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on behalf of himself and all others similarly situated

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF SAN MATEO**

KENNETH ROBERT BUTERA, an
individual on behalf of himself and all others
similarly situated,

Plaintiff,

v.

GREEN HILLS COUNTRY CLUB, a
California nonprofit corporation; and DOES 1
through 50, inclusive

Defendants.

Case No.: 24CIV00331

CLASS ACTION

**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 12, 2026
Time: 2:00 p.m.
Judge: Hon. Mark McCannon
Dept: 2

Action filed: January 23, 2024
Trial date: None set

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiff Kenneth Butera (“Plaintiff” or “Class Representative”) filed a class action
4 complaint in the Superior Court of the State of California, San Mateo County, Case No.
5 24CIV00331 against Defendant Green Hills Country Club (“Defendant”). Plaintiff alleged the
6 following causes of action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and
7 Overtime Under Labor Code § 510; (3) Failure to Pay Reporting Time Pay; (4) Meal Period
8 Liability Under Labor Code § 226.7; (5) Rest Break Liability Under Labor Code § 226.7; (5)
9 Violation of Labor Code § 226(a); (6) Failure to Pay Vacation Wages; (7) Violation of Labor Code
10 § 226(a); (8) Violation of Labor Code § 203; (9) Violation of Labor Code § 204; (10) Failure to
11 Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (11) Violation of Labor
12 Code § 221; (12) Failure to Produce Requested Employment Records Under Labor Code §§ 226(b),
13 1198.5; (13) Violation of Business & Professions Code §§ 17200, *et seq*; and (14) Penalties under
14 Private Attorney General Act (“PAGA”), Labor Code § 2698.

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 Defendant in California and classified as a non-exempt, hourly employee who worked for
18 Defendant during the Class Period.” After engaging in substantial investigation and extensive
19 negotiations with the assistance of a respected third-party neutral Todd Smith, the parties have
20 agreed to settle all claims alleged in the lawsuit on a class-wide non-reversionary basis for Three
21 Hundred and Fifty Thousand Dollars and Zero Cents (\$350,000.00), inclusive of all fees and costs.
22 All 337 Class Members shall receive a settlement share unless they opt out.

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

II. STATUS OF THE LITIGATION

A. Procedural History

On January 23, 2024 Plaintiff filed a class action complaint against Defendant alleging thirteen causes of action: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Failure to Pay Reporting Time Pay; (4) Meal Period Liability Under Labor Code § 226.7; (5) Rest Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226(a); (6) Failure to Pay Vacation Wages; (7) Violation of Labor Code § 226(a); (8) Violation of Labor Code § 203; (9) Violation of Labor Code § 204; (10) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (11) Violation of Labor Code § 221; (12) Failure to Produce Requested Employment Records Under Labor Code §§ 226(b), 1198.5; and (13) Violation of Business & Professions Code §§ 17200, *et seq.* (Declaration of Natalie Haritounian (“Haritounian Decl.”), filed concurrently herewith, ¶ 10).

Plaintiff contends that Defendant failed to pay Class Members all wages due and owing, including by requiring off the clock work, failing to pay the correct regular rate, failing to provide meal and rest breaks, failing to pay reporting time pay, failing to provide vacation wages, making unlawful deductions to wages, failing to furnish accurate wage statements, failing to timely pay wages including final wages, failing to maintain accurate records, and failing to produce requested records. (Haritounian Decl., ¶ 11.)

Simultaneously, on January 23, 2024, Plaintiff submitted a Private Attorneys General Act (“PAGA”) notice letter to the Labor Workforce Development Agency (“LWDA”) and served Defendant. (Haritounian Decl., ¶ 12.) The LWDA did not express an interest in investigating Plaintiff’s claims within the 65 day period. (*Id.*) Therefore, on March 28, 2024, Plaintiff filed a First Amended Complaint adding a cause of action for penalties under the Private Attorneys General Act (“PAGA”). (*Id.*)

B. Investigation

Before filing the lawsuit, Class Counsel investigated and researched the facts and circumstances underlying the pertinent issues and the law applicable thereto. (Haritounian Decl., ¶ 13.) This required thorough discussions and interviews between Class Counsel and Plaintiff, as

