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CRUZ DE LEON SERRANO, GRACIELA RODRIGUEZ,

and all others similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA

**FOR THE COUNTY OF CONTRA COSTA
(UNLIMITED JURISDICTION)**

CRUZ DE LEON SERRANO and
GRACIELA RODRIGUEZ, on behalf of
themselves and all others similarly situated,
and the general public, and as “Aggrieved
Employees” on behalf of other “Aggrieved
Employees” under the Private Attorneys
General Act of 2004,

Plaintiffs,

vs.

KOHANA COFFEE, LLC; WESTROCK
COFFEE COMPANY; WESTROCK
COFFEE COMPANY, LLC; and DOES 1
to 25, inclusive,

Defendant(s).

Case No.: C24-02642

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

Action filed: 10/01/2024

Hearing Date: 08/14/2025

Hearing Time: 9:00 a.m.

Hearing Dept: 39, Hon. Edward G.
Weil

Submitted Herewith Under Separate Cover

1. Memorandum of Points and Authorities;
2. Declaration of Maralle Messrelian;
3. Declaration of Cruz De Leon Serrano;
4. Declaration of Graciela Rodriguez;
5. Declaration of Michael Moore; and
6. [Proposed] Order.

1 TO THE COURT, ALL PARTIES, AND THEIR ATTORNEYS OF RECORD:

2 PLEASE TAKE NOTICE that on August 14, 2025 at 9:00 a.m., or as soon thereafter as
3 the matter may be heard, in Department 39 of the above-entitled court, located at 725 Court
4 Street, Martinez, CA 94553, Plaintiffs Cruz De Leon Serrano and Graciela Rodriguez
5 (“Plaintiffs”) will and hereby do move this Court for an order: (1) granting class certification of
6 the Class solely for settlement purposes pursuant to Code of Civil Procedure § 382; (2)
7 preliminarily approving the Class Action and PAGA Settlement Agreement (the “Settlement”)¹,
8 (3) appointing Maralle Messrelian of MM Law, APC as Class Counsel; (5) appointing Plaintiffs
9 as Class Representatives; (6) approving the use of the proposed notice procedures and related
10 forms; (7) directing that notice be mailed to the proposed Class; and (8) scheduling a hearing
11 date for motion for final approval of class action settlement and awards of attorneys’ fees and
12 costs.

13 The “Class” means all persons who worked for Defendant Kohana Coffee, LLC as non-
14 exempt employees in California at any time during the Class Period. “Class Period” means the
15 time from October 1, 2020 to October 5, 2024. “Class Member” means a member of the Class,
16 as either a Participating Class Member or Non-Participating Class Member.

17 This Motion, unopposed by Defendants, is made on the following grounds: (1) the Class
18 meets all the requirements for class certification for settlement purposes only under Code of
19 Civil Procedure § 382; (2) Plaintiffs and their counsel are adequate to represent the Class; (3) the
20 Settlement reflects a fair, adequate, and reasonable compromise of all disputed claims in view of
21 Defendant Kohana Coffee, LLC’s potential liability exposure as compared against the risks of
22 continued litigation; (4) the proposed notice procedures and related forms adequately apprise
23 Class Members of their rights under the Settlement and fully comport with due process; and (5)
24 in view of the foregoing, notice should be disseminated to Class Members and a hearing date for
25 a motion for final approval of class action settlement and awards of attorneys’ fees and costs
26 should be set.

27 The Motion is based on this Notice of Motion and Motion, the attached Memorandum of
28 Points and Authorities, the Declarations of Maralle Messrelian, Cruz De Leon Serrano, Graciela
Rodriguez, and Michael Moore, the exhibits, all papers and pleadings on file with the Court in

¹ The Settlement is attached as Exhibit 1 to the Declaration of Maralle Messrelian (“MM”), which is submitted herewith under a separate cover.

1 this action, all matters judicially noticeable, and on such oral and documentary evidence as may
2 be presented in connection with the hearing on the Motion.

3 Respectfully submitted,

4 MM LAW, APC

5
6 Dated: July 21, 2025

By: Maralle Messrelian
MARALLE MESSRELIAN
Attorneys for Plaintiffs and the Class

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Plaintiffs Cruz De Leon Serrano and Graciela Rodriguez (“Plaintiffs”) submit this
4 memorandum of points and authorities in support of their unopposed motion for preliminary
5 approval of the Class Action and PAGA Settlement Agreement (the “Settlement”)², which
6 provides for a Gross Settlement Amount (“GSA”) of \$130,000 in compromise of all disputed
7 claims on behalf of all persons who worked for Defendant Kohana Coffee, LLC (“Kohana
8 Coffee”) as non-exempt employees in the State of California at any time during the Class
9 Period of October 1, 2020 to October 5, 2024. Through this Motion, Plaintiffs respectfully
10 request for this Court to (1) provisionally certify the below-defined Class for settlement
11 purposes only under Code of Civil Procedure § 382; (2) preliminarily approve the Settlement;
12 (3) preliminarily appoint Plaintiffs as Class Representatives; (4) appoint Maralle Messrelian of
13 MM Law, APC as Class Counsel; (5) approve the proposed notice procedures and related
14 forms; and (6) schedule a final approval hearing.

15 This Court should grant Plaintiffs’ motion because: (1) for settlement purposes, the
16 Settlement Class meets the requirements for class certification under Code of Civil Procedure §
17 382; (2) the Settlement warrants preliminary approval based on all indicia for fairness,
18 reasonableness, and adequacy; (3) for settlement purposes, Plaintiffs are adequate to serve as
19 Class Representatives; (4) Plaintiffs’ attorneys are adequate to serve as Class Counsel; (5) the
20 proposed notice procedures, and related forms, fully comport with due process and adequately
21 apprise Class Members of their rights; and (6) a final approval hearing must be scheduled to
22 allow Settlement Class members an opportunity to be heard regarding the Settlement and to
23 give it finality. Accordingly, for the reasons detailed below, this Court should grant Plaintiffs’
24 Motion in its entirety and preliminarily approve the Settlement.

25 **II. FACTUAL AND PROCEDURAL BACKGROUND**

26 Kohana Coffee began to employ Plaintiff Serrano in or around September of 1998 to
27 work at its facility located 514 W Ohio St, Richmond, California 94801. During his

28 ² The Settlement is attached as Exhibit (“Ex.”) 1 to the Declaration of Maralle Messrelian (“MM”),
which is submitted herewith under a separate cover.

1 employment tenure, Serrano worked in production and quality control. Kohana Coffee
2 continuously employed Serrano until on or about March 15, 2024 when his employment ended.

3 Kohana Coffee began to employ Plaintiff Rodriguez in or around September of 2019 to
4 work at its facility located 514 W Ohio St, Richmond, California 94801. During her
5 employment tenure, Rodriguez worked as a janitor and also worked in production. Kohana
6 Coffee continuously employed Rodriguez until on or about April 8, 2024 when her
7 employment ended. MM, ¶ 4.

8 **A. Plaintiffs' Claims and Procedural History**

9 By letters dated June 25, 2024, July 24, 2024, and September 4, 2024, Plaintiffs Serrano
10 and Rodriguez notified Defendants Kohana Coffee, LLC, Westrock Coffee Company,
11 Westrock Beverage Solutions, LLC, and Westrock Company, LLC and the California Labor
12 and Workforce Development Agency ("LWDA"), pursuant to the California Private Attorneys
13 General Act of 2004, California Labor Code sections 2698, et seq. ("PAGA"), of alleged Labor
14 Code violations committed by Defendants. MM, ¶ 5, Ex. 2.

15 On October 1, 2024, Plaintiffs filed a Class Action Complaint in the Contra Costa
16 Superior Court, Case No, C24-02642 against Defendants Kohana Coffee, LLC, Westrock
17 Coffee Company, and Westrock Coffee Company, LLC, on behalf of themselves and others
18 similarly situated, alleging causes of action on a class-wide basis for (1) Failure to Pay All
19 Wages Earned for All Hours Worked at the Correct Rates of Pay (Lab. Code §§ 221, 510, 1194,
20 1197, and 1198); (2) Failure to Provide Rest Breaks (Lab. Code §§ 226.7 and 1198); (3) Failure
21 to Provide Meal Periods (Lab. Code §§ 226.7, 512 and 1198); (4) Failure to Indemnify (Lab.
22 Code § 2802); (5) Failure to Provide Accurate Itemized Wage Statements (Lab. Code § 226);
23 (6) Failure To Pay Wages When Employment Ends (Lab. Code §§ 201–203); (7) Failure to Pay
24 Wages Owed Every Pay Period (Lab. Code § 204); (8) Civil Penalties (Lab. Code §§ 2698, et
25 seq.); and (9) Unfair Competition (Bus. & Prof. Code, § 17200 esq.). MM, ¶ 6, Ex. 3. On
26 October 18, 2024, Plaintiffs dismissed Westrock Coffee Company, LLC without prejudice
27 based on Defendants' representations that the entity never employed Plaintiffs and amended
28 their Complaint to add Defendant Westrock Beverage Solutions, LLC.

1 On November 27, 2024, Defendants filed their Answer to Plaintiffs' Complaint. MM, ¶
2 6, Ex. 4. The parties met and conferred and agreed that it may be in their mutual interests to
3 discuss Plaintiffs' allegations informally, rather than through litigation, and scheduled private
4 mediation. MM, ¶ 7.

5 **B. Mediation with Professional Neutral Natasha Roit**

6 On May 14, 2025, the parties attended and participated in good faith, arms' length
7 settlement discussions at a mediation session with Natasha Roit, Esq., an experienced
8 professional mediator. At the conclusion of the mediation, the parties agreed to the material
9 terms of the Settlement. MM, ¶ 8. Defendants deny any liability or wrongdoing of any kind
10 whatsoever associated with the lawsuit. MM, ¶ 10.

11 In advance of the mediation, and before agreeing to the terms of the Settlement, the
12 parties engaged in informal discovery. Through informal discovery, Defendants produced the
13 employee handbooks in place during the Class Period, copies of relevant company written
14 policies, time-keeping records, and time and payroll data for a random sample of putative class
15 members. Now that the Parties have finalized the long-form Settlement, Plaintiffs submit it to
16 this Court for preliminary approval. MM, ¶ 9. It is the desire of the parties to fully, finally, and
17 forever compromise, and discharge all claims known or unknown related to those alleged in
18 Plaintiffs' lawsuit. MM, ¶ 10.

19 **III. OVERVIEW OF SETTLEMENT**

20 **A. Settlement Class Definition**

21 The "Class" means all persons who worked for Defendant Kohana Coffee, LLC as non-
22 exempt employees in California at any time during the Class Period. "Class Period" means the
23 time from October 1, 2020 to October 5, 2024. "Class Member" means a member of the Class,
24 as either a Participating Class Member or Non-Participating Class Member. Settlement, ¶¶ 1.5,
1.9, 1.12.

25 **B. Monetary Terms**

26 In consideration for settlement of the Class and PAGA Action, Defendants agree to pay
27 a total of One Hundred Thirty Thousand dollars (\$130,000) (the "Gross Settlement Amount" or
28 "GSA"). The GSA will be all-inclusive and includes: (1) all Individual Settlement Payments to
Class Members; (2) Class Representative Enhancement Payments up to \$7,500 each to

1 Plaintiffs, as class representatives and private attorney generals; (3) Class Counsel's Fees
2 Payment of not more than one third of the GSA (\$43,333.33) and a Class Counsel Litigation
3 Expenses Payment of not more than \$6,500; (4) Administration Expenses Payment of not more
4 than \$6,500; and (5) \$20,000 for PAGA Penalties under California Labor Code §§ 2699 et seq.
5 (65% or \$13,000 will go to the California Labor & Workforce Development Agency ("LWDA
6 PAGA Payment") and 35% or \$7,000 will be allocated to the Individual PAGA Payments,
7 regardless of whether they request to be excluded from the Settlement Class). The GSA is non-
8 reversionary. The Settlement is not a claims-made settlement. The GSA shall be exclusive of
9 Defendants' employer-side payroll taxes, which Defendants shall pay in addition to the GSA.
10 Settlement, ¶¶ 3.1-3.2. The "Net Settlement Amount" ("NSA") will equal the net amount
11 available for payment of claims to Class Members after deducting the above-referenced costs
12 from the Gross Settlement Amount. Settlement, ¶ 3.2.

13 Individual Payment Calculations: Individual Class Payments and Individual PAGA
14 Payments will be calculated and apportioned from the Net Settlement Amount and PAGA
15 Payment based on the number of Workweeks a Class Member worked during the Class Period
16 and the number of PAGA Pay Periods an Aggrieved Employee worked during the PAGA
17 Period, respectively. The Administrator will calculate Individual Class Payments by (a)
18 dividing the Net Settlement Amount by the total number of Workweeks worked by all
19 Participating Class Members, and (b) multiplying the result by the number of Workweeks
20 worked by each individual Participating Class Member. Settlement, ¶ 3.2.4. The Administrator
21 will calculate each Individual PAGA Payment by (a) dividing the amount of the Aggrieved
22 Employees' 35% share of PAGA Penalties (\$7,000) by the total number of PAGA Pay Periods
23 worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by
24 each Aggrieved Employee's PAGA Pay Periods worked. Settlement, ¶ 3.2.5.1.

