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on behalf of himself and others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES**

RICARDO ARELLANO, an individual on
behalf of himself and all others similarly
situated,

Plaintiff,

vs.

SOCIETY OF SAINT VINCENT DE PAUL,
COUNCIL OF LOS ANGELES, a California
non-profit corporation; ST. VINCENT DE
PAUL SOCIETY OF LOS ANGELES, dba
SVDPLA, a business entity of unknown
form; and DOES 1 through 50, inclusive,

Defendants.

Case No.: 24STCV02604

CLASS ACTION

Assigned for All Purposes To:
Hon. Lawrence P. Riff
Dept.: 7

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF
PLAINTIFF'S MOTION FOR AN ORDER
(1) PRELIMINARILY APPROVING THE
CLASS ACTION SETTLEMENT; (2)
APPROVING NOTICE OF SETTLEMENT;
AND (3) SETTING HEARING FOR FINAL
APPROVAL**

Date: March 26, 2025
Time: 10:00 a.m.
Dept: 7

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Ricardo Arellano (“Plaintiff” or “Class Representative”) filed a class action
4 complaint in the Superior Court of the State of California, Los Angeles County, Case No.
5 24STCV02604 against Defendant Society of Saint Vincent De Paul, Council of Los Angeles and
6 Defendant St. Vincent De Paul Society of Los Angeles (collectively “Defendants”). Plaintiff
7 alleged the following causes of action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay
8 Wages and Overtime Under Labor Code § 510; (3) Failure to Pay Reporting Time Pay; (4) Meal
9 Period Liability Under Labor Code § 226.7; (5) Rest Break Liability Under Labor Code § 226.7;
10 (6) Violation of Labor Code § 226(a); (7) Violation of Labor Code § 203; (8) Violation of Labor
11 Code §204; (9) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and
12 1174.5; (10) Failure to Reimburse Necessary Business Expenses § 2802; (11) Violation of
13 Business & Professions Code § 17200 *et seq*; and (12) Penalties under Private Attorney General
14 Act (“PAGA”).

15 Pursuant to the proposed Class Action and PAGA Settlement Agreement (“Settlement” or
16 “Settlement Agreement”), filed concurrently herewith, the class consists of “all persons employed
17 by Defendants in California and classified as a non-exempt, hourly employee who worked for
18 Defendants at any time between January 31, 2020, to December 23, 2024.” After engaging in
19 substantial investigation and extensive negotiations with the assistance of a respected third-party
20 neutral Lou Marlin, the parties have agreed to settle all claims alleged in the lawsuit on a class-
21 wide non-reversionary basis for Three Hundred Twenty-Five Thousand Dollars and Zero Cents
22 (\$325,000.00), inclusive of all fees and costs. All 261 Class Members shall receive a settlement
23 share unless they opt out.

24 The proposed settlement reflected in the Settlement Agreement is fair, reasonable, and
25 adequate, and in the best interests of the Class. Consequently, Plaintiff, with the consent of
26 Defendants, hereby moves this Court for an order: (1) granting preliminary approval of the
27 proposed class action settlement, as embodied in the Settlement Agreement filed concurrently
28 herewith; (2) approving the Notice of Settlement to be sent to Class Members; and (3) setting a

1 hearing for final approval of the class action settlement.

2 **II. STATUS OF THE LITIGATION**

3 **A. Procedural History**

4 On January 31, 2024, Plaintiff filed a class action complaint against Defendants alleging
5 eleven causes of action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and
6 Overtime Under Labor Code § 510; (3) Failure to Pay Reporting Time Pay; (4) Meal Period
7 Liability Under Labor Code § 226.7; (5) Rest Break Liability Under Labor Code § 226.7; (6)
8 Violation of Labor Code § 226(a); (7) Violation of Labor Code § 203; (8) Violation of Labor
9 Code §204; (9) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and
10 1174.5; (10) Failure to Reimburse Necessary Business Expenses § 2802; (11) Violation of
11 Business & Professions Code § 17200 *et seq.* (Declaration of Natalie Haritounian (“Haritounian
12 Decl.”), filed concurrently herewith, ¶ 10).

13 Plaintiff contends that Defendants failed to pay Class Members all wages due and owing,
14 including by requiring off the clock work, failing to incorporate non-discretionary bonuses and/or
15 commissions into the regular rate or pay used to calculate and pay overtime pay, sick pay, and
16 meal and rest break premiums, failing to pay reporting time pay, failing to provide meal and rest
17 breaks, failing to furnish accurate wage statements, failing to timely pay wages including final
18 wages, failing to maintain accurate records, and failing to reimburse necessary business expenses.
19 (Haritounian Decl., ¶ 11.)

20 Simultaneously, on January 31, 2024, Plaintiff submitted a Private Attorneys General Act
21 (“PAGA”) notice letter to the Labor Workforce Development Agency (“LWDA”) and served
22 Defendants. (Haritounian Decl., ¶ 12.) The LWDA did not express an interest in investigating
23 Plaintiff’s claims within the 65 day period. (*Id.*) Therefore, on April 5, 2024, Plaintiff filed a First
24 Amended Complaint adding a cause of action for penalties under the Private Attorneys General
25 Act (“PAGA”). (*Id.*).

26 **B. Investigation**

27 Before filing the lawsuit, Class Counsel investigated and researched the facts and
28 circumstances underlying the pertinent issues and the law applicable thereto. (Haritounian Decl., ¶

1 13.) This required thorough discussions and interviews between Class Counsel and Plaintiff, as
2 well as preliminary research into the various legal issues involved in the case. (*Id.*) After
3 conducting their initial investigation, Class Counsel determined that Plaintiff's claims were well-
4 suited for class and representative action adjudication owing to what appeared to be a common
5 course of conduct affecting a similarly situated group of employees. (*Id.*)

6 After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and
7 claims giving rise to the action, including: (1) conducting informal discovery and meeting and
8 conferring with defense counsel about same; (2) reviewing and analyzing a sampling of time and
9 pay records as well as employment handbooks, Plaintiff's personnel files, relevant policies and
10 other documentation; (3) researching the applicable law and potential defenses; (4) constructing
11 damage models based on interpretations of California law; and (5) reviewing information
12 provided by Defendants at the mediation. (Haritounian Decl., ¶ 14.) The Class enumerated in this
13 action is ascertainable because the Class Members may be readily identified by reference to
14 Defendants' records. (*Id.*) Defendants have agreed to share the information from these records
15 with the Settlement Administrator in order to identify and contact the Class Members. (*Id.*) There
16 are approximately 261 total Class Members. (*Id.*)

17 Defendants, for their part, vigorously contested liability, the amount of claimed damages,
18 and the propriety of class certification. (Haritounian Decl., ¶ 15.) After Class Counsel analyzed
19 the relevant documents and gathered data, Class Counsel believed that this case was appropriate
20 for resolution via mediation. (*Id.*) Given the high level of risk present for both sides, the parties
21 elected to mediate Plaintiff's claims and explore the possibility of settlement. (*Id.*)

22 **C. Settlement Efforts**

23 On September 24, 2024, the parties mediated this case with Lou Marlin, a respected and
24 highly experienced mediator in wage and hour class actions. (Haritounian Decl., ¶ 16.) During
25 mediation, Plaintiff's and Defendants' counsel discussed all aspects of the case, including the
26 risks of litigation and the risks to both parties of proceeding with a motion for class certification
27 as well as the law relating to unpaid wages, meal periods, rest periods, wage statements, and final
28 pay. (*Id.*) As a result of the mediation, the parties agreed to settle the lawsuit according to the

1 terms set forth in the Settlement Agreement. (*Id.*; See Exhibit 1 attached to Haritoonian Decl.,
2 “Settlement” or “Settlement Agreement”).)