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

5 After filing the lawsuit, Class Counsel conducted a thorough investigation of the facts and
6 claims giving rise to the action, including: (1) conducting informal discovery and meeting and
7 conferring with defense counsel about same; (2) reviewing and analyzing a sampling of time and
8 pay records as well as employment handbooks, Plaintiff's personnel files, relevant policies and
9 other documentation; (3) researching the applicable law and potential defenses; (4) constructing
10 damage models based on interpretations of California law; and (5) reviewing information provided
11 by Defendant at the mediation. (Haritounian Decl., ¶ 14.) The Class enumerated in this action is
12 ascertainable because the Class Members may be readily identified by reference to Defendant's
13 records. (*Id.*) Defendant has agreed to share the information from these records with the Settlement
14 Administrator in order to identify and contact the Class Members. (*Id.*) There are approximately
15 337 total Class Members. (*Id.*)

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

21 C. Settlement Efforts

22 On January 29, 2025, the parties mediated this case with Todd Smith, a respected and highly
23 experienced mediator in wage and hour class actions. (Haritounian Decl., ¶ 16.) During mediation,
24 Plaintiff's and Defendant's counsel discussed all aspects of the case, including the risks of litigation
25 and the risks to both parties of proceeding with a motion for class certification as well as the law
26 relating to unpaid wages, meal periods, rest periods, wage statements, and final pay. (*Id.*) As a result
27 of the mediation, the parties agreed to settle the lawsuit according to the terms set forth in the
28

1 Settlement Agreement. (*Id.*; See Exhibit 1 attached to Haritoonian Decl., “Settlement” or
2 “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 settlement
8 award he or she will receive. (Haritoonian Decl., ¶ 16.) Further, and based on the settlement
9 negotiations, which were extensive, and conducted in good faith and at arm’s length between
10 attorneys with substantial experience litigating class actions and wage and hour cases, the
11 Settlement Agreement was the product of a non-collusive settlement process in which the parties
12 were forced to make significant compromises in the interest of reaching a full and complete
13 settlement of the lawsuit. (*Id.*)

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

15 Under the terms of the proposed Settlement Agreement, Defendant has agreed to pay Three
16 Hundred and Fifty Thousand Dollars and Zero Cents (\$350,000.00) (“Gross Settlement Amount”)
17 on a non-reversionary basis to settle and release all claims asserted by Plaintiff in the Class Action
18 and PAGA Action on behalf of the proposed Class. (Haritoonian Decl., ¶ 17; Exh. 1, § 3.1.) The
19 Settlement Agreement defines the “Class” Members as “all persons employed by Defendant in
20 California and classified as a non-exempt, hourly employee who worked for Defendant at any
21 during the Class Period.” (Haritoonian Decl., ¶ 18; Exh. 1, § 1.5.) The “Net Settlement Amount,”
22 available for distribution to Class Members, shall be the Gross Settlement Amount, less the
23 Attorneys’ Fees and Costs, the Class Representative Enhancement Payment, Settlement
24 Administration Costs, seventy-five percent (75%) of the LWDA Payment, and the Individual
25 PAGA Payments. (Haritoonian Decl., ¶ 19; Exh. 1, § 1.28.) These amounts are detailed as follows:

- 26 • not more than One Hundred and Sixteen Thousand Six Hundred and Sixty-Six
27 Dollars and Sixty-Seven Cents (\$116,666.67) to Class Counsel for attorneys’ fees,
28

1 and not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00) to Class
2 Counsel for litigation costs; (Haritounian Decl., ¶ 19; Exh. 1, § 3.2.2);

- 3 • not more than Nine Thousand Dollars and Zero Cents (\$9,000.00) for the Settlement
4 Administration Costs; (Haritounian Decl., ¶ 19; Exh. 1, § 3.2.3);
- 5 • not more than Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00)
6 to Plaintiff for a Class Representative Enhancement Payment; and (Haritounian
7 Decl., ¶ 19; Exh. 1, § 3.2.1);
- 8 • Twenty Thousand Dollars and Zero Cents (\$20,000.00) for civil penalties under the
9 PAGA, where 75% (\$15,000.00) will be paid to the LWDA and 25% (\$5,000.00)
10 will be paid to Aggrieved Employees for their Individual PAGA Payments.
11 (Haritounian Decl., ¶ 19; Exh. 1, § 3.2.5.)

