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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

CAMILLE GUERIN and CAMILLE TORRES, individually and on behalf of others similarly situated, Plaintiffs, vs. O & A LINE MANAGEMENT, LLC; CITRIN HOSPITALITY, INC.; MCGA HOTELS LLC; MCGA HOTELS LA LLC; and DOES 1 through 25, inclusive, Defendants.	Case No. 24STCV00784 [Consolidated with Case No. 24STCV00885] Honorable Elaine Lu Department 9 **NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT; MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT THEREOF** Date: January 12, 2026 Time: 8:30 a.m. Dept.: 9 Complaint Filed: January 10, 2024 Trial Date: Not Set

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE THAT on **January 12, 2026 at 8:30 a.m.** in Department 9 of the above-captioned Court located at 312 North Spring Street, Los Angeles, California 90012, pursuant to California Code of Civil Procedure section 382 and Rule 3.769 of the California Rules of Court, Plaintiffs Camille Guerin and Camille Torres (together, "Plaintiffs") will and hereby do move the Court for an Order granting preliminary approval of the proposed class action and PAGA settlement between Plaintiffs and Defendant O&A Line Management, LLC ("Defendant").

Plaintiffs request that the Court enter an Order:

1. Preliminarily approving the Class Action and PAGA Settlement Agreement ("Settlement" or "Settlement Agreement") attached as Exhibit 3 to the Declaration of James S. Winn Jr. in Support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement ("Winn Decl.");

2. Certifying the Class for Settlement purposes;

3. Appointing Plaintiffs Camille Guerin and Camille Torres as the Class Representatives for Settlement purposes;

4. Appointing Jonathan M. Genish, Barbara DuVan-Clarke, Danielle Ling GruppChang, P.J. Van Ert, Alexandra Rose, and James S. Winn Jr. of Blackstone Law, APC as Class Counsel for Settlement purposes;

5. Approving the proposed Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice"), attached as <u>Exhibit A</u> to the Settlement Agreement, to be mailed to the Class;

6. Approving the opt-out and objection procedures provided in the Settlement Agreement and set forth in the Class Notice;

7. For each Class Member, directing Defendant to furnish their full name, last-known mailing address, Social Security number, and number of Workweeks and Pay Periods to the Administrator within twenty-one (21) calendar days after Defendant's counsel's receipt of the order granting preliminary approval of the Settlement;

8. Approving the proposed deadlines for the settlement administration process; and

9. Setting a Final Approval Hearing.

This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the Declaration of James S. Winn Jr., the Declaration of Plaintiff Camille Guerin, the Declaration of Plaintiff Camille Torres, the Declaration of the Administrator (Jonathan Paul of Xpand Legal Consulting LLC), the pleadings and other records on file with the Court in this matter, and any other further evidence or argument that the Court may properly receive at or before the hearing.

Respectfully submitted,

Dated: January 5, 2026

BLACKSTONE LAW, APC

By: James Winn
James S. Winn Jr.
Attorneys for Plaintiffs Camille Guerin and Camille Torres

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiffs Camille Guerin and Camille Torres (together, "Plaintiffs") seek preliminary approval of the Class Action and PAGA Settlement Agreement ("Settlement" or "Settlement Agreement") entered into between Plaintiffs and Defendant O&A Line Management, LLC ("Defendant") (collectively, with Plaintiffs, the "Parties"). (Declaration of James S. Winn Jr. in Support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement ["Winn Decl."], Exh. 3). The Settlement terms are outlined as follows:

- Class Size: Approximately three hundred fifty (350) individuals.
- Gross Settlement Amount: Four Hundred Forty-Three Thousand Seven Hundred Forty-Eight Dollars and Zero Cents ($443,748.00).
- GSA Credit: Eighty Thousand One Hundred Seventy-Three Dollars and Zero Cents ($80,173.00).
- Class Counsel Fees Payment: Attorneys' fees of thirty-five (35%) of the Gross Settlement Amount ($115,311.80 if the Gross Settlement Amount is $443,748.00), to be paid from the Gross Settlement Amount.
- Class Counsel Litigation Expenses Payment: Actual litigation costs and expenses not to exceed Thirty Thousand Dollars and Zero Cents ($30,000.00), to be paid from the Gross Settlement Amount
- Class Representative Service Payments: Five Thousand Dollars and Zero Cents ($5,000.00) each (total, $10,000.00), to be paid from the Gross Settlement Amount.
- Administration Expenses Payment: Not to exceed Eight Thousand Dollars and Zero Cents ($8,000.00), to be paid from the Gross Settlement Amount.
- PAGA Penalties: Fifty Thousand Dollars and Zero Cents ($50,000.00) from the Gross Settlement Amount, 75% of which will be paid to the Labor and Workforce Development Agency ("LWDA") and the remaining 25% to be paid to the Aggrieved Employees.
- Estimated Net Settlement Amount: One Hundred Ten Thousand Two Hundred Sixty-Three Dollars and Twenty Cents ($110,263.20) to be distributed to Participating Class Members.

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As set forth herein, the Settlement is the product of informed discovery and arms-length negotiations, and provides a fair, adequate, and reasonable recovery for the Class. Plaintiffs therefore respectfully request that the Court grant preliminarily approval of the Settlement, conditionally certify the Class, approve the proposed Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice"), and set a hearing date for final settlement approval, among other requested relief.

II. FACTUAL AND PROCEDURAL BACKGROUND

Defendant is a boutique hotel located in Koreatown, California with multiple restaurants and bars. Plaintiff Camille Guerin was employed by Defendant as an hourly-paid, non-exempt Server from approximately October 2021 to approximately June 2023. (Declaration of Plaintiff Camille Guerin in Support of Motion for Preliminary Approval of Class Action and PAGA Settlement ["Guerin Decl."], ¶ 2). Plaintiff Camille Torres was employed by Defendant as an hourly-paid, non-exempt Server from approximately October 2021 to approximately June 2023. (Declaration of Plaintiff Camille Torres in Support of Motion for Preliminary Approval of Class Action and PAGA Settlement ["Torres Decl."], ¶ 2).

On November 7, 2023, Plaintiffs provided written notice to the LWDA by online submission and to Defendant, Citrin Hospitality, Inc., MCGA Hotels LLC, and MCGA Hotels LA LLC by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified provisions of the California Labor Code alleged to have been violated by Defendant ("PAGA Notice"). (Winn Decl., ¶ 10 and Exh. 2).

