John G. Yslas (SBN 187324)
john.yslas@wilshirelawfirm.com
William M. Pao (SBN 219846)
william.pao@wilshirelawfirm.com
Lucy H. Nguyen (SBN 338783)
lucy.nguyen@wilshirelawfirm.com
Matthew R. Baker (SBN 326238)
matthew.baker@wilshirelawfirm.com
WILSHIRE LAW FIRM, PLC
660 S. Figueroa Street, Sky Lobby
Los Angeles, CA 90017
Telephone: (213) 381-9988
Facsimile: (213) 381-9989

Attorneys for *Plaintiffs*
JUAN LUIS MARTINEZ and ROBERT OGLESBY, JR.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF RIVERSIDE

COMPLEX CIVIL LITIGATION

JUAN LUIS MARTINEZ AND ROBERT OGLESBY, JR., individually, and on behalf of all others similarly situated,

Plaintiffs,

v.

D & D LASER SCREED, INC., a California corporation; and DOES 1 through 10, inclusive,

Defendants.

Case No.: CVRI2404205 (Lead); CVRI2404949 (Consolidated)

CLASS & PAGA ACTION

ASSIGNED FOR ALL PURPOSES TO:
Hon. Harold W. Hopp, Dept. 1

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

Preliminary Approval Hearing:
Date: December 10, 2026
Time: 8:30 a.m.
Dept.: 1

Reservation No.: 650367961741

Class Complaint Filed: July 30, 2024
PAGA Complaint Filed: August 30, 2024

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on December 10, 2026, at 8:30 a.m., or as soon thereafter as the matter may be heard in Department 1 of the Superior Court of California, County of Riverside, located at 4050 Main Street, Riverside, CA 92501, Plaintiffs Juan Luis Martinez and Robert Oglesby, Jr. ("Plaintiffs") will and hereby do move this Court for an Order:

1. Granting preliminary approval of the proposed Class Action and PAGA Settlement Agreement ("Settlement");
2. Conditionally certifying the proposed Class for settlement purposes only;
3. Appointing Plaintiffs as the Class Representatives;
4. Appointing Wilshire Law Firm, PLC as Class Counsel;
5. Appointing xPand Legal Consulting, LLC 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 Plaintiffs and Plaintiffs' Counsel will fairly and adequately represent the Class.

This Motion is based on this Notice of Motion, the accompanying Memorandum of Points and Authorities, the Declaration of John G. Yslas, the Declarations of Plaintiffs, 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.

Respectfully submitted,

Dated: October 12, 2026

WILSHIRE LAW FIRM, PLC

By: _____
Lucy H. Nguyen
Attorneys for Plaintiffs

TABLE OF CONTENTS

I. INTRODUCTION 4

II. PROCEDURAL HISTORY 5

III. SUMMARY OF THE SETTLEMENT TERMS 6

A. Terms of the Proposed Settlement 6

B. Proposed Settlement Administration 7

C. Proposed Release 7

IV. THE PROPOSED SETTLEMENT AGREEMENT MEETS ALL CRITERIA FOR PRELIMINARY APPROVAL 9

A. Provisional Certification of the Class is Appropriate 9

1. The Proposed Class is Numerous and Ascertainable 9

2. A Well-Defined Community of Interest Exists 9

3. A Class Action is Superior to a Multitude of Individual Lawsuits 12

B. The Settlement Meets the Standards for Preliminary Approval 12

1. The Settlement is Entitled to a Presumption of Fairness 12

2. The Settlement is Reasonable Given the Strengths of Plaintiffs' Claims and the Risks and Expense of Further Litigation 14

