

Danny Yadidsion, Esq., SBN 260282  
LABOR LAW PC  
100 Wilshire Blvd., Suite 700  
Santa Monica, California 90401  
Telephone: (310) 494-6082  
Danny@LaborLawPC.com  
Calendar@LaborLawPC.com

Attorneys for Plaintiff  
MARIA CELIA HERNANDEZ CAMPOVERDE,  
individually and on behalf of the putative class and aggrieved employees

**SUPERIOR COURT OF THE STATE OF CALIFORNIA**  
**FOR THE COUNTY OF SANTA BARBARA**

MARIA CELIA HERNANDEZ  
CAMPOVERDE, individually and on behalf  
of the putative class,

Plaintiff,

v.

MONTECITO BANK & TRUST, a  
California corporation; and DOES 1- 50,  
Inclusive,

Respondent.

Case No.: 24CV03118

CLASS ACTION

*[Assigned for all purposes to the Honorable  
Colleen K. Sterne, Department 5]*

**NOTICE OF MOTION AND MOTION  
FOR PRELIMINARY APPROVAL OF  
CLASS ACTION SETTLEMENT**

*[Filed concurrently with the Declaration of  
Danny Yadidsion; Declaration of Maria Celia  
Hernandez Campoverde; Declaration of Third-  
Party Administrator, Apex Class Action LLC;  
Joint Stipulation of Class Action and PAGA  
Settlement and Release; Class Notice; and  
[Proposed] Order]*

Date: October 6, 2025

Time: 10:00 a.m.

Dept: 5

Judge: Hon. Colleen K. Sterne

1                   **TO THE COURT AND DEFENDANTS AND THEIR ATTORNEYS OF RECORD:**

2                   PLEASE TAKE NOTICE that on , October 6, 2025, at 10:00 a.m., in Department 5, located at  
3 Santa Barbara County Superior Court – Hall of Justice, 1100 Anacapa Street, CA 93101, Plaintiff MARIA  
4 CELIA HERNANDEZ CAMPOVERDE (“Plaintiff”), on behalf of herself and all persons similarly  
5 situated, will and hereby moves this Court pursuant to California Code of Civil Procedure § 382 and  
6 California Rule of Court 3.769, for an order as follows:  
7

- 8                   1. Granting preliminary approval of the proposed settlement;  
9                   2. Appointing Apex Class Action LLC as the Settlement Administrator;  
10                  3. Conditionally certifying the class for settlement purposes only;  
11                  4. Approving the proposed Notice of Settlement as to form and content, and directing that it be  
12                   distributed to the Class Members pursuant to the terms of the Settlement; and  
13                  5. Scheduling a Final Approval Hearing.  
14

15                  This Notice of Motion and Motion is based on the fact that this is a fair and reasonable settlement  
16 that benefits the class and was the product of informed, non-collusive negotiations by the parties who were  
17 represented by experienced and able counsel. (*See Dunk v. Ford Motor Co. (1996) 48 Cal. App. 4th 1794,*  
18 *1802; Manual for Complex Litigation (2nd Ed. 1985) § 30.44.*) The proposed settlement meets the legal  
19 standard for preliminary approval and is in the best interests of the class; the proposed Class Notice  
20 explains the settlement terms in a clear and straightforward manner; the proposed procedures for notice  
21 provide the best practical notice to the class; and class members will have an opportunity to participate in  
22 and/or object to the settlement and/or opt-out of the settlement.  
23

24                  This Motion is based on this Notice, the attached Memorandum of Points and Authorities;  
25 declarations and the exhibits attached thereto, the pleadings and other papers filed in this action, and on  
26 any further oral or documentary evidence or argument presented at the time of hearing.  
27

28                  ///

1  
2 DATED: July 18, 2025  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Respectfully Submitted,

LABOR LAW PC

By: 

Danny Yadidsion, Esq.

Attorneys for Plaintiff MARIA CELIA

HERNANDEZ CAMPOVERDE, individually and  
on behalf of the putative class and aggrieved  
employees

## TABLE OF CONTENTS

|      |                                                                 |    |
|------|-----------------------------------------------------------------|----|
| I.   | INTRODUCTION .....                                              | 8  |
| II.  | STATEMENT OF RELEVANT FACTS .....                               | 9  |
| A.   | Procedural History .....                                        | 9  |
| B.   | Statement of the Claims .....                                   | 11 |
| C.   | Discovery and Investigation .....                               | 11 |
| D.   | Mediation .....                                                 | 12 |
| III. | SUMMARY OF THE AGREEMENT .....                                  | 13 |
| A.   | The Settlement Classes .....                                    | 13 |
| B.   | The Consideration .....                                         | 13 |
| C.   | Individual Settlement Calculations .....                        | 13 |
| a.   | Individual Class Payments .....                                 | 14 |
| b.   | Individual PAGA Payments .....                                  | 14 |
| D.   | Release of Claims .....                                         | 15 |
| a.   | Release by Class Members .....                                  | 15 |
| c.   | PAGA Release by All Aggrieved Employees .....                   | 16 |
| d.   | General Release by Plaintiff .....                              | 17 |
| e.   | Notice Program .....                                            | 18 |
| 1.   | Notice to the Participating Class members .....                 | 18 |
| 2.   | Disputes Procedure. ....                                        | 20 |
| 3.   | Objections Procedure .....                                      | 20 |
| 4.   | Exclusion Procedure .....                                       | 21 |
| 5.   | Workweek Dispute and Class Membership Challenge Procedure. .... | 22 |
| IV.  | PRELIMINARY SETTLEMENT APPROVAL .....                           | 23 |

