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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

Coordination Proceeding Special Title (Rule 3.550) **PRIDE INDUSTRIES WAGE AND HOUR CASES**	JCCP No. 5410 [Assigned for all purposes to the Hon. Jill H. Talley, Dept 8A] **NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES** **Reservation No.:** A-05410-001 Date: December 4, 2026 Time: 9:00 A.M. Dept.: 8A

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on December 4, 2026, at 9:00 a.m., or as soon thereafter as the matter may be heard, before the Honorable Jill H. Talley, in Department 8A of the above referenced court, located at 500 G Street, Sacramento, CA 95814, Plaintiffs Curtis Wooten, Edward Joseph Sturgeon, Darrin Cochran, and Michael Allen (collectively, "Plaintiffs") will seek an Order:

(1) approving the Joint Stipulation of Class Action Settlement and Release ("Agreement" or "Settlement Agreement") in this matter;

(2) conditionally certifying the following class for settlement purposes only: "all persons who work or worked for Defendant as non-exempt, hourly paid employees in the State of California at any time from May 10, 2019, through June 7, 2026" (the "Class");

(3) appointing Plaintiffs Curtis Wooten, Edward Joseph Sturgeon, Darrin Cochran, and Michael Allen as Class Representatives; and Larry W. Lee, Max W. Gavron, and Kwanporn "Mai" Tulyathan of Diversity Law Group, P.C.; William L. Marder of Polaris Law Group; Arby Aiwazian, Joanna Ghosh, Yasmin Hosseini, and Helene Mayer of Lawyers *for* Justice, P.C.; and Carolyn H. Cottrell, Esther L. Bylsma, and Sandra Acosta Tello of Schneider Wallace Cottrell Kim LLP as Class Counsel;

(4) preliminarily approving the Settlement Agreement and the Gross Settlement Amount of Seven Million Dollars ($7,000,000.00);

(5) finding on a preliminary basis that the Settlement Agreement appears to be within the range of reasonableness of a settlement, including the amount of Plaintiffs' service payments, attorneys' fees and costs, PAGA penalties, settlement administration costs, and the allocation of payments to Class Members, that could ultimately be given final approval by this Court;

(6) approving the Class Notice to be sent to Class Members;

(7) appointing Phoenix Settlement Administrators as the Settlement Administrator; and

(8) setting the matter for a Final Fairness and Final Approval hearing.

This Motion is made pursuant to Rule 3.769 of the California Rules of Court, which

provides for court approval of the settlement of a purported class action and allows the court to preliminarily certify a class for settlement purposes.

The basis for this Motion, filed without any opposition from Defendant Pride Industries ("Defendant"), is that the proposed settlement is fair, adequate, and reasonable and the procedures proposed by the Parties are adequate to ensure the opportunity of Class Members to participate in, opt-out of, or object to the settlement. This Motion will be based on the attached Memorandum of Points and Authorities, Settlement Agreement, the proposed Class Notice, the supporting Declarations of Larry W. Lee, Max W. Gavron, Kwanporn "Mai" Tulyathan, William L. Marder, Helene Mayer, Esther L. Bylsma, Plaintiff Curtis Wooten, Plaintiff Edward Joseph Sturgeon, Plaintiff Darrin Cochran, and Plaintiff Michael Allen, and upon the oral arguments of counsel (should there be any) and on the complete records and file herein.

DATED: November 9, 2026

DIVERSITY LAW GROUP, P.C.

By: _____
Larry W. Lee
Max W. Gavron
Kwanporn "Mai" Tulyathan
Attorneys for Plaintiffs, the Class, and Aggrieved Employees

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I. INTRODUCTION

This is a wage and hour class and representative Private Attorneys General Act ("PAGA") action seeking statutory and civil penalties under the California Labor Code. Plaintiffs Curtis Wooten, Edward Joseph Sturgeon, Darrin Cochran, and Michael Allen (collectively, "Plaintiffs") premise claims against Defendant Pride Industries ("Defendant") (together with Plaintiffs, the "Parties") on its alleged: (i) failure to provide or pay premium payments for meal periods (see Labor Code sections 204, 226.7, 512, 1194, 1197, and 1198, and applicable IWC Wage Order(s)); (ii) failure to authorize and permit or pay premium payments for rest periods (see Labor Code sections 204, 226.7, 512, and 1198, and applicable IWC Wage Order(s)); (iii) any and all claims involving any alleged failure to pay minimum wage, overtime, or other amounts of wages for failing to compensate "all hours worked" (see Labor Code sections 510, 1194, 1197, and 1198, and applicable IWC Wage Order(s)); (iv) failure to pay wages due to discharged and quitting employees (see Labor Code sections 201-203); (v) failure to timely pay wages during employment (see Labor Code section 204); (vi) failure to provide accurate, itemized wage statements (see Labor Code section 226(a)); (vii) failure to reimburse business expenses (see Labor Code sections 2800 and 2802); and (viii) unfair business practices with respect to claims arising from the Labor Code violations alleged. Plaintiffs bring class and PAGA claims based on these violations. The Parties have reached a proposed class and PAGA action settlement, the terms of which are reflected in the Parties' Joint Stipulation of Class Action Settlement and Release ("Agreement" or "Settlement Agreement").

Prior to the settlement of this action, the Parties thoroughly investigated the facts relating to the class and PAGA claims alleged in the lawsuit and engaged in a thorough study of legal principles applicable to the claims asserted against Defendant. Through the exchange of formal and informal discovery through several actions that ultimately were coordinated in this JCCP proceeding, Defendant provided necessary data pertaining to the number of putative class members and number of workweeks at issue, a sampling of time and pay records for purposes of performing an analysis of the alleged violations and penalties resulting therefrom, as well as information pertaining to Defendant's payroll policies and practices. The Parties attended two

separate mediations with different mediators, including a global mediation with neutral Francis J. Ortman III, after which the Parties were able to reach the current settlement of Plaintiffs' class and PAGA claims. The following represents the key terms of the settlement:

- Gross Settlement Amount of $7,000,000.00, which will be paid by Defendant and distributed to the Class on a **non-reversionary** basis (*See* Agreement ¶ I.C.1);
- Estimated Class of 8,800 individuals and 900,318 workweeks (*Id.* ¶ I.A.5);
- Class Members do not need to submit claim forms to participate in the settlement;
- Plaintiffs' Service Payments of up to $10,000.00 each (*Id*. ¶ I.A.14);
- Class Counsel's attorneys' fees of up to $2,450,00.00 (35% of the Gross Settlement Amount) (*Id*. ¶ I.A.8);
- Class Counsel's litigation costs of up to $100,000.00 (*Id*. ¶ I.A.9);
- Administration Expenses Payment of up to $48,950.00 (*Id*. ¶ I.A.2);
- Payment to the LWDA of $337,500.00, representing 75% of the total PAGA Allocation of $450,000.00 (*Id*. ¶ I.A.30);
- Net Settlement Amount of approximately $4,011,050.00 (*Id*. ¶ I.A.24); and
- Raw average of approximately $455.80 ($4,011,050.00÷ 8,800 Class Members) to each Participating Class Member.

