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Attorneys for Plaintiffs ANTHONY CORRALES, ANGELA DIANA PONCE, PRISCILLA ARELLANO, and NATALIE ESPARZA on behalf of themselves and others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SACRAMENTO

ANTHONY CORRALES, ANGELA DIANA PONCE, PRISCILLA ARELLANO, and NATALIE ESPARZA on behalf of themselves and others similarly situated, Plaintiff, vs. CALERES, INC. dba CALERES, a New York corporation; FAMOUS FOOTWEAR, an entity of unknown form; and DOES 1 through 50, inclusive, Defendants.	Case No. 23CV012350 CLASS ACTION Assigned for All Purposes To: Hon. Jill H. Talley Dept.: 8A **PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: December 11, 2026 Time: 9:00 a.m. Dept.: 8A Original Complaint Filed: November 29, 2023 First Amended Complaint Filed: Trial Date: None Set

TO THE HONORABLE COURT, ALL INTERESTED PARTIES, AND THEIR RESPECTIVE COUNSEL OF RECORD:

PLEASE TAKE NOTICE THAT on December 11, 2026, 9:00 a.m. or as soon thereafter as the matter may be heard, in Department 8A of the Sacramento County Superior Court, Tani G. Cantil-Sakauye Courthouse located at 500 G Street, Sacramento, CA 95814, Plaintiffs Anthony Corrales, Angela Diana Ponce, Priscilla Arellano, and Natalie Esparza (collectively, "Plaintiffs") will move for an order to:

1. Conditionally certify, for settlement purposes only, a Settlement Class consisting of all current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales lead, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to April 21, 2025;
2. Appoint Roman Shkodnik, Esq., Amanda Fazio, Esq., Enoch J. Kim, Esq., and Arianna N. Razi, Esq. of D.Law, Inc. as Class Counsel;
3. Appoint Plaintiffs Anthony Corrales, Angela Diana Ponce, Priscilla Arellano, and Natalie Esparza as the Class Representatives;
4. Order preliminary approval of the proposed Settlement on a class-wide basis, order directing that the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Notice") be given to the Settlement Class, and set a hearing for final approval of the proposed Settlement;
5. Approve Apex Class Action, LLC as the Settlement Administrator to handle the Notice and claims administration procedures as set forth in its proposal; and
6. Approve the PAGA portion of the Settlement.

The Motion will be based on this Notice of Motion, the Memorandum of Points and Authorities, the Declarations of Plaintiffs' Counsel and exhibits thereto, the Declarations of Plaintiffs, the Declarations of Kimberly Sutherland and Wiliam Argueta of Apex Class Action,

LLC, and on such oral and documentary evidence as may be presented at the hearing of the Motion.

Plaintiffs' counsel has reviewed the Court's Checklist for Approval of Class Action and/or Private Attorneys General Act ("PAGA") Settlements and attests that Plaintiffs' briefing complies with the checklist.

Pursuant to Local Rule 1.06 (A), the Court will make a tentative ruling on the merits of this matter by 2:00 p.m., the court day before the hearing. The complete text of the tentative ruling may be downloaded off the Court's website. If the party does not have online access, they may call the dedicated phone number for the department as referenced in the local telephone directory between the hours of 2:00 p.m. and 4:00 p.m. on the court day before the hearing and receive the tentative ruling. If you do not call the Court and the opposing party by 4:00 p.m. the court day before the hearing, no hearing will be held.

Dated: November 13, 2026

D.LAW, INC.

By: _____

Enoch J. Kim, Esq.
Arianna N. Razi, Esq.
Attorneys for Plaintiffs and the Settlement Class

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiffs Anthony Corrales, Angela Diana Ponce, Priscilla Arellano, and Natalie Esparza (collectively, "Plaintiffs") respectfully request that this Court grant preliminary approval of the class and representative action settlement ("Settlement" or "Settlement Agreement") entered into between Plaintiffs and Defendant BG Retail, LLC dba Famous Footwear ("Defendant"). Under the Settlement[1], Defendant will pay $500,000.00 on a non-reversionary basis to resolve the wage and hour claims of approximately 824 Settlement Class Members.

This Court should grant this Motion for the following reasons: (1) the Settlement Class meets the requirements for conditional class certification for settlement purposes only under Code of Civil Procedure section 382; (2) the Settlement warrants preliminary approval based on all indicia for fairness, reasonableness, and adequacy; (3) Plaintiffs are well-suited to serve as adequate Class Representatives; (4) Plaintiffs' attorneys are experienced and well-qualified to serve as Class Counsel; (5) the proposed Notice procedures fully comport with due process and adequately apprise Settlement Class Members of their rights; and (6) the proposed PAGA settlement falls within the range of reasonableness.

Accordingly, for the reasons detailed below, Plaintiffs respectfully request that the Court grant this Motion in its entirety and preliminarily approve the Settlement.

II. RELEVANT BACKGROUND

A. Procedural History

On November 28, 2023, Plaintiff Corrales sent a letter to Defendant and the Labor and Workforce Development Agency ("LWDA") to exhaust his remedies under PAGA, Labor Code § 2698, *et seq*. (Declaration of Enoch J. Kim ("Kim Decl."), ¶ 3.) On November 29, 2023, Plaintiff Corrales filed a class action complaint alleging causes of action against

[1] All capitalized words are defined in the Class and Representative Action Settlement Agreement and Release and Amendment to Class and Representative Action Settlement Agreement and Release (together, "Settlement Agreement" or "Settlement") (**Exhibit 1** to the Declaration of Enoch J. Kim, filed herewith), and those definitions are incorporated by reference herein.

Defendant for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226; (6) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (7) Reimbursement of Necessary Business Expenditures Under Labor Code § 2802; (8) Penalties Pursuant to Labor Code § 203; and (9) Violation of Business & Professions Code § 17200 *et seq*. (the "Action"). (*Id.*) On January 8, 2024, Defendant removed this Action to the U.S. District Court for the Eastern District of California, Case No. 2:24-cv-00107-KJM-CKD (the "Corrales Federal Action"). (*Id*. at ¶ 4.)

On January 11, 2024, Plaintiff Ponce sent a letter to the Defendant and LWDA to exhaust her remedies under PAGA, Labor Code § 2698, *et seq*. (*Id*. at ¶ 5.) On January 12, 2024, Plaintiff Ponce filed a class action complaint alleging causes of action against Defendant for: (1) Failure to Pay Minimum Wages; (2) Failure to Pay Wages and Overtime Under Labor Code § 510; (3) Meal Period Liability Under Labor Code § 226.7; (4) Rest Break Liability Under Labor Code § 226.7; (5) Violation of Labor Code § 226; (6) Failure to Keep Required Payroll Records Under Labor Code §§ 1174 and 1174.5; (7) Reimbursement of Necessary Business Expenditures Under Labor Code § 2802; (8) Penalties Pursuant to Labor Code § 203; and (9) Violation of Business & Professions Code § 17200 et seq. ("Ponce Action"). (*Id*.) On February 26, 2024, Defendant removed the Ponce Action to the U.S. District Court for the Eastern District of California, Case No. 2:24-cv-00623-KJM-AC (the "Ponce Federal Action"). (Kim Decl., ¶ 6.) On March 15, 2024, Plaintiff Corrales and Plaintiff Ponce filed a Consolidated Complaint in the Corrales Federal Action to consolidate the Corrales Federal Action and Ponce Federal Action, and to add a cause of action under PAGA ("Consolidated Action"). (Kim Decl., ¶ 6.)

On June 12, 2024, Plaintiff Ponce and Plaintiff Arellano sent an Amended PAGA Letter to the Defendant and LWDA to exhaust their remedies under PAGA, Labor Code § 2698, *et seq*. (*Id*. at ¶ 7.) On June 14, 2024, Plaintiff Corrales, Plaintiff Ponce, and Plaintiff Arellano filed a Second Consolidated Complaint in the Consolidated Action to add Plaintiff Priscilla Arellano as an additional representative. (*Id*.) On October 6, 2025, the Consolidated Action was remanded to this Court. (*Id*.)

On March 27, 2026, Plaintiff Ponce, Plaintiff Arellano, and Plaintiff Esparza sent an Amended PAGA Letter to the Defendant and LWDA to exhaust their remedies under PAGA, Labor Code § 2698, *et seq*. (*Id*. at ¶ 8.) On April 27, 2026, Plaintiffs filed a First Amended Complaint which adds Plaintiff Natalie Esparza as an additional representative and redefines the scope of the Class (the "Operative Complaint"). (*Id*. at ¶ 9.)

B. Mediation

On January 21, 2025, the Parties participated in a mediation presided over by respected wage and hour mediator Lou Marlin, Esq. (Kim Decl., ¶ 11.) During mediation, the Parties discussed the merits of the claims, the prospects for class certification, as well as the burdens and risks of continuing with the litigation. (*Id*. at ¶ 12.) As a result of the mediation, the Parties reached an agreement to resolve the Action in its entirety. (*Id*.)

C. Settlement Agreement and Accompanying Documents

The Settlement Agreement is attached to the Declaration of Enoch J. Kim as Exhibit 1 with the Notice attached thereto as Exhibit A. Once approved by the Court, the Notice will be translated into Spanish. (Kim Decl., ¶ 18.) The Settlement Agreement proposes the following Class: all current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales lead, associate store managers, key holders, and managers in training, at any time during the period from December 1, 2022 to April 21, 2025. (Kim Decl., ¶ 13, Exhibit 1, Settlement Agreement, ¶¶ 1.5, 1.7.) It shall be an opt-out class and there is no claim form requirement. (Kim Decl., ¶ 13.)

Defendant agrees to pay the Gross Settlement Amount of $500,000.00, exclusive of the employer's portion of payroll taxes (i.e. Defendant will pay the employer-side payroll taxes on the wages portion separately from the Gross Settlement Amount). (*Id*. at ¶ 13.) The Net Settlement Amount available for distribution to Participating Class Members is the Gross Settlement Amount less the following payments:

Class Counsel Award	$166,666.67 (1/3 of Gross Settlement Amount), subject to Court approval

Class Counsel Award	Up to $25,000.00, verified by Class Counsel and approved by the Court
Settlement Administrator Costs	Not to exceed $16,500.00
Class Representative Service Award	$5,000.00 to each Plaintiff (for a total of $20,000.00)
General Release Settlement Payment	$5,000.00 to each Plaintiff (for a total of $20,000.00)
PAGA Payment	$40,000.00 ($30,000.00 to LWDA; $10,000.00 to Aggrieved Employees)

Each Participating Class Member will receive a share of the Net Settlement Amount based on the number of Workweeks worked by each individual Participating Class Member during the Class Settlement Period. (Kim Decl., ¶ 14, Exhibit 1, Settlement Agreement, ¶ 6.3.) There are approximately 47,758 Workweeks in the Class Settlement Period, resulting in a recovery of an estimated $4.44 per Workweek.[2] (Kim Decl., ¶ 14.) Each Settlement Class Member will receive an average Individual Settlement Payment of approximately **$257.08** (estimated Net Settlement Amount of $211,833.33 divided by 824 Settlement Class Members), with the highest estimated Individual Settlement Payment of approximately **$550.56** (total weeks in the Class Settlement Period (124) multiplied by $4.44).[3] (*Id*.)

The Parties have agreed on Apex Class Action, LLC ("Apex") as the Settlement Administrator and respectfully request that this Court appoint Apex to handle the Notice and Settlement administration procedures, including posting the Judgment on its website. (Kim Decl., ¶ 16; Exhibit 6 to the Kim Decl. (Declaration of Kimberly Sutherland of Apex, ¶ 6.).)

The Settlement Agreement defines the "Settlement Class" as all current and former individuals who were employed as non-exempt employees with Defendant within the State of California as store managers, assistant store managers, sales lead, associate store managers, key

[2] As stated in the declaration of William Argueta filed concurrently herewith, Defendant submitted the Class Data to Apex prior to the filing of this Motion, and Apex confirmed the total Workweek count during the Data Period (December 1, 2022 to January 21, 2025) is 47,758, therefore the escalator clause has not been triggered pursuant to Paragraph 1.20 of the Settlement Agreement. Thus, the Gross Settlement Amount remains $500,000.00 and the Class and PAGA Settlement Period end dates remain April 21, 2025.

[3] Based on the Class Data, Apex confirmed there are 824 Settlement Class Members.

holders, and managers in training, at any time during the period from December 1, 2022 to April 21, 2025. (Kim Decl., ¶ 13, Exhibit 1, Settlement Agreement, ¶¶ 1.5, 1.7.) The Settlement Agreement also defines "Aggrieved Employees" as all current and former individuals who were employed as non-exempt employees within the State of California as store managers, assistant store managers, sales leads, associate store managers, key holders, and managers in training, at any time during the period from January 9, 2023 to April 21, 2025. (Kim Decl., ¶ 13, Exhibit 1, Settlement Agreement, ¶¶ 1.24, 1.27.)

D. The Proposed Notice Provides Adequate Notice to the Settlement Class Members

To be deemed proper, a notice must provide the Class Members with sufficient information to make an informed decision as to whether to accept or object to the settlement. *Mullane v. Central Hanover Bank & Trust Co.* (1950) 339 U.S. 306, 314. The notice must apprise the Class Members of the pendency of the action, reasonably convey information regarding the settlement and the Class Members' rights, entitlements, and obligations, and afford Class Members the opportunity to present their objections. *Id.*

The proposed Notice provides all the information a reasonable person would need to make a fully informed decision about the Settlement. It will notify all Settlement Class Members of the terms of the Settlement, of its effect on their rights, of their options as Settlement Class Members (i.e., participate, object, opt-out, and dispute Workweeks and/or PAGA Pay Periods), and procedures for exercising those options. (Kim Decl., ¶ 42; *see* Notice, Exhibit A to Exhibit 1 thereto).

The standard for determining the adequacy of notice is whether it has "a reasonable chance of reaching a substantial percentage of the class members." *Cartt v. Superior Court* (1975) 50 Cal.App.3d 960, 974. Here, the Notice will be sent via first-class mail to each of the 824 Settlement Class Members at their addresses from Defendant's records. (Kim Decl., ¶ 42, Exhibit 1, Settlement Agreement, ¶ 4.2(a).) If any Notices are returned undeliverable without a forwarding address, the Settlement Administrator will perform a skip trace to locate the Settlement Class Member and mail a new Notice to the correct address. (Kim Decl., Exhibit 1, Settlement Agreement, ¶ 4.2(b).)

The Notice should be approved as the best and most practicable way to ensure the

greatest possible number of Settlement Class Members will receive notice. (Kim Decl., ¶ 44.) Plaintiffs respectfully request that this Court approve the Notice to be disseminated to the Settlement Class consistent with the manner and timing as set forth in this Memorandum and the Parties' Settlement Agreement. (*Id*.)

III. CONDITIONAL CERTIFICATION OF THE CLASS

The Settlement seeks conditional certification of the Settlement Class. California public policy favors the use of the class action device. (*Richmond v. Dart Industries* (1981) 29 Cal.3d 462, 469.) California Code of Civil Procedure section 382 authorizes class suits in California when "the questions is one of the common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the courts, one or more may sue or defend for the benefit of all." To obtain certification, a party must establish the existence of both an ascertainable class and a well-defined community of interest among class members. (*Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th 429, 435.) The "community of interest" requirement depends on three factors: (1) whether common issues of law or fact predominate; (2) whether the Class Representative has claims that are typical of the class; and (3) whether the Class Representative will adequately represent the class. (*Richmond*, *supra*, 29 Cal.3d at p. 470.)

Because the policy of favoring use of class actions is so strong, any doubts as to the appropriateness of class treatment must be resolved in favor of certification, subject to later modification. (*Richmond*, *supra*, 29 Cal.3d at pp. 473-475.) Except in extraordinary circumstances, which are not present here, the trial court does not weigh the merits of the claims in ruling on a motion for class certification. (*Linder*, *supra*, 23 Cal.4th at p. 443.)

Courts should apply a lesser standard of scrutiny when reviewing certification of a class for settlement than when determining the propriety of class certification for litigation. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807, n.19.) This reduced standard reflects the fact that a class settlement foregoes further litigation and thus does not require that Plaintiff prove that the class-wide prosecution of the case would be manageable at trial. (*Ibid.*)

///

A. The Proposed Settlement Class is Ascertainable and Numerous.

For a class to exist, the class description must be sufficiently definite so that it is administratively feasible for the court to determine whether a particular individual is a member of the proposed class by reference to objective criteria. (*Clothesrigger, Inc. V. GTE Corp.* (1987) 191 Cal.App.3d 605, 617.) Further, the class must contain enough members that joinder of all individuals is impractical. (Code Civ. Proc. § 382; see, e.g., *Hebbard v. Colgrove* (1972) 28 Cal.App.3d 1017, 1030 [class of 28 members held sufficient number to maintain a class action].)

