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

MARHAWIT MELLES and JOHN
RODRIGUES, individually, and on behalf of
all others similarly situated,

Plaintiffs,

v.

HORIZON SERVICES, INCORPORATED, a
California corporation; and DOES 1 through
10, inclusive,

Defendants.

Case No.: 23CV046524

*[Assigned for all purposes to the Hon. S. Raj
Chatterjee, Dept. 21]*

**PLAINTIFFS' NOTICE OF MOTION
AND MOTION FOR PRELIMINARY
APPROVAL OF CLASS ACTION AND
PAGA SETTLEMENT; MEMORANDUM
OF POINTS AND AUTHORITIES**

Preliminary Approval Hearing:

Date: November 10, 2026

Time: 2:30 p.m.

Dept.: 21

RES ID: 640998169155

Action Filed: October 4, 2023

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on November 10, 2026, at 2:30 p.m., or as soon thereafter as the matter may be heard in Department 21 of the Superior Court of California, County of Alameda, located at 1225 Fallon Street Oakland, California 94612, Plaintiffs Marhawit Melles and John Rodrigues (collectively “Plaintiffs”) will and hereby do move this Court for an Order:

1. Granting preliminary approval of the proposed Class Action and PAGA Settlement Agreement (“Settlement Agreement”);
2. Conditionally certifying the proposed Class for settlement purposes only;
3. Appointing Plaintiffs as the Class Representatives;
4. Appointing Wilshire Law Firm, PLC as Class Counsel;
5. Appointing Apex Class Action Administration as the Settlement Administrator; and
6. Setting a final approval hearing date.

Pursuant to Code of Civil Procedure § 382 and California Rules of Court 3.769, *et seq.*, this Motion is made on the grounds that the proposed Settlement satisfies all criteria for preliminary approval and falls well within the range of reasonableness. The Settlement was reached through informed, arm’s length bargaining between experienced attorneys with the assistance of an experienced neutral, and Plaintiffs and Plaintiffs’ Counsel will fairly and adequately represent the Class.

This Motion is based on this Notice of Motion, the accompanying Memorandum of Points and Authorities (“MPA”), the Declaration of John G. Yslas, the Declaration of Marhawit Melles, the Declaration of John Rodrigues, and on all records and documents on file, together with such oral and documentary evidence that may be presented at the hearing on this matter.

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Dated: September 30, 2026

Respectfully submitted,

WILSHIRE LAW FIRM, PLC

By: /s/ Courtney M. Miller

Courtney M. Miller

Attorneys for Plaintiffs

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Pursuant to Code of Civil Procedure § 382 and California Rules of Court 3.769, *et seq.*,
4 Plaintiffs seek preliminary approval of a class action settlement of wage and hour claims, including
5 representative claims brought under the Labor Code Private Attorneys General Act of 2004
6 (“PAGA”), against Defendant Horizon Services, Incorporated (“Defendant”). The proposed Class
7 is defined as all persons who worked for Defendant in California as an hourly-paid or non-exempt
8 employee (“Class Members”) at any time during the period from April 9, 2019, through February
9 7, 2026 (“Class Period”). The main terms of the Settlement are as follows:

- 10 1. A Gross Settlement Amount of \$729,300.00, from which the Net Settlement
11 Amount will be distributed to approximately 614 Class Members on a pro rata basis
12 according to the total workweeks worked by each Class Member during the Class
13 Period;
- 14 2. Attorneys’ fees of up to one third (1/3) of the Gross Settlement Amount (currently
15 \$243,100.00) and up to \$25,000.00 in reimbursement of litigation costs to Plaintiffs’
16 Counsel;
- 17 3. A Class Representative Service Payment of up to \$10,000.00 to Plaintiff Marhawit
18 Melles and a Class Representative Service Payment of up to \$7,500.00 to John
19 Rodrigues (\$17,500.00 total);
- 20 4. Costs of settlement administration of up to \$9,100.00; and
- 21 5. Allocation of \$50,000.00 to PAGA penalties, seventy-five percent (75%) of which
22 (\$37,500.00) will be paid to the Labor and Workforce Development Agency
23 (“LWDA”), and twenty-five percent (25%) of which (\$12,500.00) will be paid to
24 all persons who worked for Defendant in California as an hourly-paid or non-exempt
25 employee (“Aggrieved Employees”) at any time during the period from January 11,
26 2023, through February 7, 2026 (“PAGA Period”).

27 The Settlement meets all criteria for preliminary approval and falls within the range of
28 reasonableness given the risks and expenses of further litigation. The Settlement was reached

1 through informed, arm's length bargaining between experienced attorneys with the assistance of
2 an experienced neutral. As such, Plaintiffs request that the Court grant preliminary approval of the
3 Settlement, conditionally certify the Class for settlement purposes only, appoint Plaintiffs as the
4 Class Representatives, appoint Plaintiffs' Counsel as Class Counsel, appoint Apex Class Action
5 Administration ("Apex") as the Settlement Administrator, authorize the Settlement Administrator
6 to administer notice of the Settlement to the Class, and set a final approval hearing date.