|    |     |                                                                                       |    |
|----|-----|---------------------------------------------------------------------------------------|----|
| 1  | A.  | The Settlement Agreement Resulted from Arm’s-Length Negotiations .....                | 24 |
| 2  | B.  | The Strength of Plaintiff’s Case and Complexities of Further Litigation.....          | 25 |
| 3  | 1.  | Kullar v. Footlocker Analysis .....                                                   | 27 |
| 4  | C.  | The Agreement Has No Obvious Deficiencies .....                                       | 33 |
| 5  | D.  | The Class Representative’s Payment, Class Counsel Fees Payment, and Class             |    |
| 6  |     | Counsel Litigation Expenses Payment.....                                              | 34 |
| 7  | 1.  | The Enhancement Award Requested by Plaintiff Is Reasonable.....                       | 34 |
| 8  | 2.  | The Fees and Costs Requested by Class Counsel Are Reasonable .....                    | 35 |
| 9  | E.  | Claims Administration .....                                                           | 37 |
| 10 | F.  | The Proposed Class Notice is Adequate .....                                           | 37 |
| 11 |     |                                                                                       |    |
| 12 |     |                                                                                       |    |
| 13 | V.  | CLASS CERTIFICATION IS APPROPRIATE .....                                              | 38 |
| 14 | A.  | Standard for Pre-Certification Settlements .....                                      | 38 |
| 15 | B.  | The Requirements for Class Certification in the Settlement Context Are Satisfied..... | 39 |
| 16 | 1.  | Ascertainability and Numerosity .....                                                 | 39 |
| 17 | 2.  | Predominance of Common Questions of Law and Fact .....                                | 40 |
| 18 | 3.  | Typicality .....                                                                      | 42 |
| 19 |     |                                                                                       |    |
| 20 | VI. | CONCLUSION.....                                                                       | 43 |
| 21 |     |                                                                                       |    |
| 22 |     |                                                                                       |    |
| 23 |     |                                                                                       |    |
| 24 |     |                                                                                       |    |
| 25 |     |                                                                                       |    |
| 26 |     |                                                                                       |    |
| 27 |     |                                                                                       |    |
| 28 |     |                                                                                       |    |

## TABLE OF AUTHORITIES

### Cases

|                                                                                                                           |          |
|---------------------------------------------------------------------------------------------------------------------------|----------|
| <i>7-Eleven Owners for Fair Franchising v. Southland Corp.</i> (2000) 85 Cal. App. 4th 1135 .....                         | 26       |
| <i>Amchem Prods., Inc. v. Windsor</i> , 521 U.S. 591 (1987) .....                                                         | 49       |
| <i>Armenta v. Osmose, Inc.</i> (2005) 135 Cal. App. 4th 314 .....                                                         | 31       |
| <i>Balderas v. Massage Envy Franchising, LLC</i> , No. 12-CV-06327 NC, 2014 WL 3610945<br>(N.D. Cal. July 21, 2014) ..... | 29       |
| <i>Behrens v. Wometco Enters., Inc.</i> , 118 F.R.D. 534 (S.D. Fla. 1988) .....                                           | 29       |
| <i>Boeing Co. v. Van Gemert</i> , 444 U.S. 472 (1980) .....                                                               | 36       |
| <i>Brewer v. Premier Golf Properties</i> (2009) 168 Cal. App. 4th 1243 .....                                              | 31       |
| <i>Cellphone Fee Termination Cases</i> (2009) 180 Cal. App. 4th 1110 .....                                                | 26       |
| <i>Clark v. American Residential Services, LLC</i> (2009) 175 Cal. App. 4th 785 .....                                     | 24       |
| <i>Class Plaintiff v. City of Seattle</i> , 955 F.2d 1268 (9th Cir. 1992) .....                                           | 26       |
| <i>Classen v. Weller</i> (1983) 145 Cal. App. 3d 27 .....                                                                 | 41       |
| <i>Collins v. Rocha</i> (1972) 7 Cal.3d 232 .....                                                                         | 40       |
| <i>Dunk v. Ford Motor Co.</i> (1996) 48 Cal. App. 4th 1794 .....                                                          | 2,24, 37 |
| <i>Hensley v. Eckerhart</i> , 461 U.S. 424 (1983) .....                                                                   | 36       |
| <i>In re Baldwin-United Corp.</i> , 105 F.R.D. 475 (S.D.N.Y. 1984) .....                                                  | 38       |
| <i>In re Toys R US FACTA Litig.</i> , 295 F.R.D. 438 (C.D. Cal. 2014) .....                                               | 29       |
| <i>Ketchum v. Moses</i> (2001) 24 Cal.4th 1122 .....                                                                      | 36       |
| <i>Kullar v. Foot Locker Retail, Inc.</i> (2008) 168 Cal. App. 4th 116 .....                                              | 24, 27   |
| <i>Lealao v. Beneficial Cal., Inc.</i> (2000) 82 Cal. