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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF FRESNO

DOMINIQUE CHAPARRO, individually, and on behalf of all others similarly situated,

Plaintiff,

v.

CADENCE SL WINDHAM FRESNO, LLC; a Delaware limited liability company; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 23CECG03064

Assigned for all purposes to:
Hon. Jon M. Skiles
Dept. 503

NOTICE OF AMENDED MOTION AND AMENDED MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT

Date: September 30, 2025
Time: 3:30 p.m.
Dept.: 503

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on September 30, 2025 at 3:30 p.m., or as soon thereafter as the matter may be heard in Department 503 of the above-entitled Court, located at 1130 O Street, Fresno, CA 93724, Plaintiff Dominique Chaparro ("Plaintiff") will and hereby do move this Court for an Order:

1. Granting preliminary approval of the proposed Class Action and PAGA Settlement Agreement ("Settlement");
2. Conditionally certifying the proposed Class for settlement purposes only;
3. Appointing Plaintiff as the Class Representatives;
4. Appointing Wilshire Law Firm, PLC as Class Counsel;
5. Appointing ILYM Group, Inc. Class Action Administration as the Settlement Administrator; and
6. Setting a final approval hearing date.

Pursuant to California Rules of Court, Rule 3.769(d) and (e), this Amended Motion is made on the grounds that the proposed Settlement satisfies all criteria for preliminary approval and falls well within the range of reasonableness. The Settlement was reached through informed, arm's length bargaining between experienced attorneys with the assistance of an experienced neutral, and Plaintiff and Plaintiff's Counsel will fairly and adequately represent the Class.

This Amended Motion is based on this Notice of Amended Motion, the accompanying Memorandum of Points and Authorities, the Declaration of John G. Yslas, the Declaration of Dominique Chaparro, the Declaration of Lisa Mullins, the Declaration of Bennett Berger, and on all records and documents on file, together with such oral and documentary evidence that may be presented at the hearing on this matter.

Respectfully submitted,

Dated: September 5, 2025

WILSHIRE LAW FIRM

By: Lisa Iturriaga

Lisa B. Iturriaga
Attorneys for Plaintiffs

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I. INTRODUCTION

Pursuant to California Rules of Court, Rule 3.769(d) and (e), Plaintiff seeks preliminary approval of the Parties' Class Action and PAGA Settlement Agreement ("Settlement Agreement"), resolving the wage and hour claims, including a representative claim brought under the Private Attorneys' General Act of 2004 ("PAGA"), brought against Defendant Cadence SL Windham Fresno, LLC ("Defendant"). The proposed Class is defined as all current and former non-exempt employees who worked for Defendant in California during the Class Period of July 31, 2019, through October 14, 2024 ("Class Period"), and excluding any persons who opt-out of the class ("Class Members"). Settlement Agreement, §§ 1.5, 1.10, 1.13. The main terms of the Settlement are as follows:

1. A Gross Settlement Amount of $550,000.00, which will be distributed to approximately 321 Class Members on a pro rata basis according to the total workweeks worked by each Class Member during the Class Period (*id*. at §§ 1.23, 3.1, 4.1);
2. Attorneys' fees of up to one-third of the Gross Settlement Amount (currently $183,333.33) and in reimbursement of litigation costs to Plaintiff's Counsel up to $25,000.00 (*id*. at § 3.2.2);
3. A Class Representative Service Payment of up to $7,500.00 to Plaintiff (*id*. at § 3.2.1);
4. Costs of settlement administration of up to $7,950.00 (*id*. at § 3.2.3); and
5. Allocation of $27,500.00 to PAGA penalties, seventy-five percent (75%) of which ($20,625.00) will be paid to the Labor and Workforce Development Agency ("LWDA"), and twenty-five percent (25%) of which ($6,875.00) will be paid to all current or former hourly non-exempt employees who worked for Defendant in the State of California during the PAGA Period of July 31, 2022 through October 14, 2024 ("Aggrieved Employees")(*id*. at § 1.4, 1.33, 3.2.5).

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The Settlement meets all criteria for preliminary approval and falls within the range of reasonableness given the risks and expenses of further litigation. The Settlement was reached through informed, arm's length bargaining between experienced attorneys with the assistance of an experienced neutral. As such, Plaintiff requests that the Court grant preliminary approval of the Settlement, conditionally certify the Class for settlement purposes only, appoint Plaintiff as the Class Representative, appoint Plaintiff's Counsel as Class Counsel, appoint ILYM Group, Inc. ("ILYM") as the Settlement Administrator, authorize the Settlement Administrator to administer notice of the Settlement to the Class, and set a final approval hearing date.

II. PROCEDURAL HISTORY

On July 31, 2023, Plaintiff filed a class action complaint against Defendant alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices. Settlement Agreement, § 2.1; Declaration of John G. Yslas in Support of Amended Motion for Preliminary Approval of Class Action and PAGA Settlement ("Yslas Decl.") at ¶ 3.

On August 16, 2023, Plaintiff provided written notice to the California Labor and Workforce Development Agency ("LWDA") and Defendant of her intention to file a PAGA claim. Settlement Agreement, § 2.2; Yslas Decl. at ¶ 4. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. Yslas Decl. at ¶ 4. Therefore, on August 5, 2024, Plaintiff amended the class action complaint, adding a PAGA claim for penalties pursuant to Labor Code § 2699, et seq. *Id*.

The Parties subsequently participated in a private mediation with mediator Steven J. Rottman, on August 15, 2024. Settlement Agreement, § 2.4; Yslas Decl. at ¶ 5. The Parties did not reach an agreement to settle that day. Yslas Decl. at ¶ 5. However, following mediation, Mr. Rottman presented the Parties with a mediator's proposal that was accepted on August 22, 2024. Settlement Agreement, § 2.4; Yslas Decl. at ¶ 5. Thereafter, the Parties fully-executed a Memorandum of Understanding with general settlement terms on November 21, 2024. Yslas Decl.

at ¶ 5. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. *Id.* The parties negotiated the terms of the Settlement over the next several months, which was finalized on June 4, 2025. Yslas Decl. at ¶ 6, **Exhibit 1** ("Settlement Agreement"). On June 5, 2025, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. Yslas Decl. at ¶ 8, Exhibit 2.

III. SUMMARY OF THE SETTLEMENT TERMS

A. Terms of the Proposed Settlement

The parties have agreed to settle the claims alleged in this case for a Gross Settlement Amount of $550,000.00. Settlement Agreement, § 3.1. Subject to Court approval, the following payments will be deducted from the Gross Settlement Amount: (1) a class representative service payment of up to $7,500.00 to Plaintiff; (2) attorneys' fees of up to one-third (1/3) of the Gross Settlement Amount (currently $183,333.33) and reimbursement of actual litigation costs to Plaintiffs' Counsel currently estimated not to exceed $25,000.00; (3) costs of settlement administration of up to $7,950.00 to ILYM; and (4) PAGA penalties in the amount of $27,500.00, which will be allocated 75% to the LWDA ($20,625.00) and 25% to Aggrieved Employees ($6,875.00). *Id.* at § 3.2.1-3.2.5. After all requested deductions are made, the remaining Net Settlement Amount is currently estimated to be $298,716.67, which is an average of $930.58 per Class Member. Yslas Decl., ¶ 7.

Individual Class Payments is calculated by (a) dividing the Net Settlement Amount by the total number of Workweeks worked by all Participating Class Members during the Class Period, and (b) multiplying the result by each individual Participating Class Member's Workweeks. Settlement Agreement, § 3.2.4. For tax purposes, the individual class payments will be allocated 10% to wages and 90% to penalties, interest, and reimbursement of expenses. *Id*. at § 3.2.4.1. Defendant will separately pay any and all employer payroll taxes owed on the wage positions of the Individual Class Payments separate from the Gross Settlement Amount. *Id*. at § 3.1.

Individual PAGA Payments to Aggrieved employees will be calculated by (a) dividing the amount of the Aggrieved Employees' 25% share of PAGA Penalties of $6,875.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA

Period, and (b) multiplying the result by each individual Aggrieved Employee's PAGA Pay Periods. Settlement Agreement, § 3.2.5.1. Aggrieved Employees assume full responsibility and liability for any taxes owed on their Individual PAGA Payment. *Id*. For tax purposes, the Individual PAGA Payments will be allocated 100% to penalties.

Any deductions not approved by the Court will be retained by the Settlement Administrator in the Net Settlement Amount. *Id.* at §§ 3.2.1-3.2.3. Funds from any uncashed checks will be transmitted by the Settlement Administrator to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). *Id.* at § 4.4.3. None of the Gross Settlement Amount will revert to Defendant. *Id*. at § 3.1.

B. Proposed Settlement Administration

The parties' proposed Class Notice complies with the requirements of California Rules of Court, Rule 3.766(d). *See* Exhibit A to Settlement Agreement. It provides information regarding the nature of this lawsuit, a summary of the settlement terms, the formula used for calculating individual class and PAGA payments and instructions to dispute the calculations, instructions on how to opt-out of or object to the Settlement, the date, time, and location of the final approval hearing, and the amounts sought for the class representative service payment, attorneys' fees and litigation costs, and settlement administration costs. *See generally, id*. The Class Notice also notifies Class Members that they do not need to submit a claim in order to participate in the Settlement and receive a payment. *See id*. The Settlement Administrator will mail Class Members the Class Notice by first-class mail. Settlement Agreement, §§ 1.12, 7.4.2.

If a Class Notice is returned as undeliverable, the Settlement Administrator will re-mail the Class Notice no later than five (5) calendar days to the forwarding address provided by the U.S. Postal Service. *Id*. at § 7.4.3. The deadline to opt-out of the Settlement or to submit an objection or dispute will be extended by 14 (fourteen) days for all Class Members whose Class Notice was remailed. *Id*. at § 7.4.4.

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C. Proposed Release

All Participating Class Members will release Defendant, its predecessors, successors, parent companies, related entities, subsidiaries, affiliates, investors, officers, management companies, owners, attorneys, vendors, and assigns, and their directors, officers, trustees, employees, agents, insurers, and re-insurers, whether in their individual or official capacities, ("Released Parties") of all claims that were asserted in the Action, or that arise from or could have been asserted based on any of the facts, circumstances, transactions, events, occurrences, acts, disclosures, statements, omissions or failures to act alleged in Plaintiff's Complaint, regardless of whether such claims arise under federal, state and/or local law, statute, ordinance, regulation, common law, or other source of law. This release specifically includes, but are not limited to Labor Code §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, 2802 and the related IWC Wage Orders and Business & Professions Code §§ 17200, et seq., and include claims based on alleged violations of these Labor Code and Wage Order provisions) and all other claims, such as those under the California Labor Code, Wage Orders, regulations, and/or other provisions of law, that could have been pleaded based on the facts asserted in the Action, including: (1) failure to pay all straight time wages; (2) failure to pay overtime; (3) failure to provide meal periods; (4) failure to provide rest breaks; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) Unfair Business Practices ("Released Class Claims"). The enumeration of these specific statutes shall neither enlarge or narrow the scope of res judicata based on the claims that were asserted in the Action or could have been asserted in the Action based on the facts and circumstances alleged in any Complaint on file in the Action. The Released Class Claims are those that accrued during the Class Period. Settlement Agreement, § 5.2.

All Aggrieved Employees will release all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the operative Complaint and Plaintiff's notice to the LWDA, including Labor Code sections §§ 201, 202, 203, 204, 226, 226.7, 510, 512, 1174, 1194, 1194.2, 1197, 1198, 2802, and the related IWC Wage Orders. The Released

PAGA Claims are those that accrued during the PAGA Period. *Id.* at § 5.3. Only Plaintiff will agree to a general release and a waiver of Civil Code § 1542. *Id*. at §§ 5.1, 5.1.1.

IV. THE PROPOSED SETTLEMENT AGREEMENT MEETS ALL CRITERIA FOR PRELIMINARY APPROVAL

A. Provisional Certification of the Class is Appropriate

Class certification is appropriate when there is: (1) an ascertainable and sufficiently numerous class; (2) a well-defined community of interest among class members; and (3) substantial benefits from certification that render proceeding as a class superior to the alternatives. *Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1021 (2012). Although courts still need to review and consider each element for certification, a lesser standard can be used to provisionally certify a settlement class. *Global Minerals & Metals Corp. v. Superior Court*, 113 Cal.App.4th 836, 859 (2003).

1. The Proposed Class is Numerous and Ascertainable

"Ascertainability" is determined by examining the class definition and the size of the class, and may also involve examining the means available to identify class members. *Noel v. Thrifty Payless, Inc.*, 7 Cal.5th 955, 980-981, 985-986 (2019). As the settlement eliminates the need for trial, "the case management issues inherent in the ascertainable class determination need not be confronted." *Global Minerals*, 113 Cal.App.4th at 859. Further, under California law, there is no minimum number of class members for maintenance of a class action. *Hendershot v. Ready to Roll Transp., Inc.*, 228 Cal.App.4th 1213, 1222 (2014). Class sizes as small as 10 have been permitted. *Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981), disapproved on other grounds by *Noel*, 7 Cal.5th at 986.

The Class here consists of all current and former non-exempt employees who worked for Defendant in California during the Class Period of July 31, 2019, through October 14, 2024, and excluding any persons who opt-out of the class. *See* Settlement Agreement, §§ 1.5, 1.13. The Class is also readily ascertainable from Defendant's business records, because all Class Members are or were employees of Defendant. Yslas Decl. at ¶ 10. Defendant's records show there are approximately 321 Class Members, making joinder of all Class Members impracticable. *Id*.

2. A Well-Defined Community of Interest Exists

The community of interest requirement embodies three factors: (1) predominant common questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class. *Brinker*, 53 Cal.4th at 1021.

a. <u>*Common Questions Predominate*</u>

In determining whether common issues "predominate," courts consider both plaintiff's legal theories and defendant's affirmative defenses. *Duran v. U.S. Bank Nat'l Ass'n*, 59 Cal.4th 1, 28-29 (2014). The "predominate common questions" factor does not require that all class members have identical claims. *Ayala v. Antelope Valley Newspapers, Inc.*, 59 Cal.4th 522, 530 (2014). Rather, the focus is on whether issues shared by the class members are sufficiently uniform to permit class-wide assessment, and whether individual variations in proof on those issues are manageable. *Id.*

Plaintiff has alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal periods, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. Yslas Decl. at ¶ 11. These allegations present common factual and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies to all Class Members, whether these policies and practices resulted in Labor Code violations, whether Defendant's conduct was intentional, and whether Class Members are entitled to damages and/or penalties. *Id*. These common questions could be resolved using Class Members' time records, payroll records, testimony from Defendant's designated representative(s), and Class Members' testimony. *Id*. Therefore, the Court can and should exercise its discretion to grant conditional class certification for settlement purposes.

b. <u>*Plaintiff is Typical of the Class*</u>

Typicality does not require that the representative plaintiff's claims and those of the class members be identical or perfectly aligned. *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 228 (2001), disapproved on other grounds by *Hernandez v. Restoration Hardware, Inc.*, 4 Cal.5th

260, 269-280 (2018). Typicality does not require that a plaintiff's claims be identical to those of other class members, only that their claims and the defenses applicable to them are sufficiently similar to those of other class members that a named plaintiff is able to adequately represent the class and focus on common issues. *Medrazo v. Honda of North Hollywood*, 166 Cal.App.4th 89, 99 (2008).

Plaintiff has alleged that she and Class Members were employed by the same Defendant and injured by Defendant's common wage and hour policies and practices, including Defendant's scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies. *See* Yslas Decl. at ¶ 11. Through informal discovery, including the production of documents by Defendant, Plaintiff confirmed that these challenged policies and practices applied to Plaintiff as well as Class Members. *Id.* at ¶ 9. Therefore, Plaintiff's claims and Class Members' claims arise from the same challenged employment policies and practices and are based on the same legal theories.

c. Plaintiff and Plaintiff's Counsel Will Adequately Represent the Class

Certification requires adequacy of both the proposed class representative and of the proposed class counsel. Cal. Code Civ. Proc. § 382. "Only a conflict that goes to the very subject matter of the litigation will defeat a party's claim of representative status." *Richmond v. Dart Industries*, 29 Cal.3d 462, 470 (1981). Only conflicts that are "irreconcilable" can defeat adequacy. *Nat'l Solar Equip. Owners' Ass'n v. Grumman Corp.*, 235 Cal.App.3d 1273, 1286 (1991). The proposed class representatives and proposed Class Counsel present no such conflict.

Plaintiff's interests are coextensive with Class Members' interests. Declaration of Dominique Chaparro in Support of Motion for Preliminary Approval ("Chaparro Decl.") at ¶ 6. Plaintiff has demonstrated an ability to advocate for the interests of Class Members by initiating this lawsuit, gathering documents and information, keeping in regular contact with her attorneys, making herself available on the day of mediation and meeting with her attorneys to understand the claims and theories of liability at issue, and reviewing the proposed Settlement. Chaparro Decl., ¶ 7.

Likewise, Wilshire Law Firm has expended considerable time and effort on this case and will continue to do so through final approval. *See generally*, Yslas Decl. Therefore, Plaintiff should be appointed Class Representative, and their counsel should be appointed Class Counsel.

3. A Class Action is Superior to a Multitude of Individual Lawsuits

Courts have held that class treatment of wage and hour claims is clearly "superior to the other available methods for the fair and efficient adjudication of the controversy." *Dean Witter Reynolds, Inc. v. Superior Court*, 211 Cal.App.3d 758, 772-773 (1989). This is so because "[p]ublic policy has long favored the 'full and prompt payment of wages due an employee.'" *Sav-On Drug Stores, Inc. v. Superior Court*, 34 Cal.4th 319, 340 (2004). Here, a class action is superior to a multitude of individual lawsuits. Given the size and amount of each Class Members' claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweighs any potential recovery. Yslas Decl. at ¶ 10. Therefore, a class action is the superior method for seeking relief.

B. The Settlement Meets the Standards for Preliminary Approval

The moving party must demonstrate that "the settlement is fair, adequate and reasonable." *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 126 (2008). "In determining whether a class settlement is fair, adequate, and reasonable, the trial court should consider relevant factors, such as the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement." *Wershba*, 91 Cal.App.4th at 244-245 (internal quotations and citations omitted).

1. The Settlement is Entitled to a Presumption of Fairness

A settlement is entitled to "a presumption of fairness . . . where: (1) the settlement is reached through arm's length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small." *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996). The Settlement here satisfies the first three factors. Plaintiff will analyze the fourth factor at final approval after Class Members have been notified of the Settlement and provided with an opportunity to object.

a. *The Settlement is the Result of Arm's Length Negotiation*

Courts have recognized that the involvement of a respected mediator provides a high degree of assurance that the settlement is the result of arm's length bargaining. *See Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, 52-53 (2008). The Settlement in this matter was achieved with the assistance of a respected mediator following a full day of mediation. Yslas Decl. at ¶ 5. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. *Id.*

b. *Sufficient Investigation and Discovery Have Been Conducted*

Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable laws, and potential defenses. *Id.* at ¶ 9. Plaintiff's Counsel assessed the value to the class claims using the documents and data Defendant produced in informal discovery, including class data providing the number of Class Members, the number of workweeks in the Class Period, and the number of pay periods in the PAGA Period, Plaintiff's personnel file, employment handbooks and policies, and a random sampling of time and payroll records. *Id.*

c. *Plaintiff's Counsel is Experienced in Similar Litigation*

Plaintiff is represented by Wilshire Law Firm. *Id.* at ¶ 19. Plaintiff's Counsel has extensive experience litigating wage and hour class actions on behalf of employees. *See id.* at ¶¶ 20-30. Plaintiff's Counsel have been involved as counsel in numerous class actions that have resulted in millions of dollars in recovery. *See id.*

2. The Settlement is Reasonable Given the Strengths of Plaintiff's Claims and the Risks and Expense of Further Litigation

A settlement does not have to provide 100% of the damages sought to be considered fair and reasonable. *See Rebney v. Wells Fargo Bank*, 220 Cal.App.3d 1117, 1139 (1991). Although the exposure Plaintiff's Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes. Yslas Decl. at ¶ 12.

Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims were based on the allegation that Defendant failed to pay Class Members for all hours worked by requiring them to perform work duties while off-the-clock, including waiting in line to be able to clock in and being forced to work through meal periods due to Defendant's policy prohibiting incurring overtime. *Id.* at ¶ 13. Based on Plaintiff's estimate that she worked a total of 1 hour off-the-clock each week, Plaintiff's Counsel assumed each Class Member worked 1-hour off-the-clock per week in calculating potential exposure. *Id.* Additionally, because Class Members worked 8-hour shifts on average, Plaintiff's Counsel estimated Defendant's maximum potential exposure by assuming that all unpaid work time should have been paid at the overtime rate, not at the minimum or straight time rate. *Id.* This resulted in estimated damages of $458,271.09 (18,561 Workweeks x $16.46 hourly rate x 1.5 overtime rate x 1 hour of unpaid work per week). *Id.* However, Defendant argued that any off-the-clock time was undocumented and unknown to Defendant, and that Defendant was therefore not obligated for this time. *Id.* Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification and trial was substantial. *Id.* Accordingly, Plaintiff's Counsel applied an approximately 75% risk discount to reach a settlement value of $110,000.00 (or 20% of the Gross Settlement Amount). *Id.* at ¶ 13.

Meal Periods: With respect to the meal period claim, Plaintiff alleged that Defendant failed to maintain a policy and practice of paying meal period premiums when its time records showed Class Members' meal periods were late, short, or missed. Yslas Decl. ¶ 14. Plaintiff's Counsel found a unique violation rate of 8.8% in Defendant's time records. *Id*. Potential liability for the meal period claims was therefore $120,223.84 (83,000 shifts over 5 hours x $16.46 hourly rate x 8.8% violation rate). *Id.* However, Defendant argued that Class Members signed meal period waivers and that it paid meal period premiums throughout the class period, which would undermine commonality at class certification. *Id*. As such, Plaintiff's Counsel applied an approximately 50% risk discount, resulting to reach a settlement value of $93,500.00 (or 17% of the Gross Settlement Amount). Yslas Decl. ¶ 14.

Rest Breaks: Plaintiff's rest period claim was based on the allegation that Defendant maintained a facially unlawful policy that required class members to remain on the "facility premises" and to work in lieu of taking rest periods, or their rest periods were untimely or interrupted. *Id.* at ¶ 15. Plaintiff's Counsel applied a 100% violation rate to all shifts over 3.5 hours and calculated a potential exposure of $1,366,180.00 (83,000 shifts over 3.5 hours x $16.46 hourly rate x 100% violation rate) for this claim. *Id*. However, Defendant argued that it did not enforce an on-premises rest period policy and would be able to submit declarations from Class Members attesting to leaving the premises during rest periods. *Id*. Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel applied an approximately 77% risk discount to reach a settlement value of approximately $319,000.00 (or 58% of the Gross Settlement Amount). *Id.* at ¶ 15.

Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendant required Class Members to purchase their own slip-resistant shoes and did not reimburse employees for such purchases. *Id.* at ¶ 16. Assuming a very conservative $10/per month per employee for unpaid reimbursements, this resulted in a damages estimate of $185,610.00 ($10/workweek x 18,561 Workweeks). *Id*. However, Defendant argued that case law has held that the cost of purchasing slip-resistant shoes is not required to reimbursed because slip-resistant shoes do not qualify as uniforms. *Id*. Therefore, Plaintiff's Counsel could not attribute any value to this claim in terms of settlement value. *Id.* at ¶ 16.