C. The Requested Service Payments Are Reasonable 18

D. The Requested Attorneys' Fees and Costs Are Reasonable 18

E. The Administration Costs Are Reasonable 19

V. CONCLUSION 19

TABLE OF AUTHORITIES

CASES

Ayala v. Antelope Valley Newspapers, Inc., 59 Cal.4th 522 (2014) 10

Bell v. Farmers Ins. Exch., 115 Cal.App.4th 715 (2004) 18

Brinker Restaurant Corp. v. Superior Court, 53 Cal.4th 1004 (2012) 9, 10

Cellphone Termination Fee Cases, 186 Cal.App.4th 1380 (2010).....18

Chavez v. Netflix, Inc., 162 Cal.App.4th 43 (2008).....13, 19

Dean Witter Reynolds, Inc. v. Superior Court, 211 Cal.App.3d 758 (1989) 12

Dunk v. Ford Motor Co., 48 Cal.App.4th 1794 (1996) 12

Duran v. U.S. Bank Nat'l Ass'n, 59 Cal.4th 1 (2014).....10

Global Minerals & Metals Corp. v. Superior Court, 113 Cal.App.4th 836 (2003) 9

Hendershot v. Ready to Roll Transp., Inc., 228 Cal.App.4th 1213 (2014) 9

Hernandez v. Restoration Hardware, Inc., 4 Cal.5th 260 (2018).....10

Kullar v. Foot Locker Retail, Inc., 168 Cal.App.4th 116 (2008).....12

Medrazo v. Honda of North Hollywood, 166 Cal.App.4th 89 (2008).....11

Nat'l Solar Equip. Owners' Ass'n v. Grumman Corp., 235 Cal.App.3d 1273 (1991).....11

Noel v. Thrifty Payless, Inc., 7 Cal.5th 955 (2019) 9

Rebney v. Wells Fargo Bank, 220 Cal.App.3d 1117 (1991).....14

Richmond v. Dart Industries, 29 Cal.3d 462 (1981).....11

Rose v. City of Hayward, 126 Cal.App.3d 926 (1981) 9

Sav-On Drug Stores, Inc. v. Superior Court, 34 Cal.4th 319 (2004).....12

Wershba v. Apple Computer, Inc., 91 Cal.App.4th 224 (2001).....10, 12

STATUTES

Cal. Civ. Code § 1542.....8

Cal. Code Civ. Proc. § 382.....11

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Pursuant to California Rules of Court, Rule 3.769(d) and (e), Plaintiffs seek preliminary approval of a class action settlement of wage and hour claims, including representative claims brought under the Labor Code Private Attorneys General Act of 2004 ("PAGA"), against Defendant D & D Laser Screed, Inc. ("Defendant"). The proposed Class is defined as all persons who worked for Defendant in California as an hourly-paid or non-exempt employee ("Class Members") at any time during the period from July 30, 2020, to February 4, 2026 ("Class Period"). The main terms of the Settlement are as follows:

1. A Gross Settlement Amount of $850,000.00, which will be distributed to approximately 642 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 not more than one-third (1/3) of the Gross Settlement Amount (currently $283,333.33)[1] and up to $20,000.00 in reimbursement of litigation costs to Plaintiffs' Counsel;
3. A Class Representative Service Payment of up to $10,000.00 to each named Plaintiff;
4. Costs of settlement administration of up to $10,000.00; and
5. Allocation of $42,500.00 to PAGA penalties, sixty-five percent (65%) of which ($27,625.00) will be paid to the Labor and Workforce Development Agency

[1] The Settlement Agreement contains two internal inconsistencies. First, Section 1.2 identifies ILYM Group, Inc. as the Settlement Administrator, while Section 7.1 identifies xPand Legal Consulting, LLC. Plaintiffs propose xPand, which submitted the lowest of three bids, a will-not-exceed bid of $8,000.00. Yslas Decl. at ¶ 35, Exhibit 4. Second, Section 3.2.2 provides that Class Counsel may request attorneys' fees of up to one-third of the $850,000.00 Gross Settlement Amount, but states that figure as $233,333.33. One-third of the Gross Settlement Amount is $283,333.33. Neither inconsistency affects Defendant's payment obligation, because the Gross Settlement Amount is fixed and non-reversionary and Settlement Administration Costs are capped at $10,000.00. Plaintiffs' counsel notified Defendant's counsel of both inconsistencies by email on October 2, 2026, followed up by email on October 8 and October 12, 2026, and called Defendant's counsel on October 12, 2026, but had received no response as of this filing. *Id.* at ¶ 36. Plaintiffs will submit a corrective amendment to the Settlement Agreement if the Court requires one.