On January 10, 2024, Plaintiffs filed a Class Action Complaint for Damages ("Class Complaint") in the action entitled *Guerin and Torres v. O&A Line Management, LLC, et al.,* Los Angeles County Superior Court Case No. 24STCV00784 ("Class Action"), thereby commencing a putative class action against Defendant, Citrin Hospitality, Inc., MCGA Hotels LLC, and MCGA Hotels LA LLC. (*Id*., ¶ 11).

On January 12, 2024, Plaintiffs filed a Complaint for Enforcement Action Under the Private Attorneys General Act, Cal. Labor Code §§ 2698, *Et Seq.* ("PAGA Complaint") in the action entitled *Guerin and Torres v. O&A Line Management, LLC, et al.,* Los Angeles County Superior Court Case No. 24STCV00885 ("PAGA Action"), which alleged one cause of action under the California Labor Code

Private Attorney General Act of 2004 ("PAGA") against Defendant, Citrin Hospitality, Inc., MCGA Hotels LLC, and MCGA Hotels LA LLC. (*Id*., ¶ 12).

On July 29, 2024, the Court consolidated the Class Action and PAGA Action (together, "Actions") and deemed the Class Action lead. (*Id*., ¶ 13). Together, the Class Complaint and PAGA Complaint are referred to as the "Operative Complaint." (Ibid). The Operative Complaint alleges causes of action for violations of the California Labor Code for failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments in lieu thereof, failure to timely pay wages during employment, failure to provide earned gratuities, failure to provide accurate wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses, for violations of California Business & Professions Code Section 17200, *et seq*. based on the aforementioned California Labor Code violations, and for civil penalties under PAGA based on the aforementioned California Labor Code violations. (Ibid).

On April 22, 2025, the Parties participated in a formal mediation conducted by Lynn Frank, Esq ("Mediator"), a neutral and respected mediator with extensive experience in complex wage and hour matters, and with the assistance of the Mediator's evaluations, the Parties were able to reach an agreement to resolve this dispute on a class and representative basis. (*Id*., ¶ 14). The Parties then worked diligently to negotiate and memorialize the terms in a long form settlement agreement. (Ibid). The Parties have negotiated the Class Action and PAGA Settlement Agreement ("Settlement" or "Settlement Agreement"). (*Id.,* ¶ 15 and Ex. 3)

III. THE SETTLEMENT TERMS

A. Class Definition

For purposes of settlement only, the Parties have agreed that the Class shall be defined as "all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the Class Period" ("Class" or Class Member(s)"). (Winn Decl., ¶ 16; Settlement Agreement, ¶ 1.5). The Class Period is defined as the period from January 10, 2020 through June 17, 2025. (Winn Decl., ¶ 16; Settlement Agreement, ¶ 1.11). Based on information provided by Defendant, it is estimated that there are a total of three hundred fifty (350) Class Members. (Winn Decl., ¶ 16).

B. Amount of Settlement

The Parties have agreed to settle the class and PAGA claims at issue in the Operative Complaint for a non-reversionary Gross Settlement Amount of Four Hundred Forty-Three Thousand Seven Hundred Forty-Eight Dollars and Zero Cents ($443,748.00), exclusive of employer-side payroll taxes. (Winn Decl., ¶ 17; Settlement Agreement, ¶ 1.20).

C. Allocation and Funding of the Gross Settlement Amount

The Gross Settlement Amount is a common fund and therefore includes all requested costs, fees, and other allocations. (Winn Decl., ¶ 17; Settlement Agreement, ¶ 1.20). The Gross Settlement Amount includes: (1) Eighty Thousand One Hundred Seventy-Three Dollars and Zero Cents ($80,173.00) in payments previously made by Defendant to Class Members and Aggrieved Employees ("GSA Credit"); (2) Class Counsel Fees Payment in the amount of thirty-five percent (35%) of the Gross Settlement Amount (i.e., $115,311.80 if the Gross Settlement Amount is $443,748.00); (3) Class Counsel Litigation Expenses Payment, not to exceed Thirty Thousand Dollars and Zero Cents ($30,000.00); (4) Administration Expenses Payment, not to exceed Eight Thousand Dollars and Zero Cents ($8,000.00); (5) Class Representative Service Payments in the aggregate amount of Ten Thousand Dollars and Zero Cents ($10,000.00); and (6) PAGA Penalties in the amount of Fifty Thousand Dollars and Zero Cents ($50,000.00). (Winn Decl., ¶ 17; Settlement Agreement, ¶¶ 1.20, 3.1, 3.2.1, 3.2.2, 3.2.3, and 3.2.5). After the above-estimated amounts are deducted from the Gross Settlement Amount, the Net Settlement Amount that will be available for Class Members is currently estimated to be One Hundred Ten Thousand Two Hundred Sixty-Three Dollars and Twenty Cents ($110,263.20). (Winn Decl., ¶ 17). Additionally, 25% of the PAGA Penalties, which is $12,500.00 out of $50,000.00, will be fully distributed to "all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the PAGA Period" ("Aggrieved Employee(s)"). (Winn Decl., ¶ 17; Settlement Agreement, ¶¶ 1.4, 1.33, and 3.2.5). The "PAGA Period" is defined as the period from January 12, 2023 through June 17, 2025. (Winn Decl., ¶ 17; Settlement Agreement, ¶ 1.31).

The Net Settlement Amount will be distributed and paid to all Class Members who do not submit a valid and timely Request for Exclusion from the Settlement ("Participating Class Member(s)") on a *pro rata* basis based on any week during which a Class Member worked for Defendant for at least one day during the Class Period ("Workweeks"). (Winn Decl., ¶ 18; Settlement Agreement, ¶¶ 1.35 and 1.44). Each Participating Class Member's *pro rata* share of the Net Settlement Amount will be calculated according to the number of Workweeks worked during the Class Period ("Individual Class Payment"), in accordance with the Settlement Agreement. (Winn Decl., ¶ 18; Settlement Agreement, ¶¶ 1.22 and 3.2.4).

The twenty-five percent (25%) of the PAGA Penalties will be distributed and paid to all Aggrieved Employees on a *pro rata* basis based on any pay period during which an Aggrieved Employee worked for Defendant for at least one day during the PAGA Period ("Pay Periods"). (Winn Decl., ¶ 19; Settlement Agreement, ¶¶ 1.34 and 3.2.5.1). Each Aggrieved Employee's *pro rata* share of twenty-five percent (25%) of the PAGA Penalties will be calculated according to the number of Pay Periods worked during the PAGA Period ("Individual PAGA Payment"), in accordance with the Settlement Agreement. (Winn Decl., ¶ 19; Settlement Agreement, ¶ 3.2.5.1).

