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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

TOU HER, RAMON TREJO, DONJA RAYQUON BROOKS, HERMINE ANEO, AURELIO MENDOZA, NICHOLAS ABLES, RONALD MCDILL, DERREONTE WALLACE, BRANDON LUBNER; CEDRICK JACKSON, on behalf of themselves and all others similarly situated,

Plaintiffs,

v.

TONY'S FINE FOODS, a California corporation; and DOES 1-50, inclusive.

Defendants.

CASE NO.: 23CV007645

Assigned to Hon. Jill H. Talley

PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT

[Declarations of Mehrdad Bokhour, Joshua S. Falakassa, Douglas Han, Kane Moon, and Plaintiffs; and [Proposed] Order filed concurrently herewith]

HEARING INFORMATION

Date: November 20, 2026
Time: 9:00 a.m.
Dept.: 8A

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TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on November 20, 2026, at 9:00 a.m., or as soon thereafter as the matter may be heard, in Department 8A of the Sacramento County Superior Court, located at 500 G Street, Sacramento, California 95814, before the Honorable Jill H. Talley, Plaintiffs Tou Her, et al., individually and on behalf of all others similarly situated, will and hereby do move the Court for an order:

1. Certifying the proposed Settlement Class for settlement purposes only;

2. Preliminarily appointing Plaintiffs as the Class Representatives for settlement purposes only;

3. Appointing Bokhour Law Group, P.C., Falakassa Law, P.C., Capstone Law APC, Justice Law Corporation, and Moon Law Group, P.C. as Class Counsel for settlement purposes only;

4. Preliminarily approving the Class Action and PAGA Settlement Agreement as fair, reasonable, and adequate;

5. Approving the form and manner of the Class Notice and directing its dissemination to Class Members, including notice of their rights to request exclusion from or object to the Settlement;

6. Setting a date for the Final Approval Hearing to determine whether the Settlement should be granted final approval.

This Motion is based upon this Notice of Motion and Motion, the accompanying Memorandum of Points and Authorities, the supporting Declarations of Mehrdad Bokhour, Joshua S. Falakassa, Douglas Han, Kane Moon, Tou Her, Ramon Trejo, Donja Rayquon Brooks, Hermine Aneo, Aurelio Mendoza, Nicholas Ables, Ronald McDill, Derreonte Wallace, Brandon Lubner, and Cedrick Jackson, submitted separately, the Class Action and PAGA Settlement Agreement, the Proposed Order Granting Preliminary Approval, the pleadings and records on file in this action, and such other oral or documentary evidence as may be presented at the hearing.

Pursuant to Local Rule 1.06(A), the Court will issue a tentative ruling by 2:00 p.m. on the court day before the hearing. Tentative rulings may be accessed online via the Court's website.

Parties without internet access may obtain the ruling by calling the department's dedicated telephone number, listed in the local telephone directory, between 2:00 p.m. and 4:00 p.m. on the court day before the hearing. If no party contacts the Court and opposing counsel by 4:00 p.m. the day before the hearing, the matter will be deemed submitted and no oral argument will be heard.

Dated: October 27, 2026,

BOKHOUR LAW GROUP, P.C.
FALAKASSA LAW, P.C.

BY: _____

Mehrdad Bokhour, Esq.
Joshua Falakassa, Esq.
Attorneys for Plaintiffs and the Class

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiffs Tou Her, Ramon Trejo, Donja Rayquon Brooks, Hermine Aneo, Aurelio Mendoza, Nicholas Ables, Ronald McDill, Derreonte Wallace, Brandon Lubner, and Cedrick Jackson ("Plaintiffs"), individually and on behalf of all others similarly situated, move for preliminary approval of a proposed class action and PAGA settlement with Defendant Tony's Fine Foods ("Defendant"). The proposed Settlement provides a non-reversionary Gross Settlement Amount of $2,100,000 to resolve the wage-and-hour claims asserted. (Bokhour Decl. ¶ 9.)

The proposed Settlement Class consists of all non-exempt hourly employees who worked for Defendant in California from August 29, 2019, through April 1, 2026. The Settlement also resolves claims under the Private Attorneys General Act ("PAGA") on behalf of non-exempt employees who worked during the PAGA period beginning July 31, 2022, through April 1, 2026. (Bokhour Decl. ¶ 10.)

The Class Action and PAGA Settlement Agreement is attached as Exhibit "A" to the Declaration of Mehrdad Bokhour ("Bokhour Declaration" or "Bokhour Decl.") submitted herewith and is referred to herein as the Settlement Agreement or the Settlement. The proposed Class Notice is attached as Exhibit "A" to the Settlement Agreement. (Bokhour Decl. ¶ 9.) All capitalized terms used in the motion shall have the same meaning as those terms used and/or defined in the Settlement.

After deductions for attorneys' fees, litigation costs, administration expenses, PAGA penalties, and service awards, the Net Settlement Amount is estimated to be approximately $1,045,000 and will be distributed to approximately 2,245 Class Members on a pro rata basis based on workweeks worked. The average individual payment is estimated at $465.48, with higher payments for employees who worked longer periods. (Bokhour Decl. ¶¶ 11, 13.)

The Settlement is non-reversionary and does not require Class Members to submit claim forms. Notice will be mailed to Class Members informing them of their estimated recovery and their right to opt out or object. Class Members who do not opt out will automatically receive

payment following final approval and funding under the Settlement Agreement. PAGA payments will be distributed to eligible employees regardless of participation in the class settlement. (Bokhour Decl. ¶ 14.)

The Settlement was reached after arm's-length negotiations between experienced counsel, with the assistance of an experienced mediator, and following an investigation sufficient to evaluate the claims and defenses. The Settlement provides meaningful and immediate relief in light of the risks, expense, and uncertainty of continued litigation. (Bokhour Decl. ¶¶ 18, 19, 41.)

Plaintiffs respectfully request that the Court: (1) preliminarily approve the Settlement; (2) certify the Settlement Class for settlement purposes only; (3) approve the proposed notice; (4) appoint Plaintiffs as the Class Representatives, (5) appoint The Bokhour Law Group, P.C., Falakassa Law, P.C., Capstone Law APC, Justice Law Corporation, and Moon Law Group, P.C. as Class Counsel; (6) appoint ILYM Group, Inc. ("ILYM") as Settlement Administrator; and (7) set a final approval hearing.

II. BACKGROUND

A. THE PARTIES AND THE PROPOSED CLASS

Defendant provides marketing and logistics solutions for the food and beverage industry, including distribution of specialty and perishable food products. (Bokhour Decl. ¶ 15.) Beginning August 21, 2019, Defendant employed Plaintiff Tou Her as a non-exempt employee with the title of Loader at its Sacramento, California, location, where she worked until separation on April 28, 2023. Likewise, the other Plaintiffs worked as hourly paid, non-exempt employees, including Drivers and warehouse employees. Plaintiffs allege that Defendant failed to comply with various provisions of the California Labor Code, including, but not limited to, requirements relating to failure to pay minimum wage and overtime, calculation of the "regular rate of pay," provision of meal and rest periods, reimbursement of business expenses, and derivative claims for wage statement violations and waiting time penalties. Based on these claims, Plaintiffs also brought Unfair Competition and civil penalty claims under PAGA. (Bokhour Decl. ¶ 16.)

The proposed Settlement Class consists of all individuals who are or were employed by Defendant as hourly paid, non-exempt employees in the State of California during the Class

Period, August 29, 2019, through April 1, 2026. (Settlement Agreement, Definitions.) (Bokhour Decl. ¶ 10.)

B. PROCEDURAL HISTORY

On August 29, 2023, Plaintiff Her commenced this Action by filing a complaint in Sacramento Superior Court alleging causes of action against Defendant for (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) failure to pay all sick time; (6) wage statement violations; (7) waiting time penalties; and (8) violations of the Unfair Competition Law ("UCL").

Shortly thereafter, Plaintiff Her filed a separate civil penalties complaint under the Private Attorneys' General Act ("PAGA") on October 27, 2023.

On July 22, 2024, Plaintiff Jackson filed a substantially similar wage and hour class action lawsuit in the Alameda Superior Court with case number 24CV084062, which included all causes of action alleged by Plaintiff Her, in addition to a claim for failure to reimburse necessary business expenses in violation of Labor Code 2800-2802.

On or about February 18, 2025, Plaintiffs Ables, McDill and Wallace filed a PAGA Representative action lawsuit against Defendants in the Sacramento Superior Court with case number 25CV003826.

On or about February 13, 2025, Plaintiff Mendoza filed a substantially similar wage and hour class action lawsuit against Defendant in Sacramento County Superior Court with case number CV003386.

Thereafter, counsel for the respective Plaintiffs agreed to work together and jointly prosecute the lawsuits by entering into a Joint Prosecution Agreement ("JPA"). Plaintiffs have filed a stipulation seeking leave to file a First Amended Complaint ("FAC") to encompass the parties and all claims addressed by the Settlement, including the related class and PAGA actions. (Bokhour Decl. ¶ 17; Settlement Agreement, Recitals.) Defendant denies all material allegations and contends that it complied with applicable law.

Before engaging in extensive litigation, the Parties exchanged information and investigated the claims and defenses, including reviewing relevant policies and payroll data.

(Bokhour Decl. ¶ 18.)

On October 28, 2025, the Parties participated in mediation with David Phillips, Esq., a highly experienced wage and hour class action mediator. The Actions did not resolve at the mediation. However, the Parties subsequently accepted a mediator's proposal to settle for $2,100,000.