7 **II. PROCEDURAL HISTORY**

8 On October 4, 2023, Kedo Jacob filed this putative class action against Defendant alleging:
9 (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure
10 to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay
11 final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to
12 indemnify employees for expenditures; (8) failure to produce requested employment records; and
13 (9) unfair business practices ("Class Action"). Declaration of John G. Yslas in Support of
14 Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement ("MPA")
15 ("Yslas Decl.") at ¶ 3.

16 On January 11, 2024, Plaintiff Marhawit Melles provided written notice to the LWDA and
17 Defendant of the specific provisions of the Labor Code alleged to have been violated, including
18 the facts and theories in support. Yslas Decl. at ¶ 4, Exhibit 1. The LWDA did not notify Plaintiff
19 Melles that it intended to investigate within 65 days of this written notice. Yslas Decl. at ¶ 4.

20 On January 17, 2024, Kedo Jacob filed a First Amended Complaint adding Plaintiff
21 Marhawit Melles as a named plaintiff. Yslas Decl. ¶ 5. On February 16, 2024, the Court granted
22 Kedo Jacob's request to be dismissed from this Class Action without prejudice. *Id.* On March 15,
23 2024, Plaintiff Marhawit Melles filed a separate action in the Superior Court of California, County
24 of Alameda, for civil penalties under PAGA, Case No. 24CV068161 ("PAGA Action"). *Id.* On
25 December 22, 2025, Plaintiff Marhawit Melles filed a Second Amended Complaint in this Class
26 Action which removed Kedo Jacob as a named plaintiff and added a cause of action for civil
27 penalties under PAGA. *Id.*

28 On April 8, 2026, Plaintiffs submitted an amended PAGA notice to the LWDA and

Defendant. Yslas Decl. at ¶ 6, Exhibit 2. On July 20, 2026, Plaintiff Melles filed a Third Amended Complaint in this Class Action adding Plaintiff John Rodrigues as a named plaintiff. Yslas Decl. at ¶ 6. On December 26, 2025, the Court granted Plaintiff Marhawit Melles’s request for dismissal of the PAGA Action without prejudice. *Id.*

On March 23, 2026, the Parties participated in a private mediation with the Hon. Mitchel R. Goldberg (Ret.). Yslas Decl. at ¶ 7. The Parties accepted a mediator’s proposal in April 2026 and agreed upon general settlement terms. *Id.* The Parties negotiated the terms of the Settlement over the next several months and fully executed an initial settlement agreement in August 2026. *Id.* The Parties fully executed the Amended Class Action and PAGA Settlement Agreement in September 2026. *Id.* at ¶ 8, Exhibit 3 (“Settlement Agreement”). On September 30, 2026, Plaintiffs submitted a copy of the Settlement Agreement to the LWDA. *Id.* at ¶ 9, Exhibit 4.

III. SUMMARY OF THE SETTLEMENT TERMS

A. Terms of the Proposed Settlement

The Parties have agreed to settle the claims alleged in this case for a Gross Settlement Amount of \$729,300.00. Settlement Agreement at § 3.1. Subject to Court approval, the following payments will be deducted from the Gross Settlement Amount: (1) a Class Representative Service Payment of up to \$10,000.00 to Plaintiff Marhawit Melles and a Class Representative Service Payment of up to \$7,500.00 to Plaintiff John Rodrigues (\$17,500.00 total); (2) attorneys’ fees of up to one third (1/3) of the Gross Settlement Amount (currently \$243,100.00) and reimbursement of litigation costs of up to \$25,000.00 to Plaintiffs’ Counsel; (3) costs of settlement administration of up to \$9,100.00 to Apex; (4) Individual Class Payments to Class Members; and (5) PAGA Penalties in the amount of \$50,000.00, which will be allocated 75% to the LWDA (\$37,500.00) and 25% to Aggrieved Employees (\$12,500.00). *Id.* at § 3.2, *et seq.* After all requested deductions are made, the remaining Net Settlement Amount is currently estimated to be \$384,600.00. Yslas Decl. at ¶ 22.

Individual Class Payments will be calculated based on the number of Workweeks worked by each Class Member during the Class Period. Settlement Agreement at § 3.2.4. For tax purposes, the Individual Class Payments will be allocated 20% to wages and 80% to penalties, interest, and

1 reimbursement of expenses. *Id.* at § 3.2.4.1. Defendant will separately pay employer payroll taxes
2 owed on the wage portions of the individual class payments separate from the Gross Settlement
3 Amount. *Id.* at § 3.1.

4 Individual PAGA Payments to Aggrieved Employees will be calculated based on the
5 number of PAGA Pay Periods worked by each Aggrieved Employee during the PAGA Period. *Id.*
6 at § 3.2.5.1. For tax purposes, the individual PAGA payments will be allocated 100% to penalties.
7 *Id.* at § 3.2.5.2.

8 Any deductions not approved by the Court will be retained by the Settlement Administrator
9 in the Net Settlement Amount. *Id.* at §§ 3.2.1, 3.2.2, 3.2.3, 3.2.5.2. Funds from any uncashed checks
10 will be transmitted by the Settlement Administrator to cy pres recipient Legal Aid at Work. *Id.* at
11 § 4.4.3. None of the Gross Settlement Amount will revert to Defendant. *Id.* at § 3.1.

