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on behalf of himself and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

THERESA MADRIGAL, on behalf of herself and all others similarly situated, and the general public, *Plaintiff*, v. DPEP, INC., a California corporation; PEDDER AUTO MANAGEMENT LLC, a California corporation; PEDDER AUTOMOTIVE, LLC, a California corporation; PEDDER NISSAN, LLC, a California corporation; LAKE ELSINORE CHRYSLER DODGE JEEP RAM, LLC, a business entity of unknown form; and DOES 1 through 50, inclusive, *Defendants*.	Case No. CVRI2400722 [*Assigned for all purposes to the Hon. Harold W. Hopp, Dept. 1]* **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT** Date: April 30, 2026 Time: 8:30 A.M. Dept.: 1 **Reservation ID: Filing Authorized by Court during the January 15, 2026, CMC** Complaint Filed: February 6, 2024 FAC Filed: April 10, 2024 Trial Date: None Set

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

PLEASE TAKE NOTICE THAT on April 30, 2026, at 8:30A.M. as soon thereafter as the matter may be heard, in Department 1 of the Riverside County Superior Court, located at 4050 Main Street Riverside, CA 92501, Plaintiff THERESA MADRIGAL ("Plaintiff") on behalf of herself and other similarly situated employees of Defendants DPEP, INC. dba LAKE ELSINORE CHRYSLHER DODGE JEEP RAM CDJR and PEDDER AUTO MANAGEMENT LLC ("Defendants") (collectively, "the Parties"), will and hereby does move this Court pursuant to California Code of Civil Procedure § 382 and California Rule of Court 3.769 for an order as proposed:

1. Conditionally certify, for settlement purposes only, a Class consisting of all hourly, non-exempt employee in the State of California at any time during the Class Period (the period defined as February 13, 2020, through October 31, 2025);
2. Appoint Emil Davtyan, Esq., David Yeremian, Esq., David Keledjian, Esq., David Arakelyan, Esq., and the other attorneys of D.Law, Inc. as Class Counsel;
3. Appoint Plaintiff Theresa Madrigal as the Class Representative;
4. Order preliminary approval of the proposed Settlement on a class-wide basis, order directing that the Class Notice to be given to the Class, and set a hearing for final review of the proposed Settlement;
5. Approve Phoenix Class Action Administration as the Administrator to handle the Class Notice and claims administration procedures as set forth in its proposal; and
6. Approve the proposed allocation of civil penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code § 2698, *et. seq*.

The Motion will be based on this Notice of Motion, the Memorandum of Points and Authorities, the Declarations of Plaintiff's Counsel and exhibits thereto, Declaration of Plaintiff

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

Dated: April 07, 2026

D.LAW, INC.,

By: ______________________________

David Arakelyan, Esq.

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Theresa Madrigal ("Plaintiff" or "Class Representative"), on behalf of herself and a Class defined as all persons employed by Defendants DPEP, INC. dba LAKE ELSINORE CHRYSLER DODGE JEEP RAM CDJR and PEDDER AUTO MANAGEMETN LLC ("Defendants") (collectively the "Parties"), in California and classified as hourly, non-exempt employee who worked for Defendants at any time from February 13, 2020, through October 31, 2025 (the "Class Period"), seeks preliminary approval of the Parties' Class Action and PAGA Settlement Agreement ("Settlement" or "Settlement Agreement").[1] The Settlement provides for a non-reversionary Gross Settlement Amount of $298,500 on behalf of approximately 264 Class Members in compromise of disputed claims for unpaid wages and penalties, as well as civil penalties pursuant to the Private Attorneys General Act of 2004 ("PAGA"), Labor Code section 2698, *et seq*.

This Court should grant this Motion for the following reasons: (1) the Class meets the requirements for conditional class certification for settlement purposes only under of Code of Civil Procedure section 382; (2) the Settlement warrants preliminary approval based on all indicia for fairness, reasonableness, and adequacy; (3) Plaintiff is well-suited to serve as an adequate Class Representative; (4) Plaintiff's attorneys are experienced and well-qualified to serve as Class Counsel; (5) the proposed Class Notice procedures fully comport with due process and adequately apprise Class Members of their rights; (6) a final fairness hearing must be scheduled to allow Class Members an opportunity to be heard regarding the Settlement and to give it finality; and (7) the proposed $20,000 allocation of PAGA Penalties in the Settlement is substantial and falls within the range of reasonableness.

Accordingly, for the reasons detailed below, Plaintiff respectfully requests that the Court grant this Motion in its entirety and preliminarily approve the Parties' good faith Settlement.