On or about June 4, 2026, the Parties executed a Memorandum of Understanding. (Bokhour Decl. ¶ 19; Settlement Agreement, Recitals.) The Parties now respectfully request that the Court grant preliminary approval of the Settlement Agreement.

C. SUMMARY OF CLAIMS AND DEFENSES

As reflected in the claims encompassed by the Settlement, Plaintiffs collectively allege that Defendant violated California wage and hour laws by, among other things, (1) failing to pay all wages owed, (2) failing to properly calculate the "regular rate of pay," (3) failing to provide compliant meal and rest periods, (4) failing to reimburse business expenses, (5) failing to timely pay wages upon separation, and (6) failing to provide accurate wage statements. Plaintiffs also assert claims for civil penalties under the Private Attorneys General Act ("PAGA") for the same underlying Labor Code violations.

In response to Plaintiffs' claims, Defendant denies all allegations and contends that it complied with applicable law. Defendant asserts, among other defenses, that it properly paid all minimum, overtime, and sick pay wages owed at the proper rate, afforded Plaintiffs and putative class members the opportunity to take required meal and rest breaks, maintained compliant meal and rest period policies, paid meal and rest period premiums, when warranted, at the proper rate, reimbursed all necessary business expenses, provided compliant wage statements, timely paid all wages earned, and that any alleged violations would require individualized inquiries not suitable for class or representative treatment.

Moreover, Defendant maintained that its drivers were exempt from California's overtime requirements under the Industrial Welfare Commission ("IWC") Wage Order No. 9-2001. The Wage Order expressly excludes from its overtime provisions employees whose hours of service are regulated by the United States Department of Transportation under title 49, Code of Federal

Regulations, sections 395.1 through 395.13, or by California's corresponding motor-carrier regulations under title 13, California Code of Regulations, section 1200 et seq. (Cal. Code Regs., tit. 8, § 11090, subd. (3)(L).) (Bokhour Decl. ¶ 23.)

California courts have recognized that this regulatory exemption can bar overtime claims brought by commercial truck drivers subject to the applicable hours-of-service regulations. In *Collins v. Overnite Transportation Co.* (2003) 105 Cal.App.4th 171, the Court of Appeal upheld the dismissal of truck drivers' claims for unpaid overtime compensation based on the motor-carrier exemption contained in Wage Order No. 9. Accordingly, Defendant's position presented a substantial risk that Plaintiff would be unable to establish entitlement to the claimed overtime compensation on behalf of the Driver Class. (Bokhour Decl. ¶ 24.)

Second, Defendant also disputed the viability of the Driver Class's meal and rest period claims based on federal preemption. In December 2018, the Federal Motor Carrier Safety Administration ("FMCSA") determined that California's meal and rest period requirements were preempted, pursuant to 49 U.S.C. section 31141, as applied to drivers of property-carrying commercial motor vehicles subject to the FMCSA's federal hours-of-service regulations. (California's Meal and Rest Break Rules for Commercial Motor Vehicle Drivers, 83 Fed.Reg. 67470, 67480 (Dec. 28, 2018); see also *International Brotherhood of Teamsters, Local 2785 v. Federal Motor Carrier Safety Administration* (9th Cir. 2021) 986 F.3d 841.) (Bokhour Decl. ¶ 29.)

III. SUMMARY OF THE PROPOSED SETTLEMENT

The proposed Settlement provides a non-reversionary Gross Settlement Amount of $2,100,000, to be used for individual class payments, individual PAGA payments, the LWDA PAGA payment, attorneys' fees and costs, service awards to Plaintiffs, and administrative expenses. The requested deductions are attorneys' fees up to 35% ($735,000), litigation costs up to $50,000, administration expenses up to $20,000, service awards up to $5,000 per Plaintiff ($50,000 total), and PAGA penalties of $200,000, allocated 75% ($150,000) to the LWDA and 25% ($50,000) to PAGA Members. Defendant will separately pay the employer's share of payroll taxes. No claim form is required. After these deductions, the Net Settlement Amount is estimated

at $1,045,000 and will be distributed on a pro rata basis based on workweeks. (Bokhour Decl. ¶¶ 11, 13; Settlement Agreement, §§ 1.22, 3.1–3.2.3.)

Based on Defendant's records, as of the date of the mediation, approximately 2,245 Class Members worked a total of approximately 128,110 workweeks during the Class Period. Individual payments are estimated to average approximately $465.48, with higher payments for employees who worked longer periods. (Bokhour Decl. ¶ 13.)

