

WINSTON LAW GROUP, P.C.

David S. Winston, Esq. CA Bar No. 301667

david@employmentlitigators.com

1880 Century Park East Suite 511

Los Angeles, California 90067

Phone: (424) 288-4568

Fax: (424) 532-4062

Attorney for Plaintiff, the Proposed Class, and the
Aggrieved Employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN BERNARDINO**

JOSE RODRIGUEZ, an individual, on behalf
of himself, others similarly situated,

PLAINTIFF,

vs.

WORLD CLASS STAFFING SERVICES
LLC, a California Limited Liability
Company, STAR HR LLC, a Wyoming
Limited Liability Company and DOES 2 thru
50, inclusive,

DEFENDANTS.

Case No: CIVSB2315859

[Assigned For All Purposes to the Hon. Christian
Towns, Dept. S26]

**NOTICE OF MOTION AND MOTION FOR
PRELIMINARY APPROVAL OF CLASS
SETTLEMENT; MEMORANDUM OF
POINTS AND AUTHORITIES**

Date: September 9, 2025

Time: 8:30 am

Dept.: S26

Action Filed: July 12, 2023

FAC Filed: August 14, 2023

SAC Filed: December 1, 2023

Trial Date: None Set

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

2 **PLEASE TAKE NOTICE** that on September 9, 2025 at 8:30 a.m. in Department S26 of the
3 above-entitled court, located at 247 West 3rd Street, San Bernardino, CA 9241, Plaintiff Jose
4 Rodriguez will move the Court for Preliminary Approval of the Proposed Class Settlement. The
5 Motion will be made on the grounds that the proposed Class Settlement is fair, adequate, reasonable,
6 and in the best interest of the Class and the Parties.

7 The Motion will be based on this Notice of Motion, the attached Memorandum of Points and
8 Authorities, the Declaration of David S. Winston, the Declaration of Jose Rodriguez, and the Joint
9 Stipulation of Class Action and PAGA Settlement attached to the Declaration of David S. Winston,
10 all other papers and records on file in this action, and on such oral and documentary evidence as may
11 be presented at the hearing on this Motion.

12 Dated: August 13, 2025

WINSTON LAW GROUP, P.C.

13
14
15 By:



DAVID S. WINSTON

Attorney for Plaintiff Jose Rodriguez, the
Proposed Class, and the aggrieved employees

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1 **MEMORANDUM OF POINTS AND AUTHORITIES IN OPPOSITION**

2 **I. INTRODUCTION**

3 Plaintiff Jose Rodriguez (“Plaintiff”) submits this Memorandum of Points and Authorities in
4 support of his unopposed Motion for Preliminary Approval of Class Settlement reached between
5 Plaintiff and Defendants World Class Staffing Services LLC (“World Class”) and Star HR LLC (“Star
6 HR”) (hereafter collectively “Defendants”). By this Motion, Plaintiff requests that the Court:

7 (1) Grant preliminary approval of the Joint Stipulation of Class Action and PAGA
8 Settlement (“Joint Stipulation” or “Settlement Agreement”). A true and correct copy of the Joint
9 Stipulation of Class Action and PAGA Settlement is attached to the Declaration of David S. Winston ¶
10 14, Exh. 4 (hereafter the “Winston Decl.”);

11 (2) Approve the proposed Notice to Class Members (“Notice of Settlement”), a copy of
12 which is attached as Exhibit 6 to the Winston Decl. and direct that the Notice of Settlement be sent to
13 Class Members in the manner set forth in the Settlement Agreement; and

14 (3) Schedule a hearing on final approval of the settlement (“Settlement”) and Plaintiff’s
15 Counsel’s application for an award of attorneys’ fees and litigation costs at which time Class Members
16 may be heard (“Final Approval Hearing”).

17 Class Counsel has achieved a good result in this litigation given the unique facts of this case
18 including World Class’ significant financial challenges. The proposed Settlement provides substantial
19 benefits to the Class and is the product of diligent litigation by Class Counsel to obtain the best
20 possible result for the Class Members. The settlement of this Action is fair, reasonable, adequate, and
21 in the best interests of the Class. Accordingly, Plaintiff respectfully requests that the Court grant
22 preliminary approval of the Settlement and certify the proposed Class for settlement purposes.

23 **II. FACTUAL BACKGROUND**

24 **A. Litigation Overview**

25 On June 8, 2023, Plaintiff filed a PAGA Notice with the California Labor and Workforce
26 Development Agency. Winston Decl., ¶ 8, Exh. 1. On July 12, 2023, Plaintiff filed a Class Action
27 Complaint in San Bernardino County Superior Court alleging a single cause of action for failure to
28 provide accurate itemized wage statements in violation of Labor Code § 226. *Id.* at ¶ 9. Shortly

thereafter, on August 14, 2023, Plaintiff filed a First Amended Complaint that added a single cause of action for PAGA penalties based upon Defendants' alleged failure to provide accurate itemized wage statements. *Id.* at ¶ 10. On September 29, 2023, Plaintiff filed an Amended PAGA Notice containing a number of additional alleged wage and hour violations. *Id.* at ¶ 11, Exh. 2. Following the entry of a stipulation granting leave to amend, Plaintiff filed a Second Amended Complaint adding claims for a number of other alleged wage and hour violations on both a Class and PAGA basis on December 1, 2023. *Id.* at ¶ 12. On May 3, 2024, Plaintiff filed another Amended PAGA Notice in an abundance of caution adding additional information about Star HR who was also added to the Complaint via a Doe Amendment. *Id.* at ¶ 13, Exh. 3.

The Parties ultimately reached a settlement following extensive settlement negotiations and based upon an extensive exchange of information in the lead up to two mediations that did not end up happening because of the need to involve Star HR and World Class' financial issues. Winston Decl., ¶ 14. As part of the preparations for the mediations and the months' long exchange of information during the settlement negotiations, Defendants provided Plaintiff with informal discovery related to the number of Class Members and aggrieved employees (422) and the total number of pay periods worked by the Class Members and aggrieved employees during the Class and PAGA period (7,746).¹ *Id.* at ¶ 14, Exh. 4 at §§ I(F) and II(B). Defendants also provided Plaintiff with a class list, and relevant policy related documents. *Id.* at ¶ 15.

As a result of the settlement negotiations, the Parties reached a settlement that reflects World Class' financial condition and Star HR's role within the employment relationship. The two Defendants in this Action are a staffing company (World Class) and a company that Plaintiff claims lent its status to the staffing company (Star HR), but that contends it was merely the payroll provider or payroll agent for World Class. Winston Decl., ¶ 16. Star HR and World Class contend that they had nothing to do with the day-to-day working conditions of the Class and both World Class and Star HR contend that their potential liability is limited to the wage statement related issues. *Id.* The alleged worksite employer, Prime 360, to the Parties' knowledge was reorganized under different entities. The Parties'

¹ Defendants paid the Class Members on a weekly basis such that pay periods and workweeks are synonymous.

1 proposed settlement will not cover Prime 360 or any reorganized entity related to Prime 360. The
2 Parties' proposed settlement primarily reflects ability to pay issues. During the preliminary approval
3 process, the Parties have agreed to stipulate to dismiss the non-wage statement related class and PAGA
4 claims. The Parties intend to submit the stipulation to dismiss the non-wage statement related class and
5 PAGA claims concurrently with the preliminary approval papers so that the Court will have the entirety
6 of the Parties agreement when it considers the proposed settlement and stipulation.

7 **B. Defendant World Class' Financial Condition**

8 Unfortunately, Defendant World Class went from having hundreds of employees to 3
9 employees. Winston Decl., ¶ 17, Exh. 5 (the Declaration of Beatriz Power On Behalf of World Class
10 Staffing Services LLC) (hereafter the "Power Decl.") at ¶ 3. In 2023, Defendant World Class reported
11 income of less than \$55,000, assets of less than \$65,000, and officer compensation was less than
12 \$120,000. Winston Decl., ¶ 17, Exh. 5 (Power Decl.) at ¶ 4. World Class' financial condition continued
13 to deteriorate and its payroll—which is its only method of earning income as a staffing company—fell
14 from \$25,000 per month at the beginning of the year to less than \$5,000 per month. Winston Decl., ¶
15 17, Exh. 5 (Power Decl.) at ¶ 5. As a staffing company, World Class does not possess considerable
16 assets, the owner of the company does not own any other companies, and World Class served as
17 Beatriz Power's only means of generating income. Winston Decl., ¶ 17, Exh. 5 (Power Decl.) at ¶¶ 6-7.

18 **III. THE SETTLEMENT**

19 **A. The Settlement Class and Release**

20 This Action concerns, and the Proposed Settlement Class is defined as all current and former
21 non-exempt, hourly employees who worked in California for World Class Staffing Services LLC and
22 had a wage statement issued by Star HR LLC at any point between June 8, 2022 and October 15, 2023.
23 Winston Decl., ¶ 14, Exh. 4 at § I(F). Under the terms of the Parties' Settlement Agreement, the Class
24 Period is defined as the "period from June 8, 2022 and October 15, 2023." Winston Decl., ¶ 14, Exh. 4
25 at §§ I(F) and I(I). There are approximately 422 Class Members. Winston Decl., ¶ 14, Exh. 4 at § I(F)
26 and II(B).

27 Under the terms of the Proposed Settlement, the participating Class Members will release Star
28 HR LLC, World Class Staffing Services LLC, as well as Star HR LLC's and World Class Staffing
Services LLC's current and former owners (including but not limited to Scott Hanson and Beatriz

1 Powers), officers, directors, managers, employees, and attorneys, and Star HR LLC's and World Class
2 Staffing Services LLC's parents and subsidiaries from all claims for the failure to provide legally
3 compliant wage statements in violation of California Labor Code section 226 during the Class Period
4 (June 8, 2022 to October 15, 2023) that were alleged or reasonably could have been alleged based upon
5 the facts stated in the July 12, 2023 Complaint, the August 14, 2023 First Amended Complaint, and/or
6 the December 1, 2023 Second Amended Complaint. Winston Decl., ¶ 14, Exh. 4 at §§ I(L), I(N), and
7 X(A). The Released claims do not include any claims for workers compensation, unemployment, or
8 disability benefits, any claims unrelated to the issuance of itemized wage statements, or any other
9 claims other than those specified in the Settlement Agreement. *Id.* at § I(L).

10 In addition to the Class claims, the State of California and the aggrieved employees will also
11 release the Released Parties from "any claim for PAGA penalties under Labor Code section 2699 for
12 violations of Labor Code section 226 during the PAGA Covered Period (June 8, 2022 and October 15,
13 2023) that were alleged or reasonably could have been alleged based upon the facts stated in June 8,
14 2023 PAGA Notice, the September 29, 2023 Amended PAGA Notice, and the May 3, 2024 Amended
15 PAGA Notice." Winston Decl., ¶ 14, Exh. 4 at §§ I(Z) and (X)(B).

16 **B. The Proposed Payment Plan and Protections for the Class in the Event that**
17 **Defendants Stop Making Payments or Declare Bankruptcy**

18 Defendant World Class experienced severe financial issues in the period following the initiation
19 of this Action. Winston Decl., ¶ 17, Exh. 5 (Power Decl.) at ¶¶ 3-5. Presently, Defendant Star HR does
20 not employ any individuals in the state of California and Defendant World Class went from hundreds
21 of active employees to three employees. Winston Decl., ¶¶ 17-18, Exh. 5 (Power Decl.) at ¶ 3. A major
22 consideration in Plaintiff's decision to accept the Proposed Settlement was the financial condition of
23 both Defendants after an analysis of financial documents and information provided by each. Winston
24 Decl., ¶¶ 7 and 17, Exh. 5 (Power Decl.) at ¶ 3.

25 In order to mitigate the risk of non-payment to the Class and to protect the Class in the event of
26 a bankruptcy, the Settlement requires Defendant Star HR to deposit 50% of its \$130,000 share of the
27 Gross Settlement Amount, which is \$65,000, no later than December 19, 2025. Winston Decl., ¶ 14,
28 Exh. 4 at V(R)(1). Defendant Star HR will then deposit the remaining 50% share, which is another
\$65,000, fifteen calendar days after the Effective Date of the Settlement. *Id.* at ¶ 14, Exh. 4 at I(R)(1).

Defendant World Class will pay the entirety of its \$20,000 share of the Gross Settlement Amount fifteen calendar days after the Effective Date. *Id.* at Exh. 4, § I(R)(2). Assuming that no class member objects to the settlement, then the Effective date is defined as the first business day after the Court enters an order granting final approval of the Settlement. *Id.* at Exh. 4, § I(P). In addition, although the release against the two named Defendants will be the Effective Date, “the release shall not be effective as to the owners, officers, directors, managers, and attorneys of any Defendant who fails to deposit its share of the Gross Settlement Amount (\$130,000 for Star HR LLC and \$20,000 for World Class Staffing Services LLC) in accordance with the Funding Date.” *Id.* at Exh. 4, § I(FF).

By structuring the Settlement in this manner, the Class can move forward with the Settlement against either Defendant should the other declare bankruptcy during the pendency of this Action, seeks to protect against any argument during any potential bankruptcy proceeding that there was no consideration if the release of the Defendants had been tied to the payment of the Gross Settlement Amount as opposed to an order finally approving the settlement, and allows the Class to proceed forward against the owners, officers, directors, and managers of any Defendant who fails to pay their share of the Gross Settlement Amount. Moreover, the initial \$65,000 payment from Star HR in December 2025 will provide additional security than that available to class members in most class actions where none of the payments are made until after final approval.

C. Settlement Payments

As detailed fully in the Joint Stipulation, the Settlement provides for Defendants to pay a Gross Settlement Amount of \$150,000.00 with Defendant Star HR paying \$130,000.00 of the Gross Settlement Amount and Defendant World Class paying \$20,000 of the Gross Settlement Amount. Winston Decl., ¶ 14, Exh. 4 at §§ I(R), I(S), and II(E).