3 From Class Counsel’s review of the facts, strengths, and weaknesses of the case, the risks
4 and delays posed by further litigation, and Class Counsel’s own prior litigation experience, Class
5 Counsel believes that the recovery for each Class Member is fair and reasonable taking into
6 consideration the amounts received in other wage and hour class actions, the risks inherent in
7 litigation of this genre, and the reasonable tailoring of each Class Member’s claim to the
8 settlement award he or she will receive. (Haritoonian Decl., ¶ 16.) Further, and based on the
9 settlement negotiations, which were extensive, and conducted in good faith and at arm’s length
10 between attorneys with substantial experience litigating class actions and wage and hour cases,
11 the Settlement Agreement was the product of a non-collusive settlement process in which the
12 parties were forced to make significant compromises in the interest of reaching a full and
13 complete settlement of the lawsuit. (*Id.*)

14 **III. SETTLEMENT AGREEMENT AND ACCOMPANYING DOCUMENTS**

15 Under the terms of the proposed Settlement Agreement, the Defendants have agreed to
16 pay Three Hundred Twenty-Five Thousand Dollars and Zero Cents (\$325,000.00) (“Gross
17 Settlement Amount”) on a non-reversionary basis to settle and release all claims asserted by
18 Plaintiff in the Class Action and PAGA Action on behalf of the proposed Class. (Haritoonian
19 Decl., ¶ 17; Exh. 1, §1.22.) The Settlement Agreement defines the “Class Members” as “all
20 persons employed by Defendants in California and classified as a non-exempt hourly employee
21 who worked for Defendants at any time between January 31, 2020, to December 23, 2024.”
22 (Haritoonian Decl., ¶ 18; Exh. 1, §1.5; 1.12.) The “Net Settlement Amount,” available for
23 distribution to Class Members, shall be the Gross Settlement Amount, less the Attorneys’ Fees
24 and Costs, the Class Representative Enhancement Payment, Settlement Administration Costs,
25 seventy-five percent (75%) of the LWDA Payment, and the Individual PAGA Payments.
26 (Haritoonian Decl., ¶ 19; Exh. 1, §1.28.) These amounts are detailed as follows:

- 27 • not more than One Hundred Eight Thousand Three Hundred and Thirty-Three
28 Dollars and Thirty-Three Cents (\$108,333.33) to Class Counsel for attorneys’ fees,

1 and not more than Twenty Five Thousand Dollars and Zero Cents (\$25,000.00) to
2 Class Counsel for litigation costs; (Haritounian Decl., ¶ 19; Exh. 1, §3.2.2);
3 • not more than Six Thousand Dollars and Zero Cents (\$6,000.00) for the Settlement
4 Administration Costs; (Haritounian Decl., ¶ 19; Exh. 1, §3.2.3);
5 • not more than Five Thousand Dollars and Zero Cents (\$5,000.00) to Plaintiff for a
6 Class Representative Enhancement Payment; and (Haritounian Decl., ¶ 19; Exh. 1,
7 §3.2.1);
8 • Twenty Thousand Dollars and Zero Cents (\$20,000.00) for civil penalties under
9 the PAGA, where 75% (\$15,000.00) will be paid to the LWDA and 25%
10 (\$5,000.00) will be paid to Class Members for their Individual PAGA Payments .
11 (Haritounian Decl., ¶ 19; Exh. 1, §3.2.5.)

12 The “Individual Settlement Payment,” which is each Class Member’s share of the Net
13 Settlement Amount, will be calculated and apportioned from the Net Settlement Amount based on
14 the number of workweeks a Class Member worked during the Class Period as a non-exempt
15 employee in California. (Haritounian Decl., ¶ 20; Exh. 1, §1.23.)

16 Defendants shall pay its corporate payroll tax obligations on the payouts to Class
17 Members in addition to the Gross Settlement Amount. (Haritounian Decl., ¶ 21; Exh. 1, §3.1.)

18 The settlement amount was a compromise figure, factoring in the inherent risks related to
19 certification, liability and damages. (Haritounian Decl., ¶ 22.) However, taking into account all of
20 the circumstances of the action and the defenses raised by Defendants against certification,
21 liability and damages, Class Counsel believes that the settlement is fair and reasonable. (*Id.*)

22 Attached to the Settlement Agreement as Exhibit A is the Notice of Settlement (“Class
23 Notice”). Class Members shall each receive a Class Notice via first class mail (after the
24 Settlement Administrator conducts a national change of address search). (Haritounian Decl., ¶ 23;
25 Exh. 1, §7.4.2.) Class Members will have an opportunity to dispute the information provided in
26 their Class Notice and they may produce evidence to support the information is inaccurate.
27 (Haritounian Decl., ¶ 24; Exh. 1, § 7.6; *see also* Class Notice, **Exhibit A** attached to the
28 Settlement Agreement.) The Settlement Administrator shall decide the dispute and may ask

1 Defendants to produce the personnel and payroll files of the Class Member disputing their
2 credited workweeks in order to resolve the dispute. (Haritonian Decl., ¶ 24; Exh. 1, §7.6.) Class
3 Members wishing to opt-out from the Settlement Agreement must sign and postmark a written
4 request for exclusion to the Settlement Administrator. (Haritonian Decl., ¶ 25; Exh. 1, §7.8.2.)
5 Class Members will also have the opportunity to object to the Settlement Agreement, by serving a
6 copy of the objection to the Settlement Administrator. (Haritonian Decl., ¶ 25; Exh. 1, §7.7.) The
7 Response Deadline will be sixty (60) calendar days from the initial mailing of the Class Notice.
8 (*Id.*)

9 The parties have also agreed that Apex Class Action shall handle the notice and settlement
10 administration (Exh. 1, § 7.1), and the parties respectfully request this Court to appoint Apex
11 Class Action to handle those procedures. The procedures for mailing notice and processing
12 exclusions and objections as well as distribution of the Net Settlement fund is detailed in the
13 Stipulation. (Exh. 1, §7)

14 **IV. CERTIFICATION FOR SETTLEMENT PURPOSES ONLY IS APPROPRIATE**

15 Express judicial policy favors maintaining wage and hour actions as class actions. (*Prince*
16 *v. CLS Transp., Inc.* (2004) 118 Cal. App. 4th 1320, 1328; *Richmond v. Dart Industries, Inc.*
17 (1981) 29 Cal. 3d 462.) Any doubt as to the appropriateness of class treatment should be resolved
18 in favor of class certification, subject to later modification if necessary. (*Richmond*, 29 Cal. 3d at
19 473-75.) The decision to certify a class is a procedural one, and should be based on the allegations
20 in the operative complaint, and not in the perceived factual or legal merit of the class claims.
21 (*Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th 429, 439-41.)

22 To certify a settlement class, the Court must find the two primary requirements for
23 maintaining a class action: (1) there must be an ascertainable class, and (2) there must be a well-
24 defined community of interest in the questions of law and fact involving the parties to be
25 represented. (*See Vasquez v. Superior Court* (1971) 4 Cal. 3d 800, 805-09; *Daar v. Yellow Cab*
26 *Company* (1967) 67 Cal. 2d 695, 704.) These criteria are met here for the reasons set forth below.

27 **A. There Is A Numerous and Ascertainable Class**

28 Whether a class is ascertainable is determined by examining the class definition, the size

1 of the class and the means available for identifying class members. (*See Vasquez, supra*, 4 Cal. 3d
2 at 821-22; *Reyes v. Board of Supervisors of San Diego County* (1987) 196 Cal. App. 3d 1263,
3 1271.) Class members are “ascertainable” where they may be readily identified without
4 unreasonable expense or time.

5 Plaintiff contends, and Defendants do not dispute for settlement purposes only, this
6 requirement and the requirement of numerosity is met. Class Members are “all persons employed
7 by Defendants in California and classified as a non-exempt hourly employee who worked for
8 Defendants at any time between January 31, 2020, to December 23, 2024.” (Haritounian Decl., ¶
9 72(a).) Documents and information exchanged between the parties reflect a class of
10 approximately 261 Class Members. (Haritounian Decl., ¶ 72(a).) The Class Members have
11 already been identified by reference to Defendants’ payroll and personnel records. (Haritounian
12 Decl., ¶ 72(b).)

13 Therefore, and notwithstanding the foregoing, there is a numerous and ascertainable class.

14 **B. There Is A Well-Defined Community of Interest**

15 A community of interest is established by the predominance of common issues of law and
16 fact. *See Vasquez*, 4 Cal. 3d at 811. The requirement of a community of interest:

17 [D]oes not depend upon an identical recovery, and the fact that each
18 member of the class must prove his separate claim to a portion of any
19 recovery by the class is only one factor to be considered ... The mere
20 fact that separate transactions are involved does not of itself preclude
21 a finding of the requisite community of interest so long as every
22 member of the alleged class would not be required to litigate
numerous and substantial questions to determine his individual right
to recover subsequent to the rendering of any class judgment which
determined in plaintiff’ favor whatever questions were common to
the class.

23 *Id.* at 809.

24 Plaintiff contends, and Defendants do not dispute for settlement purposes only, that
25 common issues of fact and law predominate as to each of the claims alleged by Plaintiff, and the
26 Class is united in its proof. (Haritounian Decl., ¶ 72(e).) Because Plaintiff has alleged a single
27 scheme, “the relevant proof [does] not vary among class members” and “clearly presents a
28 common question fundamental to all class members.” (*See In Re NASDAQ Market-Makers*

1 *Antitrust Litigation* (SDNY 1997) 172 F.R.D. 119, 123 (citing *In Re NASDAQ Market-Makers*
2 *Antitrust Litigation*, (SDNY 1997) 169 F.R.D. 493, 518).) California courts show “no hesitancy”
3 in inferring class-wide causation, class-wide injury, and class-wide damages when a common
4 course of action has been shown. (*B.W.I. Custom Kitchen*, 191 Cal. App. 3d at 1350.) This
5 inference ““eliminates the need for each class member to prove individually the consequences of
6 the defendants’ actions to him or her.”” (*Id.* at 1351 (quoting *Rosack v. Volvo of America Corp*
7 (1982) 131 Cal. App. 3d 741, 753 [emphasis added])).)

8 This action involves, *inter alia*, a determination about Defendants’ alleged failure to
9 provide meal period and rest periods, failure to incorporate non-discretionary bonuses and/or
10 commissions into the regular rate or pay used to calculate and pay overtime pay, sick pay, and
11 meal and rest break premiums, failure to pay reporting time pay, failure to pay wages and
12 overtime due to allegedly common and unlawful policies, failure to pay final wages when
13 required, failure to provide accurate paystubs, and largely derivative claims under the Business &
14 Professions Code and PAGA. Plaintiff contends these practices affected Class Members in the
15 same way. Plaintiff contends these practices resulted in a failure to compensate employees at
16 termination, and incomplete wages displayed on wage statements. The outcome of litigation on
17 this matter depends upon questions that are common to Class Members. (Haritounian Decl., ¶
18 72(e).) While Defendants maintained otherwise, these issues will not be decided on the basis of
19 facts peculiar to each Class Member, but rather on the basis of facts common to them all. It is also
20 true that these issues of liability can be determined on a class-wide basis. (*Id.*)

21 C. The Named Plaintiff’s Claims Are Typical

22 A class representative’s claims are typical when they arise from the same event, practice,
23 or course of conduct that gives rise to the claims of other putative class members, and if their
24 claims rest on the same legal theories. The class representative’s claims must be “typical” but not
25 necessarily identical to the claims of other class members. It is sufficient that the representative is
26 similarly situated so that he or she will have the motive to litigate on behalf of all class members.
27 (*Classen v. Weller* (1983) 145 Cal.App.3d 27, 47; *B.W.I. Custom Kitchens v. Owens-Illinois, Inc.*
28 (1987) 191 Cal.App.3d 1341, 1347 (“[I]t has never been the law in California that the class

1 representative must have identical interests with the class members.”) Thus it is not necessary that
2 the class representative should have personally incurred all of the damages suffered by each of the
3 other class members. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 228.)

4 Plaintiff contends, and Defendants do not dispute for settlement purposes only, that
5 Plaintiff’s claims are typical of Class Members’ claims because they arose from the same factual
6 basis and are based on the same legal theories. (Haritounian Decl., ¶ 72(c).) Plaintiff was
7 employed by Defendants during the Class Period, and was subject to the allegedly unlawful meal
8 and rest policies and pay practices at issue in this litigation. (*Id.*) Accordingly, Plaintiff is a
9 member of the Class. (*Id.*) The central issues of this litigation (whether Defendants failed to pay
10 all wages, whether Defendants failed to provide meal and rest periods, etc.), which would arise if
11 this was an individual action, applies to the other Class Members as well. The answer to these
12 questions would determine Defendants’ liability to the putative class. (*Id.*) Thus, the claims of
13 Plaintiff are typical of the claims of the putative class. (*Id.*) Accordingly, the typicality
14 requirement is satisfied.

