

1 released claims for the purposes of the PAGA portion of the Settlement Agreement. (Settlement
2 Agreement, at p. 10–11.) The Released Claims for the purposes of the class action portion of the
3 settlement agreement include all claims arising out of or related to the allegations set forth in the
4 operative complaint. (Settlement Agreement, at p. 10.) The Released Claims for the purposes of the
5 PAGA portion of the settlement agreement include all claims for civil penalties pursuant to PAGA that
6 Plaintiffs asserted in Plaintiffs’ PAGA notice to the LWDA and in the operative complaint. (Settlement
7 Agreement, at p. 11.) A true and correct copy of Plaintiffs’ PAGA letter to the LWDA in this case is
8 attached as **Exhibit 4** to the concurrently filed Declaration of Hannah Becker. (Becker Decl., ¶ 17.)
9 These releases will become effective on the date when Defendant fully funds the entire Gross Settlement
10 Amount and funds all employer payroll taxes. (Settlement Agreement, at p. 10.)

11 **D. SETTLEMENT ALLOCATION FORMULA**

12 Individual payments to the Class Members from the class-portion of the settlement will be
13 calculated and apportioned based on the number of weeks worked as an eligible Class Member in
14 California by the participating Class Member during the Class Period (the “Individual Settlement
15 Payments”). (Settlement Agreement, at p. 7.) Specific calculations of Individual Settlement Payments
16 will be determined by: **(a)** dividing the Net Settlement Amount by the total number of workweeks
17 worked by all participating Class Members during the Class Period, and **(b)** multiplying the result by
18 each participating Class Member’s workweeks. (Settlement Agreement, at p. 7.) If there are any timely
19 submitted requests for exclusion, the settlement administrator will proportionately increase the
20 Individual Settlement Payments for each participating Class Member so that the amount actually
21 distributed to participating Class Members equals 100% of the Net Settlement Amount. (Settlement
22 Agreement, at p. 7.)

23 If the amounts allocated to attorney’s fees, litigation costs, service awards, or the Settlement
24 Administrator are approved at a lesser amount than provided in the Settlement Agreement, the
25 remaining funds will be returned to the Net Settlement Amount and distributed proportionately to the
26 participating Class Members based on their total workweeks worked. (Settlement Agreement, at p. 6.)

27 Individual payments to the Aggrieved Employees from the PAGA-portion of the settlement
28 (i.e., the portion not being sent to the LWDA), will be calculated and apportioned based on the number

1 of pay periods worked by each Aggrieved Employee during the PAGA Period compared to the total
2 number of pay periods worked by all Aggrieved Employees during the PAGA Period. (Settlement
3 Agreement, at p. 8.)

4 **E. SELECTION OF THE SETTLEMENT ADMINISTRATOR**

5 Plaintiffs, through counsel, have obtained bids from several settlement administration
6 companies for the settlement administration of this case. Of those, ILYM Group, Inc. presented the
7 lowest qualified bid. Accordingly, Plaintiffs propose to use ILYM Group, Inc. as the settlement
8 administrator. (Becker Decl., ¶ 69; Settlement Agreement, at p. 13.) The settlement administrator will
9 be responsible for processing the settlement payments and providing notice to the Class Members as
10 outlined in the Settlement Agreement. (Settlement Agreement, at p. 16–17.)

11 **F. NOTICE PROCEDURES**

12 Within 14 days of the Court granting preliminary approval of the Settlement Agreement,
13 Defendant shall provide the Settlement Administrator with an updated list of Class Members and
14 Aggrieved Employees containing names, number of Class Period workweeks, number of PAGA Period
15 pay periods, addresses, and social security numbers (the “Class Data”). (Settlement Agreement, at p.
16 13.)