Derivative Penalties: Plaintiff alleged that as a result of Defendant's alleged failure to pay all wages and meal and rest period premiums owed, Defendant owed waiting time penalties and wage statement penalties. *Id.* at ¶ 17. However, Defendant argued that it had good faith defenses that made the imposition of these penalties unwarranted. *Id.* Moreover, Plaintiff could not recover these penalties if they failed to prove the underlying claims. *Id.* Although Plaintiff's Counsel calculated that potential exposure for the waiting time penalty claim was approximately $674,835.00 (assuming 30 days per employee at 7.4 hours per day, based on the average hours per shift), and approximately $386,500.00 for the wage statement penalty claim (based on $50 for the first violations and $100 for subsequent violations, with a $4,000 employee maximum), Plaintiff's Counsel could not attribute any value to these claims in terms of settlement value. *Id.* at ¶ 17.

PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential exposure could potentially reach $395,000.00, assuming the initial $100 penalty would apply for each of the 3,950 pay periods in the PAGA Period. *Id.* at ¶ 18. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including whether the amount of the award would be unjust, arbitrary and oppressive, or confiscatory. *Id*. As such, Plaintiff allocated $27,500.00 of the Gross Settlement Amount to settle the PAGA claims (or 5% of the Gross Settlement Amount). *Id.* at ¶ 18.

C. The Requested Service Payment is Reasonable

Plaintiff seeks a Class Representative Service Payment of up to $7,500.00 for accepting the responsibilities of representing the interests of the Class and potential costs that were not borne by any other Class Member. Settlement Agreement, § 3.2.1. A named plaintiff is eligible for payment that reasonably compensates her for undertaking and fulfilling a fiduciary duty to represent absent class members. *See Cellphone Termination Fee Cases*, 186 Cal.App.4th 1380, 1393 (2010); *Bell v. Farmers Ins. Exch.*, 115 Cal.App.4th 715, 726 (2004).

Throughout this case, Plaintiff assisted counsel in gathering evidence necessary to prosecute the claims, maintained regular contact with counsel, and reviewed the Settlement to ensure it was fair to the Class. Chaparro Decl. at ¶ 7. No action would likely have been taken by Class Members individually and no compensation would have been recovered for them, but for Plaintiff's services on behalf of the Class. By actively pursuing this action, Plaintiff furthered the California public policy goal of enforcing the State's wage and hour laws. *See Sav-On*, 34 Cal.4th at 340. The requested Class Representative Service Payment is reasonable and should be preliminarily approved. Plaintiff has provided a declaration regarding her work performed to date and will provide additional information as requested or required by the Court at final approval.

D. The Requested Attorneys' Fees and Costs Are Reasonable

The purpose of an attorneys' fee award in class action litigation is to reward counsel who invested in a case despite the risk of non-payment and achieved a substantial positive result for the class. California courts routinely award attorneys' fees equaling one-third or more of the potential value of the common fund. *See Chavez*, 162 Cal.App.4th at 66, fn. 11 ("Empirical studies show that, regardless of whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery.").

Plaintiff seeks appointment of Wilshire Law Firm as Class Counsel. The attorneys performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment. Yslas Decl. at ¶ 19. Plaintiff's Counsel seeks preliminary approval for $183,333.33 in attorneys' fees, which is up to one-third (1/3) of the Gross Settlement Amount, and reimbursement of actual litigation costs not to exceed $25,000.00. Settlement Agreement, 3.2.2. Given the work performed in this matter, the extensive information exchange, and the substantial recovery obtained on behalf of the Class, Plaintiff's Counsel achieved a settlement through efficient and diligent work. *See generally*, Yslas Decl. At final approval, Plaintiff's Counsel will fully brief the merits of its request for the award of attorneys' fees and litigation costs.

V. CONCLUSION

The Parties have negotiated a fair and reasonable settlement of the class claims in light of the risks presented in this case. Plaintiff has presented the materials and information necessary to demonstrate that the requirements for preliminary approval have been met, and therefore respectfully request that the Court preliminarily approve the Settlement and schedule a date for the final approval hearing.

Respectfully submitted,

Dated: September 5, 2025

WILSHIRE LAW FIRM

By: Lisa Iturriaga

Lisa B. Iturriaga
Attorneys for Plaintiff