Here, the Settlement Class definition is sufficiently specific to enable potential Settlement Class Members and the Court to identify the Settlement Class Members, all of whom have indeed been identified by Defendant's employment and payroll records. (Kim Decl., ¶ 20.) There are approximately 824 Settlement Class Members, which is sufficient to satisfy numerosity requirement. (*Id*.)

B. Common Issues of Law or Fact Predominate

In assessing whether common issues predominate over individual issues, it is not necessary that the class members' claims, or their circumstances be identical. Rather, the test of predominance is whether the common issues would be "the principal issues in any individual action, both in terms of time to be expended in their proof and of their importance, [so] that if a class suit were not permitted, a multiplicity of legal actions dealing with identical basic issues would be required in order to permit recovery by each [absent class member]." (*Vasquez v. Superior Court* (1971) 4 Cal.3d 800, 810; see, e.g., *Los Angeles Fire & Police Protective League v. City of Los Angeles* (1972) 23 Cal.App.3d 67, 74 [in an overtime action, the fact that there were 19 different subgroups of employees did not preclude finding that common issues predominated].)

Plaintiffs contend that common questions of law and fact predominate here, as the main issues involve the legality of Defendant's alleged employment policies regarding Plaintiffs' claims for failure to pay all wages, failure to pay all overtime wages, failure to provide all meal periods, failure to authorize and permit all rest periods, failure to keep required payroll records,

failure to reimburse necessary business expenditures, failure to timely furnish accurate itemized wage statements, failure to timely pay final wages due, and alleged violations of California Business & Professions Code sections 17200, *et seq*. Whether each Settlement Class Member might be required to ultimately justify an individual claim does not preclude maintenance of a class action. (*Collins v. Rocha* (1972) 7 Cal.3d 232, 238.)

Plaintiffs assert that these are all policy questions that are uniform and can be proven by common objective evidence. Plaintiffs contend that the evidence to support these claims on a classwide basis consists of Defendant's policies, payroll records, time records and the forms of wage statements given to Defendant's non-exempt employees. (Kim Decl., ¶ 20.)

C. Plaintiffs' Claims Are Typical of the Class Claims

Typicality means that the class representative's claims are similar to those of the class members. The interests of a class representative need not be identical to those of other class members; a class representative must simply be similarly situated. (*B.W.I. Custom Kitchen v. Owens-Illinois, Inc.* (1987) 191 Cal.App.3d 1341, 1347; *Classen v. Weller* (1983) 145 Cal.App.3d 27, 46.)

Here, Plaintiffs worked for Defendant as non-exempt employees under Defendant's uniform employment policies applicable to all Settlement Class Members. (Kim Decl., ¶ 21; Declaration of Anthony Corrales ("Corrales Decl."), ¶ 2; Declaration of Angela Diana Ponce ("Ponce Decl."), ¶ 2; Declaration of Priscilla Arellano ("Arellano Decl."), ¶ 2; Declaration of Natalie Esparza ("Esparza Decl."), ¶ 2, filed herewith.) Accordingly, Plaintiffs' claims are typical of those of other Settlement Class Members. (Kim Decl., ¶ 22.)

D. Adequacy of Representation

The requirement that a plaintiff adequately represent the class is met by fulfilling two conditions: (1) the named plaintiff must be represented by counsel qualified to conduct the pending litigation; and (2) there are no disabling conflicts of interest between the class representative and the class. (*McGhee v. Bank of America* (1976) 60 Cal. App. 3d 442, 450.)

Here, the firm representing the Plaintiffs have a great deal of experience in wage and hour class action litigation and has been approved as Class Counsel in numerous other wage

and hour class actions. (See Kim Decl., ¶¶ 45-49.)

The Class Representatives have agreed to act as such and understand their responsibilities. (Corrales Decl., ¶¶ 5-6; Ponce Decl., ¶¶ 5-6; Arellano Decl., ¶¶ 5-6; Esparza Decl., ¶¶ 5-6.) The Class Representatives have no claims or other interests that are antagonistic to the Settlement Class. (Kim Decl., ¶ 22.)

IV. PRELIMINARY APPROVAL OF SETTLEMENT

Any settlement of class litigation must be reviewed and approved by the court. (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 93.) When a class action is provisionally settled prior to class certification, certification and settlement approval occur simultaneously. (*Ibid*.)

This is done in two steps: (1) a preliminary review by the trial court; and (2) a final review after notice has been distributed to the class members for their comment or objections. (Cal. Rules of Court, rule 3.769.) First, a party to the settlement moves for "preliminary approval of the settlement." (*Id.* at subd. (c).) The court then approves or denies "certification of a provisional settlement class." (*Id.* at subd. (d).) If preliminary approval is granted, the court sets a final approval hearing and provides for notice to be given to the class. (*Id*. at subd. (e).)

At the final approval hearing, "the court must conduct an inquiry into the fairness of the proposed settlement." (*Id*. at subd. (g).) The court enters judgment thereon if it finds the settlement agreement to be fair. (*Id*. at subd. (h).)

In determining whether to preliminarily approve a settlement, the court should consider "the strength of Plaintiff's case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement." (*Ibid*.) The court must also take into consideration "the most important factor [which] is the strength of the case for the Plaintiff on the merits, balanced against the amount offered in settlement." (*Kullar v. Footlocker Retail Inc.* (2008) 168 Cal.App.4th 116, 118)

The Settlement for each Participating Class Member is fair, reasonable, and adequate

given the inherent risk of litigation, the risk relative to trial, and the costs of litigation. (Kim Decl., ¶ 23.) The Settlement represents a fair and reasonable value of all claims. (*Id*.) There is no claim form required so all Settlement Class Members will be paid unless they opt out, and there is no reversion to Defendant. (*Id*.) Finally, the only governmental involvement in this case is the existence of a PAGA claim, and Plaintiffs have notified the LWDA of this Settlement. (*Id*.) The Gross Settlement Amount balanced against the merits of Plaintiffs' case is reasonable. (*Id.*)

A. The Presumption of Fairness

"[A] presumption of fairness exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation." (*Dunk, supra,* 48 Cal.App.4th at 1801.) Courts presume the absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered. In other words, there is a presumption that the negotiations were conducted in good faith. (*Id.* at 1802.)

Here, the Settlement was reached through arm's-length negotiation with an experienced, highly regarded neutral mediator, Lou Marlin, Esq. (Kim Decl., ¶ 24.) Before mediation, the Parties engaged in informal discovery. (*Id.*) To prepare for the mediation, Defendant provided extensive documentation of its policies and practices and data related to the claims asserted in this case, including pay and time data for approximately 408 Settlement Class Members. (*Id.*) Plaintiffs hired an expert to prepare damage calculations and an exposure analysis for the mediation based on the data provided. (*Id.*) The Parties agreed on the proposed Settlement at the conclusion of the mediation after extensive negotiations. (*Id.*)

The Settlement here provides pro rata distribution to Settlement Class Members based upon their number of Workweeks. (Kim Decl., ¶ 25.) Accordingly, the Settlement treats the Settlement Class Members equitably, and the proposed distribution plan supports preliminary approval. (*Id.*)

The firm representing the Settlement Class has a great deal of experience in wage and hour class action litigation and has been approved as class counsel in numerous other wage and

hour class actions. (See Kim Decl., ¶¶ 45-49.) Based on that experience, the information produced by Defendant, and the expert's calculations, Class Counsel was able to negotiate a sizable recovery for the Settlement Class Members.

B. Reasonable Based on Objective Evidence

The Settlement is the product of tremendous effort and a great deal of expense by the Parties and their Counsel. (Kim Decl., ¶ 26.) Class Counsel are knowledgeable about and have done extensive research with respect to the applicable law and potential defenses to the claims of the Settlement Class Members. (*Id.*) Such investigation included the exchange of information and documents through informal discovery. (Kim Decl., ¶ 24.) Among other things, Class Counsel reviewed all relevant policy documents, interviewed numerous Settlement Class Members, and obtained pay and time data for approximately 408 Settlement Class Members. (*Id.*) The Parties' investigation also included preparing for and attending a full day of mediation. (*Id.*) The Parties investigated relevant law as applied to the facts of the case, potential defenses, and damages claimed by Plaintiffs on behalf of themselves, the Settlement Class, and the Aggrieved Employees. (*Id*. at ¶ 26.)

Based on the documents and information provided by Defendant and their own investigation and evaluation, Class Counsel and Plaintiffs believe the Settlement is fair, reasonable, and adequate, and is in the best interest of the Settlement Class Members in light of all known facts and circumstances, including the risk of significant delay and uncertainty associated with litigation, various defenses asserted by Defendant, and numerous potential appellate issues. (Kim Decl., ¶ 27.)

The Settlement amount is, of course, a compromise figure. (*Id*. at ¶ 28.) Plaintiffs considered the risks that the Settlement Class would not be certified, the risks related to proof of Plaintiffs' claims, and the strengths and weaknesses of Defendant's other defenses. (*Id.*) Plaintiffs also considered the possibility that if a settlement were reached after additional years of litigation, the great expenses and attorneys' fees of litigation would reduce the amount of funds available to class members for settlement. (*Id.*) Furthermore, Plaintiffs took into consideration the time delay and financial repercussions of liability trials, numerous damages

trials, and the possibility of an appeal by Defendant. (*Id.*)

Based on the data provided for mediation, the primary claims in this case had a realistic potential exposure of approximately $730,009.05 for the underlying Labor Code claims and $154,650.00 for the PAGA penalties, for a total realistic exposure of $884,659.05. The Gross Settlement Amount of $500,000.00 represents approximately **56.52%** of the total realistic exposure, which demonstrates that the Settlement is fair and reasonable. (Kim Decl., ¶¶ 14, 29-41.)

V. THE PAGA SETTLEMENT IS FAIR AND REASONABLE

The settlement of a PAGA claim requires court approval. (Labor Code § 2699, subd. (l)(2) ["The superior court shall review and approve any settlement of any civil action pursuant to this part"].) However, a PAGA claim is not considered a class action but a law enforcement action, and, accordingly, the settlement thereof does not have to meet the requirements of a class action. (See *Arias v. Superior Court* (2009) 46 Cal.4th 969, 980-988 [affirming lower court's holding that "plaintiff need not satisfy class action requirements" to assert a PAGA claim]; *Gutilla v. Aerotek, Inc.* (E.D. Cal. Mar. 22, 2017) No. 115CV00191DADBAM, 2017 WL 2729864, at *3*; *Pedroza v. PetSmart, Inc*. (C.D. Cal. Jan. 28, 2013) 2013 WL 1490667, at *15.) A court reviewing a PAGA settlement need only "ensur[e] that a negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.)

Here, the Parties allocate $40,000.00 for resolution of the PAGA claims. Of this amount, 25%, or $10,000.00, will be distributed to Aggrieved Employees. There are approximately 1,577 Aggrieved Employees who worked a total of approximately 30,930 PAGA Pay Periods. (Kim Decl., ¶ 39, Exhibit 1, Settlement Agreement, ¶ 1.20.)

The amount of PAGA penalties allocated here provides a comparable, and at times, larger allocation to the LWDA than those approved in other settlements. (See, e.g., *Viceral v. Mistras Grp. Inc*. (N.D. Cal. Oct. 11, 2016, No. 15-CV-02198-EMC) 2016 WL 5907869, at *8 [approving an allocation of $20,000 of a $6,000,000 settlement to the PAGA civil penalties]); *In re Uber FCRA Litig*. (N.D. Cal. June 29, 2017, No. 14-CV-05200) 2017 WL 2806698, at *2 [approving an allocation of $7,500 of a $7,500,000 settlement to the PAGA civil penalties].)