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[1] All capitalized words are defined in the Class Action and PAGA Settlement Agreement, attached as Exhibit 1 to the Declaration of David Arakelyan, filed herewith, and those definitions are incorporated by reference herein.

II. RELEVANT BACKGROUND

A. Procedural History

On February 6, 2024, Plaintiff commenced this Action by filing a Complaint alleging causes of action against Defendants for: (1) Failure To Provide Meal Periods; (2) Failure To Provide Rest Periods; (3) Failure to Pay Hourly Wages and Overtime; (4) Failure to Pay Reporting Time Wages; (5) Failure to Pay Proper Vacation Wages; (6) Unlawful Collection and Receipt of Wages; (7) Failure to Provide Accurate Written Wage Statements; (8) Failure to Timely Pay All Final Wages; (9) Failure to Indemnify; and (10) Unfair Competition in Violation Of Business And Professions Code §§ 17200, et seq. Under Labor Code section 2699.3, subdivision (a), Plaintiff gave timely written notice to Defendants and the LWDA by sending the PAGA Notice. On April 10, 2024, Plaintiff filed a First Amended Complaint adding a claim for civil penalties under PAGA. The First Amended Complaint is the operative complaint in the Action (the "Operative Complaint"). (Declaration of David Arakleyan ["Arakelyan Decl."], ¶ 2.)

Plaintiff contends that Defendants violated California's wage and hour laws by failing to provide all legally compliant meal and rest periods, failing to provide compliant and accurate itemized wage statements, failure to pay proper reporting time pay and vacation wages, unlawfully collecting and receiving wages, failing to timely pay all wages due upon separation of employment, and thereby also violating California Business & Professions Code section 17200, *et seq*., and incurring penalties under PAGA. (*Id*. at ¶ 3.)

B. Mediation

On August 12, 2025, the Parties participated in a mediation presided over by respected wage and hour mediator Lonnie Giamela, Esq. At mediation, Defendant raised several defenses to Plaintiff's claims, which present significant risks as to further recovery should this case continue. The Parties, recognizing the burdens and risks of continuing with the litigation, accepted the mediator's proposal to resolve the Action. (Arakelyan Decl., ¶ 4-5.)

To settle the Action and Released Claims, Defendant agrees to pay the Gross Settlement Amount of <u>$298,500.00</u>, exclusive of the employer's portion of payroll taxes and fees (i.e. Defendants will pay the employer-side payroll taxes on the wages portion separately from the

Gross Settlement Amount). It shall be an opt-out class, there is no claim form requirement, and no residual will revert to Defendant. The Gross Settlement Amount represents approximately **21.9%** of the exposure calculated by Plaintiff, which demonstrates that the settlement is fair and reasonable. The Settlement represents a fair and reasonable recovery as set forth in the Declaration of David Arakelyan. (Arakelyan Decl., ¶¶ 6, 16 – 34.)

C. Settlement Agreement and Accompanying Documents

The Class Action and PAGA Settlement Agreement is attached to the Declaration of David Arakelyan as **Exhibit 1** with the Court Approved Notice of Class Action Settlement and Hearing Date for Final Court Approval ("Class Notice") attached thereto as **Exhibit A**. The Settlement proposes the following Class: All persons employed by Defendants as hourly, non-exempt employee in the State of California at any time during the Class Period (the period defined as February 13, 2020, through October 31, 2025). It shall be an opt-out class, with no claim form required to participate. (Arakelyan Decl., ¶ 5, Ex. 1, pp. 1-2.)

There are approximately 15,203 Workweeks in the Class Period, resulting in a recovery of an estimated $19.63 per workweek. Each Class Member will receive an average Individual Settlement Award of approximately $590.07 (NSA of $155,779.31 divided by 264 Class Members). (Arakelyan Decl., ¶ 7.)

Additional proposed disbursements are as follows:

Class Counsel Fees Payment	Up to $99,500.00 (1/3 of Gross Settlement Amount), subject to Court approval
Class Counsel Litigation Expenses Payment for actual expenses incurred in litigation the Action	Actual costs, verified by Class Counsel and approved by the Court, which are at $15,220.69.
Administration Expenses Payment	Not to exceed $8,000
Class Representative Service Payment	$5,000.00 to Plaintiff
PAGA Penalties	$20,000.00 ($15,000.00 to LWDA; $5,000.00 to Aggrieved Employees)

(Arakelyan Decl., ¶ 7.)

The Parties have agreed on Phoenix Settlement Administration Solutions (the

"Administrator") as the Administrator and respectfully request that this Court appoint Phoenix to handle the Class Notice and claims administration procedures, including posting the Judgment on its website. The Parties have confirmed that the Class Notice will be translated into Spanish. (Arakelyan Decl., ¶¶ 8-9; **Exhibit 2** to the Arakelyan Decl. [Declaration of Jodey Lawrence, Exhibit B.)

D. The Proposed Class Notice Provides Adequate Notice to the 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 Class Notice provides all the information a reasonable person would need to make a fully informed decision about the settlement. It will notify all Class Members of the terms of the settlement, of its effect on their rights, of their options as Class Members (i.e., participate, object, opt-out, and dispute work weeks), and procedures for exercising those options. (Arakelyan Decl. ¶ 36; *see* Class 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 Class Notice will be sent via first-class mail to each Class Members at their addresses from Defendants records. (Arakelyan Decl., ¶ 36). If any Class Notices are returned undeliverable without a forwarding address, the Administrator will use the national change of address database and perform a skip trace to locate the Class Member and mail a new Notice to the correct address. (Arakelyan Decl., Ex. 1, pp. 4, 11.)

The Class Notice should be approved as the best and most practicable way to ensure the greatest possible number of Class Members will receive notice. Plaintiff respectfully requests that this Court approve the Class Notice to be disseminated to the Class consistent with the manner and timing as set forth in this Memorandum and the Parties' Settlement Agreement.

(Arakelyan Decl., ¶ 38.)

III. CONDITIONAL CERTIFICATION OF THE CLASS

The proposed Settlement seeks conditional certification of a Class. The certification of the Class is essential to the Settlement. 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 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 Class definition is sufficiently specific to enable potential Class Members and the Court to identify the Class Members, all of whom have indeed been identified by Defendant's employment and payroll records. There are approximately 264 Class Members, which is sufficient to satisfy numerosity requirements. (Arakelyan Decl., ¶ 13.)

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].)

Common questions of law and fact predominate here, as the main issues involve the legality of Defendant's employment policies regarding Plaintiff's claims for failure to pay all wages, failure to pay all overtime wages, failure to pay all wages at the legal overtime pay rate, failure to provide all meal periods, failure to authorize and permit all rest periods, failure to reimburse work expenses, failure to timely furnish accurate itemized wage statements, failure to provide vacation wages, failure to pay reporting time pay, unlawful collection and receipt of wages, failure to timely pay wages at termination or during employment, and alleged violations of California Business & Professions Code sections 17200, *et seq*. Whether each 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.)

Plaintiff asserts that these are all policy questions that are uniform and can be proven by common objective evidence. 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. (Arakelyan Decl., ¶ 14.)

C. Plaintiff's 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, the proposed Class Representative worked for Defendant as a non-exempt employee under Defendant's uniform employment policies applicable to all non-exempt employees during the Class Period, defined as the period from February 13, 2020, through October 31, 2025. Plaintiff was subject to the same employment policies and practices as other Class Members. (Arakelyan Decl., ¶¶ 14-15; Declaration of Theresa Madrigal ("Madrigal Decl."), ¶ 2.) Accordingly, Plaintiff's claims are typical of those of other Class Members. (*Id.*)

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 Plaintiff 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 Arakelyan Decl., ¶¶ 39-45.)

The Class Representative has agreed to act as such and understand her responsibilities. (Madrigal Decl. ¶¶ 5-6.) The Class Representative has no claims or other interests that are antagonistic to the Class. (Arakelyan Decl., ¶ 15.)

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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. (Arakelyan Decl., ¶¶ 16, 20, and 35.) The Settlement represents a fair and reasonable value of all claims. (*Id*. at ¶¶ 22-35.) There is no claim form required so all Class Members will be paid unless they opt out, and there is no reversion to Defendant. (*Id*. at ¶ 5.) Finally, the only governmental involvement in this case is the existence of a PAGA claim, and Plaintiff has notified the LWDA of this Settlement. (*Id*. at ¶ 48.) The Settlement Amount balanced against the merits of Plaintiff's case is reasonable. (*Id.* at ¶¶ 22-35.)

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, Lonnie Giamela. Before mediation, the Parties engaged in informal discovery. To prepare for the mediation, Defendants provided documentation of its policies and practices and data related to the claims asserted in this case, including time and pay data for approximately 70.5% of the class (information for 237 individuals from a class size of 336), and other information necessary for Plaintiff to create a damages exposure analysis. Plaintiff hired an expert, Berger Consulting Group – Economic Data Analysts, to prepare damage calculations and an exposure analysis for the mediation. Attached hereto as Exhibit 4 is the Declaration of Jarrett Gorlick of Berger Consulting Group. The Parties agreed on the proposed Settlement after extensive negotiations that resulted in a mediator's proposal. (Arakelyan Decl., ¶ 17.)