17 Within 14 days of receiving the Class Data, the Settlement Administrator shall send the Class
18 Notice by bulk first class mail, forwarding requested, to the Class Members at the addresses identified
19 through the process described above. (Settlement Agreement, at p. 13.) The Class Notice will be
20 substantially the form as the one attached as **Exhibit A** to Settlement Agreement. The release language
21 of the Class Notice matches the release language of the Settlement Agreement. (Compare Settlement
22 Agreement, Exh. A, at p. 7–8, with Settlement Agreement, at p. 10–11.) Plaintiffs’ counsel has
23 reviewed the Settlement Agreement and Class Notice to ensure they are consistent. (Becker Decl., ¶
24 3.)

25 The Class Notice also informs Class Members that the location, date, and time of the final
26 approval hearing may be changed. (Settlement Agreement, Exh. A, at p. 10.)

27 Additionally, the Class Notice will inform each Class Member of his or her estimated share of
28 the settlement, as well as an easily understood statement alerting the Class Members that, unless they

1 elect to opt out of the Settlement Agreement, the Class Member is releasing and waiving all “Released
2 Claims” (as that term is defined in the Settlement Agreement and explained in the Class Notice).
3 (Settlement Agreement, Exh. A, at p. 1–2.)

4 The Class Notice will also inform the Class Members of their right to object to the Settlement
5 Agreement. (Settlement Agreement, at p. 15–16.) Any Class Member who wishes to object to the Class
6 Settlement may submit a written objection to the Settlement Administrator no later than 60 days
7 following the date on which the Settlement Administrator first mails the Class Notice to the Class
8 Members (“Response Deadline”). (Settlement Agreement, at p. 15–16.) Alternatively, Class Members
9 may also object to the Settlement Agreement by appearing at the final approval hearing, either on their
10 own or through an attorney. (Settlement Agreement, at p. 15–16; Settlement Agreement, Exh. A, at p.
11 9–10.)

12 Class Members who do not timely request exclusion from the Settlement Agreement will be
13 deemed to be a participating Class Member without having to submit a claim form or take any other
14 action. (Settlement Agreement, at p. 6.) To request exclusion from the Settlement Agreement, the Class
15 Member must submit a written request for exclusion from the Settlement Agreement to the Settlement
16 Administrator (“Request for Exclusion”), postmarked no later than the Response Deadline. (Settlement
17 Agreement, at p. 14–15.) The Settlement Agreement and Class Notice both permit Class Members to
18 use any language of their choosing to request exclusion, so long as their intent to be excluded is made
19 clear. (Settlement Agreement, at p. 14–15; Settlement Agreement, Exh. A, at p. 9.)

20 Before mailing Class Notices, the Settlement Administrator will update Class Member
21 addresses using the National Change of Address database. (Settlement Agreement, at p. 9.) If any Class
22 Notice mailed to a Class Member is returned as having been undelivered by the U.S. Postal Service,
23 the Settlement Administrator shall re-mail the Class Notice to the forwarding address affixed thereto,
24 if one is provided. (Settlement Agreement, at p. 9.) If no forwarding address is provided, the Settlement
25 Administrator will conduct an address search and remail the Class Notice to the most current address
26 of that Class Member. (Settlement Agreement, at p. 9.)

27 Class Members to whom the Class Notice is re-mailed are given an extension of up to 14
28 calendar days for disputes, objections, or to request exclusion. (Settlement Agreement, at p. 14.)

1 **G. TIMING OF SETTLEMENT DISBURSEMENTS**

2 Defendant will deposit the Gross Settlement Amount in a lump sum payment, plus the
3 employer-side payroll taxes, with the Settlement Administrator within 60 days of the “Effective Date,”
4 as that term is defined in the Settlement Agreement. (Settlement Agreement, at p. 8.) At that time, the
5 settlement will be fully funded. The Settlement Administrator will then distribute the Individual
6 Settlement Payments within 14 days of the date the class settlement is funded. (Settlement Agreement,
7 at p. 8–9.) The Settlement Agreement further provides that disbursement of Plaintiffs’ counsel’s
8 attorneys’ fees, the litigation costs, and Plaintiffs’ service awards shall not precede disbursement of the
9 Individual Settlement Payments. (Settlement Agreement, at p. 9.)

