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on behalf of himself and all others similarly situated and aggrieved

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN BERNARDINO

JOSEPH STEVENS, on behalf of himself and all others similarly situated and aggrieved, Plaintiff, v. GOSHARE INC., a Delaware Corporation; and DOES 1 Through 10, inclusive, Defendants.	Case No. CIVSB2428568 ASSIGNED FOR ALL PURPOSES TO: The Honorable Wilfred J. Schneider Jr. Department S32 **<u>CLASS AND REPRESENTATIVE ACTION</u>** **MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF PLAINTIFF'S MOTION FOR ORDER GRANTING PRELIMINARY APPROVAL OF CLASS AND PAGA REPRESENTATIVE ACTION SETTLEMENT** Date: January 6, 2026 Time: 8:30 a.m. Dept.: S32 Complaint filed: October 3, 2024 Trial Date: Not set

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I. INTRODUCTION

Plaintiff Joseph Stevens ("Plaintiff") seeks preliminary approval of a $250,000, pre-certification, non-reversionary wage and hour class and Private Attorneys General Act ("PAGA") settlement. The settlement covers an estimated 3,333 drivers who performed an estimated 81,720 deliveries for Defendant GoShare Inc. ("GoShare" or "Defendant") in California as an independent contractor during the Class Period from October 3, 2020 through October 8, 2025. Plaintiff alleges GoShare willfully misclassified these drivers as independent contractors, rather than employees. As a result, Plaintiff alleges, during the Class Period, GoShare failed to pay drivers minimum wages and reimburse their business expenses. Plaintiff also alleges GoShare, during the PAGA Period, failed to: pay minimum and overtime wages, provide meal and rest periods, provide accurate, itemized wage statements, maintain accurate records, and reimburse business expenses. Class Members and Aggrieved Employees are collectively referred to herein as "drivers." Declaration of Isam C. Khoury ("Khoury Decl."), ¶11; **Exhibit 1** thereto, Class Action and PAGA Settlement Agreement ("SA"), ¶¶1.12, 2.2, 4.1, 8, Class Notice ¶1.

II. PARTIES, CLASS, AND AGGRIEVED EMPLOYEES

A. Defendant and Plaintiff

Defendant GoShare operates a delivery and moving business, advertising its services as follows: "GoShare makes delivery and moving easy. We quickly connect you with background checked delivery professionals on demand for help with last mile delivery, middle mile delivery and moving services. From pallets to furniture and parcels, if you need something delivered or moved, we've got you covered. Our nationwide network of more than 65,000 box trucks, cargo vans, pickup trucks and sedans are available to help you the same day or you can schedule in advance." "We Make Delivery & Moving Easy," GoShare, https://goshare.com (last accessed October 9, 2025). Khoury Decl. ¶12.

Plaintiff Joseph Stevens worked for GoShare as a driver between approximately December 20, 2022 and August 31, 2023 in the California counties of San Bernardino and Riverside. Khoury Decl. ¶13; **Exhibit 2** thereto, Class and Representative Action Complaint ("Complaint"), ¶5; Declaration of Joseph Stevens ("Stevens Decl."), ¶2. As a driver for GoShare,

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Plaintiff would accept delivery assignments through the GoShare application, which Plaintiff alleges he needed to download on his personal cell phone. Stevens Decl. ¶3. After accepting a GoShare assignment, Plaintiff alleges he drove his personal car from his home in Riverside to a warehouse in San Bernardino to retrieve his assigned small packages, which he would then deliver to GoShare customers throughout Riverside and San Bernardino. *Id*. Plaintiff alleges he needed to use his personal cell phone to accept assignments, get technical support from GoShare, and to clarify where packages were located within the San Bernardino warehouse. *Id*. Plaintiff alleges GoShare classified him as an independent contractor, paying him a flat rate for assignments, rather than by hours worked. *Id*. Plaintiff alleges GoShare did not reimburse him for using his personal car and personal cell phone to make deliveries for GoShare. *Id*. Plaintiff alleges it usually took him approximately one hour to accept an assignment, pick up his assigned package, and make a delivery for GoShare, and that he was usually paid about $16 to $25 per delivery. *Id.* at ¶4.