The Parties believe that the settlement for the consideration and on the terms set forth in the Settlement Agreement is fair, adequate, and reasonable, in light of all known circumstances and the expenses and risks inherent in litigation. Although Plaintiffs and their counsel are confident that they could prevail on class certification, as well as on the merits, they recognize the inherent risks in drawn-out litigation and the specific risks that a class might not be certified, that Plaintiffs could fail to establish liability, and/or that Plaintiffs would be unable to prove damages in the amounts sought. Therefore, the Parties respectfully request that the Court grant this Motion for Preliminary Approval of Class Action Settlement.

II. PROCEDURAL HISTORY

A. The *Wooten* Action

On or about May 10, 2023, Plaintiff Curtis Wooten ("Wooten") submitted written notice

to the California Labor and Workforce Development Agency ("LWDA"), alleging violations by Defendant of Labor Code §§ 201-203, 204, 226, 510, 558, 1194, 1197, and 1197.1, pursuant to the Private Attorneys General Act, Labor Code § 2699 ("Wooten PAGA Letter"). Declaration of Max W. Gavron ("Gavron Decl.") ¶ 2; Ex. B.

On or about May 17, 2023, Wooten submitted a supplemental notice adding Defendant's alleged violations of Labor Code §§ 201-203, 227.3, and 246. *Id*. ¶ 3; Ex. C.

On May 17, 2023, Wooten filed a class action complaint in the Superior Court of the State of California for the County of Sacramento on behalf of himself and all similarly situated employees (the "*Wooten* Action"). Gavron Decl. ¶ 4. Wooten asserted claims for: (1) violation of Labor Code §§ 510, 558, 1194, 1197, and 1197.1; (2) violation of Labor Code §§ 201-203; (3) violation of Labor Code § 226; (4) violation of Labor Code § 227.3; and (5) violation of Business and Professions Code § 17200, *et seq*. *Id*. On November 22, 2023, Wooten filed a First Amended Complaint adding a cause of action for violation of Labor Code § 2698, *et seq*. *Id*. ¶ 5. The First Amended Complaint is the operative complaint in the *Wooten* Action. *Id.*

B. The *Sturgeon* Action

On November 20, 2023, Plaintiff Edward Joseph Sturgeon ("Sturgeon") filed a class action complaint in the Superior Court of the State of California for the County of Placer on behalf of himself and all similarly situated employees (the "*Sturgeon* Action"). Declaration of Helene Mayer ("Mayer Decl.") ¶ 6. Sturgeon asserted claims for: (1) violation of Labor Code §§ 510 and 1198; (2) violation of Labor Code §§ 226.7 and 512; (3) violation of Labor Code § 226.7; (4) violation of Labor Code §§ 1194, 1197, and 1197.1; (5) violation of Labor Code §§ 201 and 202; (6) violation of Labor Code § 204; (7) violation of Labor Code § 226(a); (8) violation of Labor Code § 1174(d); (9) violation of Labor Code §§ 2800 and 2802; and (10) violation of Business and Professions Code § 17200, *et seq*. *Id*.

On November 20, 2023, Sturgeon filed a related representative action complaint against Defendant, entitled *Edward Joseph Sturgeon v. Pride Industries*, Placer County Superior Court Case No. S-CV-0051712 (the "*Sturgeon* PAGA Action"), alleging a single cause of action for violation of Labor Code § 2698, *et seq*., premised upon the same alleged California Labor Code

violations asserted in the class action complaint. *Id*. ¶ 7; Ex. 1 (Sturgeon PAGA Letters).

On May 2, 2024, the court consolidated *Sturgeon* Action and *Sturgeon* PAGA Action. *Id*. ¶ 10.

On September 18, 2024, Sturgeon filed a First Amended Consolidated Complaint adding Darrin Cochran as a named plaintiff and PAGA representative in the consolidated action. *Id*. ¶ 11.

C. The *Allen* Action

On March 6, 2024, Plaintiff Michael Allen ("Allen") filed a class action complaint in the Superior Court of the State of California for the County of Sacramento on behalf of himself and all similarly situated employees (the "*Allen* Action"). Declaration of Esther Bylsma ("Bylsma Decl.") ¶ 16. Allen alleged claims for: (1) violation of Labor Code §§ 1182.12, 1194, 1197, 1197.1, and 1198; (2) violation of Labor Code § 510; (3) violation of Labor Code §§ 226.7 and 512; (4) violation of Labor Code § 226.7; (5) violation of Labor Code § 226; (6) violation of Labor Code §§ 201-203; (7) violation of Business and Professions Code § 17200, *et seq*.; and (8) violation of Labor Code § 2698, *et seq*. *Id*. ¶ 15; Ex. A (PAGA Letter).

D. Coordination

On or about July 29, 2025, the Parties filed a Petition for Coordination of the *Wooten* Action, *Sturgeon* Action, and *Allen* Action (the "Petition"). Gavron Decl. ¶ 6. On November 5, 2025, an order was entered coordinating those actions in Sacramento County Superior Court, thereafter, designated as the "Pride Industries Wage and Hour Cases" (the "Action"). Gavron Decl. ¶7.

Plaintiffs' class and PAGA claims as pled in the operative complaints of each action are predicated upon Defendant's alleged: (i) failure to provide or pay premium payments for meal periods (see Labor Code sections 204, 226.7, 512, 1194, 1197, and 1198, and applicable IWC Wage Order(s)); (ii) failure to authorize and permit or pay premium payments for rest periods (see Labor Code sections 204, 226.7, 512, and 1198, and applicable IWC Wage Order(s)); (iii) any and all claims involving any alleged failure to pay minimum wage, overtime, or other amounts of wages for failing to compensate "all hours worked" (see Labor Code sections 510,

1194, 1197, and 1198, and applicable IWC Wage Order(s)); (iv) failure to pay wages due to discharged and quitting employees (see Labor Code sections 201-203); (v) failure to timely pay wages during employment (see Labor Code section 204); (vi) failure to provide accurate, itemized wage statements (see Labor Code section 226(a)); (vii) failure to reimburse business expenses (see Labor Code sections 2800 and 2802); and (viii) unfair business practices with respect to claims arising from the Labor Code violations alleged. Gavron Decl. ¶ 8.

With respect to the failure to pay overtime wages claim, Plaintiffs contend that Defendant paid its employees non-discretionary remuneration, including shift differential pay, but failed to incorporate the non-discretionary pay into the regular rate of pay for the purpose of paying overtime wages. *Id*. ¶ 9. Instead, Plaintiffs contend that overtime wages were paid based on the lower, base rate of pay. *Id*.

Plaintiffs also argued that employees were regularly not paid for all regular, minimum, and/or overtime hours worked. *Id.* ¶ 10.

Plaintiffs contend that Defendant failed to provide for meal and/or rest periods as provided by law, and failed to incorporate the value of non-discretionary remuneration even in the off instances where they paid meal or rest period premiums and also non-discretionary remuneration. *Id.* ¶ 11.

Similarly to overtime, Plaintiffs contend that Defendant failed to incorporate non-discretionary pay into the regular rate of pay for the purpose of paying final wages, including vacation wages, upon separation of employment. *Id*. ¶ 12.

Given the underpayment of wages described above, Plaintiffs contend that they did not receive all wages owed upon separation of employment, and as such, Defendant owes waiting time penalties under Labor Code § 203. *Id*. ¶ 13. Plaintiffs also contended that Defendants failed to timely pay wages during employment pursuant to Labor Code § 204. *Id.*

With respect to the wage statement claim, Plaintiffs contend that Defendant issued deficient wage statements, as said wage statements do not correctly identify all applicable rates of pay and the number of hours worked at each rate and gross and net wages. *Id.* ¶ 14. Plaintiffs also allege that whenever shift differential wages were paid, the wage statements issued to

employees failed to identify the correct total hours worked. Finally, as a result of the violations detailed above, Plaintiffs also allege Defendants are subject to derivative wage statement penalties. *Id.*

Plaintiffs contend that Defendants failed to reimburse for work-related expenses like cellular telephones and thus violated Labor Code § 2802. *Id.* ¶ 15.

As a result of the alleged violations above, Plaintiffs seek damages and penalties under the California Labor Code, the California Business & Professions Code, and the PAGA, as well as attorneys' fees and costs. Gavron Decl. ¶ 16. Defendant has denied Plaintiffs' contentions and asserted factual and legal defenses to the above claims. *Id.*

E. Mediation

The Parties in the Action twice attended mediation. Gavron Decl. ¶ 17. The first session occurred on December 9, 2024, between the parties in the *Wooten* Action and *Sturgeon* Action. The mediation was unsuccessful and litigation resumed litigation in each respective case. *Id*.

On February 13, 2026, the Parties participated in a second, global mediation of the coordinated Action with neutral Francis J. Ortman III. Gavron Decl. ¶ 18.

Prior to the mediations, the Parties agreed to exchange information informally to evaluate their respective claims and defenses. Gavron Decl. ¶ 19. Defendant provided Plaintiffs' counsel with informal data and information pertaining to the putative class size and number of pay periods, a sampling of time and pay records, Plaintiffs' time records, and Defendant's wage and hour policies and practices. *Id*. Defendant's production of data allowed Plaintiffs and their expert consultants to conduct a comprehensive damages analysis. *Id*.

After thorough investigation and evaluation of the facts and claims, and as a result of arm's length negotiations facilitated by Mr. Ortman both during and after mediation, the Parties reached the current settlement. *Id*.

III. DISCUSSION

Any settlement of a class action lawsuit must be reviewed and approved by the court. This is done in two steps: (1) an early (preliminary) review by the trial court, and (2) a final review after notice has been distributed to the class members for their comment or objections.

The *Manual for Complex Litigation, Third* § 30.41 states:

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

(Fed. Jud. Ctr., 3rd ed. 1995).

Thus, the preliminary approval by the trial court is simply a conditional finding that the settlement appears to be within the range of acceptable settlements. As Professor Newberg comments, "[t]he strength of the findings made by a judge at a preliminary hearing or conference concerning a tentative settlement proposal may vary. The court may find that the settlement proposal contains some merit, is within the range of reasonableness required for a settlement offer, or is presumptively valid subject only to any objections that may be raised at a final hearing." Alba Conte & Herbert B. Newberg, *4 Newberg on Class Actions* § 11.26 (4th ed. 2002).

Here, the Parties have reached such an agreement and have submitted to this court in connection with this Motion a copy of the Settlement Agreement fully setting forth the agreement reached among the Parties. The Settlement Agreement sets forth all terms of the agreement reached by the Parties, which include, among other things, the method for calculating the Class Members' Individual Class Payment amounts.

The parties also may, at the preliminary approval stage, request that the court provisionally approve certification of the class – conditional upon final approval of the settlement. "[P]re-certification settlements are routinely approved if found to be fair and reasonable." *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 240 (2001); *accord Dunk v. Ford Motor Co*., 48 Cal. App. 4th 1794, 1803 (1996) (although the settlement was reached before any "adversary certification," the court was satisfied that it was "fair, adequate and

reasonable").

In addition to such terms as class identification, settlement amount, and payment procedures, the Settlement Agreement reached among the Parties contains a provision pursuant to which the Parties stipulate to the court's provisional certification of the class for the purposes of this settlement only. Agreement ¶ I.C.56. Defendant has reserved its right to contest class certification in the event that the settlement is not approved and litigation resumes.

A. Proposed Class Definition

The current settlement is being settled on behalf of "all persons who work or worked for Defendant as non-exempt, hourly paid employees in the State of California at any time from May 10, 2019, through June 7, 2026." *See* Agreement ¶ I.A.5. The Class Period is defined as May 10, 2019, through June 7, 2026. *Id*. ¶ I.A.12. Defendant estimates that there are approximately 8,800 individuals that comprise the Class. *Id*. ¶ I.A.5.

B. Settlement Terms and Evaluation

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

While the recommendations of counsel proposing the settlement are not conclusive, the court can properly take them into account, particularly where, as here, they have been involved in informal discovery and negotiations for some period of time, appear to be competent, have experience with this type of litigation, and have exchanged substantial evidence from the opposing party. *See 4 Newberg on Class Actions*, *supra* § 11.47; *Nat'l Rural Telecomms. Coop*.,

221 F.R.D. at p. 528 ("[s]o long as the integrity of the arm's length negotiation process is preserved, however, a strong initial presumption of fairness attaches to the proposed settlement…[citations] and 'great weight' is accorded to the recommendations of counsel, who are most closely acquainted with the facts of the underlying litigation").

Here, both Plaintiffs' and Defendant's counsel have a great deal of experience in wage and hour class action litigation. Plaintiffs' counsel have been approved as class counsel in a number of wage and hour class actions and have extensive litigation experience. Gavron Decl. ¶¶ 45-51; Declaration of Larry W. Lee ("Lee Decl.") ¶¶ 5-7; Declaration of Kwanporn "Mai" Tulyathan ("Tulyathan Decl.") ¶¶ 4-9; Declaration of William L. Marder ("Marder Decl.") ¶¶ 6-13; Declaration of Helene Mayer ("Mayer Decl.") ¶¶ 27-31; Declaration of Esther L. Bylsma ("Bylsma Decl.") ¶¶ 4-5. Each side has apprised the other of their respective factual contentions, legal theories, and defenses, resulting in negotiations taking place between the Parties. Gavron Decl. ¶ 22.

Based on the class data provided by Defendant, Plaintiffs estimated that Defendant could face liability in the hundreds of millions of dollars after accounting for attorney's fees, interest, and the damages and associated penalties on the claims alleged. Gavron Decl. ¶ 23. This number is based upon an analysis of the timekeeping and payroll records for the putative class conducted by Plaintiffs' consultant, as detailed below.

Assuming approximately 10 minutes per shift were unpaid, Plaintiffs estimated approximately $16 million in exposure on this theory of liability for the failure to pay all wages owed. *Id.* ¶ 24. Plaintiffs contended that class members were regularly required to work off the clock Defendant contends that any alleged off-the-clock work was irregular and not capable of class resolution because it was a function of employee personal choice if it occurred at all. Defendant also maintained it enforced facially legal policies which would further preclude imposition of any damages on a class basis.

With respect to Plaintiffs' overtime regular rate claim, based on information received from Defendant, Plaintiffs estimate potential liability of approximately $117,184 in underpaid overtime. Gavron Decl. ¶ 25. Plaintiffs also calculated approximately $232,018 in unpaid

meal/rest premiums and sick pay wages because of Defendant's failure to calculate them at the regular rate of pay. Defendants argued that some of the remuneration paid to class members was discretionary and thus did not need to be included in the regular rate of pay for purposes of paying overtime wages and that large portions of the class were subject to collective bargaining agreements that would exempt them from the overtime requirements of California law. Labor Code § 514. Approximately 37% of the workweeks subject to the settlement were associated with employees/time periods covered by collective bargaining agreements, which would likely eliminate claims for that group of employees. Gavron Decl. ¶ 25.

Plaintiffs identified approximately $10.6 million in unpaid meal break premiums based on a facial violation rate of approximately 18.5%, net of premiums paid. This estimate was net of the approximately $2 million in premiums that Defendant paid to employees during the relevant period. *Id.* ¶ 26. Assuming a similar violation rate, the exposure on the rest period claim would be similar (~$10.6 million). *Id.* ¶ 26. These claims were subject to similar defenses, including, but not limited to, that any facial meal period violations were not the result of systemic policy; but rather, employee choice such that class treatment was inappropriate. Defendant also argued it maintained facially compliant meal and rest period policies that would preclude certification or a liability finding.

With respect to Plaintiffs' claim for waiting time penalties, Plaintiffs estimated the potential exposure on this claim was approximately $23.3 million, which they calculated based on approximately 5,320 former employees who were underpaid wages. Gavron Decl. ¶ 27. To succeed on this claim, Plaintiffs would have to defeat Defendant's argument that its alleged failure to pay any wages was subject to a "good faith" defense. *See Hill v. Walmart Inc*., 32 F.4th 811, 823 (9th Cir. 2022) (holding that defendant presented good faith dispute precluding imposition of Section 203 penalties even where trial court denied employer's motion for summary judgment on same issue); *Naranjo v. Spectrum Security Services, Inc.*, 13 Cal.5th 93, 117 (2022).. Defendant argued that it did not willfully fail to pay wages upon separation, thus precluding penalties. Gavron Decl. ¶ 27. These penalties were inclusive of those that were derivative of Plaintiffs' regular rate violation theories of liability, including those tied to

Plaintiffs' vacation pay claim. Ultimately, the penalties comprise the bulk of exposure on the regular rate claims, but were subject to an arguably complete defense if Defendant could prove it acted in good faith.

With respect to Plaintiff's claim for violation of Labor Code § 226, Plaintiffs estimated the maximum penalties associated with this claim as approximately $15.25 million, which was based on approximately 5,682 individuals and 248,961 pay period, pursuant to Labor Code § 226(e). Gavron Decl. ¶ 28. This amount would likely end up lower than estimated as not every individual would have incurred violations on every pay period and Defendant argued that the violation was not "knowing and intentional" and thus would not warrant Section 226(e) penalties. *Naranjo*, 13 Cal.5th at 117; s*ee Harris v. Vector Mktg. Corp*., 656 F. Supp. 2d 1128, 1145-46 (N.D. Cal. 2009) (granting summary judgment in favor of employer and finding its conduct was not "knowing and intentional"). Defendant argued that it was entitled to a "good faith" defense on this claim, too. *Seeid*.

Plaintiffs' reimbursement claim, if successful, could add another $2.46 million (489,069 pay periods x $5.00 per pay period for cell phone reimbursement) in potential exposure. On the other hand, Defendant argued that it maintained facially compliant policies and permitted reimbursement where reasonable and necessary for the position. It contended this would significantly reduce the exposure on this claim and make it unsuited for class resolution because any use of personal communication devices would be a result of employee choice, as opposed to a uniform policy or practice of Defendant.