Each Individual Class Payment will be allocated as twenty percent (20%) wages (the "Wage Portion") and eighty percent (80%) interest and penalties (the "Non-Wage Portion"). (Winn Decl., ¶ 20; Settlement Agreement, ¶ 3.2.4.1). The Wage portion will be reported on IRS Form W-2 and the Non-Wage Portion will be reported on IRS Form 1099 (if applicable) by the Administrator. (Winn Decl., ¶ 20; Settlement Agreement, ¶ 3.2.4.1). The Administrator will withhold the employee's share of taxes and withholdings with respect to the Wage Portion of the Individual Class Payment, and issue checks to Participating Class Members for their net payment of their Individual Class Payment. (Winn Decl., ¶ 20; Settlement Agreement, ¶ 3.2.4.1). The employer's share of taxes and contributions in connection with the Wage Portion of Individual Class Payment will be paid by Defendant separately and in addition to the Gross Settlement Amount. (Winn Decl., ¶ 20; Settlement Agreement, ¶ 4.2). Each Individual PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an IRS Form 1099 (if applicable) by the Administrator. (Winn Decl., ¶ 20; Settlement Agreement, ¶ 3.2.5.2).

The Settlement Agreement is a non-reversionary and non-claims made settlement. (Winn Decl., ¶ 21; Settlement Agreement, ¶ 3.1). The Net Settlement Amount will be fully distributed to Participating Class Members and the PAGA Penalties will be fully distributed to the LWDA and Aggrieved Employees, in accordance with the Settlement Agreement. (Winn Decl., ¶ 21; Settlement Agreement, ¶¶

3.2.4 and 3.2.5). No money will revert to Defendant. (Winn Decl., ¶ 21; Settlement Agreement, ¶ 3.1).

Each Individual Class Payment and Individual PAGA Payment check will be valid and negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and thereafter, shall be canceled. (Winn Decl., ¶ 22; Settlement Agreement, ¶ 4.3.1). Any funds associated with such canceled checks will be distributed by the Administrator to the State of California's Unclaimed Property Division in the name of the Participating Class Member and/or Aggrieved Employee. (Winn Decl., ¶ 22; Settlement Agreement, ¶ 4.3.3).

D. Released Claims

Effective on the date when Defendant fully funds the entire Outstanding Settlement Amount, all Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release and discharge Released Parties from any and all claims and/or theories of liability that have been or could have been alleged or asserted in the Operative Complaint based on any of the facts alleged in the Operative Complaint, including, but not limited to, claims for failure to pay overtime wages, including failure to include additional renumeration when calculating overtime wages, failure to provide compliant meal periods or pay meal period premiums in lieu thereof; failure to authorize and permit compliant rest periods or pay rest period premiums in lieu thereof, failure to pay minimum and straight time wages, failure to timely pay all earned wages and final paychecks due at time of separation of employment, failure to timely pay wages during employment, failure to provide complete and accurate wage statements, failure to keep requisite payroll records, failure to reimburse necessary business-related expenses and costs, failure to pay all accrued and vested vacation and sick pay, all claims under California Business & Professions Code § 17200 for unfair business practices that could have been premised on the facts, claims, causes of action or legal theories described above, violations of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above, as well as any potential penalties (excluding PAGA penalties), interest or attorneys' fees associated with all of such causes of action under California law (collectively, the "Released Class Claims"). (Settlement Agreement, ¶¶ 5 and 5.3). The Released Class Claims shall include claims arising under California Labor Code §§ 201, 202, 203, 204, 210, 218.5, 226, 226.7, 350, 351, 352, 353, 354, 355, 356, 510, 512, 558, 1174, 1174.5, 1194, 1194.2, 1197, 1197.1, 1198, 1198.5, 1199, 2800, and 2802. (*Id*., ¶ 5.3).

Effective on the date when Defendant fully funds the entire Outstanding Settlement Amount, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from any and all claims and/or theories of liability for civil penalties under PAGA that have been or could have been alleged or asserted in the Operative Complaint and/or PAGA Notice based on any of the facts alleged or asserted in the Operative Complaint and/or PAGA Notice, including, but not limited to, claims for failure to pay overtime wages, including failure to include additional renumeration when calculating overtime wages, failure to provide compliant meal periods or pay meal period premiums in lieu thereof at the correct rate of pay; failure to authorize and permit compliant rest periods or pay rest period premiums in lieu thereof at the correct rate of pay, failure to pay minimum and straight time wages, failure to timely pay all earned wages and final paychecks due at time of separation of employment, failure to timely pay wages during employment, failure to provide complete and accurate wage statements, failure to keep requisite payroll records, failure to reimburse necessary business-related expenses and costs, failure to pay all accrued and vested vacation and sick pay, violations of the California Industrial Wage Orders that could have been premised on the facts, claims, causes of action or legal theories described above (collectively, the "Released PAGA Claims"). (*Id*., ¶¶ 5 and 5.4). The Released PAGA Claims shall include PAGA claims arising under or predicated on California Labor Code §§ 201, 202, 203, 204, 210, 218.5, 226, 226.7, 350, 351, 352, 353, 354, 355, 356, 510, 512, 558, 1174(d), 1174.5, 1194, 1197, 1197.1, 1198, 1198.5, 1199, 2800, and 2802. (*Id*., ¶ 5.4).

"Released Parties" means Defendant O&A Line Management, LLC, Citrin Hospitality, Inc., MCGA Hotels LLC, MCGA Hotels LA LLC, and each of their past and present corporate affiliates, parents, subsidiaries, divisions, related entities, divested business and business units, and the board members, directors, officers, shareholders, owners, employees, agents, representatives, attorneys, insurers, predecessors, successors, assigns, and/or any other persons acting on their behalf. (*Id*., ¶ 1.40).

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IV. STANDARD OF REVIEW FOR PRELIMINARY APPROVAL

The settlement of a class action requires court approval. (*See Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794 (1996)). "In general, questions whether a settlement was fair and reasonable, whether notice to the class was adequate, whether certification of the class was proper, and whether the attorney fee award was proper are matters addressed to the trial court's broad discretion." (*Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 234-35 (2001) (disapproved on other grounds)).

The review and approval of a proposed class action settlement involve a two-step process. (*See* Cal. Rules of Court, Rule 3.769(c)). First, counsel submit the proposed terms of the settlement and the Court makes a preliminary assessment of whether the settlement appears to be sufficiently within the range of a fair settlement to justify providing notice of the proposed settlement to class members. After notice is provided to the class, the Court must conduct a second inquiry into whether the proposed settlement is fair, reasonable, and adequate. (Ibid).

The initial evaluation of the settlement at the preliminary approval step "is not a fairness hearing." (*Armstrong v. Board of School Directors of City of Milwaukee*, 616 F.2d 305, 314 (7th Cir. 1980)). Rather, the limited purpose of this initial inquiry is to determine, at a threshold level, only whether the proposed settlement is within the range of possible approval and, as a result, "whether there is any reason to notify the class members of the proposed settlement and to proceed with a fairness hearing." A presumption of fairness exists 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. (*See In re Microsoft I-V Cases*, 135 Cal. App. 4th 706, 723 (2006)).

Preliminary approval does not require a court to make a final determination that the settlement is fair, reasonable, and adequate. Rather, that decision is made only at the final approval stage, after notice of the settlement has been given to the class members and they have had an opportunity to object or exclude themselves from the settlement. (*See* Cal. Rules of Court, Rule 3.769(g)). In considering a potential class settlement, the court need not reach any ultimate conclusions on the issues of fact and law which underlie the merits of the dispute and need not engage in a trial on the merits. (*See Officers for Justice v. Civil Service Commission*, 688 F.2d 615, 625 (9th Cir. 1982)).

V. THE SETTLEMENT IS PRESUMED FAIR

A. The Settlement Was Reached as a Result of Arm's-Length Bargaining

California courts recognize that "a presumption of fairness exists where . . . [a] settlement is reached through arm's-length bargaining." (*Wershba*, 91 Cal.App.4th at 245; *see also Clark v. Am. Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties' settlement negotiations were at all times made at arm's-length and were adversarial. (Winn Decl., ¶ 23). The Settlement was reached following a full day of mediation with a highly respected mediator with substantial experience mediating wage and hour cases. (Ibid). At all times, Plaintiffs were willing and prepared to litigate this matter through class certification and trial if the Parties had been unable to reach a favorable resolution. (*Id*., ¶ 45).

B. Sufficient Investigation and Discovery by Experienced Class Counsel

Courts typically assess the status of discovery in determining whether a class action settlement agreement is fair, reasonable, and adequate. (*Dunk*, 48 Cal.App.4th at 1801). Prior to mediation, Defendant produced data of putative class members' time and pay as well as Defendant's relevant wage and hour policies, and information regarding the total number of putative class members, the number of current versus former employees, the total workweeks worked by the putative class members, and the average rate of pay for the putative class members. (Winn Decl., ¶ 24).

This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and weaknesses of the claims and the potential class-wide damages. (*Id*., ¶ 25). Based on information exchanged, the Parties extensively briefed issues regarding class certification and liability and provided their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective positions. (*Id*., ¶ 26). Additionally, settlement negotiations were conducted by highly capable and experienced counsel. (*Id*., ¶¶ 2-9). Accordingly, Class Counsel had sufficient information and experience to act intelligently in negotiating the Settlement.

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C. The Settlement is Fair and Reasonable in Light of the Parties' Respective Legal Positions and Recovery Risks

A settlement is not judged against what might have been recovered had a plaintiff prevailed at trial, nor does the settlement have to obtain 100% of the damages sought to be fair and reasonable. (*Wershba*, 91 Cal.App.4th at 246, 250). In evaluating the reasonableness of a settlement, a trial court must consider "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." (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).

Here, the reasonableness of the Settlement is underscored by the fact that Defendant has legal and factual grounds for defending the Actions. Based upon Class Counsel's experience litigating similar complex matters, Plaintiffs reasonably expected a vigorous and lengthy defense to both class certification and the merits of the Action absent a settlement.

1. Class Counsel's Analysis of the Maximum Available Liability and Damages

Class Counsel analyzed all available data and estimated Defendant's maximum potential exposure to be approximately $2,882,476, assuming the litigation was successful at trial on all claims at issue and every employee had a violation for each claim on every shift worked. (Winn Decl., ¶ 27). This maximum potential analysis was then reduced based on the challenges facing the likelihood of obtaining class certification, prevailing at trial, and other attendant risks. (Ibid). This estimate is based off an estimated maximum liability for all claims at issue and the total aggregate workweeks during the relevant time period, less interest, and based on the analysis of the data which was extrapolated out for all class members across the entire putative class period, which included: $114,465 for meal period violations (less meal period premiums paid); $1,112,722 for rest period violations at a 100% violation rate; $284,957 for unpaid off-the-clock work for 1 hour per workweek of off-the-clock work; $1,354 for unpaid overtime wages at the required regular rate of pay; $5,712 for unpaid meal period premiums and sick pay at the required regular rate of pay; $113,730 for unreimbursed business expenses; $894,486 for waiting time penalties; and $355,050 for wage statement penalties. (Ibid). Plaintiffs further estimated that Defendant faced an additional exposure of $390,800 in potential, non-stacked (i.e., one penalty, per employee, per pay period during the PAGA statutory period) PAGA penalties. (Ibid). Together with the PAGA penalties, Defendant's maximum potential exposure totaled $3,273,276 in damages. (Ibid).

2. Class Counsel's Risk-Based Analysis and Risk-Based Adjustments

While Plaintiffs believe that Defendant faced significant exposure, substantial barriers to a recovery existed. First and foremost, it was found that Defendant had paid Eighty Thousand One Hundred Seventy-Three Dollars and Zero Cents ($80,173.00) in payments to Class Members and Aggrieved Employees (i.e., GSA Credit). (*Id*., ¶ 28). According to Defendant, they learned that its timekeeping system was not properly flagging meal break issues in all instance which is used to determine whether a meal break premium is owed. (*Id*.). In some instances, a meal break premium was paid but in others, it was not. (*Id*.). Defendant also discovered that certain employees may not have received reporting time pay if they were asked to work less than half of their scheduled day's work. (*Id*.). As a result, Defendant audited its records and issued payments to employees may have been owed for meal break premiums, reporting time pay, and related penalties. (*Id*.). Accordingly, Class Counsel took this into consideration when settling and the Parties agreed, upon the Mediator's recommendation, that the GSA Credit shall be subtracted from the Gross Settlement Amount. (Ibid).

Defendant additionally contended that Plaintiffs' claims are not suitable for class certification because individual issues and affirmative defenses would predominate should this case go to trial. (Winn Decl., ¶ 30; *See Brinker Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004 (2012); *Duran v. U.S. Bank Nat. Assn.*, 59 Cal.4th 1, 35-36 (2014); *Wal-Mart Stores, Inc. v. Dukes*, 131 S.Ct. 2541, 2551 (2011)). While Plaintiffs and Class Counsel disagree with Defendant's predictions, they also recognize that there is a significant risk that the Court may deny class certification. (Win Decl., ¶ 30; *see also*, *Findings of the Study of California Class Action Litigation*, 2000-2006, available at http://www.courts.ca.gov/documents/class-action-lit-study.pdf (finding that only 21.4% of all class actions were certified either as part of a settlement or as part of a contested certification motion)).

For example, Plaintiffs' meal period claims, which were based on Defendant's alleged failure to provide lawful meal periods, have been increasingly difficult to certify in recent years. (Winn Decl., ¶ 31; *See Brinker*, 53 Cal. 4th at 1034-35). Plaintiffs' theory of liability for meal period violations was based on allegations that Defendant had failed to implement its policies and that its practices failed to allow Class Members to take meal breaks in the manner required under California law. (Rose Decl., ¶ 31; *See Bradley v. Networkers Int'l, LLC,* 211 Cal.App.4th 1129, 1150 (2012) (holding that "the lack of a meal/rest break policy and the uniform failure to authorize such breaks are matters of common proof.")). Defendant contended that its policies and practices at all times during the Class Period were lawful. (Winn Decl., ¶ 31). Indeed, Plaintiffs' analysis revealed only a 10.7% violation rate for purported unique meal period violations after offsetting for meal period premiums paid. (Ibid). Defendant further argued that the rate of purported meal period violations reflected in the data would require individualized inquiry and that such inquiry would prohibit a class from being certified. (Ibid). Class Counsel also had to consider the risk that the Court would find validity in an individualized proof defense to certification of Plaintiffs' meal period claim. (Ibid).

Additionally, a large portion of Defendant's overall liability lies in Plaintiffs' rest period allegations. (*Id*., ¶ 32). As with the meal period allegations, Defendant contended that it had a lawful written rest period policy, provided compliant rest breaks, and relieved Class Members of all duties as required under California law. (Ibid). Additionally, this claim was even more uncertain given the difficulties associated with proving the alleged rest period violations, as Defendant was not required to record these breaks. (Ibid). Given the lack of records demonstrating rest period violations, there were legitimate concerns Plaintiffs would not be able to certify these claims or prove substantial damages with requisite certainty, which made the estimated value of this claim subject to much challenge. (Ibid).

Plaintiffs also faced challenges certifying and proving liability for their unpaid wage claims. (*Id*., ¶ 33). These claims were largely based on Defendant's unrecorded, off-the-clock work performed by the Class Members after their shifts and during purported meal periods. (Ibid). For example, Class Members reported that due to being subject to disciplinary action if they were to work past their shifts or unauthorized overtime, they were forced to clock out and then continue working. (Ibid). This off-the-clock work included continuing to care for customers, cleaning and resetting tables, putting away various items, cleaning workstations, polishing silverware, and setting up the spaces for the following day. (Ibid). However, the individualized nature of why this work was performed and the individualized nature of damages presented substantial concerns regarding the manageability of the case and the risk the Court could find these issues prevented certification, and the estimated damages for this claim were based on an assumption that all Class Members worked off the clock for at least one hour per week. (Ibid). Additionally, Plaintiffs' unpaid wages claim was based on unpaid overtime compensation, meal break premiums, and sick pay at the required regular rate of pay. (Ibid). However, Defendant alleged that the bonuses it pays its employees are all discretionary and that the bonuses were not required to be factored into the regular rate of pay. (Ibid).

Plaintiffs additionally contended that Defendant wrongfully exercised dominion over gratuities through its practices of withholding gratuities and putting an improperly large portion of them in tipping pools. (*Id*., ¶ 34). California Code of Regulations, Title 22, § 927-1(d) states that if an "employee is required to pay more than 15 percent to a tip pool, or the employer pays less than 85 percent of the total amount of its tips to the employee, then the amount retained by the employee or paid over by the employer is wages under Section 926. (Ibid). As wages, tips would then need to be included in the employer's calculation of the employee's regular rate of pay for purposes of overtime, premium pay, and sick pay. (Ibid). Defendant contended that its policies regarding tipping complied with the California Labor Code. (Ibid). Defendant further contended that it properly included tips in its calculation of the employee's regular rate of pay for purposes of overtime, premium pay, and sick pay. (Ibid). Essentially, it was determined that Plaintiffs faced challenges with these claims. (Ibid).

Plaintiffs also contended that Defendant failed to reimburse Plaintiffs and the other Class Members for necessary business-related expenses, such as the usage of personal cell phones for work-related purposes and the costs associated with purchasing clothing to comply with Defendant's dress code. (*Id*., ¶ 35). Defendant contended that it had a policy and practice of reimbursing employees for necessary business-related expenses. (Ibid). Defendant further contended that, with respect to the alleged expenses for which Plaintiffs and the other Class Members never requested reimbursement from Defendant, it did not know and had no reason to know that alleged business-related expenses had been incurred. (Ibid). Defendant further contended that the reason for why a Class Member undertook certain expenses, while not others, and failed to receive reimbursement for certain expenses while not others, would raise individual issues that could not be certified. (Ibid).

There are also substantial risks associated with Plaintiffs' waiting time penalties and wage statement claims. (*Id*., ¶ 36). First, these claims were derivative of Plaintiffs' claims for unpaid meal period premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages, and if certification was denied on those underlying claims, these derivative claims for penalties would also likely fail. (Ibid). Further, even if Plaintiffs prevailed on their underlying claims, they would still be required to demonstrate that Defendant's violations of California Labor Code section 203 were *willful* violations. (Winn Decl., ¶ 36; *See, e.g*., *Choate v. Celite Corp*., 215 Cal App. 4th 1460, 1468 (2013) (holding that "an employer's reasonable, good faith belief that wages are not owed may negate a finding of willfulness")). Wage statement claims have also seen varying treatment at the appellate level because such claims have an element of discretion attached to them rather than a pure calculation of damages after liability is proven. (Winn Decl. ¶ 36; *Jaimez v. DAIOHS USA, Inc*., 181 Cal.App.4th 1286 (2010) *with Price v. Starbucks Corp*., 192 Cal.App.4th 1136 (2011)). Accordingly, these derivative claims, which comprised a substantial portion of Defendant's estimated liability, were therefore uncertain. (Rose Decl., ¶ 36).