B. Class Members and Aggrieved Employees

Class Members are all persons who performed delivery services for Defendant in California during the Class Period as an independent contractor who do not timely and properly opt out. SA ¶¶1.5, 1.9, 1.29. The Class Period is from October 3, 2020 through October 8, 2025. SA ¶1.12. Aggrieved Employees are all persons who performed delivery services for Defendant in California during the PAGA Period as an independent contractor. SA ¶1.4. The PAGA Period is from July 30, 2023 through October 8, 2025. SA ¶1.31. Defendant estimates there are 3,333 Class Members (of which 2,373 are Aggrieved Employees) who performed a total of 81,720 Deliveries during the Class Period. SA ¶¶4.1, 8. Aggrieved Employees will not be able to opt out of the settlement, and release, of PAGA claims. SA ¶¶1.4, 7.4, Class Notice.

III. PROCEDURAL HISTORY

On June 16, 2024, Plaintiff submitted a letter to Defendant and the LWDA pursuant to PAGA alleging potential Labor Code violations under Labor Code sections 226, 226.7, 226.8, 1174, 510, 1194, 1197, 2802, and 2750.3. SA ¶2.1.

On October 3, 2024, Plaintiff commenced a class and representative action by filing a Complaint alleging causes of action against Defendant for (1) Failure to pay minimum wages; (2)

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Failure to reimburse business expenses; (3) Violation of the unfair competition law; (4) Misclassification under the codified "ABC" test under PAGA; (5) Willful misclassification under PAGA; (6) Failure to pay minimum wages under PAGA; (7) Failure to pay overtime wages under PAGA; (8) Failure to provide meal periods under PAGA; (9) Failure to provide rest periods under PAGA; (10) Failure to provide accurate, itemized wage statements under PAGA; (11) Failure to maintain accurate records under PAGA; and (12) Failure to reimburse business-related expenses under PAGA. SA ¶2.2.

Pursuant to Labor Code section 2699.3, subd. (a), Plaintiff gave timely written notice to Defendant and the LWDA by sending the PAGA Notice. SA ¶2.3.

On June 3, 2025, Plaintiff and Defendant participated in an all-day mediation presided over by Tripper Ortman, Esq., which led to this Agreement to settle the Action, after both parties accepted a mediator's proposal. SA ¶2.4.

The Court has not granted class certification. SA ¶2.6. The Parties are aware of the following later-filed action that may be affected by the Settlement: *People of the State of California v. GoShare, Inc. and Shaun Savage*, San Francisco County Superior Court Case. No. CGC-25-624506 (April 18, 2025). SA ¶2.7.

IV. PRE-MEDIATION INVESTIGATION AND DISCOVERY

Prior to mediation, Plaintiff obtained, through informal discovery, pay data, exemplar contracts, recruiting and advertisement documents, and information relating to the size and scope of the Class, as well as data permitting Plaintiff to fully understand the nature and scope of the allegations in the Complaint. Plaintiff's investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Foot Locker Retail, Inc*. (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 129-130 *Dunk/Kullar*). SA ¶2.5.

More specifically, in addition to relevant policy documents, Defendant provided a 25% sampling of driver data during the period from October 3, 2020 through March 6, 2025. The sample was produced in an Excel spreadsheet ("Sheet") and included three tabs. The first tab included Class List information: JL ID (the employee ID number), First Project Date, Last Project Date, and Projects Completed. The second tab included Time Data: JL ID, Project Date, Project