Pursuant to the Settlement Agreement, Class Counsel proposes the following allocation of the Settlement to determine the Net Settlement Amount:

Gross Settlement Amount:	\$150,000.00
Attorneys’ Fees (1/3):	up to \$50,000.00
Estimated Case Costs:	up to \$8,000.00
Estimated Service Award:	up to \$8,000.00

Estimated Cost of Administration: up to \$10,000.00

PAGA Payment To the LWDA \$15,000.00
(\$20,000 total in PAGA Penalties):

Estimated Net Settlement Amount \$59,000.00
Including Employees' Share of PAGA
Penalties

The Estimated Net Settlement Amount (\$59,000.00) is the amount distributable to Participating Class Members and aggrieved employees and consists of the Gross Settlement Amount minus Court Approved Class Counsel's attorneys' fees and litigation costs, settlement administration costs, the LWDA's portion of the PAGA penalties as well as a Service Award for the Class Representative. Winston Decl. ¶¶ 14 and 19, Exh. 4, at §§ I(V) and VII(A).² The Settlement is non-reversionary, and Defendants will pay 100 percent of the Gross Settlement Amount. *Id.* at ¶¶ 14 and 20, Exh. 4 at p. 3 and §§ I(S) and IV(A). This is a checks-mailed settlement meaning that Class Members do not need to submit a claim form and will receive a check as long as the Settlement is approved. *Id.*

Each Participating Class Member will share pro rata in the settlement fund based upon the number of pay periods worked during the Class Period. Winston Decl., ¶ 14, Exh. 4, at § IV(C). The estimated average net settlement award each Class Member is expected to receive when including the employee's \$5,000 share of PAGA penalties is approximately \$139.81 (\$59,000.00/422 Class Members), the maximum estimated net settlement award is estimated to be approximately \$540.80 ((71 pay periods³ worked during the class period/7,746 total pay periods) x \$59,000.00), and the minimum estimated settlement award is estimated to be approximately \$7.62 ((1 pay period worked during the class period/7,746 total pay periods) x \$59,000.00). *Id.* at ¶ 21. The average estimated net settlement amount when excluding the employee's share of PAGA penalties is approximately \$127.96 (\$54,000.00/422 Class Members). *Id.* The proposed method of allocation is fair and reasonable. *Id.* at ¶ 22.

D. Process for Administering Settlement after Preliminary Approval

The Notice of Settlement procedure established by the Settlement Agreement will efficiently and accurately ensure that the Notice of Settlement is provided to the Class Members. The Parties have

² The proposed settlement was submitted to the LWDA. Winston Decl., ¶ 29, Exh. 7.

³ There are 71 weeks between June 8, 2022 and October 15, 2023.

1 agreed to use reputable third-party claims administrator ILYM Group, Inc. to administer the
2 Settlement. Winston Decl., ¶¶ 14 and 23, Exh. 4 at § I(KK). Defendants must provide ILYM Group,
3 Inc. with the Class List and Notice data within fourteen (14) days of the Preliminary Approval Order.
4 Winston Decl., ¶ 14, Exh. 4 at § VI(B). Within twenty-eight (28) days after preliminary approval,
5 ILYM Group, Inc. will perform a national change of address search for each Class Member, update the
6 addresses per the results of the search, populate the data for the estimated Net Settlement Award for
7 each Class Member and mail the Notice of Settlement to all Class Members via first-class, United
8 States Mail. *Id.* at ¶¶ 14 and 25, Exh. 4 at § VI(B). The Notice of Settlement will be substantially in the
9 form attached to the Winston Decl. as Exhibit 6. *Id.* at ¶ 26, Exh. 6.

10 With respect to those Class Members whose Notice of Settlement is returned to the Settlement
11 Administrator as undeliverable, the Settlement Administrator shall resend the class notice to any
12 available forwarding address and run a skip-trace in an effort to attempt to ascertain the current address
13 of the Class Member. Winston Decl., ¶¶ 14 and 28, Exh. 4 at § VI(C).

14 **E. Process for Class Members to Respond to Class Notice**

15 Class Members will have an opportunity to request exclusion from the Settlement Class (*i.e.*,
16 opt out), dispute the amount of pay periods attributed to them, or to object to the Settlement at the Final
17 Approval Hearing. Winston Decl., ¶ 14, Exh. 4 at § VI(B-D). Class Members will have sixty (60)
18 calendar days from the date of mailing the Notices of Settlement within which to exclude themselves or
19 file an objection to the Settlement. *Id.* and at Exh. 4 § VI(B-D). Class Members wishing to exclude
20 themselves from the Settlement must mail a written request for exclusion to the Settlement
21 Administrator within the sixty (60) day deadline that includes their name and current address for
22 correspondence and identity verification purposes, be signed by the Class Member, and should include
23 the following or a similar statement or evidence a desire to exclude themselves from the Settlement: “I
24 WISH TO BE EXCLUDED FROM THE SETTLEMENT CLASS IN RODRIGUEZ VS. WORLD
25 CLASS STAFFING SERVICES LLC.” *Id.* at Exh. 4 at § VI(C). If an opt-out is deficient, the
26 Settlement Administrator shall send a deficiency notice to the Class Member. *Id.* In addition, the
27 Settlement Agreement permits the Court to accept a late request for exclusion for good cause. *Id.*
28

1 Class Members will also be provided an opportunity to object. To object, a Class Member can
2 either appear and orally object at the Final Approval and Fairness Hearing or submit a written objection
3 to the Settlement Administrator that includes the Class Member's name and current address for
4 correspondence and identity verification purposes, be signed by the Class Member, provide each
5 specific reason in support of the objection, and be postmarked by the Response Deadline. Winston
6 Decl., ¶ 14, Exh. 4 at § VI(D). Class Members need not include legal arguments for their written
7 objections to be considered. *Id.* Further, a Class Member who does not serve a written objection in the
8 manner and by the deadline specified may still appear at the Final Approval Hearing to state their
9 objection to the Settlement. *Id.*

10 In addition, Class Members may dispute Defendants' records of the number of pay periods
11 worked by notifying the Settlement Administrator that they dispute the amount of pay periods listed in
12 their Class Notice by the Response Deadline. Winston Decl., ¶ 14, Exh. 4 at § VI(B). Moreover,
13 Defendants will not retaliate against employees for participating in the settlement and will not
14 encourage or advise Class Members to opt out or object to the Settlement. *Id.* at ¶ 15, Exh. 4 at §
15 XII(G).

16 Class Members do not have to serve Counsel nor file anything with the Court to opt-out, object,
17 to, or dispute their number of workweeks. Instead, Class Members who wish to opt-out or submit an
18 optional written objection will mail any such documents to the Settlement Administrator. Winston
19 Decl., ¶ 14, Exh. 4 at § VI(B)-(D).

20 **IV. THE PROPOSED SETTLEMENT IS ENTITLED TO A PRESUMPTION OF FAIRNESS**

21 A presumption of fairness exists where: (1) the settlement is reached through arm's length
22 bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act
23 intelligently; and (3) counsel is experienced in similar litigation, *Dunk v. Ford Motor Co.*, 48 Cal. App.
24 4th 1794, 1802 (1996). To prevent fraud, collusion or unfairness to the class, the settlement or
25 dismissal of a class action requires court approval. *Malibu Outrigger Bd. of Governors v. Sup. Ct.*, 103
26 Cal.App.3d 573, 578-79 (1980). The purpose of the requirement is the protection of those class
27 members, including the named plaintiff, whose rights may not have been given due regard by the
28 negotiating parties. *Officers for Justice v. Civil Serv. Comm'n.*, 688 F.2d 615, 624 (9th Cir. 1982), *cert.*

1 *denied* 459 U.S. 1217 (1983). The trial court has broad powers to determine whether a proposed class
2 action settlement is fair. *Mallick v. Sup. Ct*, 89 Cal.App.3d 434 (1979).

3 The Settlement Agreement was the product of thorough, arms-length negotiations conducted by
4 experienced and informed counsel and represents a favorable resolution of the Class claims. Winston
5 Decl., ¶ 31. Accordingly, the Parties' Proposed Settlement is entitled to a presumption of fairness.

6 **V. THE PROPOSED SETTLEMENT IS FAIR AND SHOULD BE APPROVED**

7 Pursuant to California Rule of Civil Procedure § 1781(f), "a class action shall not be dismissed
8 or compromised without the approval of the court, and notice of the proposed dismissal or compromise
9 shall be given to all members of the Class in such manner as the court directs..." C.C.P. § 1781 (f). In
10 deciding whether to grant approval to a proposed class action settlement under C.C.P. § 382, the
11 court's overriding concern is whether the proposed settlement is "fair, adequate, and reasonable."
12 *Dunk*, 48 Cal. App. 4th at 1801 (*quoting Officers for Justice* 625 (9th Cir. 1982), 688 F.2d at 625).
13 Here, the proposed settlement offers meaningful relief for Class Members despite Defendants' financial
14 challenges. Winston Decl., ¶ 32.

15 The case of *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008), sets forth
16 several factors that the Court should analyze in determining whether to approve a class action
17 settlement. These factors include: (1) the strength of the plaintiff's case; (2) the risk, expense,
18 complexity and likely duration of further litigation; (3) the risk of maintaining class action status
19 through trial; (4) the amount offered in settlement; (5) the extent of discovery completed and stage of
20 the proceedings; (6) the experience and views of counsel; (7) the presence of a governmental
21 participant; and (8) the reaction of the class members to the proposed settlement. The proposed
22 settlement satisfies each of these factors.

23 **A. The Strength and Risks Associated with Plaintiff's Case**

24 1. **The Strength of and Risks Associated With the Claim for Labor Code § 226(e)
25 Penalties**

26 Labor Code § 226 obligates employers, semi-monthly or at the time of each payment to furnish
27 an itemized wage statement in writing showing: (1) gross wages earned; (2) total hours worked by the
28 employee...; (5) net wages earned...; (8) the name and address of the legal entity that is the
employer...; (9) all applicable hourly rates in effect during the pay period and the corresponding

1 number of hours worked at each hourly rate by the employee...“A claim for damages under Section
2 226(e) requires a showing of three elements: (1) a violation of Section 226(a); (2) that is “knowing and
3 intentional”; and (3) a resulting injury.” *Garnett v. ADT LLC*, 139 F. Supp. 3d 1121, 1131 (E.D. Cal.
4 Oct. 6, 2015).

5 Plaintiff alleged both derivative and non-derivative wage statement claims. Winston Decl., ¶ 34.
6 The non-derivative wage statement claims stem from Defendants’ alleged failure to include the address
7 of the legal entity that is the employer in violation of Labor Code § 226(a)(8) and that Defendants, who
8 Plaintiff alleges are temporary services employers, failed to include information about the rate of pay
9 and the total hours worked for each temporary services assignment in violation of Labor Code §
10 226(a)(9). *Id.* Defendants argued that no violation existed because Defendants included the name Star
11 HR on the direct deposit notification attached to the wage statement and/or that the direct deposit
12 advice qualified as part of the wage statement. *Id.* at ¶ 35. However, Plaintiff believed it was unlikely
13 that Defendants could prevail because the California court of Appeal already rejected a similar
14 argument in *Noori v. Countrywide Payroll & HR Solutions, Inc.*, 43 Cal.App.5th 957, 966 (2019). In
15 *Noori* the California Court of Appeal upheld a finding that an employer violated Labor Code section
16 226(a) by failing to include the name of the legal entity that was the employer on its wage statements
17 despite “the fact that the full name appears on the checks...physically attached to the wage statements.”
18 As the Court of Appeal explained a “paycheck is not ‘part of’ the wage statement.” *Id.* (citing *Willner*
19 *v. Manpower Inc.*, 35 F.Supp.3d 1116, 1129 (N.D. Cal. 2014) (rejecting the argument that an address
20 on a detachable check attached to wage statements satisfied statute). Nevertheless, some risk existed
21 that a different appellate court could find that *Noori* was incorrectly decided and/or that *Noori* was
22 distinguishable from the present action. Winston Decl., ¶ 36.

23 Further risk existed and was actually realized during the pendency of this Action when the
24 California Court of Appeal recognized a good faith defense to a claim for failure to comply with
25 accurate itemized wage statements in violation of Labor Code § 226 in *Naranjo v. Spectrum Sec.*
26 *Servs., Inc.*, 15 Cal. 5th 1056, 1064 (2024). Winston Decl., ¶ 37 In *Naranjo*, the California Supreme
27 Court found for the first time “that if an employer reasonably and in good faith believed it was
28 providing a complete and accurate wage statement in compliance with the requirements of section 226,

1 then it has not knowingly and intentionally failed to comply with the wage statement law.” *Naranjo* 15
2 Cal. 5th at 1065. At the time of the initiation of this Action, there was a split in authority between the
3 California Court of Appeal decision in *Naranjo v. Spectrum Security Services, Inc.*, 88 Cal. App. 5th
4 937, 942 (2023) recognizing the good faith defense to Labor Code § 226(e) and three prior appellate
5 decisions that rejected the good faith defense. *See Furry v. East Bay Publishing, LLC*, 30 Cal. App. 5th
6 1072, 1085 (2018); *Kao v. Holiday*, 12 Cal. App. 5th 947, 961–962 (2017); *Gola v. Univ. of San*
7 *Francisco*, 90 Cal. App. 5th 548, 567, (2023), as modified (May 9, 2023), reh'g denied (May 15, 2023),
8 review filed (May 23, 2023). Ultimately, during the pendency of this Action, the California Supreme
9 Court sided with the *Naranjo* appellate court even though it was the less prevalent view at the time.
10 *Naranjo* 15 Cal. 5th at 1065.

11 Plaintiff determined the non-risk adjusted value of this claim was \$753,500.00.⁴ Winston Decl.,
12 ¶ 38. Plaintiff determined the reasonable risk adjusted settlement value of this claim as of the time of
13 settlement to be \$100,215.50 calculated as follows: \$753,500.00 x .95 (95% chance that Plaintiff
14 would certify this class) x .7 (70% chance that Plaintiff would prevail on the merits based upon the
15 issue in *Noori*) x .50 (50% chance that Court would find that Defendants acted in good faith) x .4
16 (60% chance that the continued litigation could deplete Defendant Star HR’s financial resources, and a
17 100% chance that it would deplete Defendant World Class’ financial resources potentially leading to
18 no recovery). *Id.*

19 2. The Strength of and Risks Associated with the PAGA Claim

20 This PAGA claim predates the July 1, 2024 PAGA Reform and therefore falls under the prior
21 PAGA statutory scheme. Under the prior statutory PAGA scheme, there was a split of authority
22 regarding which PAGA penalties apply to violations of Labor Code § 226(a) that predate the July 1,
23 2024 PAGA reform. *Gunther v. Alaska Airlines, Inc.*, 72 Cal. App. 5th 334, 355 (2021) (holding that
24 such violations give rise to a 2699.3 penalty) *cf.*; *Raines v. Coastal Pacific Food Distributors, Inc.*, 23
25 Cal.App.5th 667, 675 (2018) (holding that such violations give rise to a Labor Code § 226.3 penalty).

26
27
28 ⁴ There are 422 Class Members who worked during the wage statement period and approximately 7,746 pay periods during
the statutory period applicable to the wage statement claims. Accordingly, there were 422 pay periods for which the initial
\$50.00 penalty would apply under Labor Code section 226(e) and 7,324 pay periods for which the subsequent \$100.00 per
pay period penalty could apply.

1 Unlike a claim for Labor Code § 226(e) penalties which require that an employee show the
2 employer's violations of Labor Code § 226(a) were knowing and intentional, to state a claim for relief
3 under the PAGA statutory scheme applicable to this Action, a plaintiff only needs to show that the
4 defendant violated Lab. Code § 226(a). *Lopez v. Friant & Assocs., LLC*, 15 Cal. App. 5th 773, 788
5 (2017) ("hold[ing] a plaintiff seeking civil penalties under PAGA for a violation of Labor Code
6 section 226(a) does not have to satisfy the 'injury' and 'knowing and intentional' requirements of
7 section 226(e)(1)."); accord *Raines v. Coastal Pacific Food Distributors, Inc.*, 23 Cal.App.5th 667,
8 679 (2018) (finding that the "requirements for a section 226(e) claim do not apply to a PAGA claim
9 for a violation of section 226(a).").

10 Here, as with any PAGA case, significant risk exists with respect to the amount of PAGA
11 penalties that a Court may award given their discretionary nature. Winston Decl., ¶ 39. Under PAGA,
12 Courts can exercise their discretion to reduce the amount of penalties awarded, or if Labor Code §
13 226.3 applies, even award \$0.00 in PAGA penalties. Lab. Code § 226.3 ("In enforcing this section, the
14 Labor Commissioner shall take into consideration whether the violation was inadvertent, and in his or
15 her discretion, may decide not to penalize an employer for a first violation when that violation was due
16 to a clerical error or inadvertent mistake."). Plaintiff and Class Counsel believed that significant risk
17 existed that the Court would exercise its discretion to severely reduce the amount of available PAGA
18 penalties due to the technical nature of the violations and Defendants' financial condition. Winston
19 Decl., ¶ 40. Indeed, one court in San Diego awarded \$5.00 per pay period in a decision that was
20 subsequently affirmed on appeal. See *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504 (2018)
21 (post-trial award of \$5 per violation).⁵ A similar methodology here would result in penalties of
22 approximately \$38,730.00 (7,746 pay periods x \$5.00 per pay period *i.e.* 5% of the total exposure).
23 Winston Decl., ¶ 41.

24 **B. The Risk, Expense, Complexity, and Likely Duration of Further Litigation**

25 There are also always risks attendant to wage and hour cases given the evolving nature of such

26
27 ⁵ *Carrington*, 30 Cal. App. 5th at 508 and 529 ("Carrington sought civil penalties and unpaid wages under sections 2699,
28 subdivision (a) and 558, subdivision (a).... Although the trial court may have disagreed with Starbucks regarding the issue of
liability, it clearly took the circumstances proffered by Starbucks into consideration when it imposed the penalty, as evident
from the significant reduction of the \$50 maximum penalty (per initial violation) to the penalty imposed—only \$5 per initial
violation.").

claims. Winston Decl., ¶ 42. Given the ever-evolving landscape of wage and hour law, there are always risks that a new case will come out that will clarify and/or potentially limit employees' claims. *Id.* For example, although generally it was well-established that employees could recover both wage statement and waiting time penalties based upon an employer's failure to provide lawful meal/rest periods, a recent appellate case held that such penalties are not recoverable before it was later overturned. *Naranjo v. Spectrum Security Services, Inc.*, 40 Cal. App. 5th 444 (2019); *aff'd in part, rev'd in part and remanded* 13 Cal. 5th 93, (2022). Similarly, in another recent decision the California Court of Appeal held that employers could pay employees meal/rest period premiums at the employee's hourly base rate instead of at their regular rate before that decision was also overturned by the California Supreme Court. *Ferra v. Loews Hollywood Hotel, LLC*, 40 Cal. App. 5th 1239 (2019) *rev'd*, 11 Cal. 5th 858 (2021). While Plaintiff was confident that he would prevail on his claims based upon present law, the plaintiffs in *Ferra* and *Naranjo* likely believed they would have as well and actually did on their derivative claims prior to the California Court of Appeal's rulings in those actions and before each matter was eventually reversed by the California Supreme Court. Winston Decl., ¶ 43. As the California Court of Appeal explained in the now overturned *Naranjo* decision, "[a]lthough wage and hour lawsuits are ubiquitous in state courts, most settle before trial. Consequently, our appellate courts have not had much opportunity to publish decisions addressing the derivative wage claim issue[s]." *Naranjo*, 40 Cal. App. 5th at 468. While Plaintiff acknowledges that the California Supreme Court reversed in both cases, each nevertheless are emblematic of the inherent risk associated with litigating wage and hour cases and the fact that a new appellate decision can dramatically alter the strength of the employees' claims at any time. Indeed, *Naranjo* was appealed again to the California Supreme Court where the Court ruled in the employer's favor. *Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056, 1064 (2024). And, PAGA itself was amended during the pendency of this Action. Winston Decl., ¶ 43.

C. The Risk of Maintaining Class Action Status Through Trial

This case has not been certified to be tried as a class action. Winston Decl., ¶ 44. While there is strong evidence to support certification, certification is always hard fought and subject to judicial discretion. *Id.* Moreover, in class actions, decertification is always a possibility. *Id.* In attempting to certify a class, the Parties would need to conduct deposition of the named Plaintiff and of the person

1 most knowledgeable regarding Defendants’ policies and practices related to the claims. Winston Decl.,
2 ¶ 45. There is a risk for both sides as to what these depositions will reveal and whether they will
3 support class certification. *Id.*

4 **D. The Amount Offered in Settlement**

5 A trial court should not evaluate a proposed settlement “against a hypothetical or speculative
6 measure of what might have been achieved had plaintiffs prevailed at trial.” *Munoz v. BCI Coca-Cola*
7 *Bottling Co. of Los Angeles*, 186 Cal. App. 4th 399, 409 (2010). “The test is not the maximum amount
8 plaintiffs might have obtained at trial on the complaint, but rather whether the settlement is reasonable
9 under all of the circumstances.” *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 250 (2001),
10 disapproved on another ground in *Hernandez v. Restoration Hardware, Inc.* 4 Cal.5th 260, 269 (2018).
11 Nor does a *Kullar* showing require parties to submit the outer reaches of maximum possible recovery
12 without taking into account various risks. *Munoz*, 186 Cal. App. 4th at 409; *Altamirano v. Shaw*
13 *Industries, Inc.*, 2015 WL 4512372, at *9 (N.D. Cal. 2015) (preliminarily approving wage and hour
14 class action settlement, stating, “[a]lthough 15% represents a modest fraction of the hypothetical
15 maximum recovery estimated by Plaintiff, that figure is sufficient for the Court to grant preliminary
16 approval.”).

17 Nevertheless, to allow the Court to analyze the reasonableness of the Parties’ Proposed
18 Settlement, Plaintiff analyzed the maximum possible value of the claims at issue in this action if
19 Plaintiff certified and prevailed on the Labor Code § 226(e) claim and the Court declined to exercise
20 any discretion when awarding PAGA penalties. Winston Decl., ¶ 46. Plaintiff determined the maximum
21 exposure on the claims to be between \$1,528,100.00 to \$2,690,000.00 in light split of authority
22 between *Gunther* and *Raines* regarding which PAGA penalties apply to violations of Labor Code §
23 226(a) that predate the July 1, 2024 PAGA reform. *Id.* However, Plaintiff and his Counsel did not
24 believe that this presented a remotely realistic outcome given Defendants’ significant defenses and the
25 Court’s discretion with respect to the PAGA penalties. *Id.*

26 ///

27 ///

28 ///

TOTAL DAMAGES IF PAGA PENALTIES ARE ASSESSED UNDER LABOR CODE SECTION 2699

Labor Code section 226(e) Penalties:

422 pay periods assessed at the initial violation rate x \$50 per pay period penalty (\$21,100.00) + 7,324 pay periods assessed at the subsequent violation rate x \$100 subsequent violation per pay period rate (\$732,400.00) = **\$753,500.00**

Labor Code § 2699 Penalties:

- PAGA penalties assessed at the \$100 per pay period initial violation rate = 7,746 pay periods x \$100 = **\$774,600.00**

Total Damages: \$1,528,100.00 = \$753,500.00 (226(e) penalties) + \$774,600.00 (PAGA penalties calculated at the Labor Code section 2699 \$100 per pay period rate).

TOTAL DAMAGES IF PAGA PENALTIES ARE ASSESSED UNDER LABOR CODE SECTION 226.3

Labor Code section 226(e) Penalties:

422 pay periods assessed at the initial violation rate x \$50 per pay period penalty (\$21,100.00) + 7,324 pay periods assessed at the subsequent violation rate x \$100 subsequent violation per pay period rate (\$732,400.00) = **\$753,500.00**

Labor Code section 226.3 Penalties:

\$250 per employee penalty for initial violations x 7,746 violations = **\$1,936,500.00**

Total Damages: \$2,690,000.00 = \$753,500.00 (226(e) penalties) + \$1,936,500.00 (PAGA penalties calculated at the Labor Code section 226.3 rate \$250 per employee per violation). Winston Decl., ¶ 47. However, for the reasons discussed above, the likely verdict amounts from a risk adjusted value ranged from as little as \$0.00 to \$138,945.50 (\$100,215.50 risk adjusted value of the Labor Code § 226(e) penalties + \$38,730.00 in PAGA penalties (7,746 pay periods x \$5.00 per pay period). Winston Decl., ¶ 48. It was also possible that the Court might find that Defendants acted in good faith and that the Class could not recover Labor Code § 226(e) penalties and based upon that finding decline to award a significant amount of PAGA penalties as in *Carrington. Id.*

In evaluating the reasonableness of the settlement offers, Class Counsel considered both their own experience with class wage statement claims and PAGA settlements as well as similar settlements obtained by other firms. In the instant action, Plaintiff negotiated a monetary gross settlement of \$355.45 per employee (\$150,000.00/422 Class Members) or \$19.36 per pay period (\$150,000.00 gross settlement amount/7,746 pay periods) and an estimated net settlement amount of \$139.81 (\$59,000.00/422 Class Members) or \$7.62 per pay period (\$59,000.00 estimated net settlement amount

1 /7,746 pay periods). Winston Decl., ¶ 49. This amount is comparable to many class action and PAGA
2 settlements approved by other courts that did not involve ability to pay issues or financial challenges:

- 3 ■ *Raya v. Amazon*, Case No. 3:15-cv-02005 (N.D. Cal. Feb. 15, 2017) (approving a Class
4 Action and PAGA settlement of wage statement claims in the gross amount of \$600,000
5 for 28,247 employees that amounted to a gross settlement of \$1.05 per wage statement and
6 a net settlement of \$0.64 per wage statement);
- 7 ■ *Pelton vs. Panda Restaurant Group*, 2 :10-cv-08458 (C.D. Cal. Mar. 2012) (approving a
8 Class Action and PAGA settlement of wage statement claims that amounted to a gross
9 settlement of \$4.77 per wage statement and a net settlement of \$1.19 per wage statement);
- 10 ■ *Smith v. Wal-mart*, Case No. 3:16-cv-02832, (Doc. 69 Jan. 2, 2018) (preliminarily
11 approved class action settlement on January 2, 2018 for 110,000 employees resulting in a
12 gross settlement of \$14.54 per employee and an estimated net settlement of \$10.45 per
13 employee);
- 14 ■ *Brown v. CVS Pharm., Inc.*, 2017 U.S. Dist. LEXIS 182309, at *1 (C.D.Cal. Apr. 24,
15 2017) (approving a class action and PAGA settlement of wage statement claims that
16 amounted to a net settlement of approximately \$12.32 per wage statement);
- 17 ■ *McKenzie v. Fed. Express Corp.*, 2012 U.S. Dist. LEXIS 103666, at *2 (C.D.Cal. July 2,
18 2012) (approving a class action and PAGA settlement of wage statement claims that
19 amounted to a net settlement of approximately \$10.99 per wage statement).

20 Winston Decl., ¶ 72.

21 After weighing the other benefits and risks associated with each of the claims in light of the
22 factual challenges as well as Defendants' potential defenses, Class Counsel determined the amount
23 offered in settlement was fair and reasonable considering the risks and the likelihood of success on the
24 merits, Defendants' financial challenges, and the unique facts of this case. Winston Decl., ¶ 50.

25 **E. The Experience and Views of Counsel**

26 Class Counsel is experienced in wage-and-hour class actions and has served as Class and/or
27 PAGA Counsel in numerous wage and hour class actions. Winston Decl., ¶¶ 3-6 and 51-53. Class
28 Counsel weighed the strengths and risks of the claims and believe that this is a fair and reasonable

1 settlement in light of the nature of the claims, realistic risk adjusted value of damages, complexities of
2 the case, the state of the law, and the uncertainties of class certification and litigation. Winston Decl., ¶
3 52. After factoring in the risks explained herein, Class Counsel believes that the proposed Settlement is
4 fair and reasonable. *Id.* at ¶ 53.