15 **D. Adequacy of Class Counsel and Class Representative**

16 Class Counsel are experienced in class actions, have represented their clients zealously
17 and have no conflicts of interest. (Haritounian Decl., ¶¶ 3-9, 72(d).) The Class Representative’s
18 interests are aligned with those of the Class Members, he has suffered the same injuries as the
19 Class Members, and has no conflicts of interest. (*Id.*) Therefore, Class Counsel and the Class
20 Representative are adequate.

21 **E. Predominance and Superiority**

22 Individual issues do not predominate over those common to the class. (Haritounian Decl.,
23 ¶71(f-g).) The class action mechanism is superior to individualized actions because Class
24 Members have little incentive to bring claims that are small. (*Id.*)

25 **V. THE TWO-STEP APPROVAL PROCESS**

26 Any settlement of class action litigation must be reviewed and approved by the Court.
27 This is accomplished in two steps: (1) An early (preliminary) review by the trial court, and (2) a
28 detailed review after the notice has been distributed to the class members for their comments or

1 objections. In this regard, the Manual for Complex Litigation (Second) explains:

2 A two-step process is followed when considering class settlements...
3 If the proposed settlement appears to be the product of serious,
4 informed, non-collusive negotiations, has no obvious deficiencies,
5 does not improperly grant preferential treatment to class
6 representative or segments of the class, and falls within the range of
possible approval, then the court should direct that notice be given to
the class members of a formal fairness hearing, at which evidence
may be presented in support of and in opposition to the settlement.

7 (*Manual for Complex Litigation (Second)* (1985) at § 30.44.) The preliminary approval of the
8 class action settlement by the trial court is simply a conditional finding that the settlement appears
9 to be within the range of acceptable settlements. (*See, e.g., Newberg*, § 11.25; *North County*
10 *Contractor's Assn., Inc. v. Touchstone Ins. Services* (1994) 27 Cal. App. 4th 1085, 1094-95.)
11 Thus, the preliminary approval of the class action settlement by the trial court is simply a
12 conditional finding that the settlement appears to be within the range of acceptable settlements.

13 Settlements to resolve PAGA claims also require court approval. (Labor Code §
14 2699(1)(2).) There is no articulated standard for approving PAGA settlements. PAGA settlements
15 for as little as \$0 have been approved. (*See Nordstrom Com'n Cases* (2010) 186 Cal.App.4th 576,
16 589 (approving PAGA settlement and release that allocated \$0 to PAGA claim).) Courts have
17 also approved settlements for \$20,000 or less. (*See, e.g., Hicks v. Toys 'R' Us-Delaware, Inc.*,
18 (C.D. Cal. Sept. 2, 2014) 2014 WL 4703915, at *1 (approving \$5,000 PAGA payment in \$4
19 million settlement); *Chu v. Wells Fargo Invest. LLC* (N.D. Cal. Feb. 16, 2011) 2011 WL 672645,
20 at *1 (approving PAGA payment of \$7,500 in \$6.9 million settlement); *Williams v. Brinderson*
21 *Constructors* (C.D. Cal. Feb. 6, 2017) 2017 WL 490901, at *5 (\$10,000 PAGA settlement in
22 \$300,000 settlement).)

23 A review of the preliminary approval criteria demonstrates a substantial basis for granting
24 the instant Motion and proceeding to a full settlement hearing.

25 **VI. THE SETTLEMENT IS FAIR AND ADEQUATE**

26 As a matter of public policy, courts both encourage the use of the class action device and
27 favor settlement over continued litigation. (*See, e.g., Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th
28 429, 434 (“Courts have long acknowledged the importance of class actions as a means to prevent

1 a failure of justice in our judicial system.”); *Class Plaintiff v. City of Seattle* (1992) 955 F.2d
2 1268, 1276 (“[S]trong judicial policy . . . favors settlements, particularly where complex class
3 action litigation is concerned.”).)

4 Moreover, courts presume the absence of fraud or collusion in the negotiation of a
5 settlement unless evidence to the contrary is offered. In short, there is a presumption that the
6 negotiations were conducted in good faith. (*Newberg*, §11.51; *Rodriguez v. West Publ. Corp.*
7 (C.D. Cal. August 10, 2007) 2007 U.S. Dist. LEXIS 74767, 24-25 ; *Priddy v. Edelman* (6th Cir.
8 1989) 883 F.2d 438, 447.) Courts do not substitute their judgment for that of the proponents,
9 particularly when settlement has been reached by experienced counsel familiar with the litigation.
10 (*Rodriguez*, 2007 U.S. Dist. LEXIS 74767 at 24; *Hammon v. Barry* (D.D.C. 1990) 752 F. Supp.
11 1087.)

12 In *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th 116, 128 (2008), the court laid out
13 several factors that should be analyzed in determining if a class action settlement should be
14 approved. These factors include: (1) the strength of plaintiff’s case; (2) the risk, expense,
15 complexity and likely duration of further litigation; (3) the risk of maintaining class action status
16 through trial; (4) the amount offered in settlement; (5) the extent of discovery completed and
17 stage of the proceedings; (6) the experience and views of counsel; (7) the presence of a
18 governmental participant; and (8) the reaction of the Class Members to the proposed settlement.

19 The Settlement here satisfies each of these factors. Class Counsel conducted extensive
20 informal discovery before entering into meaningful settlement negotiations in this matter,
21 including a detailed analysis of Defendants’ policies and a considerable sample of Defendants’
22 time and pay records. (Haritounian Decl., ¶¶ 13-14.) This discovery permitted Class Counsel to
23 fairly evaluate the strengths of the case and the risks associated with ongoing litigation. Class
24 Counsel is very experienced in the handling of wage and hour class actions and supports this
25 Settlement. (Haritounian Decl., ¶¶ 3-9.)

26 **A. The Strength of Plaintiff’s Case.**

27 Plaintiff alleges that Defendants failed to pay minimum wages and overtime, failed to
28 incorporate non-discretionary bonuses and/or commissions into the regular rate or pay used to

1 calculate and pay overtime pay, sick pay, and meal and rest break premiums, failed to pay
2 reporting time pay, failed to provide proper meal breaks or provide premium pay in lieu thereof,
3 failed to provide proper rest breaks or provide premium pay in lieu thereof, failed to provide
4 accurate wage statements, failed to timely pay all wages upon termination, and failed to
5 reimburse necessary business expenses in violation of California law. (Haritounian Decl., ¶ 27.)

6 Class Counsel felt confident that the claims in this case would be certified given that
7 Defendants' policies were applicable to all Class Members and unlawful on their face.
8 (Haritounian Decl., ¶¶ 27-55.) Defendants contended, however, that that the policies complied
9 with California law.