Notice will be mailed to Class Members informing them of their estimated payments, their right to challenge workweek calculations, and their right to opt out or object. Class Members who do not opt out will automatically receive payment following final approval and funding under the Settlement Agreement. PAGA payments will be distributed to eligible employees regardless of participation in the class settlement. Settlement payments will be calculated by the Settlement Administrator based on Defendant's records, subject to any timely challenges by Class Members. The Settlement is non-reversionary, and uncashed-check funds will be transmitted to the California Controller's Unclaimed Property Fund in the recipients' names under section 4.4.3 of the Settlement Agreement. (Settlement Agreement, §§ 3.2.1.4, 3.2.2–3.2.3.1, 4.4.1, 4.4.3, 7.4–7.8.)

The Settlement also provides that Defendant will fund the Gross Settlement Amount within 60 calendar days after the Effective Date. The Settlement Administrator will issue payments within seven calendar days following settlement funding. (Settlement Agreement, §§ 4.3–4.4.) (Bokhour Decl. ¶ 14.)

Upon Defendant's full funding of the Gross Settlement Amount and employer payroll taxes, Participating Class Members will release claims arising from the allegations in the operative amended complaint during the Class Period, and PAGA Members will release PAGA claims for the PAGA period, as set forth in the Settlement Agreement. (Settlement Agreement, §§ 5–5.2.)

IV. PROVISIONAL CERTIFICATION OF THE CLASS UNDER THE LESSER STANDARD OF SCRUTINY FOR SETTLEMENT-ONLY CERTIFICATION IS APPROPRIATE FOR PURPOSES OF SETTLEMENT

California courts may provisionally certify a class for settlement purposes at the

preliminary approval stage. (Cal. Rules of Court, rule 3.769(d).) Because no trial is contemplated, courts apply a more relaxed standard and focus on whether certification will facilitate settlement and notice to the class. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807 at n.19.)

Here, the certification requirements are satisfied for settlement purposes.

The proposed class consists of approximately 2,245 non-exempt hourly employees who worked for Defendant in California during the Class Period. The class is sufficiently numerous, and its members are readily ascertainable through Defendant's payroll and employment records. (Bokhour Decl. ¶ 13.)

Commonality and typicality are satisfied because Plaintiffs' claims arise from the same alleged wage and hour policies and practices applicable to the class, including policies relating to compensation, meal and rest periods, and wage statements. For settlement purposes, these common issues support certification. (Bokhour Decl. ¶¶ 13, 16.)

Adequacy is satisfied because Plaintiffs' interests are aligned with those of the class, and Plaintiffs are represented by experienced class counsel. Plaintiffs' shared interests and assistance in prosecuting the litigation support their adequacy for settlement purposes. (Bokhour Decl. ¶¶ 4, 7, 47, 48.)

Finally, certification is appropriate because resolving these claims on a class-wide basis promotes judicial economy and provides meaningful relief to employees whose claims would be impractical to litigate individually.

Accordingly, provisional certification of the Settlement Class is appropriate.

V. THE SETTLEMENT IS FAIR, REASONABLE, AND ADEQUATE

1. Failure to Properly Calculate and Pay the Correct "Regular Rate of Pay"

First, Plaintiffs alleged that Defendant failed to properly calculate the "regular rate of pay" by excluding certain non-discretionary bonuses, shift differentials, and incentive payments when calculating overtime and sick pay wages, resulting in alleged underpayment in violation of California law. (Bokhour Decl. ¶ 21.)

Based on a review of payroll and paystub data produced during the investigation, Plaintiffs

estimated that the alleged exclusion of certain incentive payments may have resulted in underpayment of overtime and sick pay wages for some Class Members. The mediation analyses estimated unpaid wages in the amount of approximately $59,309 for Drivers and $47,476 for Non-Drivers, including interest, for a total of $106,785. (Bokhour Decl. ¶ 22.)

Defendant disputed these allegations and asserted that it properly paid all wages and the incentive payments at issue were discretionary and therefore properly excluded from "regular rate of pay" calculations. Defendant further contended that any potential underpayments, to the extent they occurred at all, were *de minimis* and not widespread across the Class. (Bokhour Decl. ¶ 23.)

Plaintiffs acknowledge the significant litigation risks associated with this claim. Those risks include the possibility that the Court could deny class certification due to individualized variations in compensation structures and incentive programs, as well as merits risks, including summary judgment or an unfavorable trial result. Plaintiffs further acknowledge that the estimated lost wages attributable to this theory were relatively modest. (Bokhour Decl. ¶ 24.)

Defendant also disputed liability for the Driver Class's overtime claims, contending that its drivers were exempt from California's overtime requirements under the motor-carrier exemption set forth in Industrial Welfare Commission Wage Order No. 9-2001. Specifically, Wage Order No. 9 exempts from its overtime provisions employees whose hours of service are regulated by the United States Department of Transportation or California's corresponding motor-carrier regulations. (Cal. Code Regs., tit. 8, § 11090, subd. (3)(L); see also *Collins v. Overnite Transportation Co.* (2003) 105 Cal.App.4th 171.) (Bokhour Decl. ¶ 23.)

In light of these risks and uncertainties, Plaintiffs discounted the estimated wage value of this claim by 50%, resulting in a risk-adjusted value of $53,392.50, keeping in mind that the substantial damages result from the derivative waiting time (Labor Code Section 203) and wage statement penalties (Labor Code Section 226(a)). (Bokhour Decl. ¶ 25.)

2. <u>Waiting Time Penalties</u>

Plaintiffs alleged that Defendant failed to pay all wages due upon separation of employment on time, entitling former employees to waiting time penalties under Labor Code sections 201 through 203.

Based on Defendant's records, approximately 1,499 Settlement Class Members were separated from employment during the applicable statutory period, consisting of 129 Drivers and 1,370 Non-Drivers. Assuming the statutory maximum penalty of thirty (30) days, the analyses used average workdays of 10.5 hours for Drivers and 9.1 hours for Non-Drivers and the applicable separated employees' wage rates to estimate a maximum theoretical exposure of approximately $10,297,887: $1,311,419 for Drivers and $8,986,468 for Non-Drivers. (Bokhour Decl. ¶ 26.)

Defendant disputed this claim, including because it contends all employees were properly paid at termination, and asserted that any alleged failure to timely pay wages at separation was not willful and therefore did not give rise to waiting time penalties. Defendant further contended that it maintained compliant payroll practices and that any waiting time penalties claim was derivative of underlying wage claims. Defendant also asserted that the claims lacked merit or were unsuitable for class treatment. (Bokhour Decl. ¶ 27.) Defendant further disputed the viability of any waiting time penalties resulting from the Driver Class's overtime, meal period, and rest period claims, asserting that the drivers were exempt from California's overtime requirements under the applicable motor-carrier exemption and that their meal and rest period claims were preempted by federal law. (Bokhour Decl. ¶ 27.)

To account for these risks, including the risk that the Court could accept Defendant's position regarding the underlying wage claims and willfulness, as well as the risk of denial of class certification and the risk of an adverse ruling at summary judgment or trial, Plaintiffs applied a combined 75 percent discount to the maximum theoretical exposure. Applying this discount, Plaintiffs estimate a risk-adjusted value of approximately $2,574,471 for the waiting time penalties claim. (Bokhour Decl. ¶ 27.)

3. Failure to Provide Meal and Rest Periods or Compensation in Lieu Thereof at the "Regular Rate of Pay"

With respect to Plaintiffs' meal and rest period claims, Settlement Class Members collectively worked approximately 562,329 shifts during the analyzed Class Period, consisting of 218,908 Driver shifts and 343,421 Non-Driver shifts. The analyses reflected average hourly rates of $28.94 for Drivers and $22.80 for Non-Drivers, and average regular rates of pay of $30.02 for

Drivers and $24.71 for Non-Drivers.

Based on an analysis of a representative sample of Defendant's timekeeping and payroll records produced prior to mediation, Plaintiffs applied potential meal period violation rates of approximately 33% for both groups, net of meal premiums paid, and a 25 percent assumed violation rate for rest periods on eligible shifts. Using the applicable premium rates and including modeled interest, Plaintiffs estimated a maximum theoretical exposure of approximately $5,634,367.94 for the meal period claim ($2,468,965.62 for Drivers and $3,165,402.32 for Non-Drivers) and approximately $4,378,720.25 for the rest period claim ($1,888,951.50 for Drivers and $2,489,768.75 for Non-Drivers). (Bokhour Decl. ¶ 28.)

Defendant disputed liability on both claims and asserted that meal and rest period compliance presented highly individualized issues that were inappropriate for class treatment. Defendant maintained that its written policies were facially compliant with California law and required employees to take legally compliant meal and rest periods. Separately from its asserted motor-carrier overtime exemption, Defendant contended that the Driver meal and rest period claims were preempted by federal law, and asserted additional defenses concerning unionized Drivers based on applicable collective bargaining agreements. (Bokhour Decl. ¶ 29.)

Defendant therefore contended that the payroll records confirm compliance with California wage and hour laws. Defendant further argued that these issues created a substantial risk that the Court would deny class certification because liability would depend on individualized inquiries into whether breaks were offered, taken, waived, or voluntarily missed during particular shifts. Defendant also asserted that Plaintiffs would be unable to present reliable representative evidence sufficient to establish liability or damages on a class-wide basis. (Bokhour Decl. ¶ 30.)

Moreover, Defendant disputed liability for the Driver Class's meal and rest period claims, contending that California's meal and rest period requirements were preempted by federal law as applied to commercial drivers subject to federal hours-of-service regulations. Specifically, the Federal Motor Carrier Safety Administration ("FMCSA") determined that California's meal and rest period requirements are preempted under 49 U.S.C. section 31141 for qualifying commercial motor vehicle drivers. (83 Fed.Reg. 67470 (Dec. 28, 2018); see also *Espinoza v. Hepta Run, Inc*.

(2022) 74 Cal.App.5th 44.) (Bokhour Decl. ¶ 29.)

Although Plaintiff disputed the applicability of federal preemption to the Driver Class, Defendant's position presented a substantial litigation risk because a favorable ruling could have eliminated the Driver Class's meal and rest period claims entirely. In light of these risks, including the risk that the Court could find Defendant's written policies compliant or determine that individualized issues predominated, Plaintiffs applied an 80 percent discount to the maximum theoretical exposure for the meal period claim and an 80 percent discount to the maximum theoretical exposure for the rest period claim. Applying these discounts, Plaintiffs estimate a risk-adjusted value of approximately $2,002,617 for the meal and rest period claims combined. (Bokhour Decl. ¶ 31.) (Bokhour Decl. ¶ 31.)

4. Failure to Provide Accurate Itemized Wage Statements

Plaintiffs further alleged that Defendant issued non-compliant itemized wage statements in violation of Labor Code section 226, based on the same alleged conduct underlying Plaintiffs' claims for unpaid wages, meal and rest period premiums, and failure to include all required forms of compensation in the regular rate of pay. Based on Defendant's records, Plaintiffs estimate that approximately 72,197 wage statements were issued during the analyzed wage statement period, consisting of 24,470 for Drivers and 47,727 for Non-Drivers. (Bokhour Decl. ¶ 32.)

In calculating Defendant's maximum potential exposure, Plaintiffs assumed statutory penalties of fifty dollars for an initial violation and one hundred dollars for subsequent violations, subject to the $4,000 per-employee maximum under Labor Code section 226(e). Using these assumptions for 218 Drivers and 1,114 Non-Drivers, Plaintiffs estimated a maximum theoretical exposure of approximately $5,328,000 ($872,000 for Drivers and $4,456,000 for Non-Drivers). (Bokhour Decl. ¶ 33.)

Defendant disputed this claim, asserting that its wage statements fully complied with Labor Code section 226. Defendant further argued that, even if any technical deficiencies existed, they were not knowing and intentional and did not result in the injury required to recover penalties. Defendant also relied on its defenses to the underlying wage-and-hour claims and to class certification. (Bokhour Decl. ¶ 34.) Defendant further disputed the viability of any wage statement

violations resulting from the Driver Class's overtime, meal period, and rest period claims, asserting that the drivers were exempt from California's overtime requirements under the applicable motor-carrier exemption and that their meal and rest period claims were preempted by federal law. (Bokhour Decl. ¶ 34.)

In light of these risks, including the risk of denial of class certification and the risk of an adverse ruling on the merits, Plaintiffs applied a 90% discount to the maximum theoretical exposure. Applying this discount, Plaintiffs estimate a risk-adjusted value of approximately $532,800 for the wage statement penalty claim. (Bokhour Decl. ¶ 35.)

5. PAGA Penalties

Plaintiffs also sought civil penalties under the Private Attorneys General Act of 2004 ("PAGA") for alleged Labor Code violations for which PAGA penalties are available and asserted that such penalties could be assessed on a cumulative basis. Assuming application of the default penalty of $100 per pay period under Labor Code section 2699, former subdivision (f)(2), and assuming no reduction or exercise of judicial discretion, Plaintiffs estimated exposure of approximately $7,806,400 on the single rest-period predicate used in the mediation brief, based on approximately 78,064 potentially affected pay periods. (Bokhour Decl. ¶ 36.)

This theoretical maximum, however, does not account for significant legal and practical uncertainties. As discussed above, Defendant disputed the existence of the underlying Labor Code violations and asserted that its written policies were facially compliant with California law, that employees were afforded compliant meal and rest periods, and that employees were required to report any missed breaks. (Bokhour Decl. ¶ 37.) Defendant further disputed the viability of any PAGA penalties resulting from the Driver Class's overtime, meal period, and rest period claims, asserting that the drivers were exempt from California's overtime requirements under the applicable motor-carrier exemption and that their meal and rest period claims were preempted by federal law. (Bokhour Decl. ¶ 37.)

Defendant further disputed that waiting time penalties were triggered because it disputed the existence of unpaid wages at separation. Class Counsel also considered the risk that cumulative PAGA penalties would be limited, particularly where the asserted violations are

derivative of one another. (Bokhour Decl. ¶ 37.)

In addition, Labor Code section 2699, former subdivision (e)(2), grants courts broad discretion to reduce civil penalties where necessary to avoid awards that are unjust, arbitrary, oppressive, or confiscatory. Courts routinely exercise this discretion, particularly where an employer did not act willfully or where the legal obligations were unsettled. (See *Cotter v. Lyft, Inc.* (2016) 193 F. Supp. 3d 1030, 1037.) (Bokhour Decl. ¶ 37.)

