John G. Yslas (SBN 187324)
john.yslas@wilshirelawfirm.com
Diego Aviles (SBN 315533)
diego.aviles@wilshirelawfirm.com
Harry Erganyan (SBN 333091)
harry.erganyan@wilshirelawfirm.com
Mariam Nazaretyan (SBN 334154)
mariam.nazaretyan@wilshirelawfirm.com
Emily K. Borman (SBN 303180)
emily.borman@wilshirelawfirm.com
Courtney M. Miller (SBN 327850)
courtney.miller@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, California 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF SAN DIEGO

EDUARDO AGUILERA JR, individually, and on behalf of all others similarly situated,

Plaintiff,

vs.

RENT TIME, a California Corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: 37-2024-00014462-CU-OE-CTL

[Assigned for All Purposes to the Hon. Loren G. Freestone, Dept. C-64]

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

Preliminary Approval Hearing:
Date: February 27, 2026
Time: 10:30 a.m.
Dept.: C-64

Action Filed: March 27, 2024

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on February 27, 2026, at 10:30 a.m., or as soon thereafter as the matter may be heard in Department C-64 of the Superior Court of California, County of San Diego, Hall of Justice located at 330 West Broadway, San Diego, California 92101, Plaintiff Eduardo Aguilera Jr. ("Plaintiff") will and hereby does move this Court for an Order:

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

Pursuant to California Rules of Court, Rule 3.769(d) and (e), 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 Plaintiff and Plaintiff's Counsel will fairly and adequately represent the Class.

This Motion is based on this Notice of Motion, the accompanying Memorandum of Points and Authorities, the Declaration of John G. Yslas, the Declaration of Plaintiff Eduardo Aguilera Jr., 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.

Dated: February 3, 2026 **WILSHIRE LAW FIRM, PLC**

By: /s/ Courtney M. Miller
Courtney M. Miller
Attorneys for Plaintiff

TABLE OF CONTENTS

TABLE OF AUTHORITIES

CASES

Statutes

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Pursuant to California Rules of Court, Rule 3.769(d) and (e), Plaintiff Eduardo Aguilera Jr. ("Plaintiff") seeks preliminary approval of a class action settlement of wage and hour claims, including representative claims brought under the Private Attorneys General Act of 2004 ("PAGA") against Defendant Rent Time ("Defendant"). The proposed Class is defined as all persons currently or formerly employed by Defendant as hourly-paid non-exempt employees in the State of California ("Class Members") during the period from June 30, 2020, through December 31, 2024 ("Class Period"). The main terms of the Settlement are as follows:

1. A Gross Settlement Amount of $150,000.00, which will be distributed to approximately 311 Class Members on a pro rata basis according to the total workweeks worked by each Class Member during the Class Period;
2. Attorneys' fees of up to one third (1/3) of the Gross Settlement Amount (currently $50,000.00) and up to $25,000.00 in reimbursement of litigation costs to Plaintiff's Counsel;
3. A class representative service payment of up to $7,500.00 to Plaintiff;
4. Costs of settlement administration of up to $8,750.00; and
5. Allocation of $10,000.00 to PAGA penalties, seventy-five percent (75%) of which ($7,500.00) will be paid to the Labor and Workforce Development Agency ("LWDA"), and twenty-five percent (25%) of which ($2,500.00) will be paid to all persons currently or formerly employed by Defendant as hourly-paid non-exempt employees in the State of California ("Aggrieved Employees") during the period from March 27, 2023, through December 31, 2024 ("PAGA Period").

The Settlement meets all criteria for preliminary approval and falls within the range of reasonableness given the risks and expenses of further litigation. The Settlement was reached through informed, arm's length bargaining between experienced attorneys with the assistance of an experienced neutral. As such, Plaintiff requests that the Court grant preliminary approval of the Settlement, conditionally certify the Class for settlement purposes only, appoint Plaintiff as the

Class Representative, appoint Plaintiff's Counsel as Class Counsel, appoint Phoenix Class Action Administration Solutions as the Settlement Administrator, authorize the Settlement Administrator to administer notice of the Settlement to the Class, and set a final approval hearing date.

II. PROCEDURAL HISTORY

On March 27, 2024, Plaintiff filed this putative class action against Defendant Rent Time ("Defendant") alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; (8) failure to produce requested employment records; and (9) unfair business practices. Declaration of John G. Yslas in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ("Yslas Decl.") at ¶ 3.

On May 15, 2024, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions the Labor Code alleged to have been violated, including the facts and theories in support. Yslas Decl. at ¶ 4. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. *Id*. Therefore, on July 22, 2024, Plaintiff filed a First Amended Complaint adding a cause of action for civil penalties under PAGA. *Id*.

On January 29, 2025, the Parties participated in a private full-day mediation with mediator Nikki Tolt, Esq. Yslas Decl. at ¶ 5. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. *Id*.

With the help of the mediator, the Parties were able to reach an agreement on general settlement terms. Yslas Decl. at ¶ 6. The Parties ultimately finalized the Settlement on June 2, 2025. *Id*. at Exhibit 1 ("Settlement Agreement"). On February 3, 2026, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. Yslas Decl. at ¶ 7, Exhibit 2.

III. SUMMARY OF THE SETTLEMENT TERMS

A. Terms of the Proposed Settlement

The parties have agreed to settle the claims alleged in this case and the related PAGA Action for a Gross Settlement Amount of $150,000.00. Settlement Agreement at §§ 1.23, 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 $7,500.00 to Plaintiff; (2) attorneys' fees of up to one third (1/3) of the Gross Settlement Amount (currently $50,000.00) and reimbursement of litigation costs of up to $25,000.00 to Plaintiff's Counsel; (3) costs of settlement administration of up to $8,750.00 to Phoenix Class Action Administration Solutions; (4) individual class payments to Class Members; and (5) PAGA penalties in the amount of $10,000.00, which will be allocated 75% to the LWDA ($7,500.00) and 25% to Aggrieved Employees ($2,500.00). *Id.* at § 3.2. After all requested deductions are made, the remaining Net Settlement Amount is currently estimated to be $48,750.00. Yslas Decl. at ¶ 20.

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 10% to wages and 90% to interest and penalties. *Id*. at § 3.2.4.1. Defendant will separately pay any and all employer payroll taxes owed on the wage positions of the individual class payments separate from the Gross Settlement Amount. *Id*. at 3.1.

Individual PAGA payments to Aggrieved employees will be calculated based on the number of pay periods worked by each Aggrieved Employee during the PAGA Period. Settlement Agreement at § 3.2.5.1. For tax purposes, the individual PAGA payments will be allocated 100% to penalties. *Id*. at 3.2.5.2.

Any deductions not approved by the Court will be retained by the Settlement Administrator in the Net Settlement Amount. Settlement Agreement at § 3.2. Funds from any uncashed checks will be transmitted by the Settlement Administrator to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). *Id.* at § 4.4.3. None of the Gross Settlement Amount will revert to Defendant. *Id*. at § 3.1.

B. Proposed Settlement Administration

The parties' proposed Class Notice complies with the requirements of California Rules of Court, Rule 3.766(d). *See* Exhibit A to the Settlement Agreement. It provides information regarding the nature of this lawsuit, a summary of the settlement terms, the formula used for calculating individual class and PAGA payments and instructions to dispute the calculations, instructions on how to opt-out of or object to the Settlement, the date, time, and location of the final approval hearing, and the amounts sought for the class representative service payment, attorneys' fees and litigation costs, and settlement administration costs. *See generally, id*. The Class Notice also notifies Class Members that they do not need to submit a claim in order to participate in the Settlement and receive a payment. *See id*. The Settlement Administrator will mail Class Members the Class Notice by first-class mail in English and in Spanish. Settlement Agreement at § 7.4.2; Yslas Decl. at ¶ 36, Exhibit 3.

If a Class Notice is returned as undeliverable, the Settlement Administrator will re-mail the Class Notice within five (5) days to the forwarding address provided by the U.S. Postal Service. 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 for all Class Members whose Class Notice was re-mailed. *Id*. at § 7.4.4.

C. Proposed Releases

<u>Released Class Claims</u>: "All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, in law or in equity, arising at any time during the Class Period for the class claims brought by Plaintiff in the Operative Complaint, or that could have been brought by Plaintiff against Defendant in the Operative Complaint based on the facts alleged therein. The Released Class Claims do not include a release for PAGA civil penalties pursuant to Labor Code § 2699, *et seq*." Settlement Agreement at § 5.2.

<u>Released PAGA Claims</u>: "All Aggrieved Employees will release all claims for PAGA civil penalties that were alleged or could have been alleged in the Operative Complaint and the PAGA Notice based on the facts alleged therein during the PAGA Period." Settlement Agreement at § 5.3.

Only Plaintiff will agree to a general release and a waiver of Civil Code § 1542. *Id*. at §§ 5.1, 5.1.1.

///

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

A. Provisional Certification of the Class is Appropriate

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

1. The Proposed Class is Numerous and Ascertainable

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

The Class here consists of all persons currently or formerly employed by Defendant as hourly-paid non-exempt employees in the State of California during the Class Period. *See* Settlement Agreement at § 1.5. The Class is also readily ascertainable from Defendant's business records, because all Class Members are or were employees of Defendant. *Id*. Defendant's records show there are approximately 311 Class Members, making joinder of all Class Members impracticable. Yslas Decl. at ¶ 9.

///

///

2. A Well-Defined Community of Interest Exists

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

a. Common Questions Predominate

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

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

b. Plaintiff is Typical of the Class

Typicality does not require that the representative plaintiff's claims and those of the class members be identical or perfectly aligned. *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224, 228 (2001), disapproved on other grounds by *Hernandez v. Restoration Hardware, Inc.*, 4 Cal.5th

260, 269-280 (2018). Typicality does not require that a plaintiff's claims be identical to those of other class members, only that their claims and the defenses applicable to them are sufficiently similar to those of other class members that a named plaintiff is able to adequately represent the class and focus on common issues. *Medrazo v. Honda of North Hollywood*, 166 Cal.App.4th 89, 99 (2008).

Plaintiff has alleged that he and other Class Members were employed by the same Defendant and injured by Defendant's common wage and hour policies and practices, including Defendant's scheduling, timekeeping, pay, meal period, rest period, reimbursement, and employment records production policies. *See* Yslas Decl. at ¶ 10. Through informal discovery, including the production of data and documents by Defendant, Plaintiff confirmed that these challenged policies and practices applied to Plaintiff and other Class Members alike. *See id.* at ¶ 11. Therefore, Plaintiff's claims and Class Members' claims arise from the same challenged employment policies and practices and are based on the same legal theories.

c. Plaintiff and Plaintiff's 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 Plaintiff and proposed Class Counsel present no such conflict.

Plaintiff's interests are coextensive with Class Members' interests. Declaration Eduardo Aguilera Jr. in Support of Plaintiff's Motion for Preliminary Approval ("Aguilera Decl.") at ¶ 6. Plaintiff has demonstrated an ability to advocate for the interests of Class Members by initiating this lawsuit, providing information regarding the claims, being available on the day of mediation to answer questions, assisting his attorneys in preparation for mediation, and reviewing the proposed Settlement. *Id.* at ¶ 7.

///

Likewise, Wilshire Law Firm, PLC has expended considerable time and effort on this case and will continue to do so through final approval. *See generally*, Yslas Decl. Therefore, Plaintiff should be appointed Class Representative, and his 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 Members' 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 ¶ 9. Therefore, a class action is the superior method for seeking relief.

B. The Settlement Meets the Standards for Preliminary Approval

The moving party must demonstrate that "the settlement is fair, adequate and reasonable." *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 126 (2008). "In determining whether a class settlement is fair, adequate, and reasonable, the trial court should consider relevant factors, such as the strength of plaintiffs' 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." *Wershba*, 91 Cal.App.4th at 244-245 (internal quotations and citations omitted).

1. The Settlement is Entitled to a Presumption of Fairness

A settlement is entitled to "a presumption of fairness . . . 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; and (4) the percentage of objectors is small." *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996). The Settlement here satisfies the first three factors. Plaintiff will analyze the fourth factor at final approval after Class Members have been notified of the Settlement and provided with an opportunity to object.

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

Courts have recognized that the involvement of a respected mediator provides a high degree of assurance that the settlement is the result of arm's length bargaining. *See Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, 52-53 (2008). The Settlement in this matter was the product of a full-day mediation session with a respected mediator. Yslas Decl. at ¶ 5. The negotiations were adversarial, conducted at arm's length, and tempered by the efforts of both sides to serve the interests of their clients. *Id.*

b. Sufficient Investigation and Discovery Have Been Conducted

Prior to attending mediation, Plaintiff's Counsel thoroughly investigated the claims, applicable law, and potential defenses. Yslas Decl. at ¶ 8. Plaintiff's Counsel assessed the value to the claims using the data and documents Defendant produced in informal discovery, including the number of Class Members and Workweeks during the Class Period, the number of Aggrieved Employees and PAGA Periods during the PAGA Period, the average rate of pay for Class Members, all documents concerning Plaintiff, Defendant's handbook, Defendant's wage and hour policy documents, and timekeeping and payroll records for Class Members. *Id.* Plaintiff's Counsel engaged an expert to quantify the potential exposure using the time and payroll records, and then assessed the risks associated with each claim meriting reductions in the likely success at class certification and likely recovery at trial. *Id*.