10 **B. The Risks Associated with the Merits.**

11 As with all litigation, there are risks that a party will not prevail on the merits. In this case,
12 Plaintiff contends that they and other Class Members were not properly provided meal periods.
13 (Haritounian Decl., ¶¶ 33-36.) Defendants contended that Class Members were given a reasonable
14 opportunity to take their meal periods, and in fact received their meal periods most of the time
15 (*Id.*) If Defendants' contentions are proven true and prevail in trial, the likely outcome of this
16 claim would be no recovery for the Class Members. Plaintiff also contended that Defendants did
17 not provide Class Members with paid 10-minute rest breaks for every four hours or major fraction
18 thereof. (Haritounian Decl., ¶¶ 37-39.) Class Members consistently worked in excess of
19 consecutive four-hour shifts and were entitled to paid rest breaks of not less than ten minutes for
20 each consecutive four hour shift, which they were denied. Class Members were required to work
21 through their rest breaks, and through their entire shifts. Defendants maintained that they did
22 provide the reasonable opportunity for Class Members to take duty-free rest breaks. (*Id.*)
23 Defendants also pointed out that, unlike meal periods, rest breaks need not be recorded and
24 Defendants disputes all allegations that breaks were not received. As these considerations would
25 likely depress the damages *vel non* ultimately awarded, Class Counsel applied significant and
26 appropriate discounts to the rest-break claim.

27 Plaintiff alleged that Defendants failed to pay Plaintiff and Class Members minimum
28 wages for all hours worked, in violation of minimum wage laws. (Haritounian Decl., ¶ 30.)

1 Plaintiff contended that Class Members were not paid all wages they were owed including for all
2 work performed and for all overtime hours worked. (*Id.*) Specifically, Plaintiff contended Class
3 Members had to undergo COVID-19 questionnaires before being allowed to clock in resulting in
4 off the clock work. (*Id.*)

5 Defendants contended that they paid for all reported hours worked, that Class Members
6 were trained to record all hours worked, and that they paid proper minimum wages. (Haritounian
7 Decl., ¶ 31) Defendants also maintained that the allegations regarding failure to pay wages for
8 hours worked in excess of eight hours in a day did not constitute a basis for violation of Labor
9 Code § 510. Defendants argued that given their written policies and practices, any unrecorded
10 hours were likely subject to individualized inquiry and unlikely to be certified. Given the
11 difficulty in certifying this claim, Class Counsel had to apply a significant discount to damages
12 based on this theory.

13 **C. The Risks Associated with Paystub Violations and Waiting Time Penalties.**

14 In order to establish liability for these penalties, Plaintiff would first have to establish
15 liability for the underlying claims. Plaintiff would then have to establish that Defendants' conduct
16 was willful and knowing. (Labor Code §§ 203, 226(e).)

17 With waiting time penalties, there is always the risk that the trier of fact would not have
18 held that Defendants' actions were done "willfully." A good faith belief in a legal defense can
19 preclude a finding of willfulness. (*Gonzalez v. Downtown LA Motors* (2013) 215 Cal.App.4th 36,
20 54; 8 C.C.R. § 13520.) As discussed above, Plaintiff alleged that Defendants failed to pay for all
21 hours worked and premiums for non-compliant meal breaks. Plaintiff contends the Class
22 Members are entitled to these wages and premiums, which he alleges were not paid at the time of
23 their termination or resignation. If Plaintiff is successful on his claims, the penalties pursuant to
24 Labor Code § 203 shall attach. Defendants, however, contends it provided employees with the
25 reasonable opportunity to take meal breaks, asked Class Members to confirm the accuracy of their
26 time records, and therefore had good-faith defenses under *Brinker* and its progeny. Defendants
27 likewise contends that it properly paid all hours worked by its employees. Based upon
28 Defendants' potential success in establishing both that a good faith dispute existed with regard to

1 unpaid wages, and Defendants endeavored in good faith to supply accurate wage statements,
2 Defendants argue the claims for paystub violations and waiting time penalties have little or no
3 value. *See Maldonado v. Epsilon Plastics, Inc.*, 22 Cal. App. 5th 1308, 1336-1337 (2018) (wage
4 statements that accurately report wages paid to employees do not violate Labor Code § 226, even
5 if it is later determined that employer did not properly pay all wages due). As such, there was risk
6 associated with wage statement and waiting time penalties that Class Counsel had to consider.
7 (Haritounian Decl., ¶¶ 40-46.)

8 **D. The Risks Associated with the PAGA Penalties.**

9 Labor Code § 2699.3 gives aggrieved employees the right to recover civil penalties for
10 specific Labor Code violations by way of a civil action. The PAGA provides a penalty amount of
11 one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation
12 and two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent
13 violation. Labor Code § 2699(e)(2). However, if a civil penalty is provided in a specified amount
14 by the Labor Code section relating to the underlying alleged Labor Code violation, that amount
15 shall apply. (*Id.*) The PAGA also gives the Court discretion to award any lesser amount than the
16 maximum civil penalty. (*Id.* [“...a court may award a lesser amount than the maximum civil
17 penalty amount specified by this part if, based on the facts and circumstances of the particular
18 case, to do otherwise would result in an award that is unjust, arbitrary and oppressive, or
19 confiscatory.”]); *See, e.g., Lopez v. Friant & Assocs., LLC*, 15 Cal. App. 5th 773, 788 (2017), *rev.*
20 *denied* (2018), (recognizing court’s ability to reduce PAGA penalties). Courts have held that
21 situations similar to the current one (e.g. injuryless violations, technical errors, and substantial
22 compliance) should lead to reductions in penalties. *See Thurman v. Bayshore Transit*
23 *Management, Inc.*, 203 Cal. App. 4th 1112, 1134-1135 (2012) (holding that reduction was
24 justified when employer “attempted to comply with the law”); *Fleming v. Covdien, Inc.*, No. ED
25 CV10-01487 RGK (OPx), 2011 U.S. Dist. LEXIS 154590 at *8-9 (C.D. Cal. August 12, 2011)
26 (reducing PAGA penalties more than 80% – from \$2.8 million to \$500,000 – when “employees
27 suffered no injury” employers were “not aware” of the violation and “took prompt steps to correct
28 all violations once notified”).

1 Plaintiff discounted potential penalties under this claim given this authority, and for other
2 reasons. The PAGA claims are premised on the same underlying unpaid wages, meal and rest
3 break, wage statement, and waiting time claims, and thus subject to the same disputes and
4 defenses. There is also a dispute as to whether violations in later pay periods trigger the \$200
5 penalty under PAGA as a “subsequent violation.” (*Amaral v. Cintas Corp. No. 2*, 163 Cal. App.
6 4th 1157, 1203 (2008).) As such, there is a fair amount of risk associated with PAGA claims.
7 (Haritonian Decl., ¶¶ 49-52.) The parties also considered that the purpose of PAGA is to
8 “achieve maximum compliance with state labor laws,” and that through the proposed settlement,
9 Defendants have agreed to ensure policies comply with California law. (*Iskanian v. CLS Transp.*
10 *Los Angeles, LLC* (2014) 59 Cal. 4th 348, 379.) This makes the settlement’s contemplated PAGA
11 payment of Twenty Thousand Dollars and Zero Cents (\$20,000.00) appropriate.