Start Time, Project End Time, Total Paid to Driver, Time worked in Minutes, and Distance. The third tab included Pay Data: JL ID, Hourly Rate, Gross Earnings, Hour, and Earnings. Khoury Decl. ¶14. Defendant also provided the breakdown of its drivers, noting that during the relevant period: 50% were couriers; 30.1% were pickup trucks; and 22.8% were box trucks and cargo vans. Khoury Decl. ¶15. Plaintiff's consultant determined the following from the Sheet. The number of deliveries was approximately 77,516 (extrapolated from 19,379 in the sample). The class workweeks were approximately 29,416 (extrapolated from 7,354 in the sample), and the bi-weekly PAGA pay periods were approximately 10,748 (extrapolated from 2,687 in the sample). The median number of deliveries for a class member was five. The average shift length was 0.91 hours. The percent of shifts over: three and one-half hours was 1.4; five hours was 0.5; and eight hours was 0.2. Eight (8) percent of deliveries showed a delivery location over 50 miles from the pickup location. The average hourly rate of pay was $89.28. Khoury Decl. ¶16.

V. PLAINTIFF'S CLAIMS AND GOSHARES' DEFENSES

A. Misclassification

GoShare classified its drivers as independent contractors. Khoury Decl. ¶17. GoShare contends its drivers met the test for independent contractor status under California Business and Professions Code section 7451 (effective December 16, 2020) because they were "app-based drivers" working for a "network company" providing "delivery services" who met the four-part test outlined therein. Khoury Decl. ¶18.

Plaintiff contends GoShare drivers do not meet this test for independent contractor status. Khoury Decl. ¶19.

Under the statute:

> "'Delivery network company' means a business entity that maintains an online-enabled application or platform used to facilitate *delivery services* within the State of California on an on-demand basis, and maintains a record of the amount of engaged time and engaged miles accumulated by DNC couriers…". See § 7463, subd. (f) (emphasis added).

> "'Delivery services' means the fulfillment of delivery requests, meaning the pickup from any location of any item or items and the delivery of the items *using a passenger vehicle, bicycle, scooter, walking, public transportation, or other similar means of transportation*, to a location selected by the customer located *within 50 miles of the pickup location*…". See § 7463, subd. (h) (emphases added).

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First, Plaintiff contends GoShare regularly facilitated delivery requests that took drivers more than 50 miles between a pickup location and a customer and these deliveries fall outside the definition of "delivery services." Second, Plaintiff also contends GoShare regularly facilitated delivery requests of large items that required a box truck or cargo van for transport, and that these vehicles are not similar to those listed in the statute. Third, Plaintiff contends that from October 3, 2020 through December 15, 2020, section 7451 was not in effect to confer independent contractor status. Finally, Plaintiff contends that, because GoShare drivers do not meet the test under California Business and Professions Code section 7451 for independent contractor status, the test under Labor Code section 2750.3 ("ABC Test") applies; that GoShare drivers fail this test too, because GoShare controlled drivers' work, which was in their usual course of business, and GoShare drivers did not engage in independently established trades; and that GoShare's misclassification was willful under Labor Code section 226.8. Khoury Decl. ¶20.

B. Class Claims

GoShare drivers were paid a flat rate for deliveries. Khoury Decl. ¶21.

As a result, Plaintiff contends, these drivers were not paid hourly wages for all time worked nor reimbursed for the use of their personal vehicles and cell phones to make deliveries. Khoury Decl. ¶22. Plaintiff further contends that GoShare cannot claim its flat rate pay compensated for expense reimbursements because GoShare did not "establish[] some means to identify the portion of overall compensation that is intended as expense reimbursement." *See Gattuso v. Harte-Hanks Shoppers, Inc*. (2007) 42 Cal.4th 554, 575 ("*Gattuso*"). Khoury Decl. ¶23. Plaintiff also contends GoShare's pay practices violated the UCL. Khoury Decl. ¶24. GoShare contends drivers were independent contractors not subject to the Labor Code requirement to pay wages or reimburse business-related expenses. GoShare further contends that drivers were paid more than the equivalent of minimum wage plus reasonable expense reimbursements in their flat delivery pay. Khoury Decl. ¶25.