10 **H. CY PRES DISTRIBUTION**

11 Class Members will have 180 days to cash their settlement checks. (Settlement Agreement, at
12 p. 9.) If a Class Member fails to cash his/her check by the deadline, then the Settlement Administrator
13 shall distribute such funds to the California State Controller for deposit in the Unclaimed Property Fund
14 in the name of the individual whose check was uncashed. (Settlement Agreement, at p. 9.)

15 Because all funds and interest under the Settlement Agreement are to be completely distributed
16 to the class participants, or to the Unclaimed Property Fund in the name of the individual whose check
17 was uncashed, the Parties agree that this disposition results in no “unpaid residue” or “unclaimed or
18 abandoned class member funds” under Code of Civil Procedure Section 384. (Settlement Agreement,
19 at p. 9.) The Settlement Agreement therefore proactively complies with the Court’s Omnibus Trailer
20 Bill of 2018 by eliminating the need for the Court to re-open the judgment following final distribution.
21 (Settlement Agreement, at p. 9.)

22 **I. TAX TREATMENT**

23 The Settlement Agreement provides that 20% of each individual settlement payment from the
24 class-portion of the Settlement Agreement shall constitute wages (for which each participating Class
25 Member will be issued an IRS Form W-2 for such payment), and the remaining 80% shall constitute
26 interest, reimbursement, and penalties (for which each participating Class Member will be issued an
27 IRS Form 1099 for the interest and penalty allocation). (Settlement Agreement, at p. 7.)
28

1 With respect to the individual payments made under the PAGA-portion of the Settlement
2 Agreement, all such payments shall be treated as payments owing for penalties and interest (for which
3 each Aggrieved Employee will be issued an IRS Form 1099 for the interest and penalty allocation).
4 (Settlement Agreement, at p. 8.)

5 Defendant will separately and additionally pay its share of employer payroll taxes on the sum
6 allocated to wages. (Settlement Agreement, at p. 6.)

7 **V. THE CLASS SHOULD BE PRELIMINARILY CERTIFIED**

8 **A. THE LESSER STANDARD OF SCRUTINY FOR SETTLEMENT-ONLY**
9 **CONSIDERATION IS APPROPRIATE**

10 California Rules of Court, rule 3.769, subdivision (d), provides that the Court may make an
11 order approving certification of a provisional settlement class at the preliminary approval stage. It is
12 well-established that trial courts should use a “lesser standard of scrutiny” for determining the propriety
13 of certifying a settlement class, as opposed to a litigation class. (*Dunk v. Ford Motor Co.* (1996) 48
14 Cal.App.4th 1794, 1807, fn. 19.) Since no trial is anticipated in a class-based settlement, the case
15 management issues inherent in determining if the class should be certified need not be confronted, and
16 the Court’s fairness review of the settlement focuses on protecting the interests of the non-
17 representative class members. (*Ibid.*; see also *Officers for Justice v. Civil Service Com’n of City and*
18 *County of San Francisco* (9th Cir. 1982) 688 F.2d 615, 633; *Amchem Products, Inc. v. Windsor* (1997)
19 521 U.S. 591, 620 [117 S.Ct. 2231, 2248] [“Confronted with a request for settlement-only class
20 certification, a district court need not inquire whether the case, if tried, would present intractable
21 management problems . . . for the proposal is that there be no trial.”].)

22 As discussed below, for settlement purposes only, the Parties ask this court to conditionally
23 certify the Class, as defined above, under section 382 of the Code of Civil Procedure.

24 **B. THE PROPOSED CLASS IS NUMEROUS AND ASCERTAINABLE**

25 Numerosity is met if a proposed class is so large that joinder of all members would be
26 impracticable. (See Code Civ. Proc., § 382.) A proposed settlement class is ascertainable if the class
27 members can be objectively identified and given notice of the litigation without unreasonable time or
28 expense. (See *Medraza v. Honda of North Hollywood* (2008) 166 Cal.App.4th 89, 101.) Defendant has

1 represented that the proposed Class consists of approximately 136 Class Members ascertained through
2 Defendant's records. As such, the numerosity requirement is met.