c. Plaintiff's Counsel is Experienced in Similar Litigation

Plaintiff is represented by Wilshire Law Firm. *Id.* at ¶ 1. Plaintiff's Counsel has extensive experience litigating wage-and-hour class actions on behalf of employees. *See id.* at ¶¶ 21-33. Plaintiff's Counsel has been involved as counsel in numerous class actions that have resulted in millions of dollars in recovery. *See id.*

///

2. The Settlement is Reasonable Given the Strengths of Plaintiff's Claims and the Risks and Expense of Further Litigation

A settlement does not have to provide 100% of the damages sought to be considered fair and reasonable. *See Rebney v. Wells Fargo Bank*, 220 Cal.App.3d 1117, 1139 (1991). Although the exposure Plaintiff's Counsel calculated is substantial, the various risks at succeeding at class certification and through trial affected the valuation of the claims for settlement purposes. Yslas Decl. at ¶¶ 8-19.

Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims were based on the allegation that Defendant required Class Members to routinely perform work duties off the clock. Yslas Decl. at ¶ 12. For example, Plaintiff alleges that Defendant required him and other Class Members to clock out for meal periods and continue working and to perform tasks before and after their shifts, all without compensation. *Id*. Based on these allegations, Plaintiff's Counsel conservatively estimated that Class Members worked one (1) hour off the clock per week as overtime in calculating potential exposure to be approximately $252,399.00 for these claims (9,800 workweeks x $17.17 hourly rate x 1.5 overtime rate of pay x 1.00 hour of unpaid work per workweek). *Id*. Because this claim would have relied heavily on Class Member testimony and would not be evidenced in Defendant's time and payroll records, the risk of succeeding at class certification was substantial. *Id*. Accordingly, Plaintiff's Counsel applied a risk discount based on a 40% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately $40,383.84 ($252,399.00 x 40% x 40%). *Id*.

Meal Periods: Plaintiff's meal period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant meal periods or pay meal period premiums in lieu thereof. Yslas Decl. at ¶ 13. For example, Plaintiff alleges that Defendant required him and the other Class Members to clock out for meal periods but continue working. *Id*. Plaintiff further alleges that Defendant failed to consistently provide him and other Class Members with timely uninterrupted meal periods. *Id*. Plaintiff's Counsel's expert found a violation rate of approximately 18.9% in Defendant's time and payroll records for shifts greater than five (5) hours. Therefore, potential liability for the meal period claims is approximately $160,296.44 (49,396 shifts greater than 5.00 hours x $17.17 hourly rate x 18.9% violation rate). *Id*. However, Defendant argued that Class Members were covered by standing meal period waivers. *Id*. Accordingly, Plaintiff's Counsel applied a risk discount based on a 50% chance of succeeding at class certification and a 40% chance of succeeding at trial on the merits, yielding a realistic damage estimate of approximately $32,059.29 ($160,296.44 x 50% x 40%). *Id*.

Rest Periods: Plaintiff's rest period claim was based on the allegation that Defendant failed to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu thereof. Yslas Decl. at ¶ 14. For example, Plaintiff alleges that Defendant failed to provide him and other Class Members with rest periods. *Id*. Based on these allegations, Plaintiff's Counsel applied a 100% violation rate to all shifts of 3.5 hours or longer. *Id*. Therefore, potential liability for the rest period claims is approximately $867,857.65 (50,545 shifts of 3.5 hours or longer x $17.17 hourly rate x 100% violation rate). *Id*. However, Plaintiff's Counsel discounted this figure to account for the difficulty of certifying and proving rest period claims, particularly because rest periods do not have to be recorded, and to account for the possibility of Class Members voluntarily choosing to forego a rest period. *Id*. Because this claim would have relied exclusively on Class Member testimony, Plaintiff's Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding a realistic damage estimate of approximately $52,071.46 ($867,857.65 x 30% x 20%). *Id*.