C. PAGA Claims

Plaintiff submitted his PAGA letter, and pled PAGA claims, under Labor Code sections 226, 226.7, 226.8, 1174, 510, 1194, 1197, 2802, and 2750.3. Khoury Decl. ¶26. Because Plaintiff

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submitted his PAGA letter on June 16, 2024, he was permitted to pursue PAGA claims he did not personally suffer, or in the case of section 226, for which he could not recover given he had not worked for GoShare in over one year. Khoury Decl. ¶27; *see also* Lab. Code § 2699(v)(1) ("The amendments made to this section by the act adding this subdivision shall not apply to a civil action with respect to which the notice required…was filed before June 19, 2024). As such, Plaintiff pled violations under PAGA, on information and belief, for failures to: properly classify drivers as employees, pay minimum wages, pay overtime wages, provide meal periods, provide rest periods, reimburse expenses, provide accurate, itemized wage statements, and maintain accurate records. Khoury Decl. ¶28.

VI. SUMMARY OF PROPOSED SETTLEMENT

A. Settlement Terms

GoShare will pay a Gross Settlement Amount ("GSA") of $250,000 (SA ¶1.22) - based on 81,720 deliveriess performed by the Class (SA ¶8)[1] - which includes: (a) an Administration Expenses Payment to Administrator ILYM Group, Inc. ("ILYM" or "Administrator") not to exceed $20,000 (SA ¶3.2.3); (b) a Class Counsel Fees Payment of not more than one-third of the GSA, currently estimated as $83,333.33 (SA ¶3.2.2); (c) a Class Counsel Litigation Expenses Payment not to exceed $25,000 (SA ¶3.2.2); (d) a Class Representative Service Payment not to exceed $5,000 to Plaintiff (SA ¶3.2.1); and (e) PAGA Penalties of $5,000—$3,750 to the LWDA (75%) and $1,250 (25%) to Aggrieved Employees (SA ¶3.2.5).

The remainder, estimated at $111,666.67, is the Net Settlement Amount. Khoury Decl. ¶29; SA ¶3.2, Class Notice. Plaintiff has consented in writing to the division of attorneys' fees between Cohelan Khoury & Singer (66.66 %) and Hamner Law Offices (33.34 %). Stevens Decl. ¶13. Current actual itemized costs total $20,460.74. Khoury Decl. ¶30, **Exhibit 3** thereto, Itemized Costs. Plaintiff anticipates incurring a few hundred dollars more in costs in filing the

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[1] If the total number of Deliveries as of the end of the Class Period exceeds 81,720 by greater than 15%, then the GSA shall increase pro rata based on the number of additional Deliveries above 15% (i.e., if the number of Deliveries is 16% greater than 87,720, then the GSA shall increase by 1%). Alternatively, Defendant may elect to cut off the Class Period at 93,978 Deliveries. SA ¶8.

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instant motion and motion for final approval. Khoury Decl. ¶30.

Goshare will pay the employer's share of payroll taxes in addition to the GSA. SA ¶3.1. None of the GSA will revert to GoShare. *Id*. Uncashed checks will be transmitted to California Controller's Unclaimed Property Fund. SA ¶4.4.3.

The Net Settlement Amount (est. $111,666.67) will be divided by the total number of Class Period Deliveries (approximately 81,720), resulting in payment of approximately $1.37 per Delivery performed to each Participating Class Member. Khoury Decl. ¶31; SA ¶3.2.4. The Aggrieved Employees' share of the $5,000 PAGA Penalties ($1,250) will also be divided by the total number of PAGA Period Deliveries to yield the Individual PAGA Payments. SA ¶3.2.5.1.

The average Participating Class Member Payment will be $33.50 ($111,666.67 NSA/3,333 Class Members), and the average Individual PAGA Payment will be $0.53 ($1,250/2,373 Aggrieved Employees). Khoury Decl. ¶32.

Each Participating Class Member Payment will be allocated 100% to reimbursements, penalties and interest. (reported on an IRS Form 1099). SA ¶3.2.4.1.