The proposed PAGA Settlement is both just and in the public's interest. The Parties believe and agree that the PAGA Settlement provides for a fair, adequate, and reasonable resolution of the representative PAGA claim. The Parties also believe that the PAGA Settlement is to the advantage of the State of California and the Aggrieved Employees when considering the time and expense necessary to complete protracted litigation which, regardless of the verdict, would undoubtedly be subject to further significant delay and expense pending possible appeals. Moreover, the Settlement provides a substantial sum to the State as well as a sum to each Aggrieved Employee on a pro-rata basis based on the number of PAGA Pay Periods they worked during the PAGA Settlement Period. (Kim Decl., ¶ 39.) Furthermore, public policy strongly favors the settlement of litigation. (*Consumer Advoc. Grp., Inc. v. Kintetsu Enterprises of Am.* (2006) 141 Cal.App.4th 46, 63.)

In sum, the PAGA Settlement fulfills the purposes of the PAGA, and, by any measure, is fair, adequate, and reasonable.

VI. THE CLASS REPRESENTATIVE SERVICE AWARD AND GENERAL RELEASE SETTLEMENT PAYMENT ARE REASONABLE

"At the conclusion of a class action, the class representatives are eligible for a special payment in recognition of their service to the class." 5 Newberg on Class Actions § 17:1 (5th ed.). Plaintiffs request a reasonable service award and general release payment for their effort and initiative in bringing and helping to prosecute this class action.

As an initial matter, Plaintiffs' courage in proceeding with their class-wide claims should not be underestimated. By suing Defendant, Plaintiffs increased their risk of retaliation by prospective employers, who must choose between an applicant who has never sued a prior employer and one who has. (Corrales Decl., ¶ 11; Ponce Decl., ¶ 11; Arellano Decl., ¶ 11; Esparza Decl., ¶ 11.)

Plaintiffs have devoted a substantial amount of time to helping Class Counsel effectively develop and prosecute this action at every stage of the litigation. (Kim Decl., ¶ 52; Corrales Decl., ¶ 10; Ponce Decl., ¶ 10; Arellano Decl., ¶ 10; Esparza Decl., ¶ 10.) Both before and after filing, Plaintiffs conferred with Class Counsel to discuss every aspect of this case.

Plaintiffs have provided Class Counsel with information about Defendant, reviewed documents, consulted Class Counsel throughout the litigation, participated in the mediation process, and reviewed and signed the Settlement Agreement. (Kim Decl., ¶ 52.)

Plaintiffs have spent a significant amount of time with Class Counsel detailing their knowledge of Defendant's practices. (*Id*.) Plaintiffs have diligently, adequately, and fairly represented the Settlement Class Members, and have not placed their interests above any member of the putative Settlement Class. (*Id*.) These sorts of payments to a Class Representative have been a common feature of settlements negotiated by Class Counsel and routinely approved by courts. (*Id*.) The Class Representative Service Award of $5,000.00 to each Plaintiff (for a total of $20,000.00) and a General Release Settlement Payment of $5,000.00 to each Plaintiff (for a total of $20,000.00) are fair and reasonable. (Kim Decl., ¶ 52; Corrales Decl., ¶ 16; Ponce Decl., ¶ 16; Arellano Decl., ¶ 16; Esparza Decl., ¶ 16.)

VII. THE STIPULATED AWARD OF ATTORNEYS' FEES AND COSTS ARE REASONABLE AND SHOULD BE APPROVED

Class Counsel respectfully requests, without opposition from Defendant, an award of attorneys' fees of no more than $166,666.67 (one-third of the Gross Settlement Amount) and up to $25,000.00 for reasonable expenses incurred to prosecute the Action, subject to approval by the Court. (Kim Decl., ¶¶ 14, 51, Exhibit 1, Settlement Agreement, ¶ 6.6.)

Class Counsel submits it has the requisite experience, knowledge, and resources to serve as Class Counsel and to zealously represent the Plaintiffs and the Settlement Class. (Kim Decl., ¶¶ 45-49). Class Counsel has incurred substantial hours in prosecuting this action on a contingency basis and will not receive any compensation for their efforts until recovery is obtained for the Settlement Class. In addition, Class Counsel's efforts in reaching the Settlement on behalf of the Settlement Class will confer a significant benefit to the Settlement Class. As such, the requested award of attorneys' fees and costs is reasonable.

VIII. CONCLUSION

Based upon the foregoing, Plaintiffs respectfully request that the Court grant this Motion and enter the proposed Order.

Respectfully Submitted,

Dated: November 13, 2026

D.LAW, INC.

By: _____

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