Reimbursements: Plaintiff's reimbursement claim was based on the allegation that Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing their job duties for Defendant. Yslas Decl. at ¶ 15. For example, Plaintiff alleges that Defendant required him and other Class Members to use their personal cell phones for work and to launder their mandatory work uniforms but failed to adequately compensate them for such expenses. *Id*. For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiff and the Class, Plaintiff's Counsel estimated that Defendant was liable to each class member for $10 per month, or $2.50 per workweek, in unreimbursed expenses, for a total amount of approximately $24,500.00 ($7.50 x 9,800 workweeks). *Id*. Plaintiff's Counsel discounted this figure based on an evaluation of a 30% chance of succeeding at class certification and a 30% chance of succeeding at trial to account for the difficulty of certifying and proving expense reimbursement claims, yielding a realistic damage estimate of approximately $2,205.00 ($24,500.00 x 30% x 30%). *Id*.

In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-the-clock claim, meal period violations, and rest period violations is approximately $1,280,553.09, but after factoring in the risk and uncertainty of prevailing at certification and trial, Plaintiff's Counsel estimates that Plaintiff's realistic estimated recovery for the non-penalty wage claims is approximately $124,514.59. Yslas Decl. at ¶ 16.

Derivative Penalties: Plaintiff alleged that as a result of Defendant's failure to pay all wages owed, Defendant owed waiting time penalties and wage statement penalties. Yslas Decl. at ¶ 17. With respect to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated that Defendant's realistic potential liability is approximately $88,891.95. *Id*. Defendant's maximum potential liability for waiting time penalties is approximately $1,068,832.50 ([250 employees x $17.17 hourly rate x 8.00 average hours/day x 30 days] +[250 employees x $17.17 hourly rate x 0.20 average hours/day x 1.5 overtime rate x 30 days]) based on approximately 250 terminated class members during the 3-year statute of limitations period with an average daily shift length of 8.20 hours. Defendant's maximum potential liability for inaccurate wage statements is approximately $412,700.00 ([156 employees x 1 initial violation/employee x $50 for an initial violation] + [(4,205 pay periods - 156 initial violations) x $100 for each subsequent violation]) based on approximately 156 class members who worked during the 1-year statute of limitations period and approximately 4,205 pay periods in the statutory timeframe. *Id*. In light of the foregoing, Plaintiff's Counsel believes that it would be unrealistic to expect the Court to award the full $1,481,532.50 in penalties given Defendant's defenses, the contested nature of Plaintiff's claims, the challenges of establishing willfulness as applicable, and the discretionary nature of penalties. *Id*. Considering that the underlying wage claims are realistically estimated to be approximately $124,514.59, such a disproportionate award would also raise due process concerns. *Id*. As such, Plaintiff's counsel discounted these figures to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately $64,129.95 for waiting time penalties

($1,068,832.50 x 30% x 20%), and approximately $24,762.00 for wage statement penalties ($412,700.00 x 30% x 20%), or approximately $88,891.95 total for statutory penalties. *Id*.

PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential exposure could potentially reach $308,800.00, assuming the initial $100 penalty would apply for each of the approximate 3,088 pay periods in the PAGA Period. Yslas Decl. at ¶ 18. However, even assuming success on the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of reasons, including where to do otherwise would result in an award that is unjust, arbitrary and oppressive, or confiscatory. *Id*. As such, Plaintiff's counsel discounted this figure to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately $30,880.00 ($308,800.00 x 10%) for PAGA Penalties. *Id*. The settlement allocates $10,000.00 of the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to approximately 32% of the realistic maximum damages for PAGA Penalties ($10,000.00 / $30,880.00). *Id*. The 25% of the PAGA Penalties allocated to Aggrieved Employees ($2,500.00) will be distributed to approximately 125 Aggrieved Employees. *Id*.

Using these estimated figures, Plaintiff's Counsel predicted that the realistic maximum recovery for all claims, including penalties, would be approximately $246,491.54. This means that the gross settlement amount represents approximately **61%** of the $150,000.00 gross settlement figure ($150,000.00 / $246,491.54). Yslas Decl. at ¶ 19. 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*.

The Net Settlement Amount available for class settlement payments is currently estimated to be $48,750.00 for approximately 311 Class Members. Yslas Decl. at ¶ 20. As a result, each Settlement Class Member would be eligible to receive an average net benefit of approximately $156.75. *Id*.

C. The Requested Service Payment is Reasonable

Plaintiff seeks a class representative service payment of up to $7,500.00 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, Plaintiff assisted counsel in providing information necessary to prosecute the claims, maintained regular contact with counsel, was available on the day of mediation to answer questions, and reviewed the Settlement to ensure it was fair to the Class. Aguilera Decl. at ¶ 7. No action would likely have been taken by Class Members individually and no compensation would have been recovered for them, but for Plaintiff's services on behalf of the Class. By actively pursuing this action, Plaintiff furthered the California public policy goal of enforcing the State's wage and hour laws. *See Sav-On*, 34 Cal.4th at 340. The requested class representative service payment is reasonable and should be preliminarily approved. Plaintiff has provided a declaration regarding his work performed to date and will provide additional information as requested or required by the Court at final approval.

D. The Requested Attorneys' Fees and Costs Are Reasonable

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

Additionally, Courts utilize "multipliers" to account for the risk of taking on cases where there is no guarantee of recovery, uncertainties as the amount that will be recovered, uncertainty as to the cost of litigating the case (both in effort and expenses), and uncertainty about how much time will pass before the recovery is obtained. *Ketchum v. Moses*, 24 Cal.4th 1122, 1132-33 (2001); *see also Serrano v. Priest*, 20 Cal. 3d 25, 48-49 (1977) (approving the adjustment of the lodestar figure based on factors specific to the case to ensure fair market value for legal services provided on a contingency basis). Application of that rule is particularly appropriate where the case is brought to redress important rights of vulnerable persons. *Ketchum*, 24 Cal.4th at 1133.

Generally, "[m]ultipliers can range from 2 to 4 or even higher." *Wershba v. Apple Computers, Inc*., 91 Cal.App.4th at p. 255 (2001); *see also Sutter Health Uninsured Pricing Cases*, 171 Cal.App.4th 495, 512 (2009) (applying a 2.52 multiplier on a cross-check in an antitrust class action); *Chavez v. Netflix, Inc*., 162 Cal.App.4th 43, 60 (2008) (applying a 2.5 multiplier on a lodestar cross-check); *Vizcaino v. Microsoft Corp*., 290 F.3d 1043, 1051 n.6 (9th Cir. 2002) ("most" common fund cases apply a multiplier of 1.0-4.0); *Laffitte v. Robert Half Int'l*, 231 Cal.App.4th 860, 881-82 (2004) (affirming a 2.13 multiplier after finding that "2 to 4" is a reasonable range for multipliers on a cross-check). *See also Bronshteyn v. State of California – Department of Consumer Affairs*, 114 Cal.App.5th 537 (2025) (court did not abuse its discretion by awarding 1.75 multiplier for fees incurred up to and including the jury verdict and a 1.25 enhancement for hours worked after the verdict where hourly rates for plaintiff's five senior attorneys were $1,100.00 and $1,000.00); *Tran v. Golden State FC LLC, et al*. (LASC Case No. BC699931), Fee Order filed April 8, 2022 (approving hourly rate of $1,300.00 for plaintiff's 32-year attorney).

Plaintiff seeks appointment of Wilshire Law Firm, PLC as Class Counsel. The attorneys performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment. Yslas Decl. at ¶ 21. Plaintiff's Counsel seeks preliminary approval for attorneys' fees up to one third (1/3) of the Gross Settlement Amount, currently $50,000.00, and up to $25,000.00 for reimbursement of litigation costs. Given the work performed in this matter, the extensive information exchange, and the substantial recovery obtained on behalf of the Class, Plaintiff's Counsel achieved a settlement through efficient and diligent work. *See generally*, Yslas Decl. At final approval, Plaintiff's Counsel will fully brief the merits of its request for the award of attorneys' fees and litigation costs.

///

///

///

///

V. CONCLUSION

The Parties have negotiated a fair and reasonable settlement of the class claims in light of the risks presented in this case. Plaintiff has presented the materials and information necessary to demonstrate that the requirements for preliminary approval have been met, and therefore respectfully requests that the Court preliminarily approve the Settlement and schedule a date for the final approval hearing.

Respectfully submitted,

Dated: February 3, 2026 **WILSHIRE LAW FIRM, PLC**

By: /s/ Courtney M. Miller
Courtney M. Miller
Attorneys for Plaintiff