3 **C. MEMBERS OF THE PROPOSED CLASS SHARE A WELL-DEFINED**
4 **COMMUNITY OF INTEREST**

5 **1. Commonality**

6 To justify certification, the class proponent must show that questions of law or fact common to
7 the class predominate over the questions affecting the individual members. (See *Arenas v. El Torito*
8 *Restaurants, Inc.* (2010) 183 Cal.App.4th 723 [citing *Washington Mutual Bank, FA v. Superior Court*
9 (2001) 24 Cal.4th 906, 913].) The commonality element is satisfied here because common legal and
10 factual questions exist, such as **(a)** whether individuals working for Defendant were subject to unlawful
11 wage-and-hour policies and/or practices under the California Labor Code; **(b)** whether these violations
12 triggered derivative claims for penalties; and **(c)** whether Defendant's violations were knowing or
13 willful.

14 **2. Typicality**

15 Typicality focuses on: **(1)** whether other members of the proposed class have the same or
16 similar injury to the named plaintiff(s), **(2)** whether the action is based on conduct which is not unique
17 to the named plaintiff(s), and **(3)** whether other class members have been injured by the same course
18 of conduct. (*Seastrom v. Neways, Inc.* (2007) 149 Cal.App.4th 1496, 1502; *Martinez v. Joe's Crab*
19 *Shack Holdings* (2014) 231 Cal.App.4th 362, 375.) Here, Plaintiffs' claims are typical of the Class
20 Members because they were subject to Defendant's policies and practices described above in Plaintiffs'
21 analysis of the claims and defenses, which were consistently applied to class-wide to all Employees.
22 (Declaration of Jorge Solis in Support of Plaintiffs' Motion for Preliminary Approval of Class Action
23 Settlement ("Jorge Solis Decl."), ¶ 4; Declaration of Andres Solis in Support of Plaintiffs' Motion for
24 Preliminary Approval of Class Action Settlement ("Andres Solis Decl."), ¶ 4; Declaration of Anthony
25 Bedolla in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement
26 ("Anthony Bedolla Decl."), ¶ 4.)
27
28

3. Adequacy of Representation

A proposed class representative must establish that they will adequately represent the proposed class. (See *Barboza v. West Coast Digital GSM, Inc.* (2009) 179 Cal.App.4th 540, 546.) Plaintiffs are adequate as class representatives because they are members of the Class, experienced the same wage and hour practices as the rest of the Class, are committed to representing the interests of the Class, have no interests that are adverse to members of the Class, and understand and accept their duty to represent the best interests of the Class. Plaintiffs are committed to the Class and are adequate to represent the interests of the Class in this litigation. (Jorge Solis Decl., ¶¶ 4–5; Andres Solis Decl., ¶¶ 4–5; Anthony Bedolla Decl., ¶¶ 4–5.)

Plaintiffs also provided counsel with information that was crucial to initiating the action and preparing the mediation brief, discussed settlement strategy with counsel, and provided valuable information about the Class Members and their experiences working for Defendant. (Becker Decl., ¶ 71; Jorge Solis Decl., ¶ 6; Andres Solis Decl., ¶ 6; Anthony Bedolla Decl., ¶ 6.)

Adequacy may be established by the fact that counsel are experienced practitioners. (See *Local Joint Executive Bd. of Culinary/Bartender Trust Fund v. Las Vegas Sands, Inc.* (9th Cir. 2001) 244 F.3d 1152, 1162.) Plaintiffs are represented by counsel experienced in the litigation of wage and hour class actions, who have no interests adverse to Plaintiffs or the Class, who vigorously prosecuted this action, and who have the financial resources to handle this case. (Becker Decl., ¶¶ 7–8.)

4. Superiority

Certification of the Class for settlement purposes is superior here because there will be a global resolution of all claims at once, which fosters judicial economy. Class certification is also superior to litigation of numerous individual claims because most of the claims are too small to litigate individually.

5. Predominance

The common issues here, concerning the uniform deficiencies to Defendant’s wage-and-hour policies and practices raise predominating factual and legal issues supporting certification of a settlement class.

1 **VI. PRELIMINARY APPROVAL SHOULD BE GRANTED**

2 **A. THE SETTLEMENT IS THE RESULT OF SERIOUS, INFORMED, AND**
3 **NON-COLLUSIVE NEGOTIATIONS**

4 The Settlement Agreement was negotiated at arm's length between counsel using a professional
5 and well-respected third-party neutral. (Becker Decl., ¶ 61.) Counsel for both parties were thoroughly
6 familiar with the complex legal and factual questions at issue in this litigation. (*Id.*) The Settlement
7 Agreement is a product of intensive negotiations, supported by investigation and direct exchanges of
8 information through informal discovery, during the course of settlement negotiations, including a full-
9 day mediation. (*Id.*) Although Plaintiffs and their counsel believed the class claims had merit and there
10 was a possibility of certifying the class and claims, they recognized the potential risk, expense, and
11 complexity posed by litigation, such as unfavorable decisions on class certification, summary
12 judgment, at trial and/or on the damages awarded, and/or on an appeal that can take several more years
13 to litigate. (*Id.*) The resulting Settlement Agreement was based on calculations, risk assessment, and
14 non-collusive negotiation. (*Id.*) It takes the risks identified above and others into account in arriving at
15 the non-reversionary Gross Settlement Amount. (*Id.*)

16 **B. THE DISCOVERY AND INVESTIGATIONS WERE EXTENSIVE**

17 Counsel for the Parties spent months prior to the mediation developing the factual record for
18 this case, engaging in informal discovery and exchanges of documents and information, and drafting
19 detailed mediation briefs, all of which ensured both sides were fully informed about the strengths and
20 weaknesses of their respective positions at the mediation and during subsequent settlement
21 negotiations. (Becker Decl., ¶ 62.) The Parties and their counsel attended a full-day mediation session
22 before an experienced and well-respected mediator which resulted in the resolution of the case on a
23 class and representative basis. (*Id.*) Lisa Klerman is a nationally recognized mediator of complex class
24 actions and employment matters. (*Id.*)

25 In addition, the parties are represented by skilled and experienced counsel with extensive
26 backgrounds in complex litigation and experience litigating similar wage and hour class actions.
27 (Becker Decl., ¶ 63.) The Settlement Agreement was reached after extensive investigation and research,
28 calculations and risk evaluation, substantial exchanges of documents, and Plaintiffs' counsel's

1 thorough factual investigation, which were sufficient to evaluate Defendant’s defenses. (*Id.*) The
2 Settlement Agreement came only after the case was thoroughly investigated by Plaintiffs’ counsel.
3 (*Ibid.*) Plaintiffs’ counsel all agree that this settlement is fair, adequate, and reasonable, and in the best
4 interests of Class Members. (*Id.*)

5 **C. THE RISKS INHERENT IN CONTINUED LITIGATION ARE GREAT**

6 To assess the fairness, adequacy, and reasonableness of a class action settlement, the Court
7 should also consider “[t]he strength of plaintiff’s case, the risk, expense, complexity and likely duration
8 of further litigation, [and] the risk of maintaining class action status.” (*Dunk v. Ford Motor Co.* (1996)
9 48 Cal.App.4th 1794, 1801.) As described above, Defendant had strong defenses to Plaintiffs’ claims,
10 which create a real possibility that the claims might not be certified or might fail on the merits. (Becker
11 Decl., ¶ 64.) Proceeding with litigation would impose a significant risk of no recovery as well as
12 ongoing, substantial additional expenditures of time and resources. If settlement were not achieved,
13 continued litigation of the claims would take a substantial amount time and possibly confer no benefit
14 on Class Members. By contrast, the settlement will yield a prompt, certain, and substantial recovery
15 for the Class Members, which also benefits the Parties and the Court. In considering these risks, the
16 choice was overwhelmingly in favor of settlement. (*Id.*)

17 **D. THE SETTLEMENT IS A REASONABLE COMPROMISE OF CLAIMS**

18 The Settlement Agreement represents a fair compromise given the risks and uncertainties
19 presented by continued litigation. Defendant asserted and would have continued to assert legal and
20 factual grounds to defend against this action, including factual and legal defenses on the merits.
21 Moreover, continued litigation would be costly, time-consuming, and uncertain. In contrast, the
22 Settlement Agreement ensures timely relief and substantial recovery of the Defendant’s realistic
23 exposure. (Becker Decl., ¶ 65.)

24 **E. PLAINTIFFS’ COUNSEL ARE EXPERIENCED IN SIMILAR WAGE-AND-
25 HOUR LITIGATION**

26 Plaintiffs’ counsel are experienced in wage-and-hour class actions. (Becker Decl., ¶ 8.)
27 Numerous state and federal courts have certified Jonathan Melmed and Hannah Becker as adequate
28 and competent class counsel in wage and hour class actions. (Becker Decl., ¶ 8–13.) Jonathan Melmed

1 and Hannah Becker devote the vast majority of their law practice to plaintiff-side class and
2 representative employment-law cases. (*Id.*)

3 The Parties’ counsel agree that this settlement is fair, adequate, and reasonable in light of the
4 nature of the claims, realistic risk adjusted value of damages, complexities of the case, the state of
5 the law, and uncertainties of class certification and litigation. (Becker Decl., ¶ 67.) Given the risks
6 inherent in litigation and the defenses asserted, this settlement is fair, adequate, and reasonable and
7 in the best interests of Class Members and should be preliminarily approved. (*Id.*) The Settlement
8 Agreement is also consistent with other settlements that received approval of the Courts. (*Id.*)

9 Experienced counsel, operating at arm’s length, have weighed the strengths and risks of the
10 case, and endorse the proposed settlement. (Becker Decl., ¶ 68.) The view of the attorneys actively
11 conducting the litigation is entitled to significant weight in deciding whether to approve the settlement.
12 (*Ellis v. Naval Air Rework Facility* (N.D. Cal. 1980) 87 F.R.D. 15, 18, *aff’d* (9th Cir. 1981) 661 F.2d
13 939 “[T]he fact that experienced counsel involved in the case approved the settlement after hard-
14 fought negotiations is entitled to considerable weight.”]; *Kullar v. Foot Locker Retail, Inc.* (2008) 168
15 Cal.App.4th 116, 128 [court must take into account the experience and view of counsel].)

16 **F. THE CLASS NOTICE PLAN CONFORMS TO ALL APPLICABLE**
17 **STATUTES AND RULES**

18 The proposed Class Notice—which the parties have already agreed to—should be approved, as
19 it fully informs the Class Members of the nature of the lawsuit and each Class Member’s rights under
20 the terms of the Settlement Agreement and applicable law. (Settlement Agreement, Exh. A.) The way
21 the Class Notice is to be disseminated, as outlined above, will ensure that all of the Class Members will
22 be properly notified of the proposed settlement. Of particular note, the Class Notice and the notice plan
23 outlined in the Settlement Agreement closely track the LASC Model Agreement. This Court can
24 therefore proceed with a presumption of fairness knowing that the Parties have followed this Court’s
25 pre-approved notice plan.

26 The Court has wide discretion in approving the means of providing notice, so long as the class
27 representative “provide(s) meaningful notice in a form that should have a reasonable chance of reaching
28 a substantial percentage of class members.” (*Archibald v. Cinerama Hotels* (1976) 15 Cal.3d 853, 860,

1 quotation marks omitted.) Here, the Parties’ notice plan is that notice of the Settlement Agreement will
2 be disseminated directly to the class members by first class mail by the settlement administrator within
3 14 days of the date on which the Settlement Administrator receives the Class Data from Defendant.
4 (Settlement Agreement, at p. 13.)

5 The notice plan and the Class Notice satisfy the requirements of rule 3.766 of the California
6 Rules of Court and afford the Class Members with all due process protections required by the United
7 States Constitution. Moreover, the contents of the Class Notice are in compliance with rule 3.766,
8 subdivision (d), of the California Rules of Court, because the Class Notice includes, among other
9 things: **(1)** a detailed explanation of the case, including the basic contentions or denials of the parties;
10 **(2)** a statement that the court will exclude the member from the class if the member so requests by a
11 specified date; **(3)** a procedure for the member to follow in requesting exclusion from the class; **(4)** a
12 statement that the judgment, whether favorable or not, will bind all members who do not request
13 exclusion; and **(5)** a statement that any member who does not request exclusion may, if the member so
14 desires, enter an appearance through counsel. (Settlement Agreement, Exh. 1.) The 60-day deadline for
15 Class Members to exclude themselves or challenge the number of workweeks worked during the Class
16 Period is reasonable, as it provides Class Members with sufficient time to do so and, if they so choose,
17 to seek independent legal advice in the interim. (Settlement Agreement, at p. 14.)

18 **VII. THE ATTORNEYS’ FEE ALLOCATION UNDER THE SETTLEMENT**
19 **AGREEMENT IS FAIR**

20 In addition, at the time of final approval, Plaintiffs’ counsel will request attorneys’ fees of up
21 to one-third of the Gross Settlement Amount, (i.e., \$38,000.00), plus reimbursement of litigation
22 expenses and costs of up to \$22,500.00. (Settlement Agreement, at p. 6–7.) As the California Supreme
23 Court has made clear, one-third of the common fund is a reasonable percentage for a trial court to
24 award as attorneys’ fees in a class action where a common fund was generated as a result of the case.
25 (See *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 506 [finding no abuse of discretion
26 where trial court approved a fee request of one-third of the common fund].) The California Supreme
27 Court further clarified that trial courts “have discretion to conduct a lodestar cross check on a
28

percentage fee, as the court did here; they also retain the discretion to forgo a lodestar cross check and use other means to evaluate the reasonableness of a requested percentage fee.” (*Ibid.*)

The requested fee of one-third of the Gross Settlement Amount is also consistent with awards obtained in similar wage and hour class action cases approved by various courts in California. (See *Stuart v. RadioShack Corp.* (N.D. Cal., Aug. 9, 2010, No. C-07-4499 EMC) 2010 WL 3155645 [approving fee award of one-third of the total maximum settlement amount of \$4.5 million and noting that the fee award of one-third of the total settlement was “well within the range of percentages which courts have upheld as reasonable in other class action lawsuits”]; *Singer v. Becton Dickinson and Co.* (S.D. Cal., June 1, 2010, No. 08-CV-821-IEG (BLM)) 2010 WL 2196104, at * 8 [approving fee award of 33.33% of the common fund]; *Romero v. Producers Dairy Foods, Inc.* (E.D. Cal., Nov. 14, 2007, No. 1:05CV0484 DLB) 2007 WL 3492841, at *4 [awarding fees of one-third of common fund in a wage and hour class action, noting: “[f]ee awards in class actions average around one-third of the recovery.”]; *Martin v. FedEx Ground Package System, Inc.* (N.D. Cal., Dec. 31, 2008, No. C 06-6883 VRW) 2008 WL 5478576, at *8 [approving attorneys’ fees of one-third of common fund].)

As part of the final approval motion, Plaintiffs’ counsel will request approval of the attorneys’ fees and costs described in this motion and in the Settlement Agreement, which will be heard at the final approval hearing. Accordingly, the Court need not decide the fees and costs at this time, but only authorize the Class Notice to inform class members that counsel will seek fees and costs up to one third of the Gross Settlement Amount in fees, plus actual litigation costs.

VIII. THE CLASS REPRESENTATIVE SERVICE AWARD IS FAIR AND APPROPRIATE

Plaintiffs will request payment of service award from the Gross Settlement Amount in a combined amount of up to \$7,500.00 in addition to whatever payment they are otherwise entitled to receive as Class Members. (Becker Decl., ¶ 73; Settlement Agreement, at p. 6.) The proposed service award is reasonable compensation given the time and effort that Plaintiffs devoted to this case, the valuable assistance they provided to counsel, and the fact that they entered into a general release of claims that is broader than the release of the Class. (Becker Decl., ¶ 73; Settlement Agreement, at p. 10; Jorge Solis Decl., ¶ 10; Andres Solis Decl., ¶ 10; Anthony Bedolla Decl., ¶ 10.)

1 Plaintiffs provided invaluable assistance to Plaintiffs’ counsel and the Class Members in this
2 case, including providing factual background for mediation and the operative complaint, reviewing the
3 relevant documents, participating in phone calls with Plaintiffs’ counsel, gathering highly relevant
4 documents, and reviewing the settlement documents. (Becker Decl., ¶ 74.) Plaintiffs agreed to
5 participate in this case with no guarantee of personal benefit. (*Ibid.*) Further, Plaintiffs agreed to
6 undertake the financial risk of serving as class representatives and exposed themselves to the risk of
7 negative publicity by anyone who opposed this case. (*Ibid.*)

8 Moreover, the requested service award for Plaintiffs falls within the range of service payments
9 typically awarded to class representatives in similar class actions. (See, e.g., *Bond v. Ferguson*
10 *Enterprises, Inc.* (E.D. Cal. June 30, 2011) No. 1:09-cv-1662 OWW MJS, 2011 WL 2648879
11 [approving **\$11,250.00** service award to each of the two Class Representatives in a meal break class
12 action]; *Ross v. US Bank National Association* (N.D. Cal. Sept. 29, 2010) No. C 07-02951 SI, 2010
13 WL 3833922, at *2 [approving **\$20,000.00** enhancement award to the class representative in a
14 California wage-and-hour class action settlement]; *Vasquez v. Coast Valley Roofing, Inc.* (E.D. Cal.
15 2010) 266 F.R.D. 482, 493 [approving service awards in the amount of **\$10,000.00** each from a
16 \$300,000.00 settlement fund in a wage/hour class action]; *West v. Circle K Stores, Inc.* (E.D. Cal. Oct.
17 19, 2006) NO. CIV. S-04-0438 WBS GGH, 2006 U.S. Dist. LEXIS 76558, at *28 [“the court finds
18 Plaintiff’s enhancement payments of **\$15,000.00** each to be reasonable.”], emphasis added; *Glass v.*
19 *UBS Fin. Servs.* (N.D. Cal. Jan. 26, 2007) No. C-06-4068 MMC, 2007 U.S. Dist. LEXIS 8476, at *52
20 [finding “requested payment of **\$25,000** to each of the named Plaintiff is appropriate” in wage and hour
21 settlement], emphasis added; *Louie v. Kaiser Found. Health Plan, Inc.* (S.D. Cal. Oct. 6, 2008) No.
22 08cv0795 IEG RBB, 2008 U.S. Dist. LEXIS 78314, at *18 [approving “**\$25,000** incentive award for
23 each Class Representative” in wage and hour settlement], emphasis added; *Garner v. State Farm Mut.*
24 *Auto. Ins. Co.* (N.D. Cal. Apr. 22, 2010) No. CV 08 1365 CW (EMC), 2010 WL 1687832, at *17 n.8
25 [“Numerous courts in the Ninth Circuit and elsewhere have approved incentive awards of **\$20,000** or
26 more where, as here, the class representative has demonstrated a strong commitment to the class”],
27 emphasis added.)
28

1 **IX. SUBMISSION TO THE LWDA**

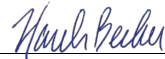
2 The Settlement Agreement and this motion are concurrently being submitted to the LWDA in
3 accordance with Labor Code section 2699, subdivision (1)(2). (Becker Decl., ¶ 78.) The proof of
4 electronic submission is attached as **Exhibit 5** to the Declaration of Hannah Becker.

5 **X. CONCLUSION**

6 For these reasons, Plaintiffs' motion for preliminary approval of the Parties' class action
7 settlement should be granted.

8 Dated: September 3, 2026

MELMED LAW GROUP P.C.

10 

11 **HANNAH BECKER**

12 Attorney for Plaintiffs, the Putative Class, and the
13 Aggrieved Employees
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