("LWDA"), and thirty-five percent (35%) of which ($14,875.00) will be paid to all persons who worked for Defendant in California as an hourly-paid or non-exempt employee ("Aggrieved Employees") at any time during the period from June 23, 2023, to February 4, 2026 ("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, Plaintiffs request that the Court grant preliminary approval of the Settlement, conditionally certify the Class for settlement purposes only, appoint Plaintiffs as the Class Representatives, appoint Plaintiffs' Counsel as Class Counsel, appoint xPand Legal Consulting, LLC ("xPand") 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 July 30, 2024, Plaintiffs filed this putative class action against 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 ("Class Action"). Declaration of John G. Yslas in Support of Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement ("MPA") ("Yslas Decl.") at ¶ 3.

On June 20, 2024, Plaintiffs provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. Yslas Decl. at ¶ 4. The LWDA did not notify Plaintiffs that it intended to investigate within 65 days of this written notice. *Id*. Therefore, on August 30, 2024, Plaintiffs filed a separate action in the Superior Court of California, County of Riverside, for civil penalties under PAGA, Case No. CVRI2404949 (the "PAGA Action"). *Id.* In or around November 2024, the Court

consolidated the Class Action and PAGA Action. *Id.* at ¶ 5.

On December 4, 2025, the Parties participated in a private mediation with Monique Ngo-Bonnici. *Id.* at ¶ 6. The mediator made a proposal, which was accepted by the Parties. *Id.* The Parties negotiated the terms of the Settlement over the next several months, which was finalized in March 2026. *Id.* at ¶ 7, Exhibit 2 ("Settlement Agreement"). On October 12, 2026, Plaintiffs submitted a copy of the Settlement Agreement to the LWDA. *Id.* at ¶ 8, Exhibit 3.

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 consolidated PAGA Action for a Gross Settlement Amount of $850,000.00. Settlement Agreement at § 3.1. Subject to Court approval, the following payments will be deducted from the Gross Settlement Amount: (1) a Class Representative Service Payment of up to $10,000.00 to each Plaintiff; (2) attorneys' fees of not more than one-third (1/3) of the Gross Settlement Amount (currently $283,333.33) and reimbursement of litigation costs of up to $20,000.00 to Plaintiffs' Counsel; (3) costs of settlement administration of up to $10,000.00 to xPand; (4) Individual Class Payments to Class Members; and (5) PAGA Penalties in the amount of $42,500.00, which will be allocated 65% to the LWDA ($27,625.00) and 35% to Aggrieved Employees ($14,875.00). *Id.* at § 3.2 *et seq*. After all requested deductions are made, the remaining Net Settlement Amount is currently estimated to be $474,166.67.

Individual Class Payments will be calculated based on the number of Workweeks worked by each Class Member during the Class Period. *Id*. at § 3.2.4. For tax purposes, the Individual Class Payments will be allocated 20% to wages and 80% to penalties, interest, and reimbursement of expenses. *Id*. at § 3.2.4.1. Defendant will separately pay employer payroll taxes owed on the Wage Portions 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 PAGA Pay Periods worked by each Aggrieved Employee during the PAGA Period. *Id*. at § 3.2.5.1. For tax purposes, the individual PAGA payments will be allocated 100% to penalties.

Id.

Any deductions not approved by the Court will be retained by the Settlement Administrator in the Net Settlement Amount. *Id.* at §§ 3.2.1, 3.2.2, 3.2.3, 3.2.5.2. Funds from any uncashed checks will be transmitted by the Settlement Administrator to the California Controller's Unclaimed Property Fund in the name of the Class Member. *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 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.

If a Class Notice is returned as undeliverable, the Settlement Administrator will re-mail the Class Notice within five (5) calendar 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 fourteen (14) days for all Class Members whose Class Notice was remailed. *Id*. at §7.4.4.

