

Karen I. Gold (State Bar No. 258360)
kgold@blackstonepc.com
Noam Y. Reiffman (State Bar No. 299446)
nreiffman@blackstonepc.com
Marissa M. Mayhood (State Bar No. 334376)
mmayhood@blackstonepc.com
Alexandra Rose (State Bar No. 329407)
arose@blackstonepc.com
BLACKSTONE LAW, APC
8383 Wilshire Boulevard, Suite 745
Beverly Hills, California 90211
Tel: (310) 622-4278 / Fax: (855) 786-6356

*Attorneys for Plaintiff EDGAR CORRAL, individually,
and on behalf of similarly situated individuals
and members of the general public*

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF ORANGE**

EDGAR CORRAL, individually, and on behalf of
similarly situated individuals and members of the
general public,

Plaintiff,

vs.

PENN ELCOM, INC., a California corporation;
OPTIMUM EMPLOYER SOLUTIONS, LLC., a
California limited liability corporation; and
DOES 1 through 25, inclusive,

Defendants.

Case No. 30-2023-01363928-CU-OE-CXC

Honorable Melissa R. McCormick
Department CX105

**NOTICE OF MOTION AND MOTION FOR
PRELIMINARY APPROVAL OF CLASS
ACTION AND PAGA SETTLEMENT;
MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT THEREOF**

Reservation No.: 74634307
Date: October 16, 2025
Time: 2:00 p.m.
Dept.: CX105

Complaint Filed: November 17, 2023
FAC Filed: January 12, 2024
Trial Date: Not Set

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

2 **PLEASE TAKE NOTICE THAT on October 16, 2025 at 2:00 p.m.** in Department CX105 of
3 the above-captioned Court located at Civil Complex Center, 751 West Santa Ana Boulevard, Santa Ana,
4 California, 92701, pursuant to California Code of Civil Procedure section 382 and Rule 3.769 of the
5 California Rules of Court, Plaintiff Edgar Corral (“Plaintiff”) will and hereby does move the Court for
6 an Order granting preliminary approval of the proposed class action and PAGA settlement between
7 Plaintiff and Defendants Penn Elcom, Inc. and Optimum Employer Solutions, LLC (together,
8 “Defendants”).

9 Plaintiff requests that the Court enter an Order:

10 1. Preliminarily approving the Joint Stipulation of Class Action and PAGA Settlement
11 (“Settlement” or “Settlement Agreement”) attached as Exhibit 1 to the [Proposed] Order Granting
12 Preliminary Approval of Class Action and PAGA Settlement and Exhibit 3 to the Declaration of
13 Alexandra Rose in Support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA
14 Settlement (“Rose Decl.”);

15 2. Certifying the Class for Settlement purposes;

16 3. Appointing Plaintiff Edgar Corral as the Class Representative for Settlement purposes;

17 4. Appointing Jonathan M. Genish, Karen I. Gold, Noam Y. Reiffman, Marissa A. Mayhood,
18 Sara Pezehkpour, and Alexandra Rose of Blackstone Law, APC as Class Counsel for Settlement
19 purposes;

20 5. Approving the proposed Notice of Class Action and PAGA Settlement (“Class Notice”),
21 Request for Exclusion Form (“Exclusion Form”), and Notice of Objection Form (“Objection Form”),
22 attached as Exhibit A, Exhibit B, and Exhibit C, respectively, to the Settlement Agreement, to be mailed
23 to the Class;

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

26 7. For each Class Member, directing Defendant Penn Elcom, Inc. to furnish their full name,
27 last known mailing address, Social Security number, dates worked for Defendant Penn Elcom, Inc. during
28 the Class Period, and such other information as is necessary for the Settlement Administrator to calculate

1 Workweeks and PAGA Workweeks to the Settlement Administrator within fourteen (14) calendar days
2 after entry of the order granting preliminary approval of the Settlement;

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

4 9. Setting a Final Approval Hearing.

5 Pursuant to California Labor Code section 2699(1)(2), on August 13, 2025, a copy of the
6 Settlement was submitted to the California Labor and Workforce Development Agency (“LWDA”) via
7 online submission through the LWDA’s website. (Rose Decl., ¶ 48 and Exh. 5).

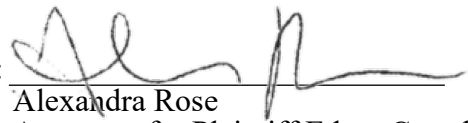
8 This Motion is based upon this Notice, the attached Memorandum of Points and Authorities, the
9 Declaration of Alexandra Rose, the Declaration of Plaintiff Edgar Corral, the Declaration of the
10 Settlement Administrator (Sean Hartranft of Apex Class Action LLC), the pleadings and other records
11 on file with the Court in this matter, and any other further evidence or argument that the Court may
12 properly receive at or before the hearing.

13 Respectfully submitted,

14 Dated: August 13, 2025

BLACKSTONE LAW, APC

15
16 By:



Alexandra Rose
Attorneys for Plaintiff Edgar Corral

TABLE OF CONTENTS

I.	INTRODUCTION.....	1
II.	FACTUAL AND PROCEDURAL BACKGROUND.....	2
III.	THE SETTLEMENT TERMS	3
	A. Class Definition	3
	B. Amount of Settlement.....	4
	C. Allocation and Funding of the Gross Settlement Amount	4
	D. Released Claims	7
IV.	STANDARD OF REVIEW FOR PRELIMINARY APPROVAL	8
V.	THE SETTLEMENT IS PRESUMED FAIR.....	9
	A. The Settlement Was Reached as a Result of Arm’s-Length Bargaining	9
	B. Sufficient Investigation and Discovery by Experienced Class Counsel	9
	C. The Settlement is Fair and Reasonable in Light of the Parties’ Respective Legal Positions and Recovery Risks.....	10
	1. Class Counsel’s Analysis of the Maximum Available Liability and Damages	10
VI.	CERTIFICATION FOR SETTLEMENT PURPOSES IS WARRANTED	15
	A. An Ascertainable Class Exists Which is So Numerous That Joinder of All Members is Impracticable.....	15
	B. The Class Shares a Well-Defined Community of Interest	16
	C. A Class Action is Superior to a Multiplicity of Litigation.....	18
VII.	THE REQUESTED ENHANCEMENT PAYMENT IS REASONABLE.....	18
VIII.	THE REQUESTED ATTORNEYS’ FEES AND COSTS ARE REASONABLE	19
IX.	THE CLASS NOTICE AND THE OPT-OUT AND OBJECTION PROCESS MEETS DUE PROCESS REQUIREMENTS.....	19
X.	CONCLUSION	22