B. Release of Claims

<u>Plaintiff</u> and his respective former and present spouses, representatives, agents, heirs, administrators, successors, and assigns generally, release and discharge Released Parties from all claims, transactions, or occurrences that occurred during the Class Period, including, but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or reasonably could have been, alleged based on facts contained in the Operative Complaint or Plaintiff's PAGA Notice. SA ¶5.1. Plaintiff expressly waives and relinquishes the provisions, rights, and benefits, if any, of section 1542 of the California Civil Code. SA ¶5.2. <u>All Participating Class Members</u>, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Operative Complaint. The release will be for the Class Period. SA ¶5.3. <u>All Aggrieved Employees</u> are deemed to release, on behalf of themselves and their respective former and present

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representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the facts stated in the Action and the PAGA Notice. The release will be for the PAGA Period. SA ¶5.4.

C. Settlement Administration and Notice

Defendant will provide the Class Data to ILYM within 15 days of Preliminary Approval. SA ¶¶1.2, 4.2, 7.1. ILYM will mail a Class Notice to all Class within 14 days of receiving the Class Data. SA, ¶ 7.3.2; Declaration of Lisa Mullins on behalf of ILYM, ("ILYM Decl."), ¶6. All Parties have agreed to the proposed language of the Class Notice. Khoury Decl. ¶33. For notices returned as undeliverable, ILYM will attempt to locate an updated address and will remail the notice within 3 business days. ILYM Decl. 9; SA ¶7.3.3. Class Members will be given the opportunity to remain in, opt-out, object (as a Participating Class Member), and to challenge the calculation of their deliveries. SA ¶¶7.4-7.6.

ILYM has a duty to perform, and will adequately perform, all duties outlined in the Settlement Agreement, including: establishing a website; email address, and toll-free number for class members; reviewing opt-out requests; creating weekly reports for Counsel; reviewing delivery challenges; and providing a declaration for final approval; and providing a declaration regarding disbursement. S, ¶7.7; see also ILYM Decl. ¶¶2-11.

Uncashed checks, after the void date, will be sent by ILYM to the California Controller's Unclaimed Property Fund in the name of the Class Member thereby leaving no "unpaid residue" subject to the requirements of California Code of Civil Procedure Section 384, subd. (b). SA ¶4.4.3.

VII. ARGUMENT

A. The Settlement is Fair, Reasonable, and Adequate

In deciding whether to approve a proposed class action settlement the Court must find a proposed settlement is "fair, adequate and reasonable." *Dunk v. Ford Motor Co*. (1996) 48 Cal.App.4th 1794, 1801. A proposed settlement is presumed fair where: (1) parties settle after extensive arms'-length negotiations; (2) sufficient investigation and discovery allow counsel and the Court to act intelligently; (3) counsel is experienced; and, (4) the percentage of objectors is small. *Dunk*, 48 Cal.App.4th at p. 1802. Here, the first three factors are met. The fourth *Dunk* factor cannot be known until Class notice and response. Khoury Decl. ¶34.

1. Serious, Informed, Non-Collusive Negotiations Led to Settlement

The Settlement was reached through arm's-length, non-collusive negotiations facilitated by Tripper Ortman, Esq., an experienced and respected mediator. Khoury Decl. ¶35.

2. Discovery and Stage of the Proceedings Support Settlement

Plaintiff's Counsel investigated all claims and defenses before filing this action. When the Parties agreed to mediation, Plaintiff requested, and Defendant produced, all data and documents needed to assess potential liability. Investigation and informal discovery gave the Parties a clear understanding of their strengths and weaknesses before negotiations. *See Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal. App. 4th 399, 410. Khoury Decl. ¶36.

3. Counsel are Highly Experienced in Similar Litigation

Plaintiff's Counsel have significant experience in wage and hour class actions. Khoury Decl. ¶¶2-10, 37; Hamner Decl. ¶¶2-5. This allowed Counsel to compare the settlement with the risks of further litigation, including trial and appeals. Defense counsel, Heather Dillon and Joseph Lara of Jackson Lewis P.C., are experienced wage and hour class action litigators who defended GoShare vigorously. Khoury Decl. ¶38.