With respect to potential liability of Plaintiffs' PAGA claims, Plaintiffs estimated that Defendant could face civil penalties of as high as approximately $25 million (~248,961 pay periods x $100 per pay period penalty). if Plaintiffs were successful at trial. Gavron Decl. ¶ 30. While the PAGA does provide for a heightened "subsequent" penalty, courts are hesitant to award that amount where there has not been a prior violation of the Labor Code. *Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1209 (2008); *accord Amalgamated Transit Union Local 1309 v. Laidlaw Transit Service, Inc.* 2009 WL 2448430, at *9 (S.D. Cal. Aug. 10, 2009) ("[u]nder California law, courts have held that employers are not subject to heightened penalties

for subsequent violations unless and until a court or commissioner notifies the employer that it is in violation of the Labor Code"); *see also Bernstein v. Virgin Am., Inc.*, 3 F.4th 1127, 1144 (9th Cir. 2021) (holding no subsequent penalty unless prior citation or court ruling). Defendant argued that no such prior violation occurred here warranting only the initial penalty, if anything at all. Gavron Decl. ¶ 30. Similarly, this estimate assumes that the court would not "stack" PAGA penalties, and thus contemplates one $100 penalty per violative pay period regardless of whether many violations were proven. If the Court were inclined to award multiple penalty assessments per pay period, then it could be higher.

Importantly, Defendant argued that Plaintiffs' PAGA claims were subject to dismissal because, pursuant to Labor Code § 2699.8, it was not subject to the PAGA. The PAGA carves out certain types of employers from its requirements where there is an applicable collective bargaining agreement and certain threshold benefits are associated with the employment. If Defendant was successful in this defense, as it had been in some prior actions, then Plaintiffs' PAGA claims would carry no value.

Even assuming Plaintiffs ultimately prevail on their PAGA claims, the court still has discretion to reduce any PAGA penalties. Gavron Decl. ¶ 32. Pursuant to Labor Code § 2699(e)(2), the court can decline to award PAGA penalties where "if, based on the facts and circumstances of the particular case, to do otherwise, would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Indeed, as shown in the Court of Appeal's decision in *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504 (2018), while the plaintiff prevailed on his PAGA claim upon trial, the trial court reduced the maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying with the law. *Id*. at p. 517. Upon review, the Court of Appeal found such reduction to be proper. *Id*. at p. 539. Thus, the realistic value of Plaintiffs' PAGA claims, taking into the court's discretion to reduce such penalties, could be $2.5 million if the Court used the same reduction as *Carrington*, or even lower if the Court accepted Defendant's PAGA exemption defense. Gavron Decl. ¶ 32. Here, Defendant also contended that because its mission is "to create employment for people with disabilities" the likelihood that the Court would exercise its discretion to reduce PAGA penalties is high. See

https://www.prideindustries.com/about-us/our-mission (last visited October 26, 2026).

Although Plaintiffs believe in the merits of the alleged claims and maintains that there is no reason for reducing PAGA penalties, Plaintiffs are aware that Defendant has raised defenses to the claims and further with respect to the reduction of PAGA penalties and that those defenses could persuade the court. Gavron Decl. ¶ 33. Thus, even if Plaintiffs were to successfully prove their claims at trial, there is a possibility that the court may only award a small percentage of PAGA penalties, as the Court has discretion to do so. The Gross Settlement Amount was premised with this risk in mind, associated with the possibility of the court significantly reducing PAGA penalties.

The settlement is the result of extensive arm's length negotiations between the Parties and their counsel and was facilitated by an experienced and neutral mediator. Although Plaintiffs believe that the Class can be certified, Plaintiffs also believe in the fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiffs involved in not prevailing on one or more of the causes of action or theories alleged in the operative complaints, the possibility of non-certification, and the potential for appeals. Gavron Decl. ¶ 34. These risks on class certification are compounded by the California Supreme Court's holding in *Duran v. U.S. Bank Nat'l Ass'n*, 59 Cal. 4th 1 (2014). There, the plaintiffs obtained class certification and subsequently prevailed at trial after eight years of litigation, but the judgment and the certification ruling were reversed by the California Supreme Court after an additional five years of litigation. The case was remanded to superior court where class certification was denied and plaintiffs' subsequent appeal also was denied.

Indeed, numerous courts have held that **gross** settlements approximating between only 8 and 25% of the defendant's potential exposure are fair and reasonable. *See Lesevic v. Spectraforce Techs., Inc.*, 2021 WL 1599310, at *3 (N.D. Cal. Apr. 23, 2021) (noting wage and hour class fund of $600,000 that compensated for 7% of maximum potential recovery was reasonable); *Bellinghausen v. Tractor Supply Co*., No. 13-CV-02377-JSC, 2015 WL 1289342, at p.*6 (N.D. Cal. Mar. 20, 2015) (holding that class action settlement recovering between 8.5% and 25% of the defendant's potential exposure was fair); *Van Ba Ma v. Covidien Holding Inc*.,

U.S. Dist. Ct. Case No. 8:12-cv-02161 (C.D. Cal. 2014) (granting preliminary approval of wage and hour class settlement which obtained ***only 9.1%*** of projected damages, given the risks of continued litigation); *Villegas v. J.P. Morgan Chase & Co*., No. CV 09-00261 SBA EMC, 2012 WL 5878390, at p.*6 (N.D. Cal. Nov. 21, 2012) (holding that gross class action settlement of approximately 15% of the potential recovery was fair and reasonable); *Greko v. Diesel U.S.A., Inc*., No. 10-cv-02576 NC, 2013 WL 1789602, at *5 (N.D. Cal. Apr. 26, 2013) (24 percent was reasonable).

Here, the total amount of class and PAGA penalties could be as high as approximately $103.5 million, without discounting for potentially losing on any of the causes of action. Gavron Decl. ¶ 35. If the Court determined that the CBA precluded the overtime claims or that the PAGA did not apply given the exemption, then the exposure could be closer to around $75 million. The Gross Settlement Amount is $7,000,000.00, which is between approximately 7-9% of the maximum class and PAGA penalties. *Id.* Of course, if the Court denied class certification as to some or all of the claims, then this would drastically impact the recoverable wages and/or penalties. The settlement was negotiated at arm's length with these risks in mind and the significantly high settlement percentage-to-recovery further supports that the settlement is fair and reasonable.

Despite the asserted fairness of the settlement terms, as set forth in the Notice of Class Action Settlement ("Class Notice"), should any Class Member wish to pursue his or her own case for the claims being released herein, each Class Member has the right to submit a Request for Exclusion (*i.e*., opt-out) from the settlement, with the exception of the PAGA claims. *See* Class Notice, attached as **Exhibit A** to the Settlement Agreement. Moreover, as set forth in the Class Notice, Class Members are advised of their right to object to any of the terms contained in the Settlement Agreement and attend the final approval hearing. *Id*.

1. Amount and Manner of Distribution of the Compensation to be Provided to Class Members Including the Amount, or an Estimate, of What Each Class Member Will Receive

The Settlement Agreement provides for Seven Million Dollars ($7,000,000.00) as the Gross Settlement Amount. Agreement ¶ I.A.20. The Net Settlement Amount [calculated after

deduction of attorneys' fees (up to $2,450,000.00), costs (up to $100,000.00), Plaintiffs' service payments (up to $10,000.00 each, for a total of $40,000.00), PAGA penalties ($450,000.00), and settlement administration costs estimated to be up to $48,950.00. Agreement ¶¶ I.A.24, I.C.1, I.C.4-I.C.8.

Pursuant to the Settlement Agreement, the Net Settlement Amount will be apportioned among the Class Members on a *pro rata* basis, based on the number of Workweeks worked by all Class Members during the Class Period, as compared to the total number of Workweeks worked by all Class Members during the Class Period. *See* Agreement ¶ I.C.9. Based thereon, on a raw average, each Class Member potentially may recover approximately $455.80 ($4,011,050.00 ÷ 8,800 Class Members). Gavron Decl. ¶ 36. The amount actually paid to each Participating Class Member will increase or decrease depending on the number of Workweeks he or she worked during the Class Period.

Additionally, as part of the payment of PAGA penalties, 25% of the PAGA Settlement Amount, or $112,500.00 (of the $450,000.00 allocated), shall be paid to Aggrieved Employees[1] on a *pro rata* basis, based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period as compared to the total number of pay periods worked by all Aggrieved Employees during the PAGA Period. Agreement ¶ I.A.22, I.A.30. The PAGA allocation is fair in relation to the GSA because, if Defendant were successful in its PAGA exemption defense, the value of PAGA claims could be reduced to zero.

Defendant shall fund the settlement in two installments. The first installment of $3,500,000.00 shall be funded within fourteen (14) days of the Effective Date, or on March 9, 2027, whichever is later. The second installment of $3,500,000.00 shall be funded on or before March 9, 2028. Agreement ¶ I.C.3. Given the size of the Settlement, Defendant has requested to make the payments in two parts to preserve cashflow and maintain sufficient funds to meet operating expenses. Gavron Decl. ¶ 40.

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[1] "Aggrieved Employees" are all persons who worked for Defendant as non-exempt, hourly paid employees in the State of California at any time from May 10, 2022, through June 7, 2026. Agreement ¶ I.A.3. The PAGA Period is May 10, 2022, through June 7, 2026. *Id*. ¶ I.A.29.

Finally, the funds from uncashed checks (upon the expiration date) shall be sent to the designated *cy pres* recipient, Legal Aid at Work. *See* Agreement ¶ I.C.25.

2. Whether, and Under What Circumstances, Amounts Available for Payment in Settlement Might Not Be Paid to Class Members or Might Revert to the Defendant

None of the settlement funds will revert to Defendant. Agreement ¶ I.C.1.

3. Scope of the Release of Class Members' Claims

As a condition of participating in this class action settlement, Class Members who do not opt out of the settlement ("Participating Class Members") will provide a release of the following claims against the Released Parties. *See* Agreement ¶¶ I.A.32, I.A.34. Class Members will release:

> all claims, arising under applicable law, that were alleged, or could have reasonably been alleged, based on the facts contained in the Operative Complaints and that occurred during the Class Period, including (i) failure to provide or pay premium payments for meal periods (see Labor Code sections 204, 226.7, 512, 1194, 1197, and 1198, and applicable IWC Wage Order(s)); (ii) failure to authorize and permit or pay premium payments for rest periods (see Labor Code sections 204, 226.7, 512, and 1198, and applicable IWC Wage Order(s)); (iii) any and all claims involving any alleged failure to pay minimum wage, overtime, or other amounts of wages for failing to compensate "all hours worked" (see Labor Code sections 510, 1194, 1197, and 1198, and applicable IWC Wage Order(s)); (iv) failure to pay wages due to discharged and quitting employees (see Labor Code sections 201-203); (v) failure to timely pay wages during employment (see Labor Code section 204); (vi) failure to provide accurate, itemized wage statements (see Labor Code section 226(a)); (vii) failure to reimburse business expenses (see Labor Code sections 2800 and 2802); and (viii) any unfair business practices with respect to claims arising from the Labor Code violations released herein (see Business and Professions Code section 17200, *et seq*.) ("Released Class Claims").

See id. ¶ I.A.34.

In addition, regardless of their decision to participate in the settlement, Aggrieved Employees will release the following PAGA claims:

> all claims for PAGA penalties that were alleged, or could have been reasonably alleged, based on the facts stated in the Operative Complaints and LWDA Letters and that occurred during the PAGA

> Period, including (i) failure to provide or pay premium payments for meal periods (see Labor Code sections 204, 226.7, 512, 1194, 1197, and 1198; (ii) failure to authorize and permit or pay premium payments for rest periods (see Labor Code sections 204, 226.7, 512, and 1198; (iii) any and all claims involving any alleged failure to pay minimum wage, overtime, or other amounts of wages for failing to compensate "all hours worked" (see Labor Code sections 246, 510, 1194, 1197, and 1198; (iv) failure to pay wages due to discharged and quitting employees (see Labor Code sections 201-203); (v) failure to timely pay wages during employment (see Labor Code section 204); (vi) failure to provide accurate, itemized wage statements (see Labor Code section 226(a)); (vii) failure to reimburse business expenses (see Labor Code sections 2800 and 2802); (viii) failure to pay sick pay (see Labor Code section 246); and (ix) failure to maintain records (see Labor Code section 1174(d)) ("Released PAGA Claims").

Id. ¶¶ I.A.35, I.C.35.

Given that the releases above are tailored to only claims pled or could arise out of the facts alleged in the operative Complaints and PAGA letters and that accrued during limited periods of time, the releases are appropriately tailored.