C. Proposed Release

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

Released Class Claims:

> All Participating Class Members will release all claims, rights, demands, liabilities, and causes of action, alleged or which could have reasonably been alleged based on the facts alleged in the operative Complaint, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 1194, 1194.2, 1197 and 1197.1); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 510, 1194, and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 226.7 and 512); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201-203); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226); (7) failure to indemnify employees for expenditures (pursuant to Cal. Labor Code §§ 2802); (8) failure to produce requested employment records (pursuant to Cal. Labor Code §§ 226, 432, and 1198.5); and (9) unfair business practices (pursuant to Cal. Bus. & Prof. Code §§ 17200, *et seq.*). The enumeration of these specific claims shall neither enlarge nor narrow the scope of *res judicata* based on the claims that were asserted in the Action or could have been asserted in the Action based on the facts and circumstances alleged in the Complaint. The Released Class Claims are those that accrued during the Class Period.

Settlement Agreement at § 5.2.

Released PAGA Claims:

> All Aggrieved Employees will release all claims for PAGA civil penalties that are alleged or reasonably could have been alleged based on the facts alleged in the operative Complaint and in Plaintiffs' June 20, 2024 PAGA Notice, including but not limited to: (1) failure to pay minimum and straight time wages (pursuant to Cal. Labor Code §§ 204, 210, 510, 1194, 1194.2, 1197 and 1197.1); (2) failure to pay overtime wages (pursuant to Cal. Labor Code §§ 510, 1194 and 1198); (3) failure to provide meal periods (pursuant to Cal. Labor Code §§ 210, 226.7 and 512); (4) failure to authorize and permit rest periods (pursuant to Cal. Labor Code §§ 210 and 226.7); (5) failure to timely pay final wages at termination (pursuant to Cal. Labor Code §§ 201 – 203 and 213(d)); (6) failure to provide accurate itemized wage statements (pursuant to Cal. Labor Code §§ 226 and 226.3); (7) failure to indemnify employees for expenditures (pursuant to Cal. Labor Code § 2802); (8) failure to produce requested employment records (pursuant to Cal. Labor Code §§ 226, 432, and 1198.5). The Released PAGA Claims are those that accrued during the PAGA Period.

Settlement Agreement at § 5.3.

Only Plaintiffs 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 who worked for Defendant in California as an hourly-paid or non-exempt employee at any time during the Class Period. *See* Settlement Agreement at §§ 1.5, 1.13. 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 642 Class Members, making joinder of all Class Members impracticable. Yslas Decl. at ¶ 10.

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.*

Plaintiffs have alleged that Defendant maintained common employment policies and/or practices that unlawfully deprived Class Members of wages, meal period, rest periods, reimbursements for business expenses, accurate wage statements, and timely payment of wages upon separation of employment. Yslas Decl. at ¶ 11. These allegations present common factual and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping, pay, meal period, rest period, and reimbursement 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. Plaintiffs are 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 (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).

Plaintiffs have alleged that they and 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, and reimbursement policies. *See* Yslas Decl. at ¶ 11. Through informal discovery, Plaintiffs confirmed that these challenged policies and practices applied to Plaintiffs and Class Members alike. *See id.* at ¶ 9. Therefore, Plaintiffs' claims and Class Members' claims arise from the same challenged employment policies and practices and are based on the same legal theories.

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

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

Plaintiffs' interests are coextensive with Class Members' interests. Declaration of Juan Luis Martinez in Support of Plaintiffs' MPA ("Martinez Decl.") at ¶11; Declaration of Robert Oglesby, Jr. in Support of Plaintiffs' MPA ("Oglesby Decl.") at ¶ 11. Plaintiffs have demonstrated an ability to advocate for the interests of Class Members by initiating this lawsuit, providing information to their attorneys, meeting with their attorneys regarding the claims, making themselves available the day of mediation to answer questions, and reviewing the proposed Settlement. Martinez Decl. at ¶ 11; Oglesby Decl. at ¶ 11.