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

16 Defendant shall pay its corporate payroll tax obligations on the payouts to Class Members
17 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 Defendant against certification, liability
21 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 Settlement
24 Administrator conducts a national change of address search). (Haritounian Decl., ¶ 23; Exh. 1, §
25 7.4.2.) Class Members will have an opportunity to dispute the information provided in their Class
26 Notice and they may produce evidence to support the information is inaccurate. (Haritounian Decl.,
27 ¶ 24; Exh. 1, § 7.6; *see also* Class Notice, **Exhibit A** attached to the Settlement Agreement.) The
28 Settlement Administrator shall decide the dispute and may ask Defendant to produce the personnel

1 and payroll files of the Class Member disputing their credited workweeks in order to resolve the
2 dispute. (Haritonian Decl., ¶ 24; Exh. 1, § 7.6.) Class Members wishing to opt-out from the
3 Settlement Agreement must sign and postmark a written request for exclusion to the Settlement
4 Administrator. (Haritonian Decl., ¶ 25; Exh. 1, § 7.5.) Class Members will also have the
5 opportunity to object to the Settlement Agreement, by serving a copy of the objection to the
6 Settlement Administrator. (Haritonian Decl., ¶ 25; Exh. 1, § 7.7.) The Response Deadline will be
7 sixty (60) calendar days from the initial mailing of the Class Notice. (Exh. 1, §1.43.)

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

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

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

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

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

27 Whether a class is ascertainable is determined by examining the class definition, the size of
28 the class and the means available for identifying class members. (*See Vasquez, supra*, 4 Cal. 3d at

1 821-22; *Reyes v. Board of Supervisors of San Diego County* (1987) 196 Cal. App. 3d 1263, 1271.)
2 Class members are “ascertainable” where they may be readily identified without unreasonable
3 expense or time.

4 Plaintiff contends, and Defendant does not dispute for settlement purposes only, this
5 requirement and the requirement of numerosity is met. Class Members are “all persons employed
6 by Defendant in California and classified as a non-exempt, hourly employee who worked for
7 Defendant during the Class Period.” (Haritounian Decl., ¶ 84(a).) Documents and information
8 exchanged between the parties reflect a class of approximately 337 Class Members. (Haritounian
9 Decl., ¶ 84(a).) The Class Members have already been identified by reference to Defendant’s
10 payroll and personnel records. (Haritounian Decl., ¶ 84(b).)

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

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

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

15 [D]oes not depend upon an identical recovery, and the fact that each
16 member of the class must prove his separate claim to a portion of any
17 recovery by the class is only one factor to be considered ... The mere
18 fact that separate transactions are involved does not of itself preclude
19 a finding of the requisite community of interest so long as every
20 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.

21 *Id.* at 809.

22 Plaintiff contends, and Defendant does not dispute for settlement purposes only, that
23 common issues of fact and law predominate as to each of the claims alleged by Plaintiff, and the
24 Class is united in its proof. (Haritounian Decl., ¶ 84(e).) Because Plaintiff has alleged a single
25 scheme, “the relevant proof [does] not vary among class members” and “clearly presents a common
26 question fundamental to all class members.” (*See In Re NASDAQ Market-Makers Antitrust*
27 *Litigation* (SDNY 1997) 172 F.R.D. 119, 123 (citing *In Re NASDAQ Market-Makers Antitrust*
28 *Litigation*, (SDNY 1997) 169 F.R.D. 493, 518).) California courts show “no hesitancy” in inferring

1 class-wide causation, class-wide injury, and class-wide damages when a common course of action
2 has been shown. (*B.W.I. Custom Kitchen*, 191 Cal. App. 3d at 1350.) This inference ““eliminates
3 the need for each class member to prove individually the consequences of the defendants’ actions
4 to him or her.”” (*Id.* at 1351 (quoting *Rosack v. Volvo of America Corp* (1982) 131 Cal. App. 3d
5 741, 753 [emphasis added])).)

6 This action involves, *inter alia*, a determination about Defendant’s alleged failure to provide
7 meal period and rest periods, failure to pay wages and overtime due to allegedly common and
8 unlawful policies, failure to pay final wages when required, failure to provide accurate paystubs,
9 failure to pay reporting time pay, failure to pay vacation wages, unlawful deductions to wages,
10 failure to maintain employment records, failure to produce requested employment records, and
11 largely derivative claims under the Business & Professions Code and PAGA. Plaintiff contends
12 these practices affected Class Members in the same way. Plaintiff contends these practices resulted
13 in a failure to compensate employees at termination, and incomplete wages displayed on wage
14 statements. The outcome of litigation on this matter depends upon questions that are common to
15 Class Members. (Haritounian Decl., ¶ 84(e).) While Defendant maintained otherwise, these issues
16 will not be decided on the basis of facts peculiar to each Class Member, but rather on the basis of
17 facts common to them all. It is also true that these issues of liability can be determined on a class-
18 wide basis. (*Id.*)

19 C. The Named Plaintiff’s Claims Are Typical

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

1 the class representative should have personally incurred all of the damages suffered by each of the
2 other class members. (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 228.)