25 All Individual Class Payments will be allocated as follows: 10% of each Participating
26 Class Member's Individual Class Payment will be allocated to settlement of wage claims; 90%
27 of each Participating Class Member's Individual Class Payment will be allocated to settlement
28 of claims for interest and penalties (the "Non-Wage Portion"). Settlement, 3.2.4.1. One

1 Hundred Percent (100%) of Individual PAGA Payments issued to Aggrieved Employees will
2 be treated as non-wages for which IRS Forms 1099-MISC will be issued. Settlement, ¶ 3.2.5.2.

3 Funding of the GSA:

4 Defendant Kohana Coffee, LLC shall fund the GSA in two installments: the first
5 payment of \$70,000 shall be made 30 days after the Court's Order finally approving the
6 Settlement and the second payment of \$60,000 shall be made 60 days after the Court's Order
7 finally approving the Settlement. Settlement, ¶ 4.3. Within seven (7) calendar days of the
8 second installment payment by Defendant Kohana Coffee, LLC of the GSA, the Administrator
9 will mail checks for all Individual Class Payments, all Individual PAGA Payments, the LWDA
10 PAGA Payment, the Administration Expenses Payment, the Class Counsel Fees Payment, the
11 Class Counsel Litigation Expenses Payment, and the Class Representative Enhancement
Payments. Settlement, ¶ 4.4.

12 C. Release of Claims

13 Effective on the date when Defendant Kohana Coffee, LLC fully funds the entire GSA
14 and funds all employer payroll taxes owed on the Wage Portion of the Individual Class
15 Payments, and the Court enters a Judgment on its order granting final approval of the
16 Settlement, Plaintiffs, Class Members, and Class Counsel will release claims against all
17 Defendants, as well as Defendants' present and former owners, officers, shareholders, directors,
18 agents, members, managers, employees, attorneys, insurers, parent companies, successors,
19 affiliates or subsidiaries, and assigns (the "Released Parties") as follows:

20 Releases by Participating Class Members: All claims that were alleged, or reasonably
21 could have been alleged, based on the facts stated in the Operative Complaint in the Lawsuit
22 during the Class Period. Settlement, ¶ 5.2.

23 Releases by Aggrieved Employees. Plaintiffs and Aggrieved Employees release the
24 PAGA claims pled in the Operative Complaint and the PAGA Notices, or that could have been
25 reasonably pled based on the factual allegations pled in the Operative Complaint and the PAGA
26 Notices, on behalf of all hourly non-exempt persons employed by Defendant Kohana Coffee,
27 LLC in California for the PAGA Period. Settlement, ¶ 5.3.

28 Plaintiffs also provided Defendants with a general release of all claims, whether known

1 or unknown, including unknown claims covered by Civil Code Section 1542. Settlement, ¶
2 5.1.1.

3 **D. Class Notice and Settlement Administration**

4 Within twenty-one (21) days of the Court's Order granting Preliminary Approval of the
5 Settlement, Defendants will deliver the Class Data to the Administrator, the Class Member's
6 name, last-known mailing address, Social Security number, and number of Class Period
7 Workweeks and PAGA Pay Periods. Settlement, ¶¶ 1.8, 4.2.

8 Within fourteen (14) days after the receipt of the Class Data, the Administrator shall be
9 responsible for calculating the estimated payouts to the Class Members assuming all Class
10 Members participate in the Settlement and shall mail the Class Notice, in both English and
11 Spanish, to all Class Members pursuant to the terms of the Settlement, by First Class regular
12 U.S. mail using the most current, known mailing addresses identified in the Class Data.
13 Settlement, ¶ 7.4.2. Prior to mailing, the Administrator will perform a search based on the
14 National Change of Address Database for information to update and correct any known or
15 identifiable address changes. *Id.* The Administrator shall re-mail any returned Class Notices
16 within 3 business days of receipt using any forwarding address provided by the USPS. If the
17 USPS does not provide a forwarding address, the Administrator shall conduct a Class Member
18 Address Search, and re-mail the Class Notice to the most current address obtained. The
19 Administrator has no obligation to make further attempts to locate or send Class Notice to
20 Class Members whose Class Notice is returned by the USPS a second time. Settlement, ¶ 7.4.3.
21 Those Class Members who receive a re-mailed Class Notice will have an additional 14 days
22 beyond the 60 days to submit a Request for Exclusion, disputes concerning the calculation of
23 the Individual Class Payments or Individual PAGA Payments, or an objection to the
24 Settlement. *Id.*, ¶ 1.2.

25 The Response Deadline by which Class Members must fax, email, or mail to the
26 Administrator Requests for Exclusion, disputes concerning the calculation of Individual Class
27 Payments or Individual PAGA Payments, or Notices of Objection to the Administrator will be
28 60 days from the initial mailing of the Class Notice by the Administrator. Settlement, ¶ 1.2.

1. Procedures for Class Member Disputes

1 To the extent Class Members dispute their employment dates or the number of
2 Workweeks or PAGA Pay Periods on record, Class Members shall communicate with the
3 Administrator via fax, email or mail, and may produce supporting documentation to the
4 Administrator showing that such information is inaccurate. Kohana Coffee's records will be
5 presumed correct, but the Administrator shall contact the Parties regarding the dispute and the
6 Parties will work in good faith to resolve it. All disputes must be submitted by the Response
Deadline. Settlement, ¶ 7.6.

7 **2. Procedures for Opting Out of the Class**

8 Any Class Member wishing to opt-out from the Settlement Agreement must send the
9 Administrator, by fax, email, or mail, a signed written Request for Exclusion within the
10 Response Deadline. In the case of Requests for Exclusion that are mailed to the Administrator,
11 the postmark date will be the exclusive means to determine whether a Request for Exclusion
12 has been timely submitted. Those Class Members who receive a re-mailed Class Notice will
13 have an additional 14 days beyond the 60 days otherwise provided in the Class Notice, to
14 submit a Request for Exclusion. Settlement, ¶ 7.5.

15 **3. Procedures for Objecting to the Settlement**

16 To object to the Settlement Agreement, a Participating Class Member may send written
17 objections to the Administrator, by fax, email, or mail on or before the Response Deadline, or
18 appear in person at the Final Approval Hearing. Settlement, ¶ 7.7. Settlement, ¶ 7.7.

19 **E. Uncashed Checks**

20 Proceeds represented by Individual Class Payment checks or Individual PAGA Payment
21 checks returned as undeliverable checks remaining un-cashed for more than one hundred and
22 eighty (180) calendar days after issuance will be transmitted to the State Controller Unclaimed
23 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). Settlement, ¶
4.4.5.

24 **IV. CERTIFICATION OF THE PROPOSED CLASS IS APPROPRIATE.**

25 Under Code of Civil Procedure § 382, a class may be certified if: (1) it is ascertainable
26 and its members are too numerous for joinder to be practical; (2) the representative and absent
27 class members share a community of interest and questions of law and fact common to the class
28 predominate over questions unique to individual class members; (3) the representative's claims

are typical of the class' claims; and (4) the representative will fairly and adequately represent the class' interests. *See, e.g., Richmond v. Dart Industries, Inc.* (1981) 29 Cal.3d 462, 470. Moreover, in the settlement context, the Court can use a lesser standard to determine the appropriateness of a settlement class as opposed to a litigated class certification. *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1807. As explained below, all of these requirements are met in this case.

1. The Settlement Class Is Objectively Ascertainable.

A class is ascertainable when it may be readily identified without unreasonable expense or time by reference to official records. *Rose v. City of Hayward* (1981) 126 Cal.App.3d 926, 932 (citing *Hypolite v. Carlson* (1975) 52 Cal.App.3d 566, 579). Plaintiffs maintain that the above-defined Class is ascertainable because its members may be identified by reference to Kohana Coffee's records and Kohana Coffee has agreed to share the relevant information from its records to facilitate the settlement process. MM, ¶ 11; Settlement, ¶ 4.2. Therefore, the Settlement Class is ascertainable.

2. The Membership of the Settlement Class Is Sufficiently Numerous.

The Settlement Class has sufficiently numerous members to render joinder impractical. No set number is required as a matter of law to maintain a class action. *Hebbard v. Colgrove* (1972) 28 Cal.App.3d 1017, 1030. Defendants estimate that there are approximately 128 Class Members. MM, ¶ 12. Plaintiffs maintain that it would be impractical and economically inefficient to require each Class Member to separately maintain an individual action or be joined as a named plaintiff in this action. The California Supreme Court has upheld a class of as few as 10 individuals. *See Bowles v. Superior Court* (1955) 44 Cal.2d 574. In light of these considerations, the Settlement Class's membership is sufficiently numerous. MM, ¶ 12. *See Daar v. Yellow Cab Co.* (1967) 67 Cal.2d 695.

3. Class Members Share a Well-Defined Community of Interest.

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." *Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal. 4th 319, 326. It "does not mandate that class members have uniform or identical claims." *Capitol People First v. Dept. of Developmental Servs.* (2007) 155 Cal. App. 4th 676, 692. Rather, courts focus on the defendant's internal

1 policies and “pattern and practice . . . in order to assess whether that common behavior toward
2 similarly situated plaintiffs renders class certification appropriate.” *Id.* (citing *Sav-On*, 34 Cal.
3 4th at 333).

4 To justify certification, the class proponent “must show ... that questions of law or fact
5 common to the class predominate over the questions affecting the individual members”
6 *See, Arenas v. El Torito Rests., Inc.*, 183 Cal. App. 4th 723, 732 (2010) (citing *Washington*
7 *Mut. Bank, FA v. Superior Court*, 248 Cal. 4th 906, 913 (2001)). In light of the more lenient
8 standard for certification of a settlement class, the Parties agree that for the purposes of the
9 Settlement only, the claims of the Class Members all stem from the same sources. MM, ¶ 13.

10 In this case, Plaintiffs assert all class members were subject to the same or similar
11 operations and employment policies, practices, and procedures. The claims arise from Kohana
12 Coffee’s alleged uniform policy of failing to properly account for all time worked and failing
13 to, among other things, properly pay minimum and overtime wages, provide off-duty meal and
14 rest periods, indemnify Class Members for business expenses, timely pay wages upon
15 termination, and provide compliant wage statements, all of which Plaintiffs claim constitute
16 unfair business practices and give rise to PAGA penalties. Plaintiffs assert that common
17 questions include, but are not limited to: (1) Whether Kohana Coffee failed to pay all wages
18 earned to Class Members for all hours worked at the correct rates of pay; (2) Whether Kohana
19 Coffee failed to provide the Class with all meal and rest periods in compliance with California
20 law; (3) Whether Kohana Coffee failed to pay the Class one additional hour of pay on
21 workdays they failed to provide the class with one or more meal or rest periods in compliance
22 with California law; (4) Whether Kohana Coffee failed to indemnify the Class for all necessary
23 business expenditures incurred during the discharge of their duties including, but not limited to,
24 personal mobile phones and supplies; (5) Whether Kohana Coffee knowingly and intentionally
25 failed to provide the Class with accurate and complete itemized wage statements; (6) Whether
26 Kohana Coffee willfully failed to provide the Class with timely final wages; and (7) Whether
27 Kohana Coffee engaged in unfair competition within the meaning of Business and Professions
28

1 Code section 17200, *et seq.*, with respect to the class. MM, ¶ 13. Therefore, common questions
2 predominate.

3 **4. Plaintiffs Are Typical of the Settlement Class.**

4 The class representative must be similarly situated to the rest of the purported class. *See*
5 *Classen v. Weller* (1983) 145 Cal. App. 3d 27, 46 (stating “it has never been the law in
6 California that the class representative must have identical interests with the class members.
7 The only requirements are ... that the class representative be *similarly* situated”) (emphasis in
8 original); *See also* Newberg, § 3:29 (typicality “focuses on whether there exists a relationship
9 between the Plaintiffs claims and the claims alleged on behalf of the class”). Plaintiffs contend
10 that their claims are typical for the purposes of certifying the Settlement Class. Plaintiffs assert
11 that they, like absent Class Members were subject to the same relevant policies and procedures
12 governing their compensation, hours of work and meal and rest periods. Because Plaintiffs
13 contend that they were subject to the same general course of conduct as absent Class Members,
14 resolving the common questions as they apply to Plaintiffs will determine Kohana Coffee’s
15 *prima facie* liability to all Class Members. Moreover, Plaintiffs’ claims could potentially be
16 subject to the same primary affirmative defenses as those of absent Class Members.
17 Accordingly, Plaintiffs’ claims are typical of the Class. MM, ¶ 14.

18 **5. Plaintiffs Will Adequately Represent the Settlement Class.**

19 The adequacy requirement is met where the plaintiff is represented by counsel qualified
20 to conduct the litigation and the plaintiff’s interest in the litigation is not antagonistic to the
21 class’ interests. *McGhee v. Bank of America* (1976) 60 Cal.App.3d 442, 451. In other words,
22 where the plaintiff has adequate counsel, the plaintiff may represent the entire class absent any
23 disabling conflicts of interest that might hinder the plaintiff’s ability to represent the class. MM,
24 ¶ 15.

25 First, Plaintiffs’ counsel has supplied the Court with a declaration to show that they are
26 adequate to represent the Settlement Class and that they have significant experience in
27 employment litigation generally, and wage and hour and employment-related class action
28 litigation specifically. *See* MM, ¶¶ 17-21. Thus, Plaintiffs’ counsel is adequate to serve as Class
Counsel.

1 Second, Plaintiffs contend that they are adequate class representatives. Plaintiffs and the
2 Class Members have strong and co-extensive interests in this litigation because they all worked
3 for Kohana Coffee during the relevant time period, allegedly suffered the same alleged injuries
4 from the same alleged course of conduct, and there is no evidence of any conflict of interest
5 between Plaintiffs and the Class Members. MM, ¶ 16. Moreover, Plaintiffs have demonstrated
6 their commitment to the Settlement Class by, among other things, retaining experienced
7 counsel, providing counsel with documents and extensively speaking with them to assist in
8 identifying the claims asserted in this case, and exposing themselves to the risk of attorneys’
9 fees and costs awards against them if this lawsuit had been unsuccessful. MM, ¶15; *See*
10 *generally* Declarations of Cruz De Leon Serrano and Graciela Rodriguez submitted herewith
11 under separate cover. Thus, Plaintiffs are adequate to serve as Class Representatives.
12 Accordingly, this Court should find that Plaintiffs and their counsel are adequate to represent
13 the Settlement Class as required under Code of Civil Procedure § 382.

14 **6. Class Action Treatment Is the Superior Means For Resolving The**
15 **Claims Of The Class Members.**

16 Plaintiffs further contend that a class action is also superior to other means adjudicating
17 the issues in this action. The predominance of common legal and factual questions shows that
18 this Court could fairly adjudicate the claims of Class Members through a single class action. In
19 view of the *theoretical* alternatives that proposed class members could potentially utilize—
20 representative PAGA action (where there is less relief available), individual civil lawsuits or
21 wage claims through the Division of Labor Standards Enforcement (where there would be
22 relatively little money at stake, but the claims would be time-consuming to litigate)—a class
23 action is plainly superior to all of them. Thus, this consideration supports conditional class
24 action treatment for purposes of this Settlement only. MM, ¶ 22.

25 **V. THE SETTLEMENT IS FAIR, REASONABLE AND ADEQUATE, AND THE**
26 **COURT SHOULD GRANT PRELIMINARY APPROVAL.**

27 **A. Legal Standard**

28 A class action settlement requires court approval. California Rules of Court (“CRC”),
Rule 3.769 provides three steps for approval:

- 1) Preliminary approval after submission of a written motion for preliminary approval, the proposed class settlement, and the proposed class notice;
- 2) Issuance of notice of settlement to class members; and
- 3) A final settlement approval hearing where class members may be heard regarding the settlement, and at which evidence and argument concerning the fairness, adequacy, and reasonableness of the settlement is presented.

The decision to approve or reject a class settlement is committed to the Court's broad discretion. *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128. The decision to approve class settlement may be reversed only upon a showing of "clear abuse of discretion." *Id.*

B. The Settlement Is Presumptively Fair

In assessing preliminary approval, a court evaluates if the settlement process has certain indicia 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; and (4) the percentage of objectors is small." *Kullar*, 168 Cal. App. 4th at 128, quoting *Dunk v. Ford Motor Co.*, (1996) 48 Cal.App.4th at 1794.

The class settlement here satisfies all of these factors. MM, ¶ 23. The Settlement resulted from thorough, arms' length, negotiations between experienced counsel with the assistance of a respected mediator after sufficient discovery was exchanged to assess the relative strengths and weaknesses of their respective cases and Kohana Coffee's estimated exposure. *Id.* Both defense counsel and Plaintiffs' counsel are particularly experienced in employment law and wage and hour class actions and are experienced and qualified to evaluate the class claims, the viability of the defenses, and the risks and benefits of settlement versus trial on a fully informed basis. Counsel on both sides share the view that the Settlement is a fair and reasonable settlement in light of the complexities of the case and uncertainties of class certification and litigation, and a fair result for the Class Members. *Id.*

C. The Settlement Satisfies the *Kullar* Factors for Approval.

The *Kullar* case sets forth several factors a court should consider in determining whether to approve a class settlement. These factors include: (1) the strength of plaintiff's case; (2) the risk, expense, complexity and likely duration of further litigation; (3) the risk of

maintaining class action status through trial; (4) the amount offered in settlement; (5) the extent of discovery completed and stage of the proceedings; (6) the experience and views of counsel; (7) the presence of a governmental participant; and (8) the reaction of the class members to the proposed settlement. 168 Cal.App.4th at 128. As demonstrated herein, the Settlement satisfies each of these factors.

1. Evaluation of Plaintiffs' Case

The Parties reached the Settlement through arm's-length bargaining with the aid of a respected mediator. The Parties conducted sufficient investigation and discovery to allow Counsel and the Court to act intelligently. Plaintiffs considered various sources of information in the lead-up to and during the mediation of May 14, 2025 that enabled Plaintiffs to achieve the Settlement at issue.

- Defendants produced and Plaintiffs' counsel reviewed Plaintiffs' payroll records.
- Plaintiffs' counsel requested that Defendants produce any and all policies on "off the clock" work, meal and rest periods, and reimbursement of expenses in effect during the relevant time period. Defendants produced policies as part of the employee handbook.
- Plaintiffs' counsel requested that Defendants provide the total number of employees, paychecks, and the pay cycles during the relevant period. Defendants provided the answers to each of these questions.
- Plaintiffs' counsel requested sample time and payroll records for the relevant time period. Defendants produced time and pay records for 24 employees that were randomly selected using a research randomizer tool.
- Plaintiffs' counsel then retained a professional data analyst, James Toney, to examine the records and determine if there was any pay discrepancy in timesheet hours versus paid hours, meal violations, and if there was any rounding/time shaving issues. Plaintiff is prepared to provide the Court with the data analysis for *in camera* inspection upon its request.
- Plaintiffs' counsel analyzed the state of caselaw on meal and rest break claims, claims for off-the-clock work, and claims for unreimbursed expenses.

MM, ¶ 24.

Defendants disclosed that there were approximately 7,411 workweeks during the Class Period. Based on this information and with the aid of the data analyst, Plaintiffs' counsel prepared "damages" estimates to determine Kohana Coffee's maximum exposure in connection

1 with the settlement negotiations. Plaintiffs' counsel calculated the maximum potential damages
2 for meal period violations, rest period violations, and unreimbursed expenses to be
3 approximately \$1,091,987.67 (inclusive of interest); maximum damages for derivative claims
4 of \$73,850 for wage statement penalties and \$579,052.80 for waiting time penalties. The
5 estimates are in essence "home run" projections that do not factor in any of the risks involved
6 in litigating this Action and are not in line with reality, especially when considering Kohana
Coffee's policies and its position on the issues. MM, ¶ 25.

7 Plaintiffs also estimated approximately \$448,750 in potential civil penalties under the
8 PAGA. MM, ¶ 25. This estimate does not reflect the realities of this case and did not take into
9 account any of the risks discussed above and assumed a violation for every single pay period.
10 As such, the Parties discounted potential civil penalties for multiple reasons. For one, Plaintiffs'
11 PAGA claims are predicated on the meal, rest, business expense reimbursement, and wage
12 statement violations described above, and thus subject to the same disputes and defenses.
13 Plaintiffs' counsel also assessed multiple penalties for the same pay period for the same alleged
14 violations of different Labor Code provisions and derivative violations. Plaintiffs' counsel is
15 not aware of any California state courts awarding plaintiffs multiple PAGA penalties for the
16 same violation for the same pay period under different Labor Code provisions. This may be
17 because the PAGA does not provide for what many employers characterize as claim splitting
18 and not merely stacking. Additionally, PAGA states a court has discretion to award a lesser
19 amount than the maximum penalty. Lab. Code § 2699(e)(2); *Thurman v. Bayshore Transit
Management, Inc.* (2012) 203 Cal.App.4th 1112, 1135 (reducing PAGA award).

20 The Settlement obviates the significant risk that this Court may deny certification of
21 some or all of Plaintiffs' claims. Even if Plaintiffs obtained certification of some or all of the
22 claims, continued litigation would be expensive, involving a trial and possible appeals, and
23 would substantially delay and reduce any recovery by the Class Members. While Plaintiffs are
24 confident in the merits of their case, a legitimate controversy exists as to each cause of action.
25 MM, ¶ 26. To illustrate this consideration, below is a brief summary of some of Defendants'
26 arguments, all of which Plaintiffs dispute, but nevertheless acknowledge as potential threats to
the Settlement Class's claims.

- 27 • Defendants contend that, to establish a violation for missed meal periods, a plaintiff
28 must do more than show that a meal break was not taken. *Brinker Restaurant Corp. v.*

1 *Superior Court* (2012) 53 Cal.4th 1004. So long as an employer provides employees
2 with a “reasonable opportunity” to take a duty-free meal period, it has no further duty
3 to “police meal breaks and ensure no work thereafter is performed.” *Id.* at 1040-41.
4 Instead, a plaintiff must show the employer impeded, discouraged, or prohibited the
5 employee from taking a proper break, or otherwise failed to release the employee of all
6 control. *Id.* “Thus, the crucial issue with regard to the meal break claim is the reason
7 that a particular employee may have failed to take a meal break.” *Washington v. Joe’s*
8 *Crab Shack* (N.D. Cal. 2010) 271 F.R.D. 629, 641. Defendants contend that
9 individualized proof will be needed to establish liability on Plaintiffs’ meal period
10 claims. Defendants argue that Settlement Class Members will testify that they were
11 plainly advised by their supervisors, and fully understood, that they were authorized to
12 take meal periods within each five-hour period worked and, in fact, took such breaks.
13 Moreover, Defendant Kohana Coffee’s timekeeping data shows daily meal period start
14 and end times.

- 14 • Defendants contend that Plaintiffs cannot recover waiting time or wage statement
15 penalties based upon the failure to pay Labor Code section 226.7 premium wages for
16 meal and rest period violations. *See Naranjo v. Spectrum Sec. Servs., Inc.* (2019) 40
17 Cal. App. 5th 444 (review granted Jan. 20, 2020) (actions for violations of Labor
18 Code’s meal break provisions do not entitle employees to pursue derivative waiting
19 time and itemized wage statement penalties).
- 20 • There is a risk that the Court may consider Plaintiffs’ claims as to Defendants’ alleged
21 failure to indemnify for business expenses to be individual in nature and unfit for class
22 wide resolution.
- 23 • On June 28, 2024, Kohana Coffee issued a WARN notice to its employees informing
24 them of the closing of the Kohana Coffee plant in Richmond, California and the
25 expected layoff effective August 30, 2024. As of September 1, 2024, Kohana Coffee no
26 longer employed any individuals in California. Further, on October 1, 2024, Kohana
27 Coffee changed its status with the California Secretary of State from Active to Forfeited
28 – FTB, meaning it no longer has standing and rights to do business in the State of
California. As a defunct corporation, at the time of mediation, Kohana Coffee had little

1 to no financial resources remaining. As such, there is a great risk of no recovery if the
2 case continued or in the event of an adverse verdict.

3 MM, ¶ 26.

4 As noted above, Defendants contest liability, as well as the propriety of certification,
5 and are prepared to vigorously oppose certification and to defend against Plaintiffs' claims if
6 the Action is not settled. Given the potential damages, as well as the substantial risks to
7 recovery discussed herein, including the uncertainties in achieving class certification, Plaintiffs'
8 counsel had to dramatically discount the value of the claims during settlement negotiations.
9 Plaintiffs' counsel estimates a 50 percent likelihood of obtaining and maintaining certification
10 of all of Plaintiffs' claims, which reduces the value of these claims from approximately
11 \$2,193,640.47 to approximately \$1,096,820.24. Defendants, however, assert that there are
12 significantly lower prospects of certification. Plaintiffs' counsel further estimates that there is a
13 50 percent chance that Plaintiffs will prevail at trial on their claims, further reducing the value
14 of the claims to approximately \$548,410.12. Defendants contend that Plaintiffs' prospects of
15 success at trial are much lower. If this case advanced to trial and Class Counsel succeeded on
16 all of Plaintiffs' claims, attorney's fees and costs may have significantly reduced the recovery
17 awarded to the Class. Furthermore, there is always a risk that a trial of this magnitude can
18 become unmanageable. A settlement of \$130,000 (approximately 5.9% of the maximum
19 exposure and 23.7% of the potential recovery) is a good result and a proportion sanctioned by
20 existing case law. See *In re Cendant Corp., Derivative Action Litig.*, 232 F. Supp. 2d 327 (D.
N.J. 2002) (approving settlement that only provided a 2% recovery based on the estimated
liability exposure). MM, ¶ 27.