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

///

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

Class treatment is appropriate where it is "superior to the other available methods for the fair and efficient adjudication of the controversy." *Dean Witter Reynolds, Inc. v. Superior Court*, 211 Cal.App.3d 758, 772-773 (1989). This is so because "[p]ublic policy has long favored the 'full and prompt payment of wages due an employee.'" *Sav-On Drug Stores, Inc. v. Superior Court*, 34 Cal.4th 319, 340 (2004). Here, a class action is superior to a multitude of individual lawsuits. Given the size and amount of each Class Member's claim, Class Members have little incentive to litigate their claims on an individual basis because the out-of-pocket expenses and personal commitment necessary to litigate each claim likely outweigh any potential recovery. Yslas Decl. at ¶ 10. 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. Plaintiffs 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 ¶ 6. 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, Plaintiffs' Counsel thoroughly investigated the claims, applicable law, and potential defenses. Yslas Decl. at ¶ 9. Plaintiffs' Counsel assessed the value of the Class claims using the data and documents Defendant produced in informal discovery, including class data reflecting the number of Class Members, Workweeks during the Class Period, and PAGA Pay Periods during the PAGA Period; Plaintiffs' personnel and employment records; Defendant's employee handbook(s), written wage-and-hour policies, and job descriptions; and a representative sampling of Class Members' time and payroll records. *Id*. Plaintiffs' Counsel also retained an expert consultant to analyze the time and payroll data and quantify potential exposure. *Id.* This investigation allowed Plaintiffs' Counsel to evaluate the strengths and weaknesses of the asserted claims, Defendant's potential defenses, and the risks associated with class certification and trial. *Id.*

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

Plaintiffs are represented by Wilshire Law Firm, PLC. Yslas Decl. at ¶ 1. Plaintiffs' Counsel has extensive experience litigating wage-and-hour class and representative actions on behalf of employees. See id. at ¶¶ 22–32. WLF attorneys have substantial experience litigating Labor Code violations and wage-and-hour class and PAGA representative actions through all stages of litigation, including class certification and settlement. Id. Mr. Yslas has practiced labor and employment law exclusively since 2000 and has extensive experience litigating wage-and-hour class, collective, and representative actions on behalf of both employers and employees. Id. at ¶¶ 25–29. Since late April 2023, Mr. Yslas has mediated matters in which he served as counsel

or co-counsel resulting in well over $290 million in settlements and verdicts, which are in the process of being finalized. Id. at ¶ 27. Mr. Pao likewise has more than 20 years of experience in plaintiffs' class action litigation and has been involved in hundreds of wage-and-hour class actions and PAGA representative actions throughout California. Id. at ¶ 30.

2. The Settlement is Reasonable Given the Strengths of Plaintiffs' 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 Plaintiffs' Counsel calculated is substantial, the various risks of succeeding at class certification and through trial affected the valuation of the claims for settlement purposes. Yslas Decl. at ¶ 12.

Minimum and Overtime Wages: Plaintiffs' unpaid minimum and overtime wage claims were based on the allegation that Defendant required Class Members to perform work duties while off the clock, without compensation. Yslas Decl. at ¶ 13. For example, Plaintiffs alleged that laborers and cement masons were required to unload equipment and prepare job sites before they were permitted to clock in, while foremen were required to pick up equipment from Defendant's facility and travel to job sites before clocking in. *Id.* For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel assumed that all unpaid worktime should have been paid at the overtime rate of pay and conservatively estimated that Defendant is liable for one (1) hour of unpaid worktime per workweek. *Id.* This results in potential exposure for this claim of approximately $1,229,541.00 (23,300 workweeks × $35.18 average hourly rate of pay × 1 hour/workweek × 1.5 overtime rate). *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 and trial was substantial. Accordingly, Plaintiffs' 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 $196,726.56 ($1,229,541.00 × 40% × 40%). *Id.*

Meal Periods: Plaintiffs' 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 ¶ 14. Plaintiffs alleged that Defendant did not consistently provide employees with opportunities to take uninterrupted, duty-free meal periods because employees worked at fast-paced job sites without adequate coverage and were expected to continue working until the job was completed. *Id.* Defendant's timekeeping records also did not consistently reflect recorded meal periods, making it difficult to determine the precise frequency of meal-period violations from the records alone. *Id.* For settlement valuation purposes, Plaintiffs' Counsel therefore conservatively assumed that approximately 116,500 estimated qualifying shifts were subject to a 50% meal-period violation rate. *Id.* Using an average hourly rate of $35.18, Plaintiffs' Counsel estimated maximum potential exposure of approximately $2,049,235.00 (116,500 estimated qualifying shifts × $35.18 average hourly rate × 50% assumed violation rate). *Id.* After taking into account the difficulty of certifying and proving meal period claims, as well as Defendant's contention that the claim lacks merit, Plaintiffs' Counsel discounted this figure based on a 50% chance of succeeding at class certification and a 40% chance of succeeding at trial, yielding a realistic damage estimate of approximately $409,847.00 ($2,049,235.00 × 50% × 40%). *Id.*