12 **B. Proposed Settlement Administration**

13 The Parties' proposed Class Notice complies with the requirements of California Rules of
14 Court, Rule 3.766(d). *See* Exhibit A to Settlement Agreement. It provides information regarding
15 the nature of this lawsuit, a summary of the settlement terms, the formula used for calculating
16 individual class and PAGA payments and instructions to dispute the calculations, instructions on
17 how to opt-out of or object to the Settlement, the date, time, and location of the final approval
18 hearing, and the amounts sought for the class representative service payments, attorneys' fees and
19 litigation costs, and settlement administration costs. *See generally, id.* The Class Notice also
20 notifies Class Members that they do not need to submit a claim in order to participate in the
21 Settlement and receive a payment. *See id.* The Settlement Administrator will mail Class Members
22 the Class Notice by first-class mail.¹ Settlement Agreement at § 7.4.2.

23 If a Class Notice is returned as undeliverable, the Settlement Administrator will re-mail the
24 Class Notice within five (5) days to the forwarding address provided by the U.S. Postal Service.

25
26 ¹ Although the Settlement Agreement references Spanish translation of the Class Notice,
27 Defense Counsel has represented to Plaintiff's Counsel that a translation of the Class Notice to
28 any other language is unnecessary. Yslas Decl. at ¶ 37. Consistent with this, the amount allocated
in the Settlement Agreement for settlement administration is the cost without language
translation. *Id.* at ¶ 37, Exhibit 5.

Settlement Agreement at § 7.4.3. If no forwarding address is provided, the Settlement Administrator will conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. *Id.* The deadline to opt-out of the Settlement or to submit an objection or dispute will be extended by 14 days beyond the 45-day Response Deadline for all Class Members whose Class Notice was remailed. *Id.* at §§ 1.44, 7.4.4.

C. Proposed Release

Effective on the date when Defendant fully funds the Gross Settlement Amount and all employer payroll taxes owed on the Wage Portion of the Individual Class Payments, Plaintiffs, Class Members, and Class Counsel will release claims against all Released Parties as follows:

Released Class Claims:

All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, alleged or which could have reasonably been alleged based on the facts alleged in the operative Complaint, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 1194, 1194.2, and 1197); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 1194 and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226); (7) failure to indemnify employees for expenditures (pursuant to Cal. Labor Code §§ 2802); (8) failure to produce requested employment records (pursuant to Cal. Labor Code §§ 226 and 1198.5); and (9) unfair business practices (pursuant to Cal. Bus. & Prof. Code §§ 17200, et seq.). The enumeration of these specific claims shall neither enlarge nor narrow the scope of res judicata based on the claims that were asserted in the Action or could have been asserted in the Action based on the facts and circumstances alleged in the Operative Complaint. The Released Class Claims are those that accrued during the Class Period.

Settlement Agreement at § 5.2.

Released PAGA Claims:

Plaintiffs, as a proxy or agent of the LWDA, release all claims for PAGA civil penalties that could have been sought by the LWDA for the violations alleged in Plaintiffs' January 11, 2024 and April 8, 2026 PAGA Notices, including but not limited to: (1) failure to pay for all hours worked, including minimum wages, straight time wages, and overtime wages (pursuant to Cal. Labor Code §§ 204, 510, 1194, 1197 and 1198); (2) failure to provide meal periods (pursuant to Cal. Labor Code § 226.7); (3) failure to authorize and permit rest periods (pursuant to Cal. Labor Code § 226.7); (4) failure to pay all earned wages twice per month (pursuant to Cal. Labor Code § 204); (5) failure to maintain accurate records of hours worked

1 and meal periods taken or missed (pursuant to Cal. Labor Code § 1174.5); (6)
2 failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§
3 201 – 203); (7) failure to provide accurate itemized wage statements (pursuant to
4 Cal. Labor Code § 226); (8) failure to indemnify employees for expenditures
5 (pursuant to Cal. Labor Code § 2802); (9) failure to produce requested employment
6 records (pursuant to Cal. Labor Code §§ 226, 432, and 1198.5); (10) failure to keep
7 accurate and complete payroll records (pursuant to Cal. Labor Code § 1174); (11)
8 failures to provide proper sick leave and supplemental paid sick leave (pursuant to
9 Cal. Labor Code § 245-248.5); (12) refusal to pay wages due and payable and/or
10 denial at times of the validity of any claim to wages due (pursuant to Cal. Labor
11 Code § 216); (13) secretly paying wages lower than required by statute while
12 purporting to pay legal wages (pursuant to Cal. Labor Code § 223); (14) failure to
13 pay vested vacation and/or paid time off (pursuant to Cal. Labor Code § 227.3);
14 (15) failure to provide suitable seating (pursuant to section 14(A-B) of all
applicable IWC Wage Orders); (16) unlawful agreements (pursuant to Cal. Labor
Code § 432.5); (17) failure to timely provide temporary workers with wages
(pursuant to Cal. Labor Code § 201.3); (18) preventing employees from using or
disclosing the skills, knowledge and experience they obtained at Defendant, and
whistleblower violations (pursuant to Cal. Labor Code §§ 98.6, 232, 232.5, 1102.5,
and 1197.5); (19) unlawful inquiries into criminal histories (pursuant to Cal. Labor
Code § 432.7); and (20) workplace health and safety violations (pursuant to Cal.
Labor Code §§ 1527, 3366, 3457, 8397.4, 6401, and 6401). The Released PAGA
Claims are those that accrued during the PAGA Period.

15 Settlement Agreement at § 5.3.

16 Only Plaintiffs will agree to a general release and a waiver of Civil Code § 1542. Settlement
17 Agreement at §§ 5.1, 5.1.1.

18 **IV. THE PROPOSED SETTLEMENT AGREEMENT MEETS ALL CRITERIA FOR**
19 **PRELIMINARY APPROVAL**

20 **A. Provisional Certification of the Class is Appropriate**

21 Class certification is appropriate when there is: (1) an ascertainable and sufficiently
22 numerous class; (2) a well-defined community of interest among class members; and (3) substantial
23 benefits from certification that render proceeding as a class superior to the alternatives. *Brinker*
24 *Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1021 (2012). Although courts still need to
25 review and consider each element for certification, a lesser standard can be used to provisionally
26 certify a settlement class. *Global Minerals & Metals Corp. v. Superior Court*, 113 Cal.App.4th
27 836, 859 (2003).

28 ///

1 **1. The Proposed Class is Numerous and Ascertainable**

2 “Ascertainability” is determined by examining the class definition and the size of the class
3 and may also involve examining the means available to identify class members. *Noel v. Thrifty*
4 *Payless, Inc.*, 7 Cal.5th 955, 980-981, 985-986 (2019). As the settlement eliminates the need for
5 trial, “the case management issues inherent in the ascertainable class determination need not be
6 confronted.” *Global Minerals*, 113 Cal.App.4th at 859. Further, under California law, there is no
7 minimum number of class members for maintenance of a class action. *Hendershot v. Ready to Roll*
8 *Transp., Inc.*, 228 Cal.App.4th 1213, 1222 (2014). Class sizes as small as 10 have been permitted.
9 *Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981), disapproved on other grounds by *Noel*,
10 7 Cal.5th at 986.

11 The Class here consists of all persons who worked for Defendant in California as an hourly-
12 paid or non-exempt employee at any time during the Class Period. See Settlement Agreement at §
13 1.5, 1.13. The Class is also readily ascertainable from Defendant’s business records, because all
14 Class Members are or were employees of Defendant. *Id.* Defendant’s records show there are
15 approximately 614 Class Members, making joinder of all Class Members impracticable. Yslas
16 Decl. at ¶ 11.

17 **2. A Well-Defined Community of Interest Exists**

18 The community of interest requirement embodies three factors: (1) predominant common
19 questions of law or fact; (2) class representatives with claims or defenses typical of the class; and
20 (3) class representatives who can adequately represent the class. *Brinker*, 53 Cal.4th at 1021.

21 **a. Common Questions Predominate**

22 In determining whether common issues “predominate,” courts consider both plaintiff’s
23 legal theories and defendant’s affirmative defenses. *Duran v. U.S. Bank Nat’l Ass’n*, 59 Cal.4th 1,
24 28-29 (2014). The “predominate common questions” factor does not require that all class members
25 have identical claims. *Ayala v. Antelope Valley Newspapers, Inc.*, 59 Cal.4th 522, 530 (2014).
26 Rather, the focus is on whether issues shared by the class members are sufficiently uniform to
27 permit class-wide assessment, and whether individual variations in proof on those issues are
28 manageable. *Id.*

1 Plaintiffs have alleged that Defendant maintained common employment policies and/or
2 practices that unlawfully deprived Class Members of wages, meal periods, rest periods,
3 reimbursements for business expenses, accurate wage statements, and timely payment of wages
4 upon separation of employment. Yslas Decl. at ¶ 12. These allegations present common factual
5 and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping,
6 pay, meal period, rest period, and reimbursement policies to all Class Members, whether these
7 policies and practices resulted in Labor Code violations, whether Defendant's conduct was
8 intentional, and whether Class Members are entitled to damages and/or penalties. *Id.* These
9 common questions could be resolved using Class Members' time records, payroll records,
10 testimony from Defendant's designated representative(s), and Class Members' testimony. *Id.*
11 Therefore, the Court can and should exercise its discretion to grant conditional class certification
12 for settlement purposes.

13 *b. Plaintiffs are Typical of the Class*

14 Typicality does not require that the representative plaintiff's claims and those of the class
15 members be identical or perfectly aligned. *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224,
16 228 (2001), disapproved on other grounds by *Hernandez v. Restoration Hardware, Inc.*, 4 Cal.5th
17 260 (2018). Typicality does not require that a plaintiff's claims be identical to those of other class
18 members, only that their claims and the defenses applicable to them are sufficiently similar to those
19 of other class members that a named plaintiff is able to adequately represent the class and focus on
20 common issues. *Medraza v. Honda of North Hollywood*, 166 Cal.App.4th 89, 99 (2008).

21 Plaintiffs have alleged that they and Class Members were employed by the same Defendant
22 and injured by Defendant's common wage and hour policies and practices, including Defendant's
23 scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies. *See* Yslas
24 Decl. at ¶ 12. Through informal discovery, Plaintiffs confirmed that these challenged policies and
25 practices applied to Plaintiffs and Class Members alike. *See id.* at ¶ 10. Therefore, Plaintiffs' claims
26 and Class Members' claims arise from the same challenged employment policies and practices and
27 are based on the same legal theories.

28 ///

c. Plaintiffs and Plaintiffs' Counsel Will Adequately Represent the Class

Certification requires adequacy of both the proposed class representative and of the proposed class counsel. Cal. Code Civ. Proc. § 382. “Only a conflict that goes to the very subject matter of the litigation will defeat a party’s claim of representative status.” *Richmond v. Dart Industries*, 29 Cal.3d 462, 470 (1981). Only conflicts that are “irreconcilable” can defeat adequacy. *Nat’l Solar Equip. Owners’ Ass’n v. Grumman Corp.*, 235 Cal.App.3d 1273, 1286 (1991). The proposed representative Plaintiffs and proposed Class Counsel present no such conflict.

Plaintiffs’ interests are coextensive with Class Members’ interests. Declaration of Marhawit Melles (“Melles Decl.”) at ¶ 6; Declaration of John Rodrigues in Support of Plaintiffs’ MPA (“Rodrigues Decl.”) at ¶ 6. Plaintiffs have demonstrated an ability to advocate for the interests of Class Members by initiating this lawsuit, providing information to their attorneys, meeting with their attorneys regarding the claims, making themselves available the day of mediation to answer questions, and reviewing the proposed Settlement. *Id.* at ¶ 11.

Likewise, Wilshire Law Firm has expended considerable time and effort on this case and will continue to do so through final approval. *See generally*, Yslas Decl. Therefore, Plaintiffs should be appointed Class Representative, and their counsel should be appointed Class Counsel.

3. A Class Action is Superior to a Multitude of Individual Lawsuits

Courts have held that class treatment of wage and hour claims is clearly “superior to the other available methods for the fair and efficient adjudication of the controversy.” *Dean Witter Reynolds, Inc. v. Superior Court*, 211 Cal.App.3d 758, 772-773 (1989). This is so because “[p]ublic policy has long favored the ‘full and prompt payment of wages due an employee.’” *Sav-On Drug Stores, Inc. v. Superior Court*, 34 Cal.4th 319, 340 (2004). Here, a class action is superior to a multitude of individual lawsuits. Given the size and amount of each Class Member’s claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery. Yslas Decl. at ¶ 11. Therefore, a class action is the superior method for seeking relief.

1 **B. The Settlement Meets the Standards for Preliminary Approval**

2 The moving party must demonstrate that “the settlement is fair, adequate and reasonable.”
3 *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 126 (2008). “In determining whether a
4 class settlement is fair, adequate, and reasonable, the trial court should consider relevant factors,
5 such as the strength of plaintiffs’ case, the risk, expense, complexity and likely duration of further
6 litigation, the risk of maintaining class action status through trial, the amount offered in settlement,
7 the extent of discovery completed and the stage of the proceedings, the experience and views of
8 counsel, the presence of a governmental participant, and the reaction of the class members to the
9 proposed settlement.” *Wershba*, 91 Cal.App.4th at 244-245 (internal quotations and citations
10 omitted).

11 **1. The Settlement is Entitled to a Presumption of Fairness**

12 A settlement is entitled to “a presumption of fairness . . . where: (1) the settlement is reached
13 through arm’s length bargaining; (2) investigation and discovery are sufficient to allow counsel
14 and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the
15 percentage of objectors is small.” *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996).
16 The Settlement here satisfies the first three factors. Plaintiffs will analyze the fourth factor at final
17 approval after Class Members have been notified of the Settlement and provided with an
18 opportunity to object.

19 a. The Settlement is the Result of Arm’s Length Negotiation

20 Courts have recognized that the involvement of a respected mediator provides a high degree
21 of assurance that the settlement is the result of arm’s length bargaining. *See Chavez v. Netflix, Inc.*,
22 162 Cal.App.4th 43, 52-53 (2008). The Settlement in this matter was the product of a full-day
23 mediation session with a respected mediator. Yslas Decl. at ¶ 7. The negotiations were adversarial,
24 conducted at arm’s length, and tempered by the efforts of both sides to serve the interests of their
25 clients. *Id.*

26 b. Sufficient Investigation and Discovery Have Been Conducted

27 To reach this Settlement, Plaintiffs’ Counsel thoroughly investigated the claims, applicable
28 law, and potential defenses. Yslas Decl. at ¶ 10. Plaintiffs’ Counsel assessed the value to the claims

1 data and documents that Defendant produced in informal discovery, including the number of Class
2 Members, the number of workweeks in the Class Period, the number of pay periods in the PAGA
3 Period, the number of Aggrieved Employees, and a random sampling of time and payroll records
4 spanning approximately seven (7) years. *Id.*

5 *c. Plaintiffs' Counsel is Experienced in Similar Litigation*

6 Plaintiffs are represented by Wilshire Law Firm, PLC. Yslas Decl. at ¶ 23. Plaintiffs'
7 Counsel has extensive experience litigating wage and hour class actions on behalf of employees.
8 *See id.* at ¶¶ 24-34. Plaintiffs' Counsel has been involved as counsel in numerous class actions that
9 have resulted in millions of dollars in recovery. *See id.*

10 **2. *The Settlement is Reasonable Given the Strengths of Plaintiffs' Claims***
11 ***and the Risks and Expense of Further Litigation***

12 A settlement does not have to provide 100% of the damages sought to be considered fair
13 and reasonable. *See Rebney v. Wells Fargo Bank*, 220 Cal.App.3d 1117, 1139 (1991). Although
14 the exposure Plaintiffs' Counsel calculated is substantial, the various risks at succeeding at class
15 certification and through trial affected the valuation of the claims for settlement purposes. Yslas
16 Decl. at ¶ 13.

17 Minimum and Overtime Wages: Plaintiffs' unpaid minimum and overtime wage claims
18 were based on the allegation that Defendant required Class Members to perform work duties
19 while off the clock, without compensation. Yslas Decl. at ¶ 14. For example, Plaintiffs alleged
20 that Defendant required Class Members to work without compensation before clocking in at the
21 start of their shifts and after clocking out at the end of their shifts. *Id.* For purposes of calculating
22 Defendant's liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel
23 assumed that all unpaid worktime should have been paid at the overtime rate of pay and
24 conservatively estimated that Defendant is liable for one (1) hour of unpaid worktime per
25 workweek. *Id.* This results in potential exposure for this claim of approximately \$1,364,928.57
26 (36,369 workweeks x \$25.02 average hourly rate of pay x 1 hour/workweek x 1.5 overtime rate).
27 *Id.* Because this claim would have relied heavily on Class Member testimony and would not be
28 evidenced in Defendant's time and payroll records, the risk of succeeding at class certification and

1 trial was substantial. *Id.* Accordingly, Plaintiffs' Counsel applied a risk discount based on a 40%
2 chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits,
3 yielding a realistic damage estimate of approximately \$218,388.57 ($\$1,364,928.57 \times 40\% \times 40\%$).
4 *Id.*

5 Meal Periods: Plaintiffs' meal period claim was based on the allegation that Defendant
6 failed to provide Class Members with legally compliant meal periods or pay meal period premiums
7 in lieu thereof. Yslas Decl. at ¶ 15. For example, Plaintiffs alleged that Defendant failed to provide
8 them and other Class Members with uninterrupted duty-free meal periods. *Id.* Additionally,
9 Plaintiff's Counsel's expert consultant determined there was a 33.7% meal period violation rate
10 (for shifts over 6 hours, where meal periods are not waivable) from the sampling of Defendant's
11 time and payroll records, where meal periods were short, late, or missed. *Id.* Therefore, potential
12 liability for the meal period claim is approximately \$1,168,757.21 (138,614 shifts over 6 hours x
13 \$25.02 average hourly rate x 33.7% violation rate). *Id.* After taking into account the difficulty of
14 certifying and proving meal period claims, as well as Defendant's contention that the claim lacks
15 merit, Plaintiff's Counsel discounted this figure based on a 50% chance of succeeding at class
16 certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of
17 approximately \$233,751.44 ($\$1,168,757.21 \times 50\% \times 40\%$). *Id.*

18 Rest Periods: Plaintiffs' rest period claim was based on the allegation that Defendant failed
19 to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu
20 thereof. Yslas Decl. at ¶ 16. For example, Plaintiffs alleged that Defendant failed to provide them
21 and other Class Members with uninterrupted duty-free rest periods. *Id.* Based on Plaintiffs'
22 allegations and Plaintiffs' experience working for Defendant, Plaintiffs' Counsel applied a 100%
23 violation rate to all qualifying shifts during the Class Period. *Id.* Therefore, Defendant's potential
24 liability for the rest period claim is approximately \$3,601,854.18 (143,959 shifts of 3.5 hours or
25 longer x \$25.02 average hourly rate x 100% violation rate). *Id.* However, Plaintiffs' Counsel
26 discounted this figure to account for the difficulty of certifying and proving rest period claims,
27 particularly because rest periods do not have to be recorded, and to account for the possibility of
28 Class Members voluntarily choosing to forego a rest period. *Id.* Because this claim would have

1 relied exclusively on Class Member testimony, Plaintiffs' Counsel discounted this claim based on
2 a 30% chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding
3 a realistic damage estimate of approximately \$216,111.25 ($\$3,601,854.18 \times 30\% \times 20\%$). *Id.*

4 In sum, Plaintiffs' Counsel estimated that Plaintiffs' maximum recovery for the off-the-
5 clock claim, meal period violations, and rest period violations (i.e., the wage claims) is
6 approximately \$6.1 million. Yslas Decl. at ¶ 17. However, after factoring in the risk and uncertainty
7 of prevailing at certification and trial, Plaintiffs' Counsel estimates that Plaintiffs' realistic
8 estimated recovery for these non-penalty wage claims is approximately \$668,251.26. *Id.*

9 Reimbursements: Plaintiffs' reimbursement claim was based on the allegation that
10 Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing
11 their job duties for Defendant, such as mandatory use of personal cell phones for work purposes.
12 Yslas Decl. at ¶ 18. For purposes of calculating Defendant's liability based on a best-case scenario
13 for Plaintiffs and the Class, Plaintiffs' Counsel estimated that Defendant was liable to each Class
14 Member for \$7.50 per workweek in unreimbursed expenses, for a total amount of approximately
15 \$272,767.50 ($\$7.50/\text{workweek} \times 36,369 \text{ workweeks}$). *Id.* However, Defendant argued that these
16 expenses were not required by Defendant, and that it could not have known that these expenses
17 were being incurred. *Id.* Accordingly, Plaintiffs' Counsel discounted this claim based on a 30%
18 chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a
19 realistic damage estimate of approximately \$24,549.08 ($\$272,767.50 \times 30\% \times 30\%$). *Id.*

20 Derivative Penalties: Plaintiffs alleged that as a result of Defendant's failure to pay all
21 wages owed, Defendant owed waiting time penalties and wage statement penalties. Yslas Decl. at
22 ¶ 19. With respect to Plaintiffs' derivative claims for statutory penalties, Plaintiffs' Counsel
23 estimated that Defendant's maximum potential liability is approximately \$3,574,497.29. *Id.*
24 Defendant's maximum potential liability for waiting time penalties is approximately
25 \$2,514,247.29 (411 employees x \$25.02 average hourly rate of pay x 8 hours/day x 30 days] +
26 [411 employees x \$25.02 average hourly rate of pay x 0.1 hours of overtime/day x 1.5 overtime
27 rate x 30 days]) based on approximately 411 formerly employed Class Members during the 3-year
28 statute of limitations period and an average shift length of 8.1 hours. *Id.* Defendant's maximum

1 potential liability for inaccurate wage statements is approximately \$1,060,250.00 ([411 employees
2 x 1 initial violation/employee x \$50 for an initial violation] + [(10,808 pay periods - 411 initial
3 violations) x \$100 for each subsequent violation]) based on approximately 411 Class Members
4 who worked during the 1-year statute of limitations period and approximately 10,808 pay periods
5 in that statutory timeframe. *Id.* In light of the foregoing, Plaintiffs' Counsel believes that it would
6 be unrealistic to expect the Court to award the full \$3,574,497.29 in statutory penalties given
7 Defendant's defenses, the contested nature of Plaintiffs' claims, the challenges of establishing
8 willfulness as applicable, and the discretionary nature of penalties. *Id.* Considering that the
9 underlying wage claims are realistically estimated to be approximately \$668,251.26, such a
10 disproportionate award would also raise due process concerns. *Id.* As such, Plaintiffs' counsel
11 discounted these figures to account for the risk and uncertainty of obtaining class certification and
12 prevailing at trial, resulting in a realistic evaluation of approximately \$150,854.84 for waiting time
13 penalty claims (\$2,514,247.29 x 30% x 20%), and approximately \$63,615.00 for wage statement
14 penalty claims (\$1,060,250.00 x 30% x 20%), or approximately \$214,469.84 total for statutory
15 penalties. *Id.*

16 PAGA: For the PAGA claim, Plaintiffs' Counsel determined that Defendant's potential
17 exposure could reach \$859,000.00, assuming the initial \$100 penalty would apply for each of the
18 8,590 pay periods in the PAGA Period. Yslas Decl. at ¶ 20. However, even assuming success on
19 the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of
20 reasons, including where to do otherwise would result in an award that is unjust, arbitrary and
21 oppressive, or confiscatory. *Id.* As such, Plaintiffs' counsel discounted this figure to account for
22 the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately
23 \$85,900.00 for PAGA penalties (\$859,000.00 x 10%). *Id.* The settlement allocates \$50,000.00 of
24 the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 6.9% of the
25 Gross Settlement Amount and approximately 58% of the realistic estimate for PAGA penalties
26 (\$50,000.00 / \$85,900.00). *Id.*

27 Using these estimated figures, Plaintiff's Counsel predicted that the total realistic damages
28 estimate for all claims, including penalties, would be approximately \$993,170.18. Yslas Decl. at ¶

21. This means that the Gross Settlement Amount represents approximately 73% of the realistic damages estimate (\$729,300.00 / \$993,170.18). *Id.* Considering the risk and uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class. *Id.* Indeed, because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. *Id.*

Based on the figures in the Settlement Agreement, the Net Settlement Amount available for class settlement payments is currently estimated to be \$384,600.00 for approximately 614 Class Members. Yslas Decl. at ¶ 22. As a result, each Settlement Class Member would be eligible to receive an average net benefit of approximately \$626.38. *Id.* Based on the estimated Net Settlement Amount available for Individual Class Payments and there being approximately 36,369 workweeks in the Class Period, the estimated weekly valuation for Individual Class Payments is \$10.57 (\$384,600.00 / 36,369 workweeks). *Id.*

C. The Requested Service Payment is Reasonable

Plaintiffs seek a Class Representative Service Payment of up to \$10,000.00 to Plaintiff Marhawit Melles and a Class Representative Service Payment of up to \$7,500.00 to Plaintiff John Rodrigues for accepting the responsibilities of representing the interests of the Class and potential costs that were not borne by any other Class Member. Settlement Agreement at § 3.2.1. A named plaintiff is eligible for payment that reasonably compensates the plaintiff for undertaking and fulfilling a fiduciary duty to represent absent class members. *See Cellphone Termination Fee Cases*, 186 Cal.App.4th 1380, 1393 (2010); *Bell v. Farmers Ins. Exch.*, 115 Cal.App.4th 715, 726 (2004).

Throughout this case, Plaintiffs assisted counsel in providing information necessary to prosecute the claims, meeting with counsel regarding the claims, maintaining regular contact with counsel, making themselves available the day of mediation to answer questions, and reviewing the Settlement. Melles Decl. at ¶ 11; Rodrigues Decl. at ¶ 11. No action would likely have been taken by Class Members individually and no compensation would have been recovered for them, but for Plaintiffs' services on behalf of the Class. By actively pursuing this action, Plaintiffs furthered the California public policy goal of enforcing the State's wage-and-hour laws. *See Sav-On*, 34 Cal.4th

1 at 340. The requested Class Representative Service Payments are reasonable and should be
2 preliminarily approved. Plaintiffs have each provided a declaration regarding their work performed
3 to date and will provide additional information as requested or required by the Court at final
4 approval.

5 **D. The Requested Attorneys' Fees and Costs Are Reasonable**

6 The purpose of an attorneys' fee award in class action litigation is to reward counsel who
7 invested in a case despite the risk of non-payment and achieved a substantial positive result for the
8 class. California courts routinely award attorneys' fees equaling one-third or more of the potential
9 value of the common fund. *See Chavez*, 162 Cal.App.4th at 66, fn. 11 ("Empirical studies show
10 that, regardless of whether the percentage method or the lodestar method is used, fee awards in
11 class actions average around one-third of the recovery.").

12 Plaintiffs seek appointment of Wilshire Law Firm, PLC as Class Counsel. The attorneys
13 performed significant work and expended litigation costs in prosecuting this matter with no
14 guarantee of payment. Yslas Decl. at ¶ 23. Plaintiffs' Counsel seeks preliminary approval for up
15 to one third (1/3) of the Gross Settlement Amount in attorneys' fees, currently estimated to be
16 \$243,100.00, and up to \$25,000.00 in reimbursement of litigation costs. Given the work performed
17 in this matter, the extensive information exchange, and the substantial recovery obtained on behalf
18 of the Class, Plaintiffs' Counsel achieved a settlement through efficient and diligent work. *See*
19 *generally*, Yslas Decl. At final approval, Plaintiffs' Counsel will fully brief the merits of its request
20 for the award of attorneys' fees and litigation costs.

21 **E. The Administration Costs Are Reasonable**

22 The Parties have agreed upon using Apex to administer this Settlement. Settlement
23 Agreement at §§ 1.2, 7.1. Plaintiffs seek preliminary approval of \$9,100.00 for Apex to administer
24 this Settlement pursuant to Apex's will-not-exceed bid. *See* Yslas Decl. at ¶ 37, Exhibit 5. The
25 services covered by this payment are extensive and necessary to carry out the Settlement
26 administration.

27 **V. CONCLUSION**

28 The Parties have negotiated a fair and reasonable settlement of the class claims in light of

1 the risks presented in this case. Plaintiffs have presented the materials and information necessary
2 to demonstrate that the requirements for preliminary approval have been met, and therefore
3 respectfully requests that the Court preliminarily approve the Settlement and schedule a date for
4 the final approval hearing.

5 Respectfully submitted,

6 Dated: September 30, 2026

WILSHIRE LAW FIRM, PLC

7
8 By: /s/ Courtney M. Miller

Courtney M. Miller

9 Attorneys for Plaintiffs
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Court Reservation Receipt

Reservation

Reservation ID: 640998169155	Status: RESERVED
Reservation Type: Motion re: (Motion for Preliminary Approval of Class Action and PAGA Settlement)	Number of Motions: 1
Case Number: 23CV046524	Case Title: JACOB vs HORIZON SERVICES, INCORPORATED, A CALIFORNIA CORPORATION
Filing Party: Kedo Jacob (Plaintiff)	Location: Rene C. Davidson Courthouse - Department 21
Date/Time: November 10th 2026, 2:30PM	Confirmation Code: CR-4KWI9A3WTDI84PKUA

Fees

Description	Fee	Qty	Amount
Motion re: (name extension)	.00	1	.00
Court Technology Fee	1.00	1	1.00
TOTAL			\$1.00

Payment

Amount: \$1.00	Type: MasterCard
Account Number: XXXX8791	Authorization: 042895
Payment Date: 2026-09-25	

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