12 Based on this analysis, Class Counsel believes that this settlement is fair and reasonable
13 and in the best interest of the Class. (Haritonian Decl., *passim*.)

14 **E. The Risk, Expense, Complexity and Likely Duration of Any Litigation.**

15 Given the risks outlined above, the issues in this case were complex and the risk for
16 Plaintiff and the Class Members associated with this litigation was high. (Haritonian Decl., ¶¶
17 56-59.) A class trial would have required the retention of expensive expert witnesses, the accrual
18 of extensive litigation costs, and the parties would have had to spend a substantial amount of
19 time. (*Id.*)

20 Finally, given the complexity and unsettled nature of the issues, it is likely that any
21 outcome at trial would have resulted in a lengthy and costly appeal. An appeal would result in
22 further delay for the Class Members who have already waited years for resolution in this matter.

23 **F. The Risk of Maintaining Class Action Status Through Trial.**

24 In class actions, decertification is always a possibility. There is always a risk that a trial of
25 this magnitude can become unmanageable. Given cases like *Duran v. U.S. Bank Nat. Assn.*, 59
26 Cal. 4th 1, 34 (2014) that deal with the complexity of using statistical samples in class actions,
27 decertification is a real risk that Class Counsel must take into account.

1 **G. The Amount Offered in Settlement.**

2 There can be no doubt that this Settlement is the result of vigorous, adversarial, non-
3 collusive, and arms-length negotiations between the parties with an experienced mediator. In
4 order to determine the approximate potential damages which would be owed to each of the Class
5 Members, Class Counsel analyzed the time records for Plaintiff and Defendants provided Class
6 Counsel with records for a sampling of the class members. By analyzing this information, Class
7 Counsel was able to estimate the full value of the case if Plaintiff was to prevail at trial.

8 There are approximately 261 total Class Members. Based on the data provided, Class
9 Counsel estimated the following maximum exposures: unpaid wage claim at \$644,539, meal
10 period claim at \$118,033, rest period claim at \$118,033, wage statement claim at \$374,700,
11 waiting time penalties at \$719,747, reimbursement of business expenses claim at \$13,050, and on
12 PAGA, Plaintiff estimated the maximum exposure at \$398,000. (Haritounian Decl., ¶ 28.)

13 However, taking into account the difficulties of proof, the Defendants' defenses, and other
14 attendant risks, Plaintiff estimates that the total amount of damages, monetary penalties, or other
15 relief that the class could reasonably expect to be awarded at trial is significantly less than the
16 maximum exposure. (Haritounian Decl., ¶ 29.)

17 Once Class Counsel was able to determine the maximum potential damages, it was able to
18 determine a fair and reasonable settlement for the Class. (*Id.* at ¶¶ 27-55) Class Counsel analyzed
19 the likelihood of success on the merits. (*Id.*) It believes that the Class had a reasonable likelihood
20 of success on the core claims. (*Id.*) However, Defendants dispute this contention, denies all
21 wrongdoing in this matter and are confident they have strong legal and factual defenses to
22 Plaintiff's claims. Moreover, Class Counsel determined that the likelihood of success on the
23 claims for unpaid wages and waiting time penalties were not as strong, because various defenses
24 including issues not suitable for class treatment, no detriment to the class members over time, and
25 *de minimis* defenses. Defendants may have had the opportunity to establish that they had a good
26 faith belief that they were complying with the law. (*Id.*) After taking into account the likelihood
27 of success on each claim and the challenges faced with certifying these claims, Class Counsel
28 determined that the settlement amount of Three Hundred Twenty-Five Thousand Dollars and

1 Zero Cents (\$325,000.00) was fair and reasonable.

2 Under the Settlement, each of the approximately 261 Class Members will receive on
3 average, assuming they worked throughout the class period, \$615.58 after expenses. (Haritounian
4 Decl., ¶ 55) Plaintiff feels that this Settlement is fair, reasonable, and advantageous to the class.
5 (*Id.*)

6 To summarize, the Settlement here is fair because it provides a substantial payment to
7 each Class Member for releasing his or her claims; extinguishes the risk of litigation; and
8 provides a fair and adequate distribution of the settlement proceeds whereby the funds are
9 allocated to Class Members proportionally based on their Payout Ratio.

10 As detailed at length in the accompanying Declaration of Natalie Haritounian, the
11 settlement is the result of extensive settlement negotiations between the parties, conducted at
12 arm's length, and informed by substantial factual and legal investigations. (Haritounian Decl.,
13 *passim.*) Throughout this case, Class Members have been represented by experienced counsel
14 with many years of experience in employment class action litigation. (Haritounian Decl., ¶¶ 3-9.)

15 Class Counsel has devoted a considerable amount of time to the prosecution of this case,
16 including but not limited to, interviewing Plaintiff on repeated occasions; drafting pleadings;
17 conducting informal discovery, and meeting and conferring with defense counsel about same;
18 reviewing and analyzing time records and various handbooks and policies, Plaintiff's personnel
19 file, and other documentation; researching California law; interviewing numerous class members
20 regarding their experiences; preparing for and attending mediation; and negotiating and finalizing
21 the Settlement Agreement and related documents. (Haritounian Decl., ¶¶ 13-14.)

22 Among those matters considered during the course of settlement negotiations were the
23 strength of Plaintiff's case versus the amounts offered in settlement; the risks, expenses, and
24 length of further litigation, including class certification and the appeals process; the present state
25 of the law as it applies to wage and hour class actions, particularly in light of *Brinker*; the present
26 value of a settlement versus the long wait necessitated by any potential judgment in class
27 members' favor; the burdens of proof necessary to establish liability against Defendants; and
28 Defendants' defenses to the action. (Haritounian Decl., *passim.*)

1 These factors each indicated that the interests of Class Members are best served by a
2 settlement of this action in the manner and upon the terms set forth in the Settlement Agreement.
3 The Settlement Agreement confers a substantial benefit on the class of up to Three Hundred
4 Twenty-Five Thousand Dollars and Zero Cents (\$325,000.00). Moreover, the settlement awards
5 for each Class Member will be tailored to their workweeks during the class period. In addition,
6 Class Counsel secured prospective relief for the class in that Defendants will ensure their policies
7 comply with California law.

8 Class Counsel believes that the settlement is fair and reasonable and serves the best
9 interests of the Class Members. Although the recommendations of counsel proposing the class
10 settlement are not conclusive, the Court can properly take the recommendations into account,
11 particularly if counsel has been involved in litigation for some period of time, appear to be
12 competent, and have experience with this type of litigation, and significant discovery has been
13 completed. *See Newberg*, §11.47.

14 **VII. THE CLASS REPRESENTATIVE ENHANCEMENT PAYMENT IS FAIR AND**
15 **REASONABLE**

16 It is appropriate to provide a relatively modest additional incentive payment to the class
17 representative. See *Newberg*, § 12.1; *Van Vranken v. Atlantic Richfield Co.* (N.D. Cal. 1995) 901
18 F.Supp. 294.

19 Plaintiff is entitled to reasonable service payments for his efforts and initiative in bringing
20 and helping to prosecute this class action. Plaintiff spent significant time better apprising himself
21 of his rights, deciding whether remedial action should be taken, how it should be taken, searching
22 for attorneys, and contacting Class Counsel, who spent many hours with Plaintiff discussing his
23 case and the law. (Haritounian Decl., ¶ 67) In the end, Plaintiff decided to vindicate not only his
24 own rights but also those of his co-workers by filing a class action lawsuit.

25 The courage it took to do this should not be underestimated. By suing Defendants,
26 Plaintiff contends they increased the risk of retaliation by prospective employers. (Haritounian
27 Decl., ¶ 68) Plaintiff's lawsuit has now cost Defendants considerable resources, and Plaintiff
28 contends such conduct will not be lost on a prospective employer who has to choose between an

1 applicant who has never sued a prior employer and one who has. (*Id.*) Plaintiff contends this risk
2 is particularly real in the information age, where employers can, more easily than ever, perform
3 background checks of prospective employees, sometimes with the stroke of a key. (*Id.*)

4 But Plaintiff did not allow his fear of the potential repercussions of being a class
5 representative deter him from acting for the benefit of the Class Members. (Haritounian Decl., ¶
6 69) To the contrary, Plaintiff has been intimately involved in this case since its inception. (*Id.*) He
7 has devoted a substantial amount of time to helping Class Counsel effectively develop and
8 prosecute this action at every stage of the litigation. (*Id.*) Both before and after the filing of this
9 lawsuit, Plaintiff conferred with Class Counsel to discuss every aspect of this case; Plaintiff has
10 provided Class Counsel with information about Defendants and about the industry generally,
11 reviewed documents, identified witnesses, consulted Class Counsel throughout the litigation,
12 participated in the mediation process, monitored the progress of the litigation with Class Counsel,
13 and reviewed and signed the settlement agreement. (*Id.*)

14 Plaintiff spent a significant amount of time with Class Counsel detailing his knowledge of
15 Defendants' practices. (Haritounian Decl., ¶ 70) He has diligently, adequately, and fairly
16 represented Class Members, and has not placed his interests above any member of the putative
17 class. (*Id.*) This sort of payment to a class representative has been a common feature of
18 settlements negotiated by Class Counsel and has been routinely approved by trial courts. (*Id.*)

19 In light of the foregoing, Class Counsel believes that the incentive award in the amount of
20 \$5,000.00 to the Class Representative is fair and reasonable. (*Id.*)

21 **VIII. THE PROPOSED CLASS NOTICE PROVIDES ADEQUATE NOTICE TO THE** 22 **CLASS MEMBERS.**

23 Constitutional due process requires that class members be provided with notice sufficient
24 to give them an opportunity to be heard in the proceedings. *Mullane v. Central Hanover Bank &*
25 *Trust Co.* (1950) 339 U.S. 306. Proper notice must provide the class members with sufficient
26 information to make an informed decision as to whether to accept or object to the settlement. (*Id.*
27 at 314.) The notice must apprise the class members of the pendency of the action; reasonably
28 convey information regarding the settlement and the class members' rights, entitlements, and

1 obligations; and afford class members the opportunity to present their objections. (*Id.*)

2 The Class Notice meets constitutional standards because it provides all the information a
3 reasonable person would need to make a fully informed decision about the settlement. It will
4 notify all class members of the terms of the settlement, of its effect on their rights, of their options
5 as class members (i.e., participate, object, opt out, do nothing), and of the consequences of
6 exercising those options. (Haritounian Decl., ¶¶ 60-62.) Moreover, the Class Notice will
7 specifically direct any class members who have questions or concerns to contact the Settlement
8 Administrator, Apex Class Action or Class Counsel. (*Id.*)

9 The standard for determining the adequacy of notice is whether the notice has “a
10 reasonable chance of reaching a substantial percentage of the class members.” (*Cartt v. Superior*
11 *Court* (1975) 50 Cal.App.3d 960, 974.) The Judicial Council of California’s Deskbook on the
12 Management of Complex Civil Litigation (Matthew Bender 2003), § 3.74 notes that individual
13 notice by mail is preferred when possible and dissemination of combined certification/settlement
14 notice is a common and accepted practice. (*In re Vitamin Cases* (2003) 107 Cal.App.4th 820,
15 828.)

16 Here, the Class Notice will be sent via first-class mail to each class member. (Haritounian
17 Decl., ¶ 60.) If any Class Notices are returned undeliverable without a forwarding address, the
18 Settlement Administrator will use the national change of address database and perform a skip
19 trace to locate the class member and mail a new Class Notice to him or her at the correct address.
20 (*Id.*) Thus, most, if not all, class members will likely receive the Class Notice.

21 Pursuant to controlling authority, the proposed Class Notice and method of distribution
22 fully comport with due process requirements. Therefore, the Court should approve the Class
23 Notice and direct that it be distributed as proposed herein.

24 **IX. STANDING TO OBJECT TO PROPOSED SETTLEMENT**

25 Non-settling parties and third parties periodically may attempt to object to proposed class
26 action settlements, but the right of non-settling parties to object at the final settlement approval
27 hearing, let alone the preliminary approval hearing, is quite limited. As a general rule, only class
28 members have standing to object to a proposed settlement. “Beginning from the unassailable

1 premise that settlements are to be encouraged, it follows that to routinely allow non-class
2 members to inject their concerns via objection at the settlement stage would tend to frustrate this
3 goal.” (*Gould v. Alleco, Inc.* (4th Cir. 1998) 883 F.2d 281, 284.) Since an application is being
4 filed to obtain a good faith determination, no persons other than class members have standing to
5 object to the proposed settlement. (*In re School Asbestos Litigation* (3rd Cir. 1990) 921 F.2d
6 1330.)

7 **X. THE STIPULATED AWARD OF ATTORNEYS’ FEES AND COSTS IS**
8 **REASONABLE AND SHOULD BE APPROVED.**

9 Under the Settlement Agreement, subject to approval by this Court, Class Counsel will
10 seek an award of fees of no more than One Hundred Eight Thousand Three Hundred and Thirty-
11 Three Dollars and Thirty-Three Cents (\$108,333.33), approximately one-third of the Gross
12 Settlement Amount, and not more than Twenty Five Thousand Dollars and Zero Cents
13 (\$25,000.00) in costs. The requested fees are fair compensation for a law firm involved in
14 undertaking complex, risky, expensive, and time-consuming litigation solely on a contingent
15 basis. (Haritounian Decl. ¶¶ 64-66.) Defendants will not oppose Class Counsel’s fees and cost
16 request.