Rest Periods: Plaintiffs' 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 ¶ 15. Plaintiffs alleged that Defendant did not provide adequate staffing or coverage to permit employees to take compliant rest periods and that employees were required to continue working when the needs of the job required it. *Id.* Based on Plaintiffs' allegations and Plaintiffs' and other Class Members' experience working for Defendant, Plaintiffs' Counsel applied a 100% violation rate to approximately 116,500 qualifying shifts during the Class Period. *Id.* Therefore, Defendant's potential liability for the rest period claim is approximately $4,098,470.00 (116,500 qualifying shifts × $35.18 average hourly rate × 100% violation rate*). Id.* However, Plaintiffs' 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 substantially on Class Member testimony, Plaintiffs' 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 $245,908.20 ($4,098,470.00 × 30% × 20%). *Id.*

Reimbursements: Plaintiffs' 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, including use of personal cell phones and mileage for work purposes. Yslas Decl. at ¶ 16. For purposes of calculating Defendant's liability based on a best-case scenario for Plaintiffs and the Class, Plaintiffs' Counsel estimated approximately $6.92 per workweek in unreimbursed expenses, for a total amount of approximately $161,236.00 ($6.92 × 23,300 workweeks). *Id.* However, Defendant argued that these expenses were not required by Defendant and that it could not have known these expenses were being incurred. *Id.* Accordingly, Plaintiffs' Counsel discounted this claim based on a 30% chance of succeeding at class certification and a 30% chance of succeeding at trial, yielding a realistic damage estimate of approximately $14,511.24 ($161,236.00 × 30% × 30%). *Id.*

In sum, Plaintiffs' Counsel estimated that Plaintiffs' maximum recovery for the off-the-clock claim, meal period violations, rest period violations, and reimbursement claim is approximately $7,538,482.00. Yslas Decl. at ¶ 17. However, after factoring in the risk and uncertainty of prevailing at certification and trial, Plaintiffs' Counsel estimates that Plaintiffs' realistic estimated recovery for these non-penalty claims is approximately $866,993.00. *Id.*

Derivative Penalties: Plaintiffs 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 ¶ 18. With respect to Plaintiffs' derivative claims for statutory penalties, Plaintiffs' Counsel estimated that Defendant's maximum potential liability for waiting time penalties is approximately $2,877,231.48, based on approximately 317 formerly employed Class Members during the three-year statute of limitations period. Id. Defendant's maximum potential liability for inaccurate wage statements is approximately $1,002,450.00, based on approximately 423 Class Members who

worked during the one-year statute of limitations period and approximately 10,236 pay periods in that statutory timeframe. Id. In light of the foregoing, Plaintiffs' Counsel believes that it would be unrealistic to expect the Court to award the full amount of statutory penalties given Defendant's defenses, the contested nature of Plaintiffs' claims, the challenges of establishing willfulness as applicable, and the discretionary nature of penalties. *Id.* As such, Plaintiffs' Counsel discounted these figures to account for the risk and uncertainty of obtaining class certification and prevailing at trial, resulting in a realistic evaluation of approximately $172,633.89 for waiting time penalty claims ($2,877,231.48 × 30% × 20%), and approximately $60,147.00 for wage statement penalty claims ($1,002,450.00 × 30% × 20%), or approximately $232,780.89 total for statutory penalties. *Id.*

PAGA: For the PAGA claim, Plaintiffs' Counsel determined that Defendant's potential exposure could reach approximately $1,055,900.00, assuming an initial $100 penalty for each of the approximately 10,559 pay periods in the PAGA Period. Yslas Decl. at ¶ 19. 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, Plaintiffs' Counsel discounted this figure to account for the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately $105,590.00 for PAGA penalties ($1,055,900.00 × 10%). *Id.* The Settlement allocates $42,500.00 of the Gross Settlement Amount to PAGA, and therefore the PAGA allocation amounts to 5% of the Gross Settlement Amount and approximately 40.25% of the realistic maximum damages for PAGA penalties ($42,500.00 / $105,590.00). *Id.*