Class Counsel also recognized that, even if Plaintiffs prevailed at class certification, proving the amount of wages due to Class Members would be an expensive, time-consuming, and uncertain proposition. (*Id*., ¶ 37). In order to prove liability and damages, Class Counsel will need to request and analyze thousands of pages of documents, obtain the Class Members' contact information, contact them, and obtain their declarations at great expense. (Ibid). Obtaining the cooperation of current employees would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current employer. (Ibid). On the other hand, Defendant would likely be able to obtain the cooperation of its employees. (Ibid). Moreover, even if Plaintiffs prevailed at class certification and trial, possible appeals would substantially delay any recovery by the Class. (Ibid).

Therefore, taking into account how each of the above risks potentially effected Plaintiffs' ability to first obtain class certification, and then prove the underlying violations, plus the cost and delay in recovering the alleged potential damages, Class Counsel discounted Defendant's estimated liability based on the challenges facing their ability to succeed on class certification by 65% to $1,145,647. (*Id*., ¶ 38). The merits-based risk factors further reduced Defendant's estimated liability by an additional 60%.

(Ibid). This resulted in an adjusted estimated liability of $458,259. (Ibid). In light thereof, the settlement amount of $443,748 is a significant settlement. (Ibid).

Class Counsel also contemplated the risks of proceeding with the PAGA claims and potential liability Defendant could face from these claims as part of the global resolution. (*Id*., ¶ 39). Existing case law makes PAGA claims subject to the same defenses and risks as Plaintiffs' underlying wage claims. (Winn Decl., ¶ 39; see, *Elliot v. Spherion Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D. Cal. 2008) ("Plaintiff's claim under [PAGA] is wholly dependent upon her other claims. Because all of Plaintiff's other claims fail as a matter of law, so does her PAGA claim")). Class Counsel also anticipated that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory, and that Defendant would argue that it made a good faith attempt to comply with its legal obligations warranting a reduction in penalties. (Winn Decl., ¶ 39).[1] Class Counsel also anticipated Defendant would argue that the violations per pay period were low, warranting an additional reduction in civil penalties. (Ibid). Finally, Class Counsel was also mindful of the fact that PAGA is fundamentally not intended to be compensatory in nature but is instead intended to facilitate enforcement of California's labor laws by financing state activities and educating and deterring non-compliance. (Ibid).

Therefore, after considering this multitude of factors, Plaintiffs and Class Counsel concluded that it was in the best interest of the State of California and the Aggrieved Employees to enter into the Settlement, and to allocate Fifty Thousand Dollars and Zero Cents ($50,000.00) of the Gross Settlement Amount towards the PAGA claims, which represents approximately 11.27% of the Gross Settlement Amount. (*Id*., ¶ 40). This percentage of the settlement is well within the range of wage and hour settlements regularly approved in both state and federal court for cases that include both a class and

[1] See, e.g., *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1131 (2012) (imposition of both statutory and civil penalties for same conduct is impermissible double recovery) (disapproved on other grounds); *Aguirre v. Genesis Logistics*, 2013 WL 10936035, at *3 (C.D. Cal. 2013) ("duplicative effect" of penalties is a factor in favor of "reducing ...the PAGA penalty"); *Smith v. Lux Retail North America, Inc.*, 2013 WL 2932243, at *3 (N.D. Cal. June 13, 2013) (declining to stack penalties based on the same conduct); *Castillo v. ADT, LLC*, 2017 WL 363108, at *4 (E.D. Cal. Jan. 25, 2017); *Sanchez v. McDonalds Restaurants of California, Inc.*, 2017 WL 4620746 (LA Super. Ct. July 6, 2017) (declining to stack penalties arising out of the same conduct); *Fleming v. Covidien, Inc.*, 2011 WL 756304718, at *4 (C.D. Cal. Aug. 12, 2011) (reducing PAGA penalties by 80%); *Cotter v. Lyft, Inc.*, 193 F.Supp.3d 1030 (N.D. Cal. 2016) (indicating that a substantial reduction is warranted where good faith dispute exists in legal obligations); *Carrington v. Starbucks Corp*., 30 Cal.App.5th 504, 529 (2018) (approving reduction in penalties from $50 per pay period to $5 per pay period based on good faith attempts to comply with obligations and minimal violations).

PAGA action. (Ibid). Typically, such hybrid cases allocate only 1% of the gross settlement value to resolve PAGA claims, and, indeed, settlements allocations as little as 0.22% of the gross settlement amount have been approved as reasonable by courts. (Ibid). Moreover, the overall relief obtained by the Settlement is significant, not only from a monetary perspective, but also because it fulfills the public policy objectives of PAGA—to promote enforcement of California's labor laws, provide funds to the state, and deter future non-compliance by the employer. (Ibid).

The Settlement is in the best interest of the Class Members, the Aggrieved Employees, and the State of California and is within the accepted range of recoveries for this type of litigation given the inherent risk of litigation, the risk of obtaining and maintaining class certification, and the costs of further litigation. (*Id*., ¶ 41).

VI. CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED

Code of Civil Procedure Section 382 provides that three basic requirements must be met in order to sustain any class action: (1) there must be an ascertainable class; (2) there must be a well-defined community of interest in the question of law or fact affecting the parties to be represented; and (3) certification will provide substantial benefits to litigants and the courts, i.e., proceeding as a class action is superior to other methods. (*See Dunk*, 48 Cal.App.4th at 1806). Plaintiffs contends that the Class Action, which is based upon Defendant's wage and hour policies and practices, satisfies the class certification requirements under California Code of Civil Procedure section 382. Defendant denies Plaintiffs' allegations, but for purposes of the Settlement only, Defendant has stipulated to certification of the Class.

A. An Ascertainable Class Exists Which is So Numerous That Joinder of All Members is Impracticable

Whether an ascertainable class exists turns on three factors: (1) the class definition, (2) the size of the class, and (3) the means of identifying the class members. (*See Miller v. Woods*, 148 Cal.App.3d 862, 873 (1983)). In this case, all three considerations strongly favor class certification. Here, the Class is defined as "all current and former non-exempt or hourly paid employees who worked for Defendant in California at any time during the Class Period." (Winn Decl., ¶ 16; Settlement Agreement, ¶ 1.5). This provides a clear and definite scope for the proposed class.