4. Tax Treatment of Settlement Amounts

The Parties have agreed that the settlement payments to Participating Class Members ("Individual Class Payments") shall be allocated as follows: twenty percent (20%) unpaid wages, for which an IRS Form W-2 will issue and from which payroll taxes will be deducted; and eighty percent (80%) interest and statutory penalties, for which an IRS Form 1099 will issue. Agreement ¶¶ I.A.21, I.C.29. Employer payroll taxes will be funded separately from the Gross Settlement Amount. *Id.* I.A.20.

The payment of PAGA penalties to Aggrieved Employees ("Individual PAGA Payments") shall be allocated as one hundred percent (100%) penalties and will be accompanied by IRS Forms 1099-MISC. *Id.* ¶¶ I.A.22, I.C.29.

5. Affirmative Obligations to be Undertaken by Class Members or Class Counsel and the Reasons for Any Such Obligations

As stated above, Class Members do not need to do anything should they wish to receive their share of the settlement funds. In other words, because this is not a claims-made settlement,

Class Members will not be required to make a submission to participate in the settlement. Thus, this substantially decreases the amount of burden each Class Member must bear in order to receive their Individual Class Award. If a Class Member does not wish to take part in this settlement and be bound by the release, the Class Member must submit a Request for Exclusion. Agreement ¶¶ I.A.37, I.C.17.

C. Notice to Class Members

Should the Court grant the instant Motion, Defendant will provide the Settlement Administrator with a list containing each Class Member's name, last known mailing address, Social Security Number, the number of Workweeks worked during the Class Period, and the number of pay periods worked during the PAGA Period ("Class List and Data"). Agreement ¶ I.A.10. Defendant shall provide this information within fifteen (15) business days of preliminary approval of this settlement. *Id*. ¶ I.C.12. Upon receipt of the information and prior to mailing the Class Notice, the Settlement Administrator shall perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. *Id*. ¶ I.C.14. Within fifteen (15) business days of receiving the Class List and Data from Defendant, the Settlement Administrator shall mail the Class Notice to all Class Members. *Id*. ¶ I.C.13. Any Class Notice returned to the Settlement Administrator as non-deliverable on or before the opt-out deadline shall be sent promptly via regular first-class U.S. mail to the forwarding address affixed thereto. *Id*. ¶ I.C.16. If no forwarding address is provided, the Settlement Administrator shall promptly attempt to determine the correct address using a skip trace or other search and perform a re-mailing. *Id*.

The Class Notice will describe the terms of the settlement and advise Class Members of their opportunity to opt out of the Settlement, object to the Settlement, and/or dispute the number of workweeks and/or pay periods credited to them. *Id*. ¶¶ I.C.15, I.C.38.

If Class Members need further information about the settlement and/or the lawsuit, Class Counsel's contact information and the Settlement Administrator's contact information are provided in the Class Notice. *See* Class Notice.

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D. Typicality and Adequacy of Representation

1. Class Representatives' Claims are Typical of the Class

The commonality requirement is met when there are questions of law and fact common to the class. *See Hanlon v. Chrysler Corp*., 150 F.3d 1011, 1019 (1998) ("The existence of shared legal issues with divergent legal factual predicates is sufficient, as is a common core of salient facts couple with disparate legal remedies within the class"). Commonality requires only that some common legal or factual questions exist; the plaintiffs need not show that all issues in the litigation are identical. *See Richmond v. Dart Industries, Inc*., 29 Cal. 3d 462, 473 (1981). Defendant's conduct is central to the commonality inquiry. *See City of San Jose v. Superior Court*, 12 Cal. 3d 447, 460 (1974); *Vasquez v. Superior Court*, 4 Cal. 3d 800, 812-13 (1971). Where the employer's conduct is uniformly directed at a class of employees, as it is here, the class wide impact of the Defendant's policies satisfies the commonality requirement. *See Stephens v. Montgomery Ward & Co*., 193 Cal. App. 3d 411, 421 (1987).

Plaintiffs allege that Defendant, as a matter of its corporate policy, practice, or procedure, violated the Labor Code by failing to pay overtime wages at the correct regular rate of pay, failing to pay all wages upon separation of employment, failing to pay vested but unused vacation time at the correct rate of pay, and failing to provide accurate itemized wage statements. Declaration of Curtis Wooten ("Wooten Decl.") ¶¶ 3-5; Declaration of Edward Joseph Sturgeon ("Sturgeon Decl.") ¶ 1; Declaration of Darrin Cochran ("Cochran Decl.") ¶ 2; Declaration of Michael Allen ("Allen Decl.") ¶ 3. As a result, Plaintiffs allege that they are owed unpaid wages and penalties for the above violations. Wooten Decl. ¶ 3-5; Sturgeon Decl. ¶ 1; Cochran Decl. ¶ 2; Allen Decl. ¶ 3.

In other words, Plaintiffs contend that they were subjected to the same policy and practice as other Class Members and that their claims are typical to those of the Class.

Moreover, Plaintiffs do not have any interests adverse to the Class, nor have any such issues been raised or presented. Wooten Decl. ¶ 8; Sturgeon Decl. ¶ 6; Cochran Decl. ¶ 7; Allen Decl. ¶ 10. Plaintiffs have taken all necessary steps to represent the interests of the Class, and by providing information and documents to their counsel. Wooten Decl. ¶ 7; Sturgeon Decl. ¶¶ 2-3;

Cochran Decl. ¶¶ 3-4; Allen Decl. ¶ 6-8. For such reasons, Plaintiffs have adequately represented the Class Members and will continue to do so.

2. Class Counsel Have Adequately Represented the Class and Have Experience with Wage and Hour Class Action

From the inception of the case, Class Counsel have zealously represented the interests of the Class. Class Counsel have engaged in significant meet and confer discussions with Defense Counsel to obtain data and documents and to discuss the merits of the claims on behalf of the Class. Gavron Decl. ¶ 42. The settlement was obtained for the benefit of the Class, as opposed to the individual Class Representatives. Further, Class Counsel have been approved as class counsel on a number of prior cases, have litigated numerous other class action cases, and are competent to represent the Class. Gavron Decl. ¶¶ 45-51; Lee Decl. ¶¶ 5-7; Tulyathan Decl. ¶¶ 4-9; Marder Decl. ¶¶ 6-13; Mayer Decl. ¶¶ 27-31; Bylsma Decl. ¶¶ 4-5.