3 Plaintiff contends, and Defendant does not dispute for settlement purposes only, that
4 Plaintiff's claims are typical of Class Members' claims because they arose from the same factual
5 basis and are based on the same legal theories. (Haritounian Decl., ¶ 84(c).) Plaintiff was employed
6 by Defendant during the Class Period, and was subject to the allegedly unlawful meal and rest
7 policies and pay practices at issue in this litigation. (*Id.*) Accordingly, Plaintiff is a member of the
8 Class. (*Id.*) The central issues of this litigation (whether Defendant failed to pay all wages, whether
9 Defendant failed to provide meal and rest periods, etc.), which would arise if this was an individual
10 action, apply to the other Class Members as well. The answer to these questions would determine
11 Defendant's liability to the putative class. (*Id.*) Thus, the claims of Plaintiff are typical of the claims
12 of the putative class. (*Id.*) Accordingly, the typicality requirement is satisfied.

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

14 Class Counsel are experienced in class actions, have represented their clients zealously and
15 have no conflicts of interest. (Haritounian Decl., ¶¶ 3-9, 84(d).) The Class Representative's interests
16 are aligned with those of the Class Members, he has suffered the same injuries as the Class
17 Members, and has no conflicts of interest. (*Id.*) Therefore, Class Counsel and the Class
18 Representative are adequate.

19 **E. Predominance and Superiority**

20 Individual issues do not predominate over those common to the class. (Haritounian Decl., ¶
21 71(f-g).) The class action mechanism is superior to individualized actions because Class Members
22 have little incentive to bring claims that are small. (*Id.*)

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

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

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

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

15 Settlements to resolve PAGA claims also require court approval. (Labor Code § 2699(1)(2).)
16 There is no articulated standard for approving PAGA settlements. PAGA settlements for as little
17 as \$0 have been approved. (*See Nordstrom Com'n Cases* (2010) 186 Cal.App.4th 576, 589
18 (approving PAGA settlement and release that allocated \$0 to PAGA claim).) Courts have also
19 approved settlements for \$20,000 or less. (*See, e.g., Hicks v. Toys 'R' Us-Delaware, Inc.*, (C.D.
20 Cal. Sept. 2, 2014) 2014 WL 4703915, at *1 (approving \$5,000 PAGA payment in \$4 million
21 settlement); *Chu v. Wells Fargo Invest. LLC* (N.D. Cal. Feb. 16, 2011) 2011 WL 672645, at *1
22 (approving PAGA payment of \$7,500 in \$6.9 million settlement); *Williams v. Brinderson*
23 *Constructors* (C.D. Cal. Feb. 6, 2017) 2017 WL 490901, at *5 (\$10,000 PAGA settlement in
24 \$300,000 settlement).)

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

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

28 As a matter of public policy, courts both encourage the use of the class action device and
favor settlement over continued litigation. (*See, e.g., Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th
429, 434 ("Courts have long acknowledged the importance of class actions as a means to prevent a
failure of justice in our judicial system."); *Class Plaintiff v. City of Seattle* (1992) 955 F.2d 1268,

1 1276 (“[S]trong judicial policy . . . favors settlements, particularly where complex class action
2 litigation is concerned.”).)

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

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

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

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

25 Plaintiff alleges that Defendant failed to pay minimum wages and overtime, failed to pay
26 reporting time pay, failed to provide proper meal breaks or provide premium pay in lieu thereof,
27 failed to provide proper rest breaks or provide premium pay in lieu thereof, failed to pay vacation
28 wages, failed to provide accurate wage statements, failed to timely pay all wages upon termination,

1 failed to maintain employment records, failed to produce requested employment records, and made
2 unlawful deductions to employee's wages in violation of California law. (Haritounian Decl., ¶ 27.)

3 Class Counsel felt confident that the claims in this case would be certified given that
4 Defendant's policies were applicable to all Class Members and unlawful on their face. (Haritounian
5 Decl., ¶¶ 27-67.) Defendant contended, however, that the policies complied with California law.

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

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

25 Plaintiff alleged that Defendant failed to pay Plaintiff and Class Members minimum wages
26 for all hours worked, in violation of minimum wage laws. (Haritounian Decl., ¶ 30.) Plaintiff
27 contended that Class Members were not paid all wages they were owed including for all work
28 performed and for all overtime hours worked. (*Id.*) Specifically, Class Members were required to

1 work outside of their scheduled shifts by spending several minutes responding to work demands,
2 including emptying garbage, before being allowed to clock in. (*Id.*) Additionally, numerous
3 employees, including Plaintiff, were required to use a single time clock to be able to clock in. (*Id.*)
4 Due to their being only one clock available, Class Members would frequently have to wait in line
5 before their scheduled shifts to be able to clock in, and they were not paid for this time. (*Id.*)
6 Furthermore, Defendant also required Class Members work through portions of their scheduled
7 meal periods, but inserted synthetic 30-minute time entries to indicate a compliant lunch had been
8 taken, resulting in off the clock work. (Haritounian Decl., ¶ 30.)