The Settlement here provides pro rata distribution to Class Members based upon their number of Workweeks. (Arakelyan Decl., ¶ 18, Ex. 1, p. 3.) Accordingly, the Settlement treats the Class Members equitably, and the proposed distribution plan supports preliminary approval.

The firm representing the 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 Arakelyan Decl., ¶¶ 39-45.) Based on that experience, the information produced by Defendant, and the expert's calculations, Counsel was able to negotiate a sizable recovery for the Class Members.

B. Reasonable Based on Objective Evidence

The Settlement that has been reached, subject to this Court's approval, is the product of significant effort and a great deal of expense by the Parties and their Counsel. Class Counsel are knowledgeable about and have done extensive research with respect to the applicable law and potential defenses to the claims of the Class Members. Such investigation included the exchange of information and documents through informal discovery. (Arakelyan Decl., ¶ 19.) Among other things, Class Counsel reviewed all relevant policies and practices and data related to the claims asserted in this case, including time and pay data for approximately 70.5% of the class (information for 237 individuals from a class size of 336), and other information necessary for Plaintiff to create a damages exposure analysis. (*Id*. ¶ 17.) The Parties' investigation also included preparing for and attending a full day of mediation with well-known mediator, Lonnie Giamela, Esq., an experienced mediator. The Parties investigated relevant law as applied to the facts of the case, potential defenses, and damages claimed by Plaintiff on behalf of herself, the Class, and the Aggrieved Employees. Although the Parties did not settle at the mediation, after post-mediation negotiations, the Parties accepted a mediator's proposal. (*Id*., ¶ 4.)

Based on the documents and information provided by Defendant and their own independent investigation and evaluation, Class Counsel and Plaintiff are of the opinion that the settlement with Defendant for the consideration and on the terms set forth in this Settlement is fair, reasonable, and adequate, and is in the best interest of the 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. (Arakelyan Decl., ¶¶ 16, 20.)

The Settlement amount is, of course, a compromise figure. Plaintiff considered the risks that the Class would not be certified, the risks related to proof of Plaintiff's claims, and the strengths and weaknesses of Defendant's other defenses. Plaintiff 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. Furthermore, Plaintiff took into consideration the time delay and financial repercussions of liability trials, numerous damages trials, and the possibility of an appeal by Defendant. (Arakelyan Decl., ¶ 21.)

For the Class claims, the Parties in this matter have agreed to the amount of $298,500,[2] exclusive of the employer's portion of payroll taxes and fees, on a class-wide basis, with no claim form requirement and no residual to revert to the Defendant. (Arakelyan Decl., ¶ 6.) Based on Plaintiff's and her expert's analysis for mediation, the case had a reasonable, realistic potential value of approximately, $1,362,330.07 for the underlying Labor Code claims and $161,575.00 for the PAGA penalties, for a total case value of $1,523,905.07 ($1,362,330.07 +$161,575). The Gross Settlement Amount of $298,500 represents approximately 19.6% of the overall value including PAGA penalties, which demonstrates that the settlement is fair and reasonable. (Arakelyan Decl., ¶¶ 6 – 7, 16 – 35.)

C. Limited Standing to Object to Proposed Settlement

Non-settling parties or third parties sometimes attempt to object to settlements, but the right of non-settling parties to object even at the final settlement approval hearing, let alone the preliminary approval hearing, is quite limited. Generally, only class members have standing to object to a proposed settlement. "Beginning from the unassailable premise that settlements are to be encouraged, it follows that to routinely allow non-Class Members to inject their concerns via objection at the settlement stage would tend to frustrate this goal." (*Gould v. Alleco, Inc.* (4th Cir. 1989) 883 F.2d 281, 284.) Accordingly, any non-parties are not allowed to object to this proposed Settlement.

V. THE PAGA PORTION 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

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[2] $20,000 of the $298,500 Gross Settlement Amount is apportioned to the LWDA PAGA Payment. (Arakelyan Decl., ¶ 7, Ex. 1, p. 7.)

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 $20,000.00 for resolution of Plaintiff's PAGA claims. Of this amount, 25%, or $5,000.00, will be distributed to PAGA Aggrieved Employees. There are approximately 119 Aggrieved Employees who worked a total of approximately 6,463 PAGA Pay Periods. (Arakelyan Decl., ¶¶ 32-33, Ex. 1, pp. 3, 7.)