5 **F. The Proposed Plan of Allocation Is Fair and Reasonable**

6 Plans of allocation are subject to the same standard of review as class action settlements; they
7 must be “fair, adequate and reasonable.” *See e.g., Officers for Justice v. Civil Service Comm’n of City*
8 *& Cty. of San Francisco*, 688 F.2d 615, 624–625, 629–630 (9th Cir. 1982). Here, the Net Settlement
9 Amount shall be allocated among Settlement Class members on a pro rata basis based upon the number
10 of pay periods worked during the Class Period. Winston Decl., ¶¶ 14 and 55, Exh. 4 at § IV(C). The
11 proposed method of allocation is fair and reasonable and reflects a fair means of allocating the
12 Settlement in order to maximize the recovery by the individuals who experienced the alleged Labor
13 Code violations. *Id.*

14 **G. The Proposed Notice Fairly Apprises the Class Members of the Terms of the**
15 **Settlement and of the Class Members’ Rights under the Settlement**

16 Plaintiff requests that the Court approve the proposed plan and form of Notice of Settlement.
17 The standard for determining the adequacy of notice is whether the notice has “a reasonable chance of
18 reaching a substantial percentage of the class members.” *Cartt v. Sup. Ct.*, 50 Cal. App. 3d 960, 974
19 (1975). With respect to the contents of the Notice of Settlement, the “notice given to the class must
20 fairly apprise the class members of the terms of the proposed compromise and of the options open to
21 dissenting class members.” *Trotsky v. L.A. Fed. Sav. & Loan Ass’n*, 48 Cal.App.3d 134, 151–52
22 (1975). As discussed in detail in Section III(D) and III(E) of this Motion, Class Members will receive a
23 detailed notice that provides class members with sufficient information to decide whether they should
24 accept the benefits offered, opt out and pursue their own remedies, or object to the Settlement. Winston
25 Decl., ¶¶ 14 and 27, Exhs. 4 at §§ VI(A-D) and Exh. 6. In addition, the class notice will be distributed
26 in English and Spanish. *Id.* at ¶¶ 14 and 58, Exh. 4 at § VI(B). In short, the Court should approve the
27 proposed Notice of Settlement because it describes the proposed Settlement with enough specificity to
28 allow Class Members to make an informed choice regarding whether to participate. Winston Decl., ¶
59.

1 **H. The Proposed Settlement Class Should Be Certified For Settlement Purposes⁶**

2 1. **Ascertainability**

3 Putative class members are deemed “ascertainable” when they may be “readily identified
4 without unreasonable expense or time by reference to official records.” *Rose v. City of Hayward*, 126
5 Cal. App. 3d 926, 933 (1981) disapproved of on other grounds by *Noel v. Thrifty Payless, Inc.*, 7 Cal.
6 5th 955, 981 (2019)). In determining whether a class is ascertainable, a court scrutinizes the class
7 definition, the size of the class and the means of identifying class members. *Miller v. Woods*, 148
8 Cal.App.3d 862, 873 (1983) (disapproved of on other grounds by *Noel*, 7 Cal. 5th at 986 n.15).

9 Here, Plaintiff seeks to represent a clear and distinct class of Defendant’s employees defined as
10 all current and former non-exempt, hourly employees who worked in California for World Class
11 Staffing Services LLC and had a wage statement issued by Star HR LLC at any point between June 8,
12 2022 and October 15, 2023. Winston Decl., ¶ 14, Exh. 4. at § I(F). There are 422 Class Members who
13 have already been identified using Defendant’s records. *Id.* Thus, the Class Members can be readily
14 identified by Defendants’ own records, and have been.

15 2. **Numerosity**

16 There is no set number that is required as a matter of law to maintain a class action. *Rose*, 126
17 Cal.App.3d at 934. Where a question is of common interest to “many” persons, an action may be
18 maintained as a class action even where the parties are numerous and it is in fact practicable to join
19 them all. *Id.* In the case at hand, the Class consisted of approximately 422 Class Members. Winston
20 Decl., ¶ 14, Exh. 4 at § I(F). This is more than enough for class certification.

21 3. **There Is a Well-Defined Community of Interest**

22 a. **There Are Predominant Questions of Law and Fact**

23 In deciding whether questions of common or general interest predominate, a court must
24 determine whether “the issues which may be jointly tried, when compared with those requiring separate
25 adjudication, are so numerous or substantial that the maintenance of a class action would be
26 advantageous to the judicial process and to the litigants.” *Collins v. Rocha*, 7 Cal.3d 232, 238 (1972);
27 accord *Sav-On Drug Stores, Inc. v. Superior Court*, 34 Cal.4th 319, 326 (2004). As a general matter, if
28

⁶ Defendant contends that class certification is appropriate only for purposes of settlement.

1 the defendant's liability can be determined by facts common to all members of the class, a class will be
2 certified even if the members must individually prove their damages." *Hicks v. Kaufman & Broad*
3 *Home Corp.*, 89 Cal.App.4th 908, 916 (2001); accord, *Knapp v. AT & T Wireless Services, Inc.* 195
4 Cal. App. 4th 932, 941 (2011).

5 In the case at hand, Plaintiff contends that there are clear and common questions of law and fact
6 that can be decided with one stroke: Whether Defendants violated Labor Code § 226(a) and (e) by
7 failing to provide accurate itemized wage statements. Winston Decl., ¶ 60.

8 Moreover, a class of similarly situated employees may be certified based on common questions
9 of fact or law, even if each employee has to establish the amount of his or her damages. *See Bell v.*
10 *Farmers Ins. Exch.*, 115 Cal.App.4th 715, 741 (2004); *Sav-On Drug Stores, Inc.*, 34 Cal.4th at 340.
11 Here, Plaintiff contends that the proposed Class Members suffered the same injuries, in the same
12 manner: they were not provided with accurate itemized wage statements. Winston Decl., ¶ 61. Because
13 the proposed Class Members worked in the same capacity for the same employers and were subject to
14 the same employment policies and practices, Plaintiff contends that the questions of fact and claims are
15 the same for each member of the class. Here, Plaintiff contends that he will be able to establish that
16 common questions of law and fact predominate.

17 b. The Class Representative Has Claims Typical of the Proposed Class

18 A putative class representative's claim must be "typical," but not necessarily identical, to the
19 claims of other class members. The test of typicality "is whether other members have the same or
20 similar injury, whether the action is based on conduct which is not unique to the named plaintiffs, and
21 whether other class members have been injured by the same course of conduct." *Seastrom v. Neways,*
22 *Inc.*, 149 Cal.App.4th 1496, 1502 (2007). Thus, it is sufficient that the representative is similarly
23 situated so that he or she will have the motive to litigate on behalf of all class members. *See, e.g.,*
24 *Classen v. Weller* 145 Cal.App.3d 27, 45 (1983). It is not necessary that the class representative have
25 personally incurred all of the damages suffered by each of the other class members. *Wershba v. Apple*
26 *Computer, Inc.*, 91 Cal.App.4th 224, 238 (2001).

27 Plaintiff worked as a non-exempt, hourly employee for Defendants and/or received a wage
28 statement from Star HR. Declaration of Jose Rodriguez Decl., ¶ 2 (hereafter the "Rodriguez Decl.").

1 Plaintiff alleges that he was not provided with accurate itemized wage statements. *Id.* As such, Plaintiff
2 contends that he is typical of the Class Members.

3 c. The Class Representative Will Adequately Represent the Proposed Classes

4 A putative class representative must show that she can adequately represent the class. *Lockheed*
5 *Martin Corp. v. Sup. Ct.*, 29 Cal. 4th 1096, 1104 (2003).