17 California courts routinely look to the federal courts on class action approvals. The Ninth
18 Circuit has recognized that an appropriate method for awarding attorneys’ fees in class actions is
19 to award a percentage of the “common fund” created as a result of the settlement. (*Vincent v.*
20 *Hughes Air West, Inc.* (9th Cir. 1977) 557 F.2d 759, 769.) The purpose of the common
21 fund/percentage approach is to “spread litigation costs proportionally among all the beneficiaries
22 so that the active beneficiary does not bear the entire burden alone.” (*Id.*) Accordingly, courts
23 have discretion to choose either the percentage-of-the-fund method or the lodestar method. (*In re*
24 *Wash. Pub.Power Supply Sys. Sec. Litigation* (9th Cir. 1994) 19 F.3d 1291, 1295-96.)

25 Several courts have, however, expressed frustration with the “lodestar” approach for
26 deciding fee awards, which usually involves wading through voluminous time records. Thus, the
27 percentage approach can be preferable to the lodestar in certain situations because: (1) it aligns
28 the interests of class counsel and absent class members; (2) it encourages efficient resolution of

1 the litigation by providing an incentive for early, yet reasonable, settlement; and (3) it reduces the
2 demands on judicial resources. (*In re Activision Securities Litigation*, (N.D. Cal. 1989) 723
3 F.Supp. 1373, 1378-79.) The Ninth Circuit has used the percentage of the common fund approach
4 to determine the award of attorneys' fees. (*In re Pacific Enterprises Securities Litigation* (9th Cir.
5 1994) 47 F.3d 373, 378-79 (approving attorneys' fee of 33 1/3% of settlement fund).)

6 Class Counsel's application for attorneys' fees in light of the facts and circumstances
7 surrounding this case is well within the range of reasonableness. Historically, courts have
8 awarded percentage fees in the range of 20% to 50% of the common fund, depending on the
9 circumstances of the case. (*Newberg*, at §14.03; *see also In re Activision Securities Litigation*,
10 723 F. Supp. at 1378.) *Newberg* further notes: "[A]chievement of a substantial recovery with
11 modest hours expended should not be penalized but should be rewarded for considerations of
12 time saved by superior services performed." (*Id.* at §§ 14-10:14-11.)

13 The attorneys' fees request provided for in the Settlement Agreement is commensurate
14 with judicial precedent. Both state and federal courts regularly approve fee awards equal to or
15 greater than the percentage requested in this case. (*See, e.g., In re Pacific Enterprises Securities*
16 *Litigation* (9th Cir. 1995) 47 F.3d 373, 379 (affirming an award equal to 33% of the common
17 fund); *In re Activision Securities Litigation* (N.D. Cal. 1989) 723 F.Supp. 1373, 1375 (awarding
18 plaintiff' counsel 32.8% of the common fund created to settle the litigation); *In re Ampicillin*
19 *Antitrust Litigation* (D. D.C. 1981) 526 F.Supp. 494 (awarding 45% of \$7.3 million settlement
20 fund); *Parker v. City of Los Angeles* (1974) 44 Cal.App.3d 556, 557-568 (affirming fee award to
21 counsel of one-third (1/3) of recovery achieved).)

22 In wage and hour class actions in particular, California trial courts have customarily
23 approved attorney's fees consistent with or greater than the percentage of the common fund
24 requested in this case. (*See Evans v. Coca-Cola*, Los Angeles County Super. Ct. Case No. BC
25 220525 (Hon. Richard C. Hubbell) (Dec. 2001) (approving an award of attorneys' fees of at least
26 33-1/3% of the settlement); *see also Estrada v. Dr. Pepper/Seven-Up*, Los Angeles County Super.
27 Ct. Case No. BC 262247 (May 2005) (Hon. Anthony J. Mohr); *Moreno v. Miller Brewing*, Los
28 Angeles County Super.Ct. Case No.BC 278170 (April 2004) (Hon. David M. Minning); *Josiah*

1 *Eaton v. Adolph Coors Company* (2003) Orange County Super. Ct. Case No. 01CC00140 (Hon.
2 Stephen J. Sundvold); *Kimbell v. Abercrombie & Fitch Stores, Inc.*, Los Angeles County
3 Super.Ct. Case No.BC 277359 (Sept. 2006) (Hon. Kenneth R. Freeman); *Daum v. Claim Jumper*
4 *Restaurants*, Orange County Super.Ct. Case No.02CC10201 (2006) (Hon. Ronald L. Bauer).)

5 Here, Class Counsel has borne the entire risk and costs of litigation and will not receive
6 any compensation until recovery is obtained. (Haritounian Decl., ¶¶ 64-66) The Court should also
7 consider the benefit obtained by Class Counsel on behalf of class members. Thus, the requested
8 award for Class Counsel is reasonable.

9 **XI. ACTION REQUESTED AS A PART OF THE MOTION FOR PRELIMINARY**
10 **APPROVAL**

11 The parties respectfully request this Court, as part of the preliminary approval process, to
12 grant the following relief and make the following orders:

- 13 1. Review and approve the Settlement Agreement;
- 14 2. Review and approve the Class Notice, attached to the Settlement Agreement as Exhibit
15 A;
- 16 3. Consider and determine that the proposed class action settlement as set forth in the
17 Settlement Agreement preliminarily appears fair, reasonable, and adequate;
- 18 4. Enter an order conditionally certifying the action as a class action for settlement
19 purposes only and preliminarily approving the proposed class action settlement and the
20 Settlement Agreement;
- 21 5. Approve and appoint Emil Davtyan, David Yeremian, and Natalie Haritounian of
22 D.Law, Inc. to serve as Class Counsel for settlement purposes;
- 23 6. Approve and appoint Apex Class Action as the Settlement Administrator to handle the
24 notice and claims procedures as set forth in the Settlement Agreement;
- 25 7. Approve the proposed settlement's allocation of funds to claims made under PAGA;
- 26 8. Order Defendants to disclose to Apex Class Action the names, last-known addresses,
27 telephone numbers, dates of employment, and social security numbers of class members as set
28 forth in the Settlement Agreement;

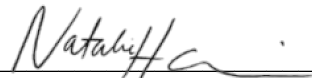
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- 1 9. Order that Apex Class Action mail the Class Notices to class members; and
2 10. Set a date for the Final Approval Hearing.
3

4 Dated: February 28, 2025

Respectfully submitted,

5 D.LAW, INC.
6

7 By 
8 Natalie Haritonian
9 Attorneys for Plaintiff, RICARDO ARELLANO,
on behalf of himself and others similarly situated
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