TABLE OF AUTHORITIES

Cases

<i>Aguirre v. Genesis Logistics</i> , 2013 WL 10936035 (C.D. Cal. 2013)	14
<i>Armstrong v. Board of School Directors of City of Milwaukee</i> , 616 F.2d 305 (7th Cir. 1980).....	8
<i>B.W.I. Custom Kitchen v. Owens-Illinois, Inc.</i> , 191 Cal.App.3d 1341 (1987)	16
<i>Bradley v. Networkers Int’l, LLC</i> , 211 Cal.App.4th 1129 (2012)	11
<i>Brinker Restaurant Corp. v. Superior Court</i> , 53 Cal.4th 1051 (2012);	11
<i>Carrington v. Starbucks Corp.</i> 30 Cal.App.5th 504, 529 (2018)	14
<i>Castillo v. ADT, LLC</i> , 2017 WL 363108 (E.D. Cal. Jan. 25, 2017)	14
<i>Choate v. Celite Corp.</i> , 215 Cal App. 4th 1460, 1468 (2013)	13
<i>Clark v. Am. Residential Servs. LLC</i> , 175 Cal. App. 4th 785 (2009)	9
<i>Clothesrigger, Inc. v. GTE Corp.</i> , 191 Cal.App.3d 605 (1987)	16
<i>Cotter v. Lyft, Inc.</i> , 193 F.Supp.3d 1030 (N.D. Cal. 2016).....	14
<i>Daar v. Yellow Cab Co.</i> , 67 Cal. 2d 695 (1967).....	16
<i>Duran v. U.S. Bank Nat. Assn.</i> , 59 Cal.4th 1 (2014).....	11
<i>Elliot v. Spherion Pac. Work, LLC</i> , 572 F.Supp.2d 1169, 1181-82 (C.D. Cal. 2008).....	14
<i>Gaudin v. Saxon Mortgage Servs., Inc.</i> , 2015 WL 7454183 (N.D. Cal. Nov. 23, 2015)	18
<i>Hebbard v. Colgrove</i> , 28 Cal.App.3d 1017, 1030 (1972).....	16
<i>In re Cellphone Fee Termination Cases</i> , 186 Cal.App.4th 1380 (2010).....	20
<i>In re Online DVD Rental</i> , 779 F.3d 934 (9th Cir. 2014)	18
<i>Jaimez v. DAIOHS USA, Inc.</i> , 181 Cal.App.4th 1286 (2010).....	13
<i>Kullar v. Foot Locker Retail, Inc.</i> (2008) 168 Cal.App.4th 116.....	10
<i>Lealao v. Beneficial Cal, Inc.</i> , 82 Cal.App.4th 19 (2000)	19
<i>Linder v. Thrifty Oil Co.</i> , 23 Cal.4th 429 (2000)	18
<i>McGee v. Bank of America</i> , 60 Cal.App.3d 442 (1976)	17
<i>Miller v. Woods</i> , 148 Cal.App.3d 862 (1983).....	15
<i>Munoz v. BCI Coca-Cola Bottling Co.</i> , 186 Cal.App.4th 399 (2010)	18
<i>Naranjo v. Specturm Security Services, Inc.</i> , 40 Cal.App.5th 444 (2019).....	13

1	<i>Officers for Justice v. Civil Service Commission of City and County of San Francisco</i> , 688 F.2d 615 (1982).....	9
2	<i>Price v. Starbucks Corp.</i> , 192 Cal.App.4th 1136 (2011).....	13
3	<i>Rose v. City of Hayward</i> , 126 Cal.App.3d 926, 934 (1981)	16
4	<i>Sanchez v. McDonalds Restaurants of California, Inc.</i> , 2017 WL 4620746 (LA Super. Ct. July 6, 2017)	14
5	<i>Seastrom v. Neways, Inc.</i> , 149 Cal.App. 4th 1496 (2007)	17
6	<i>See In re Microsoft I-V Cases</i> , 135 Cal.App.4th 706 (2006).....	9
7	<i>Smith v. Lux Retail North America, Inc.</i> , 2013 WL 2932243 at *3 (N.D. Cal. June 13, 2013).....	14
8	<i>Thurman v. Bayshore Transit Management, Inc.</i> , 203 Cal.App.4th 1112,1131 (2012)	14
9	<i>Wershba v. Apple Computer, Inc.</i> , 91 Cal.App.4th 224 (2001).....	8, 9, 10
10	<i>Wesson v. Staples the Office Superstore, LLC</i> , 68 Cal.App.5th 746 (2021).....	14
11	Statutes	
12	Code of Civil Procedure Section 382.....	15
13	Labor Code section 203	13
14	Other Authorities	
15	<i>Findings of the Study of California Class Action Litigation</i> , 2000-2006, available at http://www.courts.ca.gov/documents/class-action-lit-study.pdf	11
16	Rules	
17	Cal. Rules of Court, Rule 3.769(c)	8
18	Cal. Rules of Court, Rule3.769(g)	9

1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Edgar Corral (“Plaintiff”) seeks preliminary approval of the Joint Stipulation of Class
4 Action and PAGA Settlement (“Settlement” or “Settlement Agreement”) entered into between Plaintiff
5 and Defendants Penn Elcom, Inc. (“Penn Elcom”) and Optimum Employer Solutions, LLC (“Optimum”)
6 (together, “Defendants”) (collectively, with Plaintiff, the “Parties”). (Declaration of Alexandra Rose in
7 Support of Plaintiff’s Motion for Preliminary Approval of Class Action and PAGA Settlement [“Rose
8 Decl.”], Exh. 3). The Settlement terms are outlined as follows:

- 9
- Class Size: Approximately thirty-three (33) individuals.
 - 10 • Gross Settlement Amount: One Hundred Fifty Thousand Dollars and Zero Cents
11 (\$150,000.00).
 - 12 • Attorneys’ Fees and Costs: Attorneys’ fees of thirty-five percent (35%) of the Gross
13 Settlement Amount (\$52,500.00 if the Gross Settlement Amount is \$150,000.00) plus actual
14 litigation costs and expenses not to exceed Fifteen Thousand Dollars and Zero Cents
15 (\$15,000.00), to be paid from the Gross Settlement Amount.
 - 16 • Enhancement Payment: Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00),
17 to be paid from the Gross Settlement Amount.
 - 18 • Settlement Administration Costs: Not to exceed Five Thousand Five Hundred Dollars and
19 Zero Cents (\$5,500.00), to be paid from the Gross Settlement Amount.
 - 20 • PAGA Amount: Ten Thousand Dollars and Zero Cents (\$10,000.00) from the Gross
21 Settlement Amount, 75% of which will be paid to the Labor and Workforce Development
22 Agency (“LWDA”) and the remaining 25% to be paid to the PAGA Employees.
 - 23 • Estimated Net Settlement Amount: Fifty-Nine Thousand Five Hundred Dollars and Zero
24 Cents (\$59,500.00) to be distributed to Settlement Class Members.

25 As set forth herein, the Settlement is the product of informed discovery and arms-length
26 negotiations, and provides a fair, adequate, and reasonable recovery for the Class. Plaintiff therefore
27 respectfully requests that the Court grant preliminarily approval of the Settlement, conditionally certify
28 the Class, approve the proposed Notice of Class Action and PAGA Settlement (“Class Notice”), Request
for Exclusion Form (“Exclusion Form”), and Notice of Objection Form (“Objection Form”), and set a

1 hearing date for final settlement approval, among other requested relief.

2 II. FACTUAL AND PROCEDURAL BACKGROUND

3 Penn Elcom is a global manufacturer of quality Flight Case and Speaker Cabinet Hardware, as
4 well as 19 Inch Racking solutions. Optimum is a Professional Employer Organization that has partnered
5 with Penn Elcom to provide certain employee administrative services and products, including payroll
6 processing, new employee screening, onboarding, compliance, human resources advice, as well as direct
7 assistance concerning employee benefits. Plaintiff was employed by Defendants as an hourly-paid, non-
8 exempt Warehouse Associate from approximately September 2022 to approximately August 2023.
9 (Declaration of Plaintiff Edgar Corral in Support of Motion for Preliminary Approval of Class Action
10 and PAGA Settlement [“Corral Decl.”], ¶ 2).

11 On November 7, 2023, Plaintiff provided written notice to the LWDA by online submission and
12 to Defendants by U.S. Certified Mail, pursuant to California Labor Code Section 2699.3, of the specified
13 provisions of the California Labor Code alleged to have been violated by Defendants (“PAGA Letter”).
14 (Rose Decl., ¶ 10 and Exh. 2).

15 On November 17, 2023, Plaintiff filed a Class Action Complaint for Damages in the action
16 entitled *Edgar Corral v. Penn Elcom, Inc., et al.*, Orange County Superior Court Case No. 30-2023-
17 01363928-CU-OE-CXC (“Action”), thereby commencing a putative class action against Defendants.
18 (*Id.*, ¶ 11).

19 On January 12, 2024, Plaintiff filed a First Amended Class and Representative Action Complaint
20 (“Operative Complaint”) in the Action, which added a cause of action under the Private Attorneys
21 General Act of 2004 pursuant to California Labor Code Section 2698 *et seq.* (“PAGA”). (*Id.*, ¶ 12). The
22 Operative Complaint alleges ten (10) causes of action for violations of the California Labor Code for
23 failure to pay minimum wages, failure to pay overtime wages, failure to provide compliant meal periods
24 and premium payments in lieu thereof, failure to provide compliant rest periods and premiums payments
25 in lieu thereof, failure to timely pay wages during employment, failure to provide compliant wage
26 statements, failure to timely pay wages upon termination, and failure to reimburse necessary business
27 expenses, for violations of California Business & Professions Code Section 17200, *et seq.* based on the
28 aforementioned California Labor Code violations, and for civil penalties under PAGA based on the

1 aforementioned California Labor Code violations. (Ibid).

2 On September 6, 2024, the Parties participated in a formal mediation conducted by Jason Marsili
3 (“Mediator”), a neutral and respected mediator with extensive experience in complex wage and hour
4 matters, and with the assistance of the Mediator’s evaluations, the Parties were able to reach an agreement
5 to resolve this dispute on a class and representative basis. (*Id.*, ¶ 13). The Parties then worked diligently
6 to negotiate and memorialize the terms in a long form settlement agreement. (Ibid).

7 On July 16, 2025, the Parties executed the Settlement Agreement. (*Id.*, ¶ 14 and Exh. 3).

8 **III. THE SETTLEMENT TERMS**

9 **A. Class Definition**

10 For purposes of settlement only, the Parties have agreed that the Class shall be defined as “all
11 current and former hourly-paid and/or non-exempt employees who worked for Defendant Penn Elcom,
12 Inc. within the State of California at any time during the Class Period” (“Class” or Class Member(s)).
13 (Rose Decl., ¶ 15; Settlement Agreement, ¶ 6.b). The “Class Period” is defined as the period from
14 November 17, 2019 through October 11, 2024, subject to Paragraph 13 of the Settlement Agreement.
15 (Rose Decl., ¶ 15; Settlement Agreement, ¶ 6.f). Additionally, the Parties have agreed that the PAGA
16 Employees shall be defined as “all current and former hourly-paid and/or non-exempt employees who
17 worked for Defendant Penn Elcom, Inc. within the State of California at any time during the PAGA
18 Period” (“PAGA Employee(s)"). (Rose Decl., ¶ 15; Settlement Agreement, ¶ 6.aa). The “PAGA Period”
19 is defined as the period from November 7, 2022 through October 11, 2024, subject to Paragraph 13 of
20 the Settlement Agreement. (Rose Decl., ¶ 15; Settlement Agreement, ¶ 6.cc). Based on information
21 provided by Defendants, it is estimated that there are a total of thirty-three (33) Class Members who
22 worked four thousand and thirty-eight (4,038) weeks for Defendant Penn Elcom, Inc. as hourly-paid
23 and/or non-exempt employees in California during the Class Period (“Workweeks”) and twenty-two (22)
24 PAGA Employees who worked one thousand seven hundred and twenty-five (1,725) weeks for
25 Defendant Penn Elcom, Inc. as hourly-paid and/or non-exempt employees in California during the PAGA
26 Period (“PAGA Workweeks”). (Rose Decl., ¶ 15; Settlement Agreement, ¶¶ 6.ee and 6.pp).

27 ///

28 ///

Pursuant to the Escalator Clause in Paragraph 13 of the Settlement Agreement, if it is determined by the Settlement Administrator that the total number of Workweeks worked by the Class Members during the Class Period actually exceeds 3,906 (110% of 3,551), then the Gross Settlement Amount will be increased by the same number of percentage points (above 10%) over which the actual number of Workweeks exceeds 3,906. (Rose Decl., ¶ 16; Settlement Agreement, ¶ 13). At its option, Penn Elcom can avoid increasing the Gross Settlement Amount by electing to end the Class Period and PAGA Period on the date by which the number of Workweeks reaches 3,906. (Rose Decl., ¶ 16; Settlement Agreement, ¶ 13). As provided in the previous Paragraph, it is estimated that the Class Members worked 4,038 Workweeks during the Class Period. (Rose Decl., ¶ 16). Accordingly, it is believed that the Escalator Clause has been triggered. Penn Elcom has expressed that it will exercise its option in electing to end the Class Period and PAGA Period on the date by which the number of Workweeks reaches 3,906, which is estimated to be August 15, 2024. (Ibid). Pursuant to Apex Class Action LLC's ("Apex" or "Settlement Administrator") duties, the Settlement Administrator will calculate the number of Workweeks once they are in receipt of the Class List, which occurs after the Court grants preliminary approval of the Settlement. (Rose Decl., ¶ 16; Settlement Agreement, ¶¶ 6.d, 6.mm, and 23). Accordingly, while Penn Elcom has estimated the number of Workweeks and date that the Workweeks reach 3,906, the Settlement Administrator will confirm these figures once they receive the Class List. (Rose 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 One Hundred Fifty Thousand Dollars and Zero Cents (\$150,000.00), exclusive of employer-side payroll taxes. (Rose Decl., ¶ 17; Settlement Agreement, ¶ 6.q).

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. (Rose Decl., ¶ 17; Settlement Agreement, ¶ 6.q). The Gross Settlement Amount includes: (1) Class Counsel's fees in the amount of thirty-five percent (35%) of the Gross Settlement Amount (i.e., \$52,500.00 if the Gross Settlement Amount is \$150,000.00); (2) Class Counsel's actual litigation costs and expenses, not to exceed Fifteen Thousand Dollars and Zero Cents (\$15,000.00); (3) Settlement Administration Costs, not to exceed Five Thousand Five Hundred Dollars and Zero Cents

1 (\$5,500.00); (4) Enhancement Payment in the amount of Seven Thousand Five Hundred Dollars and Zero
2 Cents (\$7,500.00); and (5) PAGA Amount of Ten Thousand Dollars and Zero Cents (\$10,000.00). (Rose
3 Decl., ¶ 17; Settlement Agreement, ¶¶ 6.q, 9, 10, 11, and 12). After the above-estimated amounts are
4 deducted from the Gross Settlement Amount, the Net Settlement Amount that will be available for Class
5 Members is currently estimated to be Fifty-Nine Thousand Five Hundred Dollars and Zero Cents
6 (\$59,500.00). (Rose Decl., ¶ 17). Additionally, 25% of the PAGA Amount (“PAGA Employee
7 Amount”), which is \$2,500.00 out of \$10,000.00, will be fully distributed to the PAGA Employees. (Rose
8 Decl., ¶ 17; Settlement Agreement, ¶¶ 6.bb and 11).

9 The Net Settlement Amount will be distributed and paid to all Class Members who do not submit
10 a timely and valid Request for Exclusion (“Settlement Class Member(s)”) on a *pro rata* basis based on
11 their number of Workweeks. (Rose Decl., ¶ 18; Settlement Agreement, ¶¶ 6.oo and 14). The *pro rata*
12 share of the Net Settlement Amount that a Class Member may be eligible to receive under the Class
13 Settlement (“Individual Settlement Share”) will be calculated by the Settlement Administrator, in
14 accordance with the Settlement Agreement. (Rose Decl., ¶ 18; Settlement Agreement, ¶¶ 6.7 and 14).
15 The highest Individual Settlement Share is estimated to be \$3,762.54¹, the average Individual Settlement
16 Share is estimated to be \$1,919.35, and the lowest Individual Settlement Share is estimated to be \$15.23.
17 (Rose Decl., ¶ 18).

18 The PAGA Employee Amount will be distributed and paid to all PAGA Employees on a *pro rata*
19 basis based on their number of PAGA Workweeks. (Rose Decl., ¶ 19; Settlement Agreement, ¶ 15). The
20 *pro rata* share of the PAGA Employee Amount that a PAGA Employee may be eligible to receive under
21 the PAGA Settlement (“Individual PAGA Payment”) will be calculated by the Settlement Administrator,
22 in accordance with the Settlement Agreement. (Rose Decl., ¶ 19; Settlement Agreement, ¶¶ 6.r and 15).
23 The highest Individual PAGA Payment is estimated to be \$133.33², the average Individual PAGA
24

25 ¹ For clarity, these figures were calculated using 3,906 Workweeks and a Class Period end date as August 15, 2024, pursuant
26 to the expected triggering of the Escalator Clause. Further, Defendants confirmed that there are 31 Class Members through
27 August 15, 2024. Additionally, the estimated highest Individual Settlement Share assumes a Class Member worked every
28 Workweek through August 15, 2024. Accordingly, if the highest number of Workweeks that one Class Member worked is
less than every Workweek through August 15, 2024, the highest Individual Settlement Share will be less than \$3,762.54.

² For clarity, these figures were calculated using 1,716 PAGA Workweeks and a PAGA Period end date of August 15, 2024.
Additionally, the estimated highest Individual PAGA Payment assumes a PAGA Employee worked every PAGA Workweek
through August 15, 2024. Accordingly, if the highest number of PAGA Workweeks that one PAGA Employee worked is less
than every PAGA Workweek through August 15, 2024, the highest Individual PAGA Payment will be less than \$133.33.

1 Payment is estimated to be \$113.64, and the lowest Individual PAGA Payment is estimated to be \$1.45.
2 (Rose Decl., ¶ 19).

3 Each Individual Settlement Share will be allocated as twenty percent (20%) wages and eighty
4 percent (80%) penalties, interest, and non-wage damages. (Rose Decl., ¶ 20; Settlement Agreement, ¶
5 16). The portion allocated to wages will be reported on an IRS Form W-2 and the portions allocated to
6 penalties, interest, and non-wage damages will be reported on an IRS Form 1099 (if applicable) by the
7 Settlement Administrator. (Rose Decl., ¶ 20; Settlement Agreement, ¶ 16). The Settlement Administrator
8 will withhold the employee's share of taxes and withholdings with respect to the wages portion of the
9 Individual Settlement Shares, and issue checks to Settlement Class Members for their net payment of
10 their Individual Settlement Share ("Individual Settlement Payment"). (Rose Decl., ¶ 20; Settlement
11 Agreement, ¶¶ 6.s and 16). The employer's share of taxes and contributions in connection with the wages
12 portion of Individual Settlement Shares will be paid by Penn Elcom separately and in addition to the
13 Gross Settlement Amount. (Rose Decl., ¶ 20; Settlement Agreement, ¶¶ 6.q and 16). Each Individual
14 PAGA Payment will be allocated as one hundred percent (100%) penalties and will be reported on an
15 IRS Form 1099 (if applicable) by the Settlement Administrator. (Rose Decl., ¶ 20; Settlement
16 Agreement, ¶ 16).

17 The Settlement Agreement is a non-reversionary and non-claims made settlement. (Rose Decl.,
18 ¶ 21; Settlement Agreement, ¶¶ 6.q and 34). The Net Settlement Amount will be fully distributed to
19 Settlement Class Members and the PAGA Amount will be fully distributed to the LWDA and PAGA
20 Employees, in accordance with the Settlement Agreement. (Rose Decl., ¶ 21; Settlement Agreement, ¶¶
21 14 and 15). No money will revert to Defendants. (Rose Decl., ¶ 21; Settlement Agreement, ¶ 6.q).

22 Each Individual Settlement Payment and Individual PAGA Payment check will be valid and
23 negotiable for one hundred and eighty (180) calendar days from the date the checks are issued, and
24 thereafter, shall be canceled. (Rose Decl., ¶ 22; Settlement Agreement, ¶ 34). Any funds associated with
25 such canceled checks will be distributed by the Settlement Administrator to the State of California's
26 Unclaimed Property Division in the name of the Settlement Class Member and/or PAGA Employee.
27 (Rose Decl., ¶ 22; Settlement Agreement, ¶ 34).

28 ///

1 **D. Released Claims**

2 Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff and all
3 Settlement Class Members will be deemed to have fully, finally, and forever released, settled,
4 compromised, relinquished, and discharged the Released Parties of all Released Class Claims.
5 (Settlement Agreement, ¶ 35).

6 Upon the Effective Date and full funding of the Gross Settlement Amount, Plaintiff, the State of
7 California with respect to all PAGA Employees, and all PAGA Employees will be deemed to have fully,
8 finally, and forever released, settled, compromised, relinquished, and discharged the Released Parties of
9 all Released PAGA Claims. (*Id.*, ¶ 36).

10 “Released Class Claims” any and all claims, debts, liabilities, demands, obligations, guarantees,
11 costs, expenses, attorneys’ fees, damages, or causes of action which were alleged or which could have
12 been alleged based on the factual allegations in the Operative Complaint, arising during the Class Period,
13 under any federal, state, or local law, and shall specifically include claims for Defendants’ alleged failure
14 to pay minimum wages, alleged failure to pay overtime wages, alleged failure to provide compliant meal
15 periods and premium payments in lieu thereof, alleged failure to provide compliant rest periods and
16 premium payments in lieu thereof, alleged failure to timely pay wages during employment, failure to
17 provide compliant wage statements, alleged failure to timely pay wages upon termination, and alleged
18 failure to reimburse necessary business expenses in violation of California Labor Code Sections 201, 202,
19 203, 204, 226(a), 226.7, 210, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial
20 Welfare Commission Wage Orders, including *inter alia*, Wage Order 1-2001, and all claims for attorneys’
21 fees and costs and statutory interest in connection therewith, California Business and Professions Code
22 sections 17200, *et seq.*, and any other claims, including claims for statutory penalties, pertaining to the
23 Class Members. (*Id.*, ¶ 6.hh).

24 “Released PAGA Claims” means any and all claims arising from any of the factual allegations in
25 the PAGA Letter, arising during the PAGA Period, for civil penalties under the Private Attorneys General
26 Act of 2004, California Labor Code Sections 2698 *et seq.*, including all claims for attorneys’ fees and
27 costs related thereto, for Defendants’ alleged failure to pay minimum wages, failure to pay overtime
28 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 compliant wage statements, failure to timely pay wages upon termination, and failure to reimburse necessary business expenses in violation of California Labor Code Sections 201, 202, 203, 204, 226(a), 226.7, 210, 510, 512(a), 1194, 1197, 1197.1, 1198, 2800, and 2802, and Industrial Welfare Commission Wage Orders, including *inter alia*, Wage Order 1-2001. (*Id.*, ¶ 6.ii).

“Released Parties” means Defendants and their past, current, and/or future, direct and/or indirect, officers, directors, members, managers, employees, partners, investors, administrators, parent companies, shareholders, subsidiaries, predecessors, successors, and assigns. (*Id.*, ¶ 6.jj).

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 involves a two-step process. (*See* Cal. Rules of Court, Rule 3.769(c)). First, counsel submits 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*

1 *Cases*, 135 Cal. App. 4th 706, 723 (2006)).

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

9 **V. THE SETTLEMENT IS PRESUMED FAIR**

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

11 California courts recognize that “a presumption of fairness exists where . . . [a] settlement is
12 reached through arm's-length bargaining.” (*Wershba*, 91 Cal.App.4th at 245; *see also Clark v. Am.*
13 *Residential Servs. LLC*, 175 Cal.App.4th 785, 799 (2009)). Here, the Parties' settlement negotiations
14 were at all times made at arm's-length and were adversarial. (Rose Decl., ¶ 23). The Settlement was
15 reached following a full day of mediation with a highly respected mediator with substantial experience
16 mediating wage and hour cases. (*Ibid*). At all times, Plaintiff was willing and prepared to litigate this
17 matter through class certification and trial if the Parties had been unable to reach a favorable resolution.
18 (*Id.*, ¶ 44).

19 **B. Sufficient Investigation and Discovery by Experienced Class Counsel**

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

26 This allowed Class Counsel to conduct an informed assessment and analysis of the strengths and
27 weaknesses of the claims and the potential class-wide damages. (*Id.*, ¶ 25). Based on information
28 exchanged, the Parties extensively briefed issues regarding class certification and liability and provided

1 their analyses to the Mediator who helped the Parties debate the strengths and weakness of their respective
2 positions. (*Id.*, ¶ 26). Additionally, settlement negotiations were conducted by highly capable and
3 experienced counsel. (*Id.*, ¶¶ 1-9). Accordingly, Class Counsel had sufficient information and experience
4 to act intelligently in negotiating the Settlement.

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

7 A settlement is not judged against what might have been recovered had a plaintiff prevailed at
8 trial, nor does the settlement have to obtain 100% of the damages sought to be fair and reasonable.
9 (*Wershba*, 91 Cal.App.4th at 246, 250). In evaluating the reasonableness of a settlement, a trial court
10 must consider “the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
11 litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the
12 extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the
13 presence of a governmental participant, and the reaction of the class members to the proposed settlement.”
14 (*Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 128 (2008)).

15 Here, the reasonableness of the Settlement is underscored by the fact that Defendants have legal
16 and factual grounds for defending the Action. Based upon Class Counsel’s experience litigating similar
17 complex matters, Plaintiff reasonably expected a vigorous and lengthy defense to both class certification
18 and the merits of the Action absent a settlement.

19 **1. Class Counsel’s Analysis of the Maximum Available Liability and Damages**

20 Class Counsel analyzed all available data and estimated Defendants’ maximum potential exposure
21 to be approximately \$629,233, assuming the litigation was successful at trial on all claims at issue and
22 every employee had a violation for each claim on every shift worked. (Rose Decl., ¶ 27). This maximum
23 potential analysis was then reduced based on the challenges facing the likelihood of obtaining class
24 certification, prevailing at trial, and other attendant risks. (*Ibid*). This estimate is based off an estimated
25 maximum liability for all claims at issue and the total aggregate workweeks during the relevant time
26 period, less interest, and based on the analysis of the data which was extrapolated out for all class
27 members across the entire putative class period, which included: \$35,253 for meal period violations;
28 \$360,240 for rest period violations at a 100% violation rate; \$77,219 for unpaid off-the-clock work for 1

hour per workweek of off-the-clock work; \$4,045 for unpaid overtime wages; \$24,000 for unreimbursed business expenses; \$67,276 for waiting time penalties; and \$61,200 for wage statement penalties. (Ibid). Plaintiff further estimated that Defendants faced an additional exposure of \$63,400 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, Defendants' maximum potential exposure totaled \$692,633 in damages. (Ibid).

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

While Plaintiff believes that Defendants faced significant exposure, substantial barriers to a recovery existed. Defendants contended that Plaintiff's claims are not suitable for class certification because individual issues and affirmative defenses would predominate should this case go to trial. (Rose 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 Plaintiff and Class Counsel disagree with Defendants' predictions, they also recognize that there is a significant risk that the Court may deny class certification. (Rose 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, Plaintiff's meal period claims, which were based on Defendants' alleged failure to provide lawful meal periods, have been increasingly difficult to certify in recent years. (Rose Decl., ¶ 31; *See Brinker*, 53 Cal. 4th at 1034-35). Plaintiff's theory of liability for meal period violations was based on allegations that Defendants had failed to implement their policies and that their 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 uniform failure to authorize such breaks are matters of common proof.")). Defendants contended that their policies and practices at all times during the Class Period were lawful. (Rose Decl., ¶ 31). Indeed, Plaintiff's analysis revealed only a 10.4% violation rate for purported meal period violations. (Ibid). Defendants 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

1 from being certified. (Ibid). Class Counsel also had to consider the risk that the Court would find validity
2 in an individualized proof defense to certification of Plaintiff's meal period claim. (Ibid).

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

11 Plaintiff also faced challenges certifying and proving liability for his minimum wage and overtime
12 claims. (*Id.*, ¶ 33). These claims were largely based on Defendants' unrecorded, off-the-clock work
13 performed by the Class Members both before and after their shifts and during purported meal periods.
14 (Ibid). For example, Plaintiff reported that he and the other Class Members were required to perform
15 work prior to clocking in and out, such as preparing forklifts and stations, cleaning stations at the end of
16 the day, and responding to phone calls and text messages outside of work hours to discuss work matters.
17 (Ibid). However, the individualized nature of why this work was performed and the individualized nature
18 of damages presented substantial concerns regarding the manageability of the case and the risk the Court
19 could find these issues prevented certification, and the estimated damages for this claim were based on
20 an assumption that all Class Members worked off the clock for at least one hour per week. (Ibid).

21 Plaintiff also contended that Defendants failed to reimburse Plaintiff and the other Class Members
22 for necessary business-related expenses, such as the purchase of required clothing, steel toe boots, and
23 tools, usage of personal vehicles to run company errands, and usage of personal cell phones for work-
24 related purposes. (*Id.*, ¶ 34). Defendants contended that they had a policy and practice of reimbursing
25 employees for necessary business-related expenses. (Ibid). Defendants further contended that, with
26 respect to the alleged expenses for which Plaintiff and the other Class Members never requested
27 reimbursement from Defendants, they did not know and had no reason to know that alleged business-
28 related expenses had been incurred. (Ibid). Defendants further contended that the reason for why a Class

1 Member undertook certain expenses, while not others, and failed to receive reimbursement for certain
2 expenses while not others, would raise individual issues that could not be certified. (Ibid).

3 There are also substantial risks associated with Plaintiff's waiting time penalties and wage
4 statement claims. (*Id.*, ¶ 35). First, these claims were derivative of Plaintiff's claims for unpaid meal
5 period premiums, unpaid rest period premiums, unpaid minimum wages, and unpaid overtime wages,
6 and if certification was denied on those underlying claims, these derivative claims for penalties would
7 also likely fail. (Ibid). Further, even if Plaintiff prevailed on his underlying claims, he would still be
8 required to demonstrate that Defendants' violations of California Labor Code section 203 were *willful*
9 violations. (Rose Decl., ¶ 35; *See, e.g., Choate v. Celite Corp.*, 215 Cal App. 4th 1460, 1468 (2013)
10 (holding that "an employer's reasonable, good faith belief that wages are not owed may negate a finding
11 of willfulness")). Wage statement claims have also seen varying treatment at the appellate level because
12 such claims have an element of discretion attached to them rather than a pure calculation of damages after
13 liability is proven. (Rose Decl. ¶ 35; *Jaimez v. DAIOHS USA, Inc.*, 181 Cal.App.4th 1286 (2010) *with*
14 *Price v. Starbucks Corp.*, 192 Cal.App.4th 1136 (2011)). Accordingly, these derivative claims, which
15 comprised a substantial portion of Defendants' estimated liability, were therefore uncertain. (Rose Decl.,
16 ¶ 35).

17 Class Counsel also recognized that, even if Plaintiff prevailed at class certification, proving the
18 amount of wages due to Class Members would be an expensive, time-consuming, and uncertain
19 proposition. (*Id.*, ¶ 36). In order to prove liability and damages, Class Counsel will need to request and
20 analyze thousands of pages of documents, obtain the Class Members' contact information, contact them,
21 and obtain their declarations at great expense. (Ibid). Obtaining the cooperation of current employees
22 would also be difficult, given the likely reluctance to aid prosecution of a lawsuit against a current
23 employer. (Ibid). On the other hand, Defendants would likely be able to obtain the cooperation of their
24 employees. (Ibid). Moreover, even if Plaintiff prevailed at class certification and trial, possible appeals
25 would substantially delay any recovery by the Class. (Ibid).

26 Therefore, taking into account how each of the above risks potentially effected Plaintiff's ability
27 to first obtain class certification, and then prove the underlying violations, plus the cost and delay in
28 recovering the alleged potential damages, Class Counsel discounted Defendants' estimated liability based

1 on the challenges facing his ability to succeed on class certification by 50% to \$346,317. (*Id.*, ¶ 37). The
2 merits-based risk factors further reduced Defendants’ estimated liability by an additional 50%. (*Ibid*).
3 This resulted in an adjusted estimated liability of \$173,158. (*Ibid*). In light thereof, the settlement amount
4 of \$150,000 is a significant settlement. (*Ibid*).

5 Class Counsel also contemplated the risks of proceeding with the PAGA claims and potential
6 liability Defendants could face from these claims as part of the global resolution. (*Id.*, ¶ 38). Existing
7 case law makes PAGA claims subject to the same defenses and risks as Plaintiff’s underlying wage
8 claims. (Rose Decl., ¶ 38; see, *Elliot v. Spherion Pac. Work, LLC*, 572 F.Supp.2d 1169, 1181-82 (C.D.
9 Cal. 2008) (“Plaintiff’s claim under [PAGA] is wholly dependent upon her other claims. Because all of
10 Plaintiff’s other claims fail as a matter of law, so does her PAGA claim”)). Class Counsel also anticipated
11 that even if successful on the merits at trial, the imposition of cumulative civil penalties based on the
12 alleged wage and hour violations could be considered unjust, arbitrary and oppressive, or confiscatory,
13 and that Defendants would argue that it made a good faith attempt to comply with their legal obligations
14 warranting a reduction in penalties. (Rose Decl., ¶ 38).³ Class Counsel also anticipated Defendants
15 would argue that the violations per pay period were low, warranting an additional reduction in civil
16 penalties. (*Ibid*). Finally, Class Counsel was also mindful of the fact that PAGA is fundamentally not
17 intended to be compensatory in nature but is instead intended to facilitate enforcement of California’s
18 labor laws by financing state activities and educating and deterring non-compliance. (*Ibid*).

19 Therefore, after considering this multitude of factors, Plaintiff and Class Counsel concluded that
20 it was in the best interest of the State of California and the PAGA Employees to enter into the Settlement,
21 and to allocate Ten Thousand Dollars and Zero Cents (\$10,000.00) of the Gross Settlement Amount
22 towards the PAGA claims, which represents approximately 6.67% of the Gross Settlement Amount. (*Id.*,
23

24 ³ See, e.g., *Thurman v. Bayshore Transit Management, Inc.*, 203 Cal.App.4th 1112, 1131 (2012) (imposition of both statutory
25 and civil penalties for same conduct is impermissible double recovery) (disapproved on other grounds); *Aguirre v. Genesis*
26 *Logistics*, 2013 WL 10936035, at *3 (C.D. Cal. 2013) (“duplicative effect” of penalties is a factor in favor of “reducing ...the
27 PAGA penalty”); *Smith v. Lux Retail North America, Inc.*, 2013 WL 2932243, at *3 (N.D. Cal. June 13, 2013) (declining to
28 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).

¶ 39). 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 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 PAGA 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.*, ¶ 40).

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). Plaintiff contends that the Action, which is based upon Defendants’ wage and hour policies and practices, satisfies the class certification requirements under California Code of Civil Procedure section 382. Defendants deny Plaintiff’s allegations, but for purposes of the Settlement only, Defendants have 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, for purposes of settlement only, the Class is defined as “all current and former hourly-paid and/or non-exempt

1 employees who worked for Defendant Penn Elcom, Inc. within the State of California at any time during
2 the Class Period.” (Rose Decl., ¶ 15; Settlement Agreement, ¶ 6.b). This provides a clear and definite
3 scope for the proposed class.

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

9 Finally, the question of whether class members are easily identifiable turns on whether a plaintiff
10 can establish “the existence of an ascertainable class.” (*Daar v. Yellow Cab Co.*, 67 Cal.2d 695 at 706
11 (1967)). The existence of an ascertainable class in this case can be established through Defendants’
12 payroll records, and the Class definition is sufficiently specific to enable the Parties, Class Members, and
13 the Court to determine the parameters of the Class. (*See Clothesrigger, Inc. v. GTE Corp.*, 191
14 Cal.App.3d 605, 617 (1987)).

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

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

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

27 ///

28 ///

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

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

14 Here, Plaintiff alleges that his claims are similar to that of the other Class Members and that
15 Plaintiff's claims arise out of the same alleged course of conduct giving rise to the claims of the other
16 Class Members. Because Plaintiff's claims are based upon the same alleged conduct and business
17 practices as those of Class Members, the typicality requirement has been satisfied.

18 Finally, the question of adequacy of representation "depends on whether the plaintiff's attorney
19 qualifies to conduct the proposed litigation in the plaintiff's interest or not antagonistic to the interests of
20 the class." (*McGee v. Bank of America*, 60 Cal.App.3d 442, 450 (1976)). Here, these considerations are
21 satisfied. Class Counsel is well-regarded and is qualified and experienced in employment-related, class-
22 action litigation. (Rose Decl., ¶¶ 1-9). Plaintiff will vigorously, adequately, and fairly represent the
23 interests of the Class. Plaintiff has, at all times, throughout the course of the litigation considered the
24 interests of the Class and understood that he must take steps to adequately represent the Class and their
25 interests. (Corral Decl., ¶ 10). Because Plaintiff's claims are typical of other Class Members and are not
26 based on unique circumstances, there is no antagonism between the interests of Plaintiff and the Class.

27 ///

28 ///

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

2 Under the circumstances, proceeding as a class action is a superior means of resolving this dispute,
3 as the Class Members and the Court will derive substantial benefits. Class certification would serve as
4 the only means to deter and redress the alleged violations. (*See Linder v. Thrifty Oil Co.*, 23 Cal.4th 429,
5 434 (2000) (relevant considerations include the probability that each class member will come forward to
6 prove his or her separate claim and whether the class approach would actually serve to deter and redress
7 the alleged wrongdoing)). Further, individual actions arising out of the same operative facts would
8 unduly burden the courts and could result in inconsistent results. Therefore, class action proceedings are
9 superior to individual litigation.

10 **VII. THE REQUESTED ENHANCEMENT PAYMENT IS REASONABLE**

11 Plaintiffs in class action lawsuits are eligible for reasonable incentive payments as compensation
12 “for the expense or risk they have incurred in conferring a benefit on other members of the class.” (*Munoz*
13 *v. BCI Coca-Cola Bottling Co.*, 186 Cal.App.4th 399, 412 (2010)). Courts routinely grant approval of
14 class action settlement agreements containing enhancements for the class representative, which are
15 necessary to provide incentive to represent the class and are appropriate given the benefit the class
16 representatives help to bring about for the class. (*See In re Online DVD Rental*, 779 F.3d 934, 947-948
17 (9th Cir. 2014) (approving incentive award 417 times larger than individual payments where incentive
18 award made up a mere .17% of the settlement); *Gaudin v. Saxon Mortgage Servs., Inc.*, 2015 WL
19 7454183, at *10 (N.D. Cal. Nov. 23, 2015) (finding service award of \$15,000 to be “fair and
20 reasonable”)).

21 Plaintiff initiated this litigation on behalf of his former co-workers who will now be entitled to
22 receive payment from the Settlement. Plaintiff invested substantial time and effort into litigation,
23 including his own research, reviewing documents, and extensive discussions with Class Counsel. (Corral
24 Decl., ¶¶ 3-5). Further, the requested amount for Plaintiff is also reasonable given the average award and
25 the benefit gained by other Class Members. It is estimated that Plaintiff’s Individual Settlement Share
26 will be approximately \$2,939.96 and Individual PAGA Payment will be approximately \$55.36. (Rose
27 Decl., ¶ 41). For these reasons, Plaintiff requests that an Enhancement Payment of Seven Thousand Five
28 Hundred Dollars and Zero Cents (\$7,500.00) to Plaintiff be preliminarily approved by the Court. (Rose

Decl., ¶ 41; Corral Decl., ¶ 12).

VIII. THE REQUESTED ATTORNEYS' FEES AND COSTS ARE REASONABLE

Trial courts have “wide latitude” in assessing the value of attorneys’ fees and their decisions will “not 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., \$52,500.00 if the Gross Settlement Amount is \$150,000.00) 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 Defendants. 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 Fifteen Thousand Dollars and Zero Cents (\$15,000.00). (Rose Decl., ¶¶ 42 and 44). As of the date of this filing, Class Counsel’s actual litigation costs and expenses amount to Twelve Thousand Six Hundred Eight Dollars and Eighty Cents (\$12,608.80). (*Id.*, ¶ 45 and Exh. 4). The Attorneys’ Fees and Costs that are not ultimately approved by the Court shall instead be included in the Net Settlement Amount to be distributed to Settlement Class Members. (Settlement Agreement, ¶ 9).

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

The Parties have jointly drafted the Class Notice, Exclusion Form, and Objection Form (collectively, the “Notice Packet”), which will be mailed to the Class Members. (*Id.*, ¶ 6.x and Exh. A, B, and C). The Class Notice will include information regarding the nature of the Action, 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 PAGA Workweeks, and the date of the Final Approval Hearing. (*Id.*, Exh. A). The Class Notice will list each Class Member’s total Workweeks and their estimated Individual Settlement Share and each PAGA Employee’s total PAGA Workweeks and their

1 estimated Individual PAGA Payment. (Ibid).

2 Within fourteen (14) calendar days after entry of the preliminary approval order, Penn Elcom will
3 provide a list in a formatted readable Microsoft Office Excel spreadsheet to the Settlement Administrator
4 containing the following information for each Class Member: full name; last known mailing address;
5 Social Security number; dates worked for Defendant Penn Elcom, Inc. during the Class Period; and such
6 other information as is necessary for the Settlement Administrator to calculate Workweeks and PAGA
7 Workweeks (collectively referred to as the “Class List”). (*Id.*, ¶¶ 6.d and 23). Within seven (7) calendar
8 days after receiving the Class List from Penn Elcom, the Settlement Administrator will perform a search
9 based on the National Change of Address Database or other similar services available, such as provided
10 by Experian, for information to update and correct for any known or identifiable address changes, and
11 will mail a Notice Packet in English and Spanish to all Class Members via First-Class U.S. Mail, using
12 the most current, known mailing addresses identified by the Settlement Administrator. (*Id.*, ¶ 24.a).

13 In determining whether to approve a settlement of a class action, a trial court has virtually
14 complete discretion as to the manner of giving notice to class members, and review on appeal is governed
15 by the abuse of discretion standard. (*See In re Cellphone Fee Termination Cases*, 186 Cal.App.4th 1380
16 (2010)). Here, Class Counsel is not aware of an alternative method of providing notice to the Class which
17 would result in a higher likelihood of actual notice. (Rose Decl., ¶ 47). The original source of the mailing
18 addresses is from Class Members, who provided the information to Defendants. (Ibid).

19 Class Members will have sixty (60) calendar days from the initial mailing of the Notice Packet
20 by the Settlement Administrator to submit a Request for Exclusion, Notice of Objection, and/or
21 Workweeks Dispute (“Response Deadline”). (Settlement Agreement, ¶ 6.11).

22 Any Notice Packet returned to the Settlement Administrator as undeliverable on or before the
23 Response Deadline will be sent promptly via First-Class U.S. Mail to the forwarding address affixed
24 thereto and the Settlement Administrator will indicate the date of such re-mailing on the Notice Packet.
25 (*Id.*, ¶ 24.b). If no forwarding address is provided, the Settlement Administrator will promptly attempt
26 to determine a correct address using a skip-trace or other search, using the name, address, and/or Social
27 Security number of the Class Member, and perform a single re-mailing within five (5) calendar days.
28 (Ibid). In the event that a Notice Packet is re-mailed to a Class Member, the Response Deadline for that

1 Class Member shall be extended fifteen (15) calendar days from the original Response Deadline. (*Id.*, ¶
2 6.ll).

3 Class Members will have an opportunity to dispute the number of Workweeks and/or PAGA
4 Workweeks to which they have been credited, as reflected in their respective Class Notices, by submitting
5 a timely and valid letter (“Workweeks Dispute”) to the Settlement Administrator, by mail, postmarked
6 on or before the Response Deadline. (*Id.*, ¶¶ 6.qq and 25). A Workweeks Dispute must: (a) contain the
7 case name and number of the Action; (b) contain the Class Member’s full name, signature, address,
8 telephone number, and the last four (4) digits of the Class Member’s Social Security number; (c) clearly
9 state that the Class Member disputes the number of Workweeks and/or PAGA Workweeks credited to
10 that Class Member and what the Class Member contends is the correct number; and (d) be returned by
11 mail to the Settlement Administrator at the specified address, postmarked on or before the Response
12 Deadline. (*Id.*, ¶ 6.qq).

13 Any Class Member wishing to be excluded from the Class Settlement must submit a timely and
14 valid Exclusion Form or letter (both of which are referred to as a “Request for Exclusion”) to the
15 Settlement Administrator, by mail, postmarked on or before the Response Deadline. (*Id.*, ¶¶ 6.kk and
16 26). A Request for Exclusion must: (a) contain the case name and number of the Action; (b) contain the
17 Class Member’s full name, signature, address, telephone number, and last four (4) digits of the Class
18 Member’s Social Security number; (c) clearly state that the Class Member does not wish to be included
19 in the Class Settlement; and (d) be returned by mail to the Settlement Administrator at the specified
20 address, postmarked on or before the Response Deadline. (*Id.*, ¶ 6.kk). Notwithstanding the above, all
21 PAGA Employees will be bound by the PAGA Settlement and will be issued their Individual PAGA
22 Payment, irrespective of whether they submit a Request for Exclusion. (*Id.*, ¶ 26).

23 To object to the Class Settlement, Settlement Class Members must submit a timely and complete
24 Objection Form or written objection (both of which are referred to as a “Notice of Objection”) to the
25 Settlement Administrator, by mail, postmarked on or before the Response Deadline. (*Id.*, ¶¶ 6.w and 27).
26 A Notice of Objection must: (a) contain the case name and number of the Action; (b) contain the
27 objector’s full name, signature, address, telephone number, and the last four (4) digits of the objector’s
28 Social Security number; (c) contain a written statement of all grounds for the objection accompanied by

1 any legal support for such objection; (d) contain copies of any papers, briefs, or other documents upon
2 which the objection is based; and (e) be returned by mail to the Settlement Administrator at the specified
3 address, postmarked on or before the Response Deadline. (*Id.*, ¶ 6.w). Settlement Class Members,
4 individually or through counsel, may also present their objection orally at the Final Approval Hearing,
5 regardless of whether they have submitted a Notice of Objection. (*Id.*, ¶ 27).

6 **X. CONCLUSION**

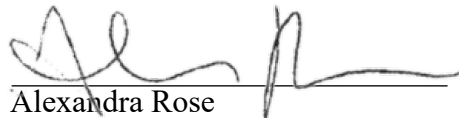
7 For all of the foregoing reasons, Plaintiff respectfully requests that this Court grant Plaintiff's
8 Motion for Preliminary Approval of Class Action and PAGA Settlement and the relief requested herein.

9 Respectfully submitted,

10 Dated: August 13, 2025

BLACKSTONE LAW, APC

11 By:



Alexandra Rose
Attorneys for Plaintiff Edgar Corral

From: donotreply@occourts.org <donotreply@occourts.org>
Sent: Wednesday, August 13, 2025 1:34:24 PM
To: Karina Hernandez <khernandez@blackstonepc.com>
Subject: Superior Court of California, County of Orange - Motion Reservation Request - CONFIRMATION

[External Email].



THE SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE

Reserve a Motion Date

Your reservation request has been CONFIRMED by the Superior Court. The hearing date and time below has been reserved. You will be asked to provide your reservation number to the court at a later date.

MOVING PAPERS MUST BE E-FILED WITHIN 24 HOURS AFTER COMPLETING THE ON-LINE RESERVATION. Failure to submit your moving papers within 24 hours will result in the automatic CANCELLATION of the reservation.

NOTE: To expedite your motion, please place the appropriate Court Reservation number (e.g. 7XXXXXXX) on each Motion being submitted. If multiple motions are submitted on one document, all reservations numbers must be listed on the face page of the pleading.

Please do not reply to this email.

Reservation Number:	74634307
---------------------	----------

Hearing Date:	October 16, 2025
---------------	------------------

Hearing Time:	2:00 PM
---------------	---------

Department:	CX105
-------------	-------

Motion Type: Motion for Approval of Class Settlement

Case Number: 30-2023-01363928-CU-OE-CXC

Case Title: Corral vs. Penn Elcom, Inc.

Judicial Officer: Melissa R. McCormick

Email: khernandez@blackstonepc.com

Requestor Name: Karina Hernandez

Requestor Phone: 3106224278

Filing Party: Edgar Corral

Date of Request: August 13, 2025

Time of Request: 12:33 PM

Transaction Number: 1000564853

© 2025 Superior Court of Orange County