6 Plaintiff is capable of and has fairly represented and adequately protected the interests of the
7 proposed Class Members. Plaintiff's interest in this litigation is coextensive with the interests of the
8 proposed Class. Plaintiff assisted in gathering facts and information about the case and assisting in the
9 factual development of the case. Rodriguez Decl., ¶ 5. The proposed Class Members all worked for
10 Defendants during the relevant time period and incurred the same type of alleged damages with regard
11 to Defendants' alleged violations. Moreover, Plaintiff has agreed to serve as Class Representative and
12 has retained Counsel who regularly litigates employment cases. Plaintiff also participated in extensive
13 settlement negotiations and regularly provided feedback to Class Counsel and kept himself apprised of
14 the status of the case and settlement negotiations. Rodriguez Decl., ¶ 6. This demonstrates his
15 commitment to bringing about the best possible results for the benefit of the proposed Class. Therefore,
16 Plaintiff has and will adequately represent the proposed Settlement Class Members.

17 4. The Class Action Vehicle Is Superior to the Alternatives

18 "The ultimate question in every case of this type is whether . . . the issues which may be jointly
19 tried, when compared with those requiring separate adjudication, are so numerous or substantial that
20 the maintenance of a class action would be advantageous to the judicial process and to the litigants."
21 *Lockheed Martin Corp.*, 29 Cal. 4th at 1104–1105. Class certification is appropriate where, as here,
22 substantial duplication of legal and judicial resources will result if the class is not certified. All of the
23 issues of law and fact will be identical for each proposed Class Member. In the event that each person
24 is required to bring an individual action against Defendants, the common factual and legal issues would
25 have to be litigated and tried repeatedly. In this case, the methods of proof to be used will be similar
26 across the Class.

27 I. The Proposed Attorneys' Fees Sought Are Reasonable

28 Although the Court need not and should not make any actual determinations regarding the
amount of attorneys' fees to award until that Motion is pending before the Court, Class Counsel intends

1 to seek an award of attorneys' fees in the amount of 1/3 of the common fund. In *Laffitte v. Robert Half*
2 *Internat., Inc.*, 1 Cal. 5th 480, 503 (2016) the California Supreme Court "recognized [the] advantages
3 of the percentage method – including relative ease of calculation, alignment of incentives between
4 counsel and the class, a better approximation of market conditions in a contingency case, and the
5 encouragement it provides counsel to seek an early settlement and avoid unnecessarily prolonging
6 litigation – convince us the percentage method is a valuable tool that should not be denied by our trial
7 courts." *Id.* Class Counsel's intended request for attorneys' fees in the amount of 1/3 of the common
8 fund falls within the range of attorneys' fees regularly awarded by courts in similar matters. *Amaro v.*
9 *Anaheim Arena Mgmt., LLC*, 69 Cal. App. 5th 521, 545 (2021) (quoting *Chavez v. Netflix, Inc.*, 162
10 Cal.App.4th 43, 66, fn. 11 (2008) (explaining that California Courts have consistently recognized that
11 the "fee awards in class actions average around one-third of the recovery" regardless of "whether the
12 percentage method or the lodestar method is used."); *McCrary v. Elations Co., LLC*, 2016 WL
13 769703, 2016 U.S. Dist. LEXIS 24050, at *2 (C.D. Cal. Feb. 25, 2016) (finding that most fee awards
14 based on either a percentage calculation or lodestar percentage are 33%).⁷ Class Counsel intends to
15 seek a common fund award, which is actually less than the lodestar already incurred in this Action.
16 Class Counsel believes that a common fund award is appropriate given their diligent and skilled
17 litigation of this Action. At this juncture, the Court need only find that the request attorneys' fees fall
18 within the range of reasonableness and need not actually decide what amount to award.

19 **J. Plaintiff's Requested Service Award Is Reasonable**

20 Plaintiff is requesting a service award in an amount of \$8,000 in recognition of the broader
21 general release he entered into with Defendants, his time and efforts on behalf of the Class, the fact that
22 his name could become known and it was possible that his involvement in the matter could make it
23 more difficult for him to obtain employment in the future. Winston Decl., ¶ 69; Rodriguez Decl., ¶¶ 7-
24 10.

25 The requested service award falls well within the range of incentive payments typically awarded

26
27 ⁷ See also *Romero v. Producers Dairy Foods, Inc.*, 2007 U.S. Dist. LEXIS 86270, 2007 WL 3492841, at *4 (E.D. Cal. Nov.
28 14, 2007) (awarding 33% of the settlement fund in a wage-and-hour case involving allegations of unpaid wages after
explaining that "fee awards in class actions average around one-third of the recovery."); *Stuart v. RadioShack Corp.*, 2010
WL 3155645 (N.D. Cal. Aug. 9, 2010) (noting that a fee award of 1/3 of the settlement was "well within the range of
percentages which courts have upheld as reasonable in other class action lawsuits.").

1 to Class Representatives in similar class actions. *Bond v. Ferguson Enterprises, Inc.*, No. 1:09-cv-1662
2 OWW MJS, 2011 WL 2648879 (E.D. Cal. June 30, 2011) (approving \$11,250 service award to each of
3 the two class representatives wage and hour class action); *Vasquez v. Coast Valley Roofing, Inc.*, 266
4 F.R.D. 482, 493 (E.D. Cal. 2010) (approving service awards in the amount of \$10,000 each from a
5 \$300,000 settlement fund in a wage/hour class action). At this juncture, the Court need only find that it
6 falls within the range of reasonableness and need not actually decide what amount to award.

7 **K. Compliance with Code of Civ. Proc. § 384**

8 Code of Civ. Proc. § 384 requires that any funds associated with uncashed voided checks
9 issued as part of this settlement be paid “nonprofit organizations or foundations to support projects that
10 will benefit the class or similarly situated persons, or that promote the law consistent with the
11 objectives and purposes of the underlying cause of action, to child advocacy programs, or to nonprofit
12 organizations providing civil legal services to the indigent.” In accordance with Code of Civ. Proc. §
13 384, the Parties propose to designate CASA of San Bernardino County as the proposed *cy pres*
14 beneficiary. Winston Decl., ¶ 14, Exh. 4 at § VII(G). Neither Plaintiff, Defendants, nor their Counsel
15 have any interest and/or involvement with the governance of CASA of San Bernardino County.
16 Winston Decl., ¶ 71; Rodriguez Decl., ¶ 11; Winston Decl., ¶ 17, Exh. 5 (Power Decl.) at ¶ 8;
17 Declaration of Shane Williams, ¶ 3.

18 **L. Final Approval Hearing Timing**

19 In order to ensure an orderly administration, Plaintiff respectfully requests a final approval
20 hearing in early February 2026.

21 **VI. CONCLUSION**

22 Plaintiff respectfully submits that the Proposed Settlement is fair, adequate, reasonable, and in
23 the best interest of the Class. Therefore, Plaintiff respectfully requests that the Court (1) grant
24 preliminary approval of the Settlement and all of its terms; (2) approve the proposed form of Notice of
25 Settlement, and direct that the Notice be sent to Class Members in the manner set forth in the
26 Settlement; and (3) schedule hearings on Final Approval of the Settlement and Class Counsel’s Motion
27 for an award of attorney’s fees and litigation costs.
28

1 Dated: August 13, 2025

WINSTON LAW GROUP, P.C.

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3 By: David Winston
4 DAVID S. WINSTON
5 Attorney for Plaintiff Jose Rodriguez, the
6 Proposed Class, and the aggrieved employees
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