Next, the Class is sufficiently numerous. There is no magic number that satisfies the numerosity requirement. Courts have certified classes with as few as ten or twenty-eight class members. (*Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981); *Bowles v. Superior Court*, 44 Cal. 2d 574 (1995); *Hebbard v. Colgrove*, 28 Cal.App.3d 1017, 1030 (1972)). Here, the estimated Class size of three hundred fifty (350) individuals meets the numerosity requirement.

Finally, the question of whether class members are easily identifiable turns on whether a plaintiff can establish "the existence of an ascertainable class." (*Daar v. Yellow Cab Co.*, 67 Cal.2d 695 at 706 (1967)). The existence of an ascertainable class in this case can be established through Defendant's payroll records, and the Class definition is sufficiently specific to enable the Parties, Class Members, and the Court to determine the parameters of the Class. (*See Clothesrigger, Inc. v. GTE Corp.*, 191 Cal.App.3d 605, 617 (1987)).

B. The Class Shares a Well-Defined Community of Interest

The community of interest requirement embodies three factors: (1) predominant questions of law and fact; (2) class representatives with claims or defenses typical of the class; and (3) class representatives who can adequately represent the class. (*Dunk*, 48 Cal.App.4th at 1806). Here, all three requirements are easily satisfied.

The commonality criterion requires the existence of common question of law or fact and is generally established with the issues of predominance and typicality. (*See Daar*, 67 Cal.2d 695, 706). What is required is that a common question of fact or law exists which predominates over issues unique to individual plaintiffs. The existence of individual issues or facts—generally present in any case arising from employment—is not a bar to class certification as long as they do not render class litigation unmanageable or predominate over the common issues. (*See B.W.I. Custom Kitchen v. Owens-Illinois, Inc.*, 191 Cal.App.3d 1341, 1354 (1987)).

Here, Plaintiffs' claims present common issues of law and fact that predominate and warrant class certification. Plaintiffs alleged that Defendant denied compliant meal and rest periods to employees, required employees to perform work off-the-clock, and failed to fully compensate employees for all time actually worked. These policies and practices meant that Defendant allegedly failed to pay minimum and overtime wages, and other related claims. Plaintiffs alleged that Defendant's policies and practices were uniform as to all Class Members. Thus, class treatment is appropriate.

To satisfy the typicality requirement, California law does not require that plaintiffs' claims be identical to the other class members. Rather, the test of typicality for a class representative is whether other members have the same or similar injury, whether the action is based on conduct which is not unique to the named plaintiff, and whether other class members have been injured by the same course of conduct. (*See Seastrom v. Neways, Inc.*, 149 Cal.App.4th 1496, 1502 (2007)). The typicality requirement for a class representative refers to the nature of the claim or defense of the representative, and not to the specific facts from which it arose or the relief sought. (*See* Ibid).

Here, Plaintiffs allege that their claims are similar to that of the other Class Members and that Plaintiffs' claims arise out of the same alleged course of conduct giving rise to the claims of the other Class Members. Because Plaintiffs' claims are based upon the same alleged conduct and business practices as those of Class Members, the typicality requirement has been satisfied.

Finally, the question of adequacy of representation "depends on whether the plaintiff's attorney is qualified to conduct the proposed litigation and the plaintiff's interests are not antagonistic to the interests of the class." (*McGee v. Bank of America*, 60 Cal.App.3d 442, 450 (1976)). Here, these considerations are satisfied. Class Counsel is well-regarded and is qualified and experienced in employment-related, class-action litigation. (Winn Decl., ¶¶ 2-9). Plaintiffs will vigorously, adequately, and fairly represent the interests of the Class. Plaintiffs have, at all times, throughout the course of the litigation considered the interests of the Class and understood that they must take steps to adequately represent the Class and their interests. (Guerin Decl., ¶ 10; Torres Decl., ¶ 10). Because Plaintiffs' claims are typical of other Class Members and are not based on unique circumstances, there is no antagonism between the interests of Plaintiffs and the Class.

C. A Class Action is Superior to a Multiplicity of Litigation

Under the circumstances, proceeding as a class action is a superior means of resolving this dispute, as the Class Members and the Court will derive substantial benefits. Class certification would serve as the only means to deter and redress the alleged violations. (*See Linder v. Thrifty Oil Co.*, 23 Cal.4th 429, 434 (2000) (relevant considerations include the probability that each class member will come forward to prove his or her separate claim and whether the class approach would actually serve to deter and redress the alleged wrongdoing)). Further, individual actions arising out of the same operative facts would unduly burden the courts and could result in inconsistent results. Therefore, class action proceedings are superior to individual litigation.

VII. THE REQUESTED CLASS REPRESENATIVE SERVICE PAYMENTS ARE REASONABLE

Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as compensation "for the expense or risk they have incurred in conferring a benefit on other members of the class." (*Munoz v. BCI Coca-Cola Bottling Co.*, 186 Cal.App.4th 399, 412 (2010)). Courts routinely grant approval of class action settlement agreements containing enhancements for the class representative, which are necessary to provide incentive to represent the class and are appropriate given the benefit the class representatives help to bring about for the class. (*See In re Online DVD Rental*, 779 F.3d 934, 947-948 (9th Cir. 2014) (approving incentive award 417 times larger than individual payments where incentive award made up a mere .17% of the settlement); *Gaudin v. Saxon Mortgage Servs., Inc.*, 2015 WL 7454183, at *10 (N.D. Cal. Nov. 23, 2015) (finding service award of $15,000 to be "fair and reasonable")).

Plaintiffs initiated this litigation on behalf of their former co-workers who will now be entitled to receive payment from the Settlement. Plaintiffs invested substantial time and effort into litigation, including their own research, reviewing documents, and extensive discussions with Class Counsel. (Guerin Decl., ¶¶ 3-5; Torres Decl., ¶¶ 3-5). Further, the requested amounts for Plaintiffs are also reasonable given the average award and the benefit gained by other Class Members. For these reasons, Plaintiffs request that a Class Representative Service Payment of Five Thousand Dollars and Zero Cents ($5,000.00) to Plaintiffs (total, $10,000.00) be preliminarily approved by the Court. (Winn Decl., ¶ 42; Guerin Decl., ¶ 12; Torres Decl., ¶ 12).