In light of these risks, including the risk that the Court could find limited or no underlying Labor Code violations or exercise its discretion to substantially reduce any penalties, the Parties agreed to allocate $200,000 of the Gross Settlement Amount to the resolution of the PAGA claim, which Plaintiffs submit is fair, reasonable, and adequate under the circumstances. (Bokhour Decl. ¶ 38.)

In sum, when factoring in defenses and risks of ongoing litigation, Plaintiffs estimate the risk-adjusted recovery for the class and PAGA claims as follows:

- Regular Rate of Pay Claim: $53,392.50
- Labor Code §§ 201 – 203 Claims: $2,574,471
- Meal and Rest Period Claims: $2,002,617
- Wage Statement Claims: $532,800
- PAGA Penalties: $200,000
- **Total Risk-Adjusted Penalties and Damages**: **$5,363,280.50**

(Bokhour Decl. ¶ 39.)

Given the realistic value of Plaintiffs' claims, the $2,100,000 Settlement Amount is an excellent result for the Class, considering that the Settlement Amount totals approximately 39% of Plaintiffs' risk-adjusted value of the case. Preliminary approval is appropriate since the Settlement will provide significant monetary relief to the Class. (Bokhour Decl. ¶¶ 39, 40.)

For these reasons, Plaintiffs submit that the agreed-upon Settlement is fair and reasonable.

A. CLASS COUNSEL IS EXPERIENCED IN SIMILAR WAGE-AND-HOUR LITIGATION

The views of experienced counsel are entitled to significant weight in determining whether a proposed class settlement is fair, adequate, and reasonable. *Ellis v. Naval Air Rework Facility*

(N.D. Cal. 1980) 87 F.R.D. 15, 18, *aff'd* (9th Cir. 1981) 661 F.2d 939; *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128 (court must take into account "the experience and view of counsel") (internal quotation and citation omitted).

Class Counsel have experience litigating wage-and-hour class actions and PAGA representative actions. Mr. Bokhour's employment litigation experience, class and PAGA practice, professional activities, and recognitions are described in his declaration. (Bokhour Decl. ¶¶ 4–8.) Together with the other proposed Class Counsel, his firm has the experience and resources to represent the Settlement Class. (Id., ¶ 7; see also Declaration of Joshua Falakassa in Support of Plaintiffs' Motion for Preliminary Approval of Class Action Settlement ("Falakassa Decl.") ¶¶ 3-8) The additional supporting declarations describe Justice Law Corporation's and Moon Law Group's experience in wage-and-hour class and PAGA litigation. (Han Decl. ¶¶ 2–7; Moon Decl., "My Experience and Qualifications.")

After conducting an independent investigation and engaging in arm's length negotiations, Class Counsel carefully evaluated the strengths and weaknesses of the claims, the defenses asserted by Defendant, the risks associated with class certification and liability, and the realistic risk adjusted value of the case. Based on that analysis, Class Counsel believes that the Settlement represents a fair, reasonable, and adequate resolution of the Action and is in the best interests of the Settlement Class and PAGA Members. (Bokhour Decl. ¶¶ 18, 20, 41, 42, 44.)

B. THE CLASS NOTICE CONFORMS TO ALL APPLICABLE STATUTES AND RULES

The proposed Class Notice fully and fairly informs Settlement Class Members of the nature of the Action, the material terms of the Settlement, and their rights and options under the Settlement Agreement and applicable law. The notice program is reasonably calculated to reach all or nearly all Settlement Class Members and therefore satisfies due process.

The content and dissemination of the Class Notice comply with California Rules of Court 3.766 and 3.769. The Class Notice describes the material settlement terms, the proposed attorneys' fees and costs and Administration Expenses Payment, the Final Approval Hearing, and the procedures and deadlines for requesting exclusion or submitting an objection, and informs Class Members of their estimated Individual Class Payments. (Settlement Agreement, Ex. A.)

The Class Notice will be mailed by the Settlement Administrator via first-class U.S. Mail to the last known addresses of Settlement Class Members, using Defendant's records, with address updating and re-mailing procedures for undeliverable notices. This method constitutes meaningful notice with a reasonable likelihood of reaching a substantial percentage of the Class. (*Archibald v. Cinerama Hotels* (1976) 15 Cal.3d 853, 861.) (Settlement Agreement, §§ 7.4–7.5.)

The 45-day response period provides Class Members with a reasonable opportunity to evaluate the Settlement, seek advice if desired, and elect whether to participate, object, or request exclusion. Settlement Class Members who do not request exclusion will be bound by the Settlement and will automatically receive settlement payments following final approval and funding under the Settlement Agreement. (Settlement Agreement, §§ 1.45, 7.6–7.8.)