Using these estimated figures, Plaintiffs' Counsel determined that the realistic maximum recovery for all claims, including penalties, is approximately $1,205,363.89. Yslas Decl. at ¶ 20. The $850,000.00 Gross Settlement Amount therefore represents approximately 70.52% of Plaintiffs' realistic maximum recovery ($850,000.00 / $1,205,363.89). *Id.* Considering the risk and uncertainty of prevailing at class certification and at trial, this is an excellent result for the Class. *Id.* Indeed, because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will avoid the risk of an unfavorable judgment. *Id.*

Based on the figures in the Settlement Agreement, the Net Settlement Amount available for class settlement payments is currently estimated to be $474,166.67 for approximately 642 Class Members. Yslas Decl. at ¶ 21. As a result, each Settlement Class Member would be eligible to receive an average net benefit of approximately $738.58. Id. Based on the estimated Net Settlement Amount available for individual class payments and there being approximately 23,300 workweeks in the Class Period, the estimated weekly valuation for Individual Class Payments is approximately $20.35 ($474,166.67 / 23,300 workweeks). *Id.*

C. The Requested Service Payments Are Reasonable

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

Throughout this case, Plaintiffs assisted counsel by providing information necessary to prosecute the claims, meeting with counsel regarding the claims, maintaining regular contact with counsel, making themselves available on the day of mediation to answer questions, and reviewing the Settlement to ensure that it was fair to the Class. Martinez Decl. at ¶ 11; Oglesby Decl. at ¶ 11. No action would likely have been taken by Class Members individually and no compensation would have been recovered for them but for Plaintiffs' services on behalf of the Class. By actively pursuing this action, Plaintiffs furthered the California public policy goal of enforcing the State's wage-and-hour laws. See Sav-On, 34 Cal.4th at 340. The requested Class Representative Service Payments are reasonable and should be preliminarily approved. Plaintiffs have provided declarations regarding their 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.").

Plaintiffs seek appointment of Wilshire Law Firm, PLC as Class Counsel. Plaintiffs' Counsel performed significant work and expended litigation costs in prosecuting this matter with no guarantee of payment. Yslas Decl. at ¶ 22. Plaintiffs' Counsel seeks preliminary approval of attorneys' fees of up to one-third (1/3) of the Gross Settlement Amount, currently estimated to be $283,333.33, and reimbursement of litigation costs of up to $20,000.00. Given the work performed in this matter, the extensive information exchange, and the substantial recovery obtained on behalf of the Class, Plaintiffs' Counsel achieved the Settlement through efficient and diligent work. See generally Yslas Decl. At final approval, Plaintiffs' Counsel will fully brief the merits of its request for an award of attorneys' fees and litigation costs.

E. The Administration Costs Are Reasonable

Section 7.1 of the Settlement Agreement designates xPand Legal Consulting, LLC ("xPand") to administer the Settlement. Settlement Agreement at § 7.1. Plaintiffs seek preliminary approval of up to $10,000.00 in Settlement Administration Costs. xPand submitted a will-not-exceed bid of $8,000.00 to administer the Settlement. See Yslas Decl. at ¶ 35, Exhibit 4. The services covered by the administration costs are extensive and necessary to carry out the Settlement, including providing notice to Class Members, processing responses and disputes, calculating and distributing settlement payments, performing required tax reporting, and completing the other duties required under the Settlement. Accordingly, the requested Settlement Administration Costs are reasonable and should be preliminarily approved.

V. CONCLUSION

The Parties have negotiated a fair and reasonable settlement of the class claims in light of the risks presented in this case. Plaintiffs have presented the materials and information necessary to demonstrate that the requirements for preliminary approval have been met, and therefore

respectfully request that the Court preliminarily approve the Settlement and schedule a date for the final approval hearing.

Respectfully submitted,

Dated: October 12, 2026

WILSHIRE LAW FIRM, PLC

By: 

Lucy H. Nguyen
Attorneys for Plaintiffs