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

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

17 In order to establish liability for these penalties, Plaintiff would first have to establish
18 liability for the underlying claims. Plaintiff would then have to establish that Defendant's conduct
19 was willful and knowing. (Labor Code §§ 203, 226(e).)

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

1 and therefore had good-faith defenses under *Brinker* and its progeny. Defendant likewise contends
2 that it properly paid all hours worked by its employees. Based upon Defendant’s potential success
3 in establishing both that a good faith dispute existed with regard to unpaid wages, and Defendant
4 endeavored in good faith to supply accurate wage statements, Defendant argues the claims for
5 paystub violations and waiting time penalties have little or no value. *See Maldonado v. Epsilon*
6 *Plastics, Inc.*, 22 Cal. App. 5th 1308, 1336-1337 (2018) (wage statements that accurately report
7 wages paid to employees do not violate Labor Code § 226, even if it is later determined that
8 employer did not properly pay all wages due). As such, there was risk associated with wage
9 statement and waiting time penalties that Class Counsel had to consider. (Haritounian Decl., ¶¶ 40-
10 46.)

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

12 Labor Code § 2699.3 gives aggrieved employees the right to recover civil penalties for
13 specific Labor Code violations by way of a civil action. The PAGA provides a penalty amount of
14 one hundred dollars (\$100) for each aggrieved employee per pay period for the initial violation and
15 two hundred dollars (\$200) for each aggrieved employee per pay period for each subsequent
16 violation. Labor Code § 2699(e)(2). However, if a civil penalty is provided in a specified amount
17 by the Labor Code section relating to the underlying alleged Labor Code violation, that amount
18 shall apply. (*Id.*) The PAGA also gives the Court discretion to award any lesser amount than the
19 maximum civil penalty. (*Id.* [“...a court may award a lesser amount than the maximum civil penalty
20 amount specified by this part if, based on the facts and circumstances of the particular case, to do
21 otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory.”]); *See*,
22 *e.g.*, *Lopez v. Friant & Assocs., LLC*, 15 Cal. App. 5th 773, 788 (2017), *rev. denied* (2018),
23 (recognizing court’s ability to reduce PAGA penalties). Courts have held that situations similar to
24 the current one (e.g. injuryless violations, technical errors, and substantial compliance) should lead
25 to reductions in penalties. *See Thurman v. Bayshore Transit Management, Inc.*, 203 Cal. App. 4th
26 1112, 1134-1135 (2012) (holding that reduction was justified when employer “attempted to comply
27 with the law”); *Fleming v. Covdien, Inc.*, No. ED CV10-01487 RGK (OPx), 2011 U.S. Dist. LEXIS
28 154590 at *8-9 (C.D. Cal. August 12, 2011) (reducing PAGA penalties more than 80% – from \$2.8

1 million to \$500,000 – when “employees suffered no injury” employers were “not aware” of the
2 violation and “took prompt steps to correct all violations once notified”).

3 Plaintiff discounted potential penalties under this claim given this authority, and for other
4 reasons. The PAGA claims are premised on the same underlying unpaid wages, meal and rest break,
5 wage statement, and waiting time claims, and thus subject to the same disputes and defenses. There
6 is also a dispute as to whether violations in later pay periods trigger the \$200 penalty under PAGA
7 as a “subsequent violation.” (*Amaral v. Cintas Corp. No. 2*, 163 Cal. App. 4th 1157, 1203 (2008).)
8 As such, there is a fair amount of risk associated with PAGA claims. (Haritonian Decl., ¶¶ 61-64.)
9 The parties also considered that the purpose of PAGA is to “achieve maximum compliance with
10 state labor laws,” and that through the proposed settlement, Defendant has agreed to ensure policies
11 comply with California law. (*Iskanian v. CLS Transp. Los Angeles, LLC* (2014) 59 Cal. 4th 348,
12 379.) This makes the settlement’s contemplated PAGA payment of Twenty Thousand Dollars and
13 Zero Cents (\$20,000.00) appropriate.

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

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

17 Given the risks outlined above, the issues in this case were complex and the risk for Plaintiff
18 and the Class Members associated with this litigation was high. (Haritonian Decl., ¶¶ 69-71.) A
19 class trial would have required the retention of expensive expert witnesses, the accrual of extensive
20 litigation costs, and the parties would have had to spend a substantial amount of time. (*Id.*)

21 Finally, given the complexity and unsettled nature of the issues, it is likely that any outcome
22 at trial would have resulted in a lengthy and costly appeal. An appeal would result in further delay
23 for the Class Members who have already waited years for resolution in this matter. (Haritonian
24 Decl., ¶ 71.)