Additionally, Plaintiffs are in the process of negotiating individual settlement agreements with Defendant regarding Plaintiffs' individual claims of retaliation and wrongful termination. (Winn Decl., ¶ 42). For the avoidance of doubt, the existence and settlement of those individual claims do not create a conflict of interest nor do they undermine Plaintiffs' ability to fairly and vigorously protect the interest of the Class Members since the claims are distinct from the wage-and-hour claims and do not overlap in subject matter or relief. (Ibid).

THE REQUESTED CLASS COUNSEL FEES PAYMENT AND CLASS COUNSEL LITIGATION EXPENSES PAYMENT ARE REASONABLE

Trial courts have "wide latitude" in assessing the value of attorneys' fees and their decisions are "not to be disturbed on appeal absent a manifest abuse of discretion." (*Lealao v. Beneficial Cal, Inc.*, 82 Cal.App.4th 19, 41 (2000)). California law provides that attorney fee awards should be equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred. (*Id*. at 47). In cases where class members present claims against a common fund and the defendant agrees to a percentage of the fund as part of the settlement, use of the percentage method is appropriate. (*Id.* at 32).

Here, the requested attorneys' fees of thirty-five percent (35%) of the Gross Settlement Amount (i.e., $155,311.80 if the Gross Settlement Amount is $443,748.00) is disclosed to Class Members in the proposed Class Notice. (Settlement Agreement, Exh. A). The requested fee was freely negotiated, is common in the legal marketplace, and is not opposed by Defendant. The Motion for Final Approval will elaborate on the nature of the legal services provided and will also support Class Counsel's request for the reimbursement of litigation costs and expenses not to exceed Thirty Thousand Dollars and Zero Cents ($30,000.00). (Winn Decl., ¶¶ 43 and 45). The Class Counsel Fees Payment and Class Counsel Litigation Expenses Payment that are not ultimately approved by the Court shall instead be included in the Net Settlement Amount to be distributed to Participating Class Members. (Settlement Agreement, ¶ 3.2.2).

VIII. THE CLASS NOTICE AND THE OPT-OUT AND OBJECTION PROCESS MEETS DUE PROCESS REQUIREMENTS

The Parties have jointly drafted the Class Notice, which will be mailed to the Class Members. (*Id*., Exh. A). The Class Notice will include information regarding the nature of the Actions, a summary of the terms of the Settlement, the Class definition, information on how to object to and/or opt-out of the Class Settlement and to dispute Workweeks and/or Pay Periods, and the date of the Final Approval Hearing. (Ibid). The Class Notice will list each Class Member's total Workweeks and their estimated Individual Class Payment and each Aggrieved Employee's total Pay Periods and their estimated Individual PAGA Payment. (Ibid).

Within twenty-one (21) calendar days after Defendant's counsel's receipt of the preliminary approval order, Defendant will provide a list in a formatted readable Microsoft Office Excel spreadsheet to the Administrator containing the following information for each Class Member: full name, last-known mailing address, Social Security number, and number of Workweeks and Pay Periods (collectively referred to as the "Class Data"). (*Id.*, ¶¶ 1.8 and 4.1). Within fourteen (14) calendar days after receiving the Class Data from Defendant, the Administrator will perform a search based on the National Change of Address Database or other similar services available, such as provided by Experian, for information to update and correct for any known or identifiable address changes, and will mail a Class Notice in English and Spanish to all Class Members via First-Class U.S. Mail, using the most current, known mailing addresses identified by the Administrator. (*Id.*, ¶ 8.4.2). The Parties have agreed to use Xpand Legal Consulting LLC as the Administrator. (Winn Decl., ¶ 46; Settlement Agreement, ¶ 1.2).

In determining whether to approve a settlement of a class action, a trial court has virtually complete discretion as to the manner of giving notice to class members, and review on appeal is governed by the abuse of discretion standard. (*See In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380 (2010)). Here, Class Counsel is not aware of an alternative method of providing notice to the Class which would result in a higher likelihood of actual notice. (Winn Decl., ¶ 47). The original source of the mailing addresses is from Class Members, who provided the information to Defendant. (Ibid).

Class Members will have forty-five (45) calendar days from the initial mailing of the Class Notice by the Administrator to submit a Request for Exclusion, written objection, and/or challenge to Workweeks and/or Pay Periods ("Response Deadline"). (Settlement Agreement, ¶ 1.42).

No later than three (3) business days after the Administrator's receipt of any Class Notice returned by the United States Postal Service ("USPS") as undelivered, the Administrator shall re-mail the Class Notice using any forwarding address provided by the USPS. (*Id.*, ¶ 8.4.2). If the USPS does not provide a forwarding address, the Administrator shall conduct a Class Member Address Search, and re-mail the Class Notice to the most current address obtained, and perform a single re-mailing within five (5) calendar days. (*Id.* ¶ 8.4.3). In the event that a Class Notice is re-mailed to a Class Member, the deadline for Class Members' written objections, challenges to Workweeks and/or Pay Periods, and Requests for Exclusion will be extended an additional fourteen (14) calendar days from the original Response Deadline. (*Id.*, ¶ 8.4.4).

Class Members will have an opportunity to dispute the number of Workweeks and/or Pay Periods to which they have been credited, as reflected in their respective Class Notices, by submitting a timely and valid challenge to the Administrator, by mail, fax, or email, on or before the Response Deadline. (*Id*., ¶ 8.6).

Any Class Member wishing to be excluded from the Class Settlement must submit a written request to be excluded from the release of class action claims signed by the Class Member ("Request for Exclusion") to the Administrator, by mail, fax, or email, on or before the Response Deadline. (*Id*., ¶¶ 1.41 and 8.5.1). Notwithstanding the above, all Aggrieved Employees will be bound by the PAGA Settlement and will be issued their Individual PAGA Payment, irrespective of whether they submit a Request for Exclusion. (Settlement Agreement., ¶ 8.5.4).

To object to the Class Settlement, Participating Class Members must submit a timely and complete written objection to the Administrator, by mail, fax, or email, on or before the Response Deadline. (*Id*., ¶ 8.7.2). Participating Class Members, individually or through counsel, may also present their objection orally at the Final Approval Hearing, regardless of whether they have submitted a written objection. (Ibid).

IX. CONCLUSION

For all of the foregoing reasons, Plaintiffs respectfully request that this Court grant Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement and the relief requested herein.

Respectfully submitted,

Dated: January 5, 2026

BLACKSTONE LAW, APC

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