21 While Plaintiffs believe the evidence gathered through Plaintiffs' discovery supports the
22 merits of the claims asserted in this lawsuit, Plaintiffs recognize that continued litigation
23 presents significant risks that support a downward departure from Defendants' estimated
24 liability exposure. Among those risks were that Kohana Coffee had ceased operations nearly a
25 year prior to mediation and had little to no financial resources remaining. In view of the risks,
26 the Settlement reflects Class Counsel's estimate of the total amount of damages, monetary
27 penalties or other relief that the class could reasonably expect to be awarded at trial, taking into
28 account the likelihood of prevailing and other attendant risks. It also represents a fair, adequate,
and reasonable compromise amount for these claims and warrants preliminary approval. See

1 *Laguna v. Coverall N. Am., Inc.*, Case No. 12-55479 (9th Cir. June 3, 2014) 2014 WL 2465049,
2 * 3. MM, ¶ 28.

3 **2. Allocation of the PAGA Payment**

4 The settlement of PAGA penalties in the sum of \$20,000, of which 65% (\$13,000) will
5 be paid to the LWDA and 35% (\$7,000) will be distributed to the Aggrieved Employees, is
6 reasonable and appropriate under the circumstances. MM, ¶ 29. The Parties negotiated a good
7 faith amount for PAGA penalties to be paid to the LWDA and to the Settlement Class. *Id.* The
8 portion to be paid to the LWDA was not the result of self-interest at the expense of other Class
9 Members. *Id.* Where settlements “negotiate[] a good faith amount” for PAGA penalties and
10 “there is no indication that this amount was the result of self-interest at the expense of other
11 Class Members,” such amounts are generally considered reasonable. *Hopson v. Hanesbrands*
12 *Inc.* (N.D. Cal. Apr. 3, 2009) No. CV-08-0844 EDL, 2009 WL 928133, at *9. Likewise, where
13 the employer did not act willfully, and made good faith attempts to comply with wage and hour
14 laws, a reduction or lesser penalty is warranted because imposing maximum PAGA penalty for
15 each violation would have been unjust, arbitrary, and oppressive. *Id. Carrington v. Starbucks*
16 *Corp.* (2018) 30 Cal.App.5th 504, 528-529 (affirming trial court’s award of only 10% of
17 maximum PAGA penalty for meal break violations). *Id.* The amount to be paid to the LWDA
18 comports with PAGA settlement amounts approved by other courts. See, e.g., *Chu v. Wells*
19 *Fargo Investments, LLC* (N.D. Cal., Feb. 16, 2011) 2011 WL 67245, 81 (approving PAGA
20 payment of \$7,500 to LWDA out of \$6.9 million common fund); *Lazarin v. Pro Unlimited, Inc.*
21 (N.D. Cal., July 11, 2013) 2013 WL 3541217 (approving PAGA payment of \$7,500 to LWDA
22 out of \$1.25 million common fund settlement); *Hopson v. Hanesbrands, Inc.* (N.D. Cal. Aug. 8,
2008) 2008 WL 3385452, at *1 (approving PAGA settlement of 0.3% or \$1,500); see
23 *Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 589 (approving PAGA settlement and
24 release that allocated \$0 to PAGA claim).

25 **3. Presence of Governmental Participant**

26 As required under Labor Code section 2699(l)(2), Plaintiffs have provided notice of this
27 settlement to the LWDA. MM, ¶ 39, Ex. 8.

28 **4. Reaction of Class Members to Proposed Settlement**

If the settlement is preliminarily approved, Class Members will be provided with the
Class Notice (attached as Exhibit A to the Settlement) and an opportunity to object. MM, ¶ 35.
The parties’ proposed notice fully complies with California Rules of Court 3.766(d) and

3.769(f) and will allow Class Members to make informed responses to the proposed settlement.
Id.

VI. THE SETTLEMENT FAIRLY, REASONABLY, AND ADEQUATELY COMPENSATES CLASS MEMBERS BECAUSE EACH CLASS MEMBER WILL BE PAID BASED ON THE POTENTIAL EXTENT OF HIS OR HER INJURY COMPARED TO OTHER CLASS MEMBERS.

Individual Settlement Payments will be calculated and apportioned from the Net Settlement Fund and PAGA Fund based on the number of Workweeks a Class Member worked during the Class Period and the number of PAGA Pay Periods an Aggrieved Employee worked during the PAGA Period, respectively. MM, ¶ 34; Settlement ¶ 3.2.4. Because this method compensates Class Members based on the extent of their potential injuries, in that Class Members who worked for Kohana Coffee longer would have been subject to more alleged violations, it is fair, adequate, and reasonable. *Id.*

VII. ALLOCATION FOR CLASS COUNSEL’S FEES PAYMENT AND LITIGATION EXPENSES PAYMENT IS APPROPRIATE.

The settlement states Class Counsel may seek attorneys’ fees of \$43,333.33 (one-third of the GSA) and up to \$6,500 for actual reasonable litigation costs and expenses incurred in prosecuting the Action. Settlement ¶¶ 1.7,3.2.2. These amounts are reasonable, given the facts and circumstances of the case. MM, ¶¶ 30-32.

Trial courts have “wide latitude” in assessing the value of attorneys’ fees and their decisions will “not be disturbed on appeal absent a manifest abuse of discretion.” *Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal. App. 4th 19, 41. Indeed, it is long settled that the “experienced trial judge is the best judge of the value of professional services rendered in his court.” *Ketchum v. Moses* (2001) 24 Cal. 4th 1122, 1132. California law provides that attorney fee awards should be equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred. *Laffitte v. Robert Half Intl, Inc.* (2016) 1 Cal. 5th 480, 503 (citing *Lealao, supra*, 82 Cal.App.4th at p. 48-49). The Supreme Court has recently approved fees equal to one-third (1/3) of the common fund. *Laffitte, supra*, 1 Cal. 5th 480. Many courts have similarly approved fee awards equal to or greater than the percentage requested here. *See, e.g., In re Pacific Enterprises* (9th Cir. 1995) 47 F.3d 373, 379 (award of 33% of the common fund); *In re Activision* (N.D. Cal. 1989) 723 F.Supp. 1373, 1375 (32.8% of the common fund); *In re Ampicillin Antitrust Litig.* (D.D.C. 1981) 526 F.Supp. 494, 498 (45% of settlement fund).