C. THE NON-REVERSIONARY "CHECKS CASHED" DISTRIBUTION ENSURES MAXIMAL RECOVERY FOR CLASS MEMBERS

Under the Settlement, all Settlement Class Members who do not request exclusion will automatically receive an Individual Class Payment without submitting a claim form. This structure maximizes participation and ensures that Class Members receive payment unless they affirmatively opt out. (Bokhour Decl. ¶ 14.)

The Settlement is non-reversionary, meaning that no portion of the Settlement Amount will revert to Defendant. Any Individual Class Payment or Individual PAGA Payment checks not cashed within 180 days will be voided, and the funds represented by those checks will be sent to the California Controller's Unclaimed Property Fund in the recipient's name. (Settlement Agreement, §§ 3.1, 4.4.1–4.4.3.)

D. THE ATTORNEYS' FEES ALLOCATION UNDER THE SETTLEMENT AGREEMENT IS FAIR

Under section 3.2.1.2 of the Settlement Agreement, Class Counsel will request attorneys' fees not exceeding 35% of the Gross Settlement Amount, or $735,000, subject to the Court's determination of reasonableness. (Bokhour Decl. ¶ 50.) A trial court may use an appropriate percentage of a common fund to determine a reasonable fee and may conduct a lodestar cross-check. (*Laffitte* v. *Robert Half Internat. Inc*. (2016) 1 Cal.5th 480, 503-506.)

Once the Court grants preliminary approval of the Settlement Agreement and the Class Notice is disseminated, Class Counsel will submit a request for attorneys' fees and costs with its final approval motion. Under the executed Joint Prosecution Agreement ("JPA"), the fee award will be divided 25% to Bokhour Law Group, P.C.; 25% to Falakassa Law, PC; 22% to Capstone Law APC; 14% to Justice Law Corporation; and 14% to Moon Law Group, P.C. The division will not increase the total fee. (Bokhour Decl. ¶ 52.)

E. THE CLASS REPRESENTATIVE SERVICE PAYMENTS ARE FAIR AND APPROPRIATE

The Settlement Agreement provides for Service Awards to Plaintiffs in an amount not to exceed $5,000 each, for a total not to exceed $50,000. The requested Service Awards are reasonable in light of Plaintiffs' substantial time, effort, and personal risk undertaken on behalf of the Class and PAGA Members. (Bokhour Decl. ¶¶ 47, 48.)

Plaintiffs, and each of them, actively assisted Class Counsel throughout the litigation. Plaintiffs also assumed the risk associated with serving as Class Representatives, including potential exposure to costs and reputational risks. (See Declarations of Plaintiffs in Support of Preliminary Approval.) (Bokhour Decl. ¶ 48.) The submitted representative declarations describe their assistance, time spent, and perceived risks in connection with their roles as Class Representative. (Her, Mendoza, Ables, McDill, Wallace, Lubner, and Jackson Decls. ¶¶ 5–11; Aneo and Brooks Decls., "Duties as Class Representative" and "Reasonableness of Service Payment"; Moon Decl., "The Service Award to Plaintiffs Are Reasonable.")

The requested Service Awards are within the range approved by courts in comparable cases. (See, e.g., *Bond v. Ferguson Enterprises, Inc.* (E.D. Cal. 2011) No. 1:09 cv 1662 OWW MJS, 2011 WL 2648879 [approving $11,250 service award]; *Ross v. U.S. Bank National Association* (N.D. Cal. 2010) No. C 07 02951 SI, 2010 WL 3833922, at *2 [approving $20,000 service award]; *Vasquez v. Coast Valley Roofing, Inc.* (E.D. Cal. 2010) 266 F.R.D. 482, 499 [approving $5,000 service awards].)

Accordingly, the requested Service Awards are fair, reasonable, and appropriate under the circumstances.

VI. THE COURT SHOULD APPOINT ILYM AS THE SETTLEMENT ADMINISTRATOR

Subject to Court approval, the Parties have stipulated that ILYM be appointed as the Settlement Administrator. ILYM has experience administering class action settlements and is well qualified to administer the notice and distribution process in this Action. Pursuant to the Settlement Agreement, the Administration Expenses Payment shall not exceed $20,000, subject to Court approval. (Bokhour Decl. ¶ 51.)

VII. TIMELINE AND SCHEDULING A FINAL APPROVAL HEARING

The final step in the approval process is a hearing at which the Court considers the terms of the Settlement and hears any timely objections and arguments from the Parties in support of final approval.

VIII. CONCLUSION

For all of the foregoing reasons, Plaintiffs respectfully request that the Court grant their Motion for Preliminary Approval of Class Action Settlement.

Dated: October 27, 2026

BOKHOUR LAW GROUP, P.C.
FALAKASSA LAW, P.C.

BY: _____

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