B. The Settlement is a Reasonable Compromise of Claims

"[T]o ensure that the recovery represents a reasonable compromise, given the magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing the litigation," information is presented to the Court, as a fiduciary for absent class members. *Kullar v. Foot Locker Retail, Inc*. (2008) 168 Cal.App.4th 116, 129. *Kullar* does not require an illusory prediction of the outer reaches of exposure; it accounts for actual risks of decertification, dispositive motions, and trial. *Munoz, supra,* at 408. Rather, *Kullar* requires only a record which allows "an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation." *Munoz, supra,* at p. 409.

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Munoz examined the trial court record which included the number of class members and time and payroll data. It found this information "an adequate basis from which to garner a reasonably adequate understanding of the amount that is in controversy within the meaning of *Kullar*." *Munoz*, *supra*, at 409. Class Counsel relied on similar documents and data as in *Munoz*, including time, pay, and other delivery metric records. Plaintiff's consultant analyzed voluminous data and documents, and calculated damages through the class period. Khoury Decl. ¶39.

Here, the claims of the Class depend entirely on whether or not GoShare's drivers were misclassified as independent contractors, which GoShare aggressively contests. Khoury Decl. ¶40. Even if Plaintiff could prove GoShare's drivers should have been treated as employees, Plaintiff determined, with consultant assistance, that there were no potential damages or penalties for several claims. Khoury Decl. ¶41. Specifically, Plaintiff determined GoShare did not pay less than the minimum wage per hour, with delivery pay equating to an average hourly pay rate of $89.28. Khoury Decl. ¶42. Plaintiff also determined: as to rest periods, only 1.4 percent of deliveries exceeded three and one-half hours such that a rest period should have been permitted; as to meal periods, only 0.5 percent of deliveries exceeded five hours such that a meal period should have been provided; and as to overtime wages, only 0.2 percent of deliveries exceeded eight hours such that overtime pay should have been paid. Khoury Decl. ¶43. This makes sense, given that the average delivery took less than one hour. Khoury Decl. ¶44. As such, no damages or PAGA penalties were assessed for unpaid minimum, overtime, meal period premium, or rest period premium wages. Khoury Decl. ¶45. Plaintiff determined that only unreimbursed expenses and civil penalties for misclassification, unreimbursed expenses, wage statements not being provided, and records not being maintained were arguably recoverable. Khoury Decl. ¶46.

As explained below, the GSA of $250,000 represents about 90% of the realistic value of the class expense reimbursement claim ($250,000/$280,350) and about 45% of the realistic value of the combined class and PAGA claims ($250,000/$560,220—$280,350 + $279,870). Class Counsel finds this outcome to be fair in light of the circumstances of this case. Khoury Decl. ¶ 47.

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1. Unpaid Expense Reimbursements

California employers must reimburse California employees "for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties…" Labor Code § 2802, subd. (a). If an employer contends reimbursements are covered by total pay, the employer must establish a way for the employee to identify which portion of the pay is meant to cover expense reimbursement. See, *Gattuso*, 42 Cal.4th at 575.

Maximum potential unreimbursed expenses were calculated for the Class Period. Khoury Decl. ¶48.

As to cell phone expenses, Plaintiff first calculated the number of months at issue in the Class Period as approximately 6,841 (29,416 workweeks divided by 4.3 weeks per month). Plaintiff assumed $5 per month might be owed in reimbursement, as opposed to a more typical $10 or $20 per month, given that the median driver drove only five times in total for GoShare, and given the average delivery took less than one hour to complete. Plaintiff thus calculated potential unpaid cell phone expenses as $34,205. Plaintiff discounted this potential maximum by 50%, to $17,102.50, given the risk GoShare would prove its drivers were independent contractors, or that its flat pay to drivers covered these reimbursements, and given the risks the claim would not be certified or proven at trial. Khoury Decl. ¶49.