The release is limited to those claims specifically made and investigated in connection with this lawsuit for the relevant PAGA Period (defined as the period from February 6, 2023, through October 31, 2025.) (Arakelyan Decl., Ex. 1 p. 3.) 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 Penalties portion of the Settlement is both just and in the public's interest. The Parties believe and agree that the settlement provides for a fair, adequate, and reasonable resolution of the representative PAGA claim. The Parties also believe that the proposed 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. It also provides a proportional sum to each Aggrieved Employee on a pro-rata basis based on the number of pay periods they worked during the PAGA Period. (Arakelyan Decl., ¶ 33, Ex. 1., p.

3.) 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.)

The benefit provided by the proposed PAGA Penalties portion of the Settlement is substantial and easily falls within the range of reasonableness. The Settlement fulfills the purposes of the PAGA, and, by any measure, is fair, adequate, and reasonable.

VI. THE CLASS REPRESENTATIVE SERVICE AWARD IS 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.). Plaintiff requests a reasonable enhancement payment for his effort and initiative in bringing and helping to prosecute this class action.

As an initial matter, Plaintiff's courage in proceeding with his class-wide claims should not be underestimated. By suing Defendant, Plaintiff increased his risk of retaliation by prospective employers, who must choose between an applicant who has never sued a prior employer and one who has. (Madrigal Decl., ¶ 12).

Plaintiff has devoted a substantial amount of time to helping Class Counsel effectively develop and prosecute this action at every stage of the litigation. (Arakelyan Decl., ¶ 47; Madrigal Decl., ¶ 10). Both before and after filing, Plaintiff conferred with Class Counsel to discuss every aspect of this case. To date, Plaintiff has invested approximately 20 hours in this action thus far. (Madrigal Decl., ¶ 10). Plaintiff has provided Class Counsel with information about Defendants, reviewed documents, consulted Class Counsel throughout the litigation, participated in the mediation process, and reviewed and signed the settlement agreement. (*Id*. at ¶ 10).

Plaintiff has spent a significant amount of time with Class Counsel detailing her knowledge of Defendants' practices. Plaintiff has diligently, adequately, and fairly represented the Class Members, and has not placed her interests above any member of the Class. This sort of payment to a Class representative has been a common feature of settlements negotiated by Class Counsel and routinely approved by courts. The Class Representative Service Payment of $5,000.00 to Plaintiff is fair and reasonable. (Arakelyan Decl., ¶ 46; Madrigal Decl., ¶ 17).

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

Class Counsel respectfully requests, without opposition from Defendants, an award of attorneys' fees of no more than $99,500.00 (one-third of the Gross Settlement Amount) and actual litigation costs in the amount of $15,220.69, subject to approval by the Court. (Arakelyan Decl. ¶¶ 7, 46, Ex. 1 p. 1).

Class Counsel submits it has the requisite experience, knowledge, and resources to serve as Class Counsel and to zealously represent the Class. (Arakelyan Decl., ¶¶ 39-45). 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 Class. In addition, Class Counsel's efforts in reaching the Settlement on behalf of the Class will confer a significant benefit to the Class. As such, the requested award of attorneys' fees and costs is reasonable.

VIII. REQUESTED RELIEF

Plaintiff respectfully requests that the Court, as part of the preliminary approval process, do the following:

1. Conditionally certify, for settlement purposes only, a Class consisting of all hourly, non-exempt employee in the State of California at any time during the Class Period (the period defined as February 13, 2020, through October 31, 2025);
2. Appoint Emil Davtyan, Esq., David Yeremian, Esq., David Keledjian, Esq., and David Arakelyan, Esq., and the other attorneys of D.Law, Inc. as Class Counsel;
3. Appoint Plaintiff Theresa Madrigal as the Class Representative;
4. Order preliminary approval of the proposed Settlement on a class-wide basis, order directing the Class Notice to be given to the Class, and set a hearing for final approval of the proposed Settlement;
5. Approve Phoenix Class Action Administration as Administrator to handle the notice and claims procedures as set forth in its proposal; and

6. Approve the PAGA portion of the Settlement.

IX. CONCLUSION

Based upon the foregoing, Plaintiff respectfully requests that the Court grant this motion for Preliminary Approval of Class Action and PAGA Settlement and enter the proposed Order.

Respectfully Submitted,

Dated: April 07, 2026

D.LAW, INC.

By: ______________________________
David Keledjian, Esq.
David Arakelyan, Esq.
Attorneys for Plaintiff