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

26 In class actions, decertification is always a possibility. There is always a risk that a trial of
27 this magnitude can become unmanageable. Given cases like *Duran v. U.S. Bank Nat. Assn.*, 59 Cal.
28

1 4th 1, 34 (2014) that deal with the complexity of using statistical samples in class actions,
2 decertification is a real risk that Class Counsel must take into account.

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

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

10 There are approximately 337 total Class Members. Based on the data provided, Class
11 Counsel estimated the following maximum exposures: unpaid wage claim at \$467,147, meal period
12 claim at \$441,944, rest period claim at \$441,944, wage statement claim at \$317,400, waiting time
13 penalties at \$1,344,394, reporting time pay penalties at \$176,777.70, vacation wage penalties at
14 \$122,087.4, unlawful deduction penalties at \$0, and on PAGA, Plaintiff estimated the maximum
15 exposure at \$326,600. (Haritounian Decl., ¶ 28.)

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

20 Once Class Counsel was able to determine the maximum potential damages, it was able to
21 determine a fair and reasonable settlement for the Class. (*Id.* at ¶¶ 27-67.) Class Counsel analyzed
22 the likelihood of success on the merits. (*Id.*) It believes that the Class had a reasonable likelihood
23 of success on the core claims. (*Id.*) However, Defendant disputes this contention, denies all
24 wrongdoing in this matter and is confident it has strong legal and factual defenses to Plaintiff's
25 claims. Moreover, Class Counsel determined that the likelihood of success on the claims for unpaid
26 wages and waiting time penalties were not as strong, because various defenses including issues not
27 suitable for class treatment, no detriment to the class members over time, and *de minimis* defenses.
28 Defendant may have had the opportunity to establish that it had a good faith belief that it was

1 complying with the law. (*Id.*) After taking into account the likelihood of success on each claim and
2 the challenges faced with certifying these claims, Class Counsel determined that the settlement
3 amount of Three Hundred Fifty Thousand Dollars and Zero Cents (\$350,000.00) was fair and
4 reasonable.

5 Under the Settlement, each of the approximately 337 Class Members will receive on
6 average, assuming they worked throughout the class period, \$524.72 after expenses. (Haritounian
7 Decl., ¶ 67.) Plaintiff feels that this Settlement is fair, reasonable, and advantageous to the class.
8 (*Id.*)

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

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

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

25 Among those matters considered during the course of settlement negotiations were the
26 strength of Plaintiff's case versus the amounts offered in settlement; the risks, expenses, and length
27 of further litigation, including class certification and the appeals process; the present state of the
28 law as it applies to wage and hour class actions, particularly in light of *Brinker*; the present value

1 of a settlement versus the long wait necessitated by any potential judgment in class members' favor;
2 the burdens of proof necessary to establish liability against Defendant; and Defendant's defenses
3 to the action. (Haritonian Decl., *passim*).

4 These factors each indicated that the interests of Class Members are best served by a
5 settlement of this action in the manner and upon the terms set forth in the Settlement Agreement.
6 The Settlement Agreement confers a substantial benefit on the class of up to Three Hundred Fifty
7 Thousand Dollars and Zero Cents (\$350,000.00). Moreover, the settlement awards for each Class
8 Member will be tailored to their workweeks during the class period. In addition, Class Counsel
9 secured prospective relief for the class in that Defendant will ensure its policies comply with
10 California law.

11 Class Counsel believes that the settlement is fair and reasonable and serves the best interests
12 of the Class Members. Although the recommendations of counsel proposing the class settlement
13 are not conclusive, the Court can properly take the recommendations into account, particularly if
14 counsel has been involved in litigation for some period of time, appear to be competent, and have
15 experience with this type of litigation, and significant discovery has been completed. *See Newberg*,
16 §11.47.

17 **VII. THE CLASS REPRESENTATIVE ENHANCEMENT PAYMENT IS FAIR AND**
18 **REASONABLE**

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

22 Plaintiff is entitled to reasonable service payments for his efforts and initiative in bringing
23 and helping to prosecute this class action. Plaintiff spent significant time better apprising himself
24 of his rights, deciding whether remedial action should be taken, how it should be taken, searching
25 for attorneys, and contacting Class Counsel, who spent many hours with Plaintiff discussing his
26 case and the law. (Haritonian Decl., ¶ 79.) In the end, Plaintiff decided to vindicate not only his
27 own rights but also those of his co-workers by filing a class action lawsuit.

1 The courage it took to do this should not be underestimated. By suing Defendant, Plaintiff
2 contends they increased the risk of retaliation by prospective employers. (Haritounian Decl., ¶ 80.)
3 Plaintiff's lawsuit has now cost Defendant considerable resources, and Plaintiff contends such
4 conduct will not be lost on a prospective employer who has to choose between an applicant who
5 has never sued a prior employer and one who has. (*Id.*) Plaintiff contends this risk is particularly
6 real in the information age, where employers can, more easily than ever, perform background
7 checks of prospective employees, sometimes with the stroke of a key. (Haritounian Decl., ¶ 80.)

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

18 Plaintiff spent a significant amount of time with Class Counsel detailing his knowledge of
19 Defendant's practices. (Haritounian Decl., ¶ 82.) He has diligently, adequately, and fairly
20 represented Class Members, and has not placed his interests above any member of the putative
21 class. (*Id.*) This sort of payment to a class representative has been a common feature of settlements
22 negotiated by Class Counsel and has been routinely approved by trial courts. (*Id.*)

23 In light of the foregoing, Class Counsel believes that the incentive award in the amount of
24 Seven Thousand Five Hundred Dollars and Zero Cents (\$7,500.00) to the Class Representative is
25 fair and reasonable. (Haritounian Decl., ¶ 83.)

26 **VIII. THE PROPOSED CLASS NOTICE PROVIDES ADEQUATE NOTICE TO THE**
27 **CLASS MEMBERS.**

28 Constitutional due process requires that class members be provided with notice sufficient

1 to give them an opportunity to be heard in the proceedings. *Mullane v. Central Hanover Bank &*
2 *Trust Co.* (1950) 339 U.S. 306. Proper notice must provide the class members with sufficient
3 information to make an informed decision as to whether to accept or object to the settlement. (*Id.*
4 at 314.) The notice must apprise the class members of the pendency of the action; reasonably
5 convey information regarding the settlement and the class members' rights, entitlements, and
6 obligations; and afford class members the opportunity to present their objections. (*Id.*)

7 The Class Notice meets constitutional standards because it provides all the information a
8 reasonable person would need to make a fully informed decision about the settlement. It will notify
9 all class members of the terms of the settlement, of its effect on their rights, of their options as class
10 members (i.e., participate, object, opt out, do nothing), and of the consequences of exercising those
11 options. (Haritonian Decl., ¶¶ 72-74.) Moreover, the Class Notice will specifically direct any class
12 members who have questions or concerns to contact the Settlement Administrator, Phoenix or Class
13 Counsel. (*Id.*)

14 The standard for determining the adequacy of notice is whether the notice has "a reasonable
15 chance of reaching a substantial percentage of the class members." (*Cartt v. Superior Court* (1975)
16 50 Cal.App.3d 960, 974.) The Judicial Council of California's Deskbook on the Management of
17 Complex Civil Litigation (Matthew Bender 2003), § 3.74 notes that individual notice by mail is
18 preferred when possible and dissemination of combined certification/settlement notice is a common
19 and accepted practice. (*In re Vitamin Cases* (2003) 107 Cal.App.4th 820, 828.)

20 Here, the Class Notice will be sent via first-class mail to each class member. (Haritonian
21 Decl., ¶ 72.) If any Class Notices are returned undeliverable without a forwarding address, the
22 Settlement Administrator will use the national change of address database and perform a skip trace
23 to locate the class member and mail a new Class Notice to him or her at the correct address. (*Id.*)
24 Thus, most, if not all, class members will likely receive the Class Notice.

25 Pursuant to controlling authority, the proposed Class Notice and method of distribution fully
26 comport with due process requirements. Therefore, the Court should approve the Class Notice and
27 direct that it be distributed as proposed herein.
28

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

2 Non-settling parties and third parties periodically may attempt to object to proposed class
3 action settlements, but the right of non-settling parties to object at the final settlement approval
4 hearing, let alone the preliminary approval hearing, is quite limited. As a general rule, only class
5 members have standing to object to a proposed settlement. “Beginning from the unassailable
6 premise that settlements are to be encouraged, it follows that to routinely allow non-class members
7 to inject their concerns via objection at the settlement stage would tend to frustrate this goal.”
8 (*Gould v. Alleco, Inc.* (4th Cir. 1998) 883 F.2d 281, 284.) Since an application is being filed to
9 obtain a good faith determination, no persons other than class members have standing to object to
10 the proposed settlement. (*In re School Asbestos Litigation* (3rd Cir. 1990) 921 F.2d 1330.)

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

13 Under the Settlement Agreement, subject to approval by this Court, Class Counsel will seek
14 an award of fees of no more than One Hundred Sixteen Thousand Six Hundred and Sixty-Six
15 Dollars and Sixty-Seven Cents (\$116,666.67), approximately one-third of the Gross Settlement
16 Amount, and not more than Twenty Thousand Dollars and Zero Cents (\$20,000.00) in costs. The
17 requested fees are fair compensation for a law firm involved in undertaking complex, risky,
18 expensive, and time-consuming litigation solely on a contingent basis. (Haritounian Decl. ¶¶ 76-
19 78.) Defendant will not oppose Class Counsel’s fees and cost request.

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

1 Several courts have, however, expressed frustration with the “lodestar” approach for
2 deciding fee awards, which usually involves wading through voluminous time records. Thus, the
3 percentage approach can be preferable to the lodestar in certain situations because: (1) it aligns the
4 interests of class counsel and absent class members; (2) it encourages efficient resolution of the
5 litigation by providing an incentive for early, yet reasonable, settlement; and (3) it reduces the
6 demands on judicial resources. (*In re Activision Securities Litigation*, (N.D. Cal. 1989) 723 F.Supp.
7 1373, 1378-79.) The Ninth Circuit has used the percentage of the common fund approach to
8 determine the award of attorneys’ fees. (*In re Pacific Enterprises Securities Litigation* (9th Cir.
9 1994) 47 F.3d 373, 378-79 (approving attorneys’ fee of 33 1/3% of settlement fund).)

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

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

26 In wage and hour class actions in particular, California trial courts have customarily
27 approved attorney’s fees consistent with or greater than the percentage of the common fund
28 requested in this case. (*See Evans v. Coca-Cola*, Los Angeles County Super. Ct. Case No. BC

220525 (Hon. Richard C. Hubbell) (Dec. 2001) (approving an award of attorneys' fees of at least 33-1/3% of the settlement); *see also Estrada v. Dr. Pepper/Seven-Up*, Los Angeles County Super. Ct. Case No. BC 262247 (May 2005) (Hon. Anthony J. Mohr); *Moreno v. Miller Brewing*, Los Angeles County Super.Ct. Case No.BC 278170 (April 2004) (Hon. David M. Minning); *Josiah Eaton v. Adolph Coors Company* (2003) Orange County Super. Ct. Case No. 01CC00140 (Hon. Stephen J. Sundvold); *Kimbell v. Abercrombie & Fitch Stores, Inc.*, Los Angeles County Super.Ct. Case No.BC 277359 (Sept. 2006) (Hon. Kenneth R. Freeman); *Daum v. Claim Jumper Restaurants*, Orange County Super.Ct. Case No.02CC10201 (2006) (Hon. Ronald L. Bauer).)

Here, Class Counsel has borne the entire risk and costs of litigation and will not receive any compensation until recovery is obtained. (Haritounian Decl., ¶¶ 76-78.) The Court should also consider the benefit obtained by Class Counsel on behalf of class members. Thus, the requested award for Class Counsel is reasonable.

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

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

1. Review and approve the Settlement Agreement;
2. Review and approve the Class Notice, attached to the Settlement Agreement as Exhibit A;
3. Consider and determine that the proposed class action settlement as set forth in the Settlement Agreement preliminarily appears fair, reasonable, and adequate;
4. Enter an order conditionally certifying the action as a class action for settlement purposes only and preliminarily approving the proposed class action settlement and the Settlement Agreement;
5. Approve and appoint Natalie Haritounian and Jonas Agle of D.Law, Inc. to serve as Class Counsel for settlement purposes;
6. Approve and appoint Phoenix as the Settlement Administrator to handle the notice and claims procedures as set forth in the Settlement Agreement;

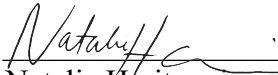
- 1 7. Approve the proposed settlement's allocation of funds to claims made under PAGA;
- 2 8. Order Defendant to disclose to Pheonix the names, last-known addresses, telephone
- 3 numbers, dates of employment, and social security numbers of class members as set forth in the
- 4 Settlement Agreement;
- 5 9. Order that Phoneix mail the Class Notices to class members; and
- 6 10. Set a date for the Final Approval Hearing.
- 7

8 Dated: February 10, 2026

Respectfully submitted,

9 D.LAW, INC.

10

11 By  _____

12 Natalie Haritounian

13 Attorneys for Plaintiff, KENNETH BUTERA,

14 on behalf of himself and others similarly situated

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