E. Costs and Fees

1. Attorneys' Fees and Costs

California state and federal courts have recognized that an appropriate method for determining award of attorneys' fees is based on a percentage of the total value of benefits to class members by the settlement. *Wershba v. Apple Computer, Inc*., 91 Cal. App. 4th 224, 254 (2001); *Serrano v. Priest*, 20 Cal. 3d 25, 34 (1977); *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *Vincent v. Hughes Air West, Inc*., 557 F.2d 759, 769 (9th Cir. 1997). The purpose of this equitable doctrine is to avoid unjust enrichment of counsel and to "spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does not bear the entire burden alone." *Vincent*, 557 F.2d at 769.

The common fund doctrine is predicated on the principle of preventing unjust enrichment. When a litigant's efforts create or preserve a fund from which others derive benefits, she may require the passive beneficiaries to compensate those who created the fund. Both California state and federal courts have embraced this doctrine. *Serrano III*, 20 Cal. 3d at p. 35; *Vincent*, 557 F.2d at p. 769. Similarly, in *City and County of San Francisco v. Sweet*, 12 Cal. 4th 105, 110 (1995), the California Supreme Court recognized that the common fund doctrine has

been applied "consistently in California when an action brought by one party creates a fund in which other persons are entitled to share." The reasons for applying the common fund doctrine include:

> Fairness to the successful litigant, who might otherwise receive no benefit because his recovery might be consumed by the expenses; correlative prevention of an unfair advantage to the others who are entitled to share in the fund and who should bear their share of the burden of its recovery; encouragement of the attorney for the successful litigant who will be more willing to undertake and diligently prosecute proper litigation for the protection or recovery of the fund if he is assured that he will be properly and directly compensated should his efforts be successful.

Id.

Indeed, in 2016, the California Supreme Court has also now held that the award of attorneys' fees in common fund wage and hour class action settlements should start with the percentage method. *See Laffitte v. Robert Half Int'l*, 1 Cal. 5th 480, 503 (2016) ("We join the overwhelming majority of federal and state courts in holding that when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created").

The California Supreme Court in *Laffitte* affirmed a fee award representing one-third of the fund. *Laffitte*, 1 Cal. 5th at p. 506. And this was based on a lodestar amount that required a multiplier of 2.13. *Id*. at p. 487. As the Court held, only when the multiplier is "extraordinarily high or low [should] the trial court [] consider whether the percentage method should be adjusted so as to bring the imputed multiplier within a justifiable range." *Id*. at p. 505.

Here, the Parties have agreed to a payment of thirty-five percent (35%) of the Gross Settlement Amount (or $2,450,000.00) for payment to Class Counsel as of attorneys' fees. Agreement ¶ I.A.8. The Parties have agreed to a payment of the foregoing attorneys' fees and, thus, this payment should be presumed to be fair. Further, the Parties have agreed to reimbursement of Class Counsel's litigation costs up to $100,000.00. *Id*. ¶ I.A.9. Class Counsel have, at their own risk, expended costs, for example, to file this instant action and other

pleadings in the cases, effect service of process, participate in mediations, and pay other litigation-related costs. If Class Counsel's actual costs are less than $100,000.00, the remainder will go to the Class for distribution. *Id.*

Based on the foregoing, the Court should preliminarily approve the attorney's fees and costs as requested by the Parties.

2. Proposed Payment to the Class Representatives

Plaintiffs and Class Representatives Curtis Wooten, Edward Joseph Sturgeon, Darrin Cochran, and Michael Allen each request a modest enhancement of $10,000.00. Agreement ¶ I.A.14. The Class Representatives met and conferred with Class Counsel on a number of occasions to discuss the case, provided documents and information to Class Counsel, and reviewed the Settlement Agreement. As part of their duties as Class Representatives, Plaintiffs provided invaluable information, evidence, and documents that resulted in this settlement. Wooten Decl. ¶ 7; Sturgeon Decl. ¶¶ 2-3; Cochran Decl. ¶¶ 3-4; Allen Decl. ¶¶ 6-8

In addition to the invaluable services that they provided, Plaintiffs also took a significant risk, both professionally and monetarily, in acting as a Class Representative and seeking benefits on behalf of the Class. Because the claims alleged by the Class Representatives involved the payment of costs to the prevailing party, Plaintiffs could have possibly faced paying the costs of Defendant, had they not prevailed in this action.

Furthermore, given that future employers are much less likely to hire individuals who have filed suit against their prior employer, particularly cases of this nature, Plaintiffs may face prejudice in the future from other potential employers. Plaintiffs took this risk upon themselves and the whole Class benefited from these risks taken by Plaintiffs. Class Members did not have to file individual lawsuits and bear the risks of payment of costs if they did not prevail, nor did they have to face the potential for retaliation and not getting future employment had they filed a public lawsuit.

Plaintiffs also agreed to provide a general release of claims and waiver of the protections of Civil Code § 1542, which is something that was not required of the Class Members. Agreement ¶ I.C.36; Wooten Decl. ¶ 12; Sturgeon Decl. ¶ 7; Cochran Decl. ¶ 8; Allen Decl. ¶ 9.

3. Settlement Administration Costs

The Parties have agreed to an estimated payment of $48,950.00 to the Settlement Administrator, Phoenix Settlement Administrators, to send notices and to administer this settlement. Agreement ¶¶ I.A.2, I.A.40. Phoenix Settlement Administrators is a well-recognized class action settlement administrator. The Parties believe that the administration fee is reasonable and should be approved.

IV. NOTICE TO THE LWDA

Concurrently with the filing of this motion, Plaintiffs submitted the Settlement Agreement and supporting documents to the LWDA. Gavron Decl. ¶ 55; Ex. D.

V. CONCLUSION AND ACTION REQUESTED AS PART OF THE MOTION FOR PRELIMINARY APPROVAL

Here, the proposed settlement is fair, adequate, and reasonable. It will result in both substantial monetary benefits to Class Members; it is non-collusive; and it was achieved as the result of informed, extensive, and arm's length negotiations conducted by counsel for the respective parties who are experienced in wage and hour class action litigation.

For the foregoing reasons, Plaintiffs respectfully request that the Court grant preliminary approval of the proposed settlement, sign the proposed Order, approve and authorize mailing of the proposed Class Notice, and set a date for a final approval hearing.

DATED: November 9, 2026

DIVERSITY LAW GROUP, P.C.

By: _____

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