As to mileage reimbursement, Plaintiff first determined the number of miles driven during the class period from the data: approximately 1,678,072 miles (extrapolated from 419,518 in the sample). Plaintiff then applied the average IRS mileage rate over the class period to these miles, calculating $1,052,990 in potential unpaid mileage expenses (1,678,072 miles x $0.6275).[2] Plaintiff discounted this potential maximum by 75%, to $263,247.50, given the risk GoShare would prove its drivers were independent contractors, or that its flat pay to drivers covered these reimbursements, and given the risks the claim would not be certified or proven at trial. Khoury

[2] IRS Reimbursement Rates: 2025; $0.70; 2024: $0.67; 2023: $0.655; 2022: $0.605; 2021: $0.56; 2020: $0.575. See https://www.irs.gov/tax-professionals/standard-mileage-rates (last accessed October 22, 2025). For the average rate: $0.70 + $0.67 + $0.655 + $0.605 + $0.56 + $0.575 = $3.765/6 = $0.6275.

Decl. ¶50.

Plaintiff thus calculated the realistic value of the expense reimbursement claim as <u>$280,350</u> ($17,102.50 + $263,247.50). Khoury Decl. ¶51.

2. PAGA Civil Penalties

Maximum potential PAGA penalties owed were calculated for the PAGA Period. Khoury Decl. ¶52. Plaintiff calculated potential maximum penalties owed as follows: As to wage statements not being provided, Plaintiff multiplied $100 per pay period by 10,748 pay periods, yielding $1,074,800. As to expenses not being reimbursed, Plaintiff multiplied $100 per pay period by 5,374 pay periods (assuming reimbursements needed only be paid monthly), yielding $537,400. As to records not being maintained, Plaintiff multiplied the 2,373 Aggrieved Employees by $500 per employee, under labor code section 1174.5, yielding $1,186,500. As to willful misclassification, Plaintiff multiplied the $10,000 minimum penalty for a pattern or practice of violations by 3,333 drivers, yielding $33.3 million. Khoury Decl. ¶53. In total, maximum potential PAGA penalties were calculated as approximately $36 million. For a realistic exposure, Plaintiff eliminated the exposure for willful misclassification and discounted other maximum potential PAGA penalties by 90%, from $2,798,700, to <u>$279,870</u>, given the likelihood the court would: limit the scope of Plaintiff's PAGA claims due to manageability concerns;[3] decline to stack PAGA penalties;[4] decline to award the maximum penalties as they would be "unjust, arbitrary and oppressive, or confiscatory,"[5] especially given that pay periods here are not the typical full-time-employment pay periods, and given the average hourly pay rate of about five times the minimum wage; and find that misclassification, if any, was not willful, given most drivers did drive passenger vehicles and make deliveries over less than 50 miles, negating $33.3

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[3] The "superior court may limit the evidence to be presented at trial or otherwise limit the scope of any claim filed pursuant to this part to ensure that the claim can be effectively tried." Lab. Code § 2699(p).

[4] "California Law is unsettled as to whether PAGA penalties may be stacked, and has observed that in the absence of binding appellate decision on this issue, courts have gone in different directions…." *Merante v. Am. Inst. for Foreign Study, Inc*. (N.D.Cal. July 25, 2022, No. 21-cv-03234-EMC) 2022 U.S.Dist.LEXIS 131833, at *18.

[5] *See* Lab. Code § 2699(e)(2).

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million in penalties under section 226.8. Khoury Decl. ¶54.

C. The PAGA Penalties are Reasonable

The $5,000 PAGA Penalties will be paid $3,750.00 (75%) to the LWDA, and $1,250.00 (25%) to Aggrieved Employees. SA,¶3.2.5. Where PAGA penalties are negotiated in good faith, with "no indication [the] amount was the result of self-interest at the expense of other Class Members," such amounts are considered reasonable. *Hopson v. Hanesbrands Inc.*, (N.D. Cal. Apr. 3, 2009) 2009 U.S. Dist. LEXIS 33900, at *24. The $5,000 PAGA Penalties, which represents 2% of the GSA ($5,000/$250,000), are well within the range of allocations approved by California courts.[6] Khoury Decl. ¶55. Finally, the Motion and exhibits were provided to the LWDA on the date filed. Khoury Decl. ¶56, **Exhibit 4** thereto, LWDA Confirmation of Receipt.