1 The amount of fees and costs requested are commensurate with (1) the risk Class
2 Counsel took in bringing the case, (2) the extensive time, effort and expense dedicated to the
3 case, (3) the skill and determination Class Counsel has shown, (4) the results Class Counsel
4 achieved, (5) the value of the Settlement Class Counsel achieved for the class, and (6) the other
5 cases Class Counsel turned down to devote time to this matter. MM, ¶ 31. Class Counsel met
6 and conferred with Defendants' counsel on numerous occasions, prepared and propounded
7 formal discovery, reviewed and analyzed hundreds of pages of data and documents provided
8 by Defendants, researched applicable law, provided estimates of "damages" for purposes of
9 settlement discussions, and engaged in a full day of mediation, among other tasks. *Id.*

10 Class Counsel have borne all the risks and costs of litigation and will receive no
11 compensation until recovery is obtained. MM, ¶ 32. Class Counsel is well-experienced in
12 wage-and-hour class action litigation and used that experience to obtain a fair result for the
13 Class. *Id.* Considering the amount of the attorney's fees requested, the work performed, and the
14 risks incurred, the requested fees and costs are reasonable and should be awarded. *Id.*

15 **VIII. THE CLASS REPRESENTATIVE ENHANCEMENT PAYMENTS TO**
16 **PLAINTIFFS ARE FAIR, ADEQUATE, AND REASONABLE AND SHOULD**
17 **BE PRELIMINARILY APPROVED.**

18 Courts routinely approve enhancement awards to compensate named plaintiffs for the
19 services they provide and the risks they incur during class action litigation, often in much
20 higher amounts than that sought here. *See, e.g., Bell v. Farmers Ins. Exchange* (2004) 115
21 Cal.App.4th 715, 726 (upholding "service payments" to named plaintiffs for their efforts in
22 bringing the case); *Van Vranken v. Atlantic Richfield Co.* (N.D.Cal. 1995) 901 F.Supp. 294
23 (approving \$50,000 enhancement award). The Settlement provides that each Plaintiff may seek
24 a Class Representative Enhancement Payment of \$7,500. This amount is entirely reasonable
25 given Plaintiffs' efforts in this action and the risks they undertook on behalf of Class Members.
26 MM, ¶ 33. Plaintiffs have devoted many hours advancing the interests of the Settlement Class.
27 Plaintiffs have done this by, among other things, retaining experienced counsel, providing them
28 with information about his work history with Defendants and Defendants' policies and
practices with respect to the wage and hour claims at issue, and being actively involved in the
settlement process to ensure a fair result for the Settlement Class as a whole. In doing this,

1 Plaintiffs have been exposed to significant risks, including the risk of an order to pay
2 Defendants' attorneys' fees and costs if this action had been unsuccessful (*See* Labor Code §§
3 218.5-218.6). The efforts and risks that Plaintiffs undertook on behalf of the Settlement Class
4 shows that the proposed Enhancement Payments are fair, adequate, and reasonable, and thus
5 warrants preliminary approval. MM, ¶ 33; *See generally* Declarations of Cruz De Leon Serrano
6 and Graciela Rodriguez.

7 **IX. THE PROPOSED SETTLEMENT ADMINISTRATION COSTS ARE FAIR**
8 **AND REASONABLE AND SHOULD BE PRELIMINARILY APPROVED.**

9 With regard to the settlement administration costs provision, it is reasonable. Before
10 agreeing to Phoenix Administrators, the parties sought and reviewed bids from other reputable
11 third-party administrators which provided higher bids. MM, ¶ 37, Exs. 5-7. Thus, the settlement
12 administration costs provision should be given preliminary approval.

13 **X. THE PROPOSED NOTICE AND SETTLEMENT ADMINISTRATION PLAN**
14 **SHOULD BE APPROVED BECAUSE IT IS REASONABLY CALCULATED**
15 **TO GIVE ACTUAL NOTICE TO CLASS MEMBERS AND SUFFICIENT**
16 **TIME TO EXERCISE THEIR RIGHTS**

17 This Court should approve the proposed plans for giving notice to the Settlement Class
18 and administering the Settlement. The standard for determining the adequacy of notice is
19 whether the notice has "a reasonable chance of reaching a substantial percentage of the class
20 members." *Cartt v. Superior Court* (1975) 50 Cal.App.3d 960, 974. The notice process includes
21 multiple measures to ensure that as many Class Members as practicable receive actual notice of
22 the Settlement and have enough time to exercise their rights. The Settlement requires
23 distribution of the Notice by First Class U.S. mail, which is fair, adequate and reasonable given
24 that Kohana Coffee does not have any current employees that it could provide email addresses
25 for receipt of the notice via email at work. Settlement, ¶¶ 4.4.1, 7.4.2; MM, ¶ 35.

26 With respect to its content, "[The] notice given to the class must fairly apprise the class
27 members of the terms of the proposed compromise and of the options open to dissenting class
28 members." *Trotsky v. Los Angeles Fed. Sav. & Loan Assn.* (1975) 48 Cal.App.3d 134, 151-152.
The purpose of the notice in class settlement context is to give class members sufficient

1 information to decide whether they should accept the benefits offered, opt out and pursue their
2 own remedies, or object to the settlement. *Id.* The Class Notice (Exhibit A to the Settlement)
3 provides Class Members with all pertinent information that they need to fully evaluate their
4 options and exercise their rights under the Settlement. Specifically, it clearly and concisely
5 explains, among other things: (1) what the Settlement is about; (2) who is a Settlement Class
6 Member; (3) how Class Counsel will be paid; (4) how to submit an exclusion request not to be
7 bound by the Settlement; (5) how to object to the Settlement; (6) how the Settlement will be
8 allocated; (7) how payments to Class Members will be calculated; (8) how the disputes will be
9 resolved; and (9) the Individual Settlement Class Member's estimated payment. Additionally,
10 the Class Notice will include the number of Workweeks a Class Member had during the Class
11 Period and the number of PAGA Periods an Aggrieved Employee had during the PAGA
12 Period. Accordingly, the Notice should be approved because it describes the Settlement with
13 sufficient clarity and specificity to explain to Class Members what this action is about, their
14 rights under the Settlement, and how to exercise those rights. MM, ¶ 35.

15 **XI. CONCLUSION**

16 For the reasons stated above, this Court should grant Plaintiff's Motion in its entirety
17 and adopt the proposed order submitted concurrently herewith.

18 Respectfully submitted,

MM LAW, APC

20 Dated: July 21, 2025

21 By: Maralle Messrelia
MARALLE MESSRELIA
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