D. The Attorneys' Fees Requested are Reasonable.

Class Counsel seek attorneys' fees up to $83,333.33, representing one-third of the Gross Settlement Amount. This request is reasonable and should be granted. Khoury Decl. ¶57. Courts often award fees equaling one-third of the gross recovery in class action settlements. "[R]egardless whether the percentage method or the lodestar method is used, fee awards in class actions average around one-third of the recovery." *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, n. 11; *see e.g., Laffitte*, 1 Cal. 5th at pp. 485-87 (affirming trial court's granting of a fee request for one-third of a $19 million settlement). Indeed, Class Counsel have been awarded one-third of the common fund in numerous class action and PAGA actions. Khoury Decl. ¶¶58-59. Class Counsel will provide their time records at final approval. Khoury Decl. ¶60.

E. The Service Payment Requested is Reasonable.

Plaintiff seeks a $5,000 service payment for risks he took, the work he did on behalf of other drivers, the money those drivers will receive, and for having to wait longer to resolve his

[6] "In wage and hour class action cases that settle, [ ] very little of the total settlement is paid to PAGA penalties in order to maximize payments to class members." *Magadia v. Wal-Mart Assocs.* (2019) 384 F. Supp. 3d 1058, 1101; *see also Mejia v. Walgreen Co.* (E.D. Cal. Mar. 24, 2021) 2020 U.S. Dist. LEXIS 220685, *26 ("courts frequently approve settlements…that minimize the total amount of the settlement that is paid to PAGA penalties in order to maximize payments to class members.").

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claims than he likely would have had to had he pursued an individual case. Stevens Decl. ¶9. Plaintiff estimates he spent approximately five to ten hours working on this case with his attorneys, which is time he could not spend with family or friends or on other personal activities. Stevens Decl. ¶10. Plaintiff also executed a general release and 1542 waiver in conjunction with the Settlement, unlike any other Class Member. SA ¶¶5.1-5.2. This service payment comports with others awarded by California courts, and those obtained by Class Counsel, under similar circumstances. Khoury Decl. ¶61. For all these reasons, this Court should award Plaintiff $5,000 in recognition of his service to the Class and general release. Khoury Decl. ¶62.

VIII. CONDITIONAL CLASS CERTIFICATION IS APPROPRIATE

When an ascertainable and sufficiently numerous class exists, with a well-defined community of interest, and class litigation is superior to alternate means, certification is appropriate. *Brinker Restaurant Corp. v. Superior Court* (2012) 53 Cal. 4th 1004, 1021.

Here, the Class of all individuals making deliveries for GoShare during the Class Period is ascertainable from GoShare's records, and is so numerous joinder would be impracticable, at 3,333 Members. Khoury Decl. 63. Here too, the same pay policies applied to the entire putative Class, and common questions predominate. Khoury Decl. ¶64. Plaintiff's claims are typical because he was an individual, classified as an independent contractor, driving for GoShare, like every other Class Member, and was subject to GoShare's uniform policies for its drivers. Stevens Decl. ¶ 2-5; Khoury Decl. ¶65. Plaintiff has no interests against the interests of the class, spent significant time assisting in the prosecution of the action, and will continue to assist in this matter as required. Stevens Decl. ¶¶6-12; Khoury Decl. ¶66. Plaintiff's attorneys are qualified to conduct the litigation. *McGhee v. Bank of Am.* (1976) 60 Cal.App.3d 442, 450. Khoury Decl. ¶67.

IX. CONCLUSION

Plaintiff requests the Settlement be preliminarily approved, Notice of Class Action Settlement approved and ordered to be disseminated to the Class, ILYM be appointed the Administrator, Cohelan Khoury & Singer and Hamner Law Offices, APLC be appointed as Class

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Counsel, Plaintiff Joseph Stevens be appointed Class Representative, and Final Approval Hearing date be set.

Respectfully submitted,

COHELAN KHOURY & SINGER
HAMNER LAW OFFICES, APLC

Dated: November 7, 2025

By: Rosemary Khoury
Isam C. Khoury
Rosemary C. Khoury
Attorneys for Plaintiff JOSEPH STEVENS, on behalf of himself and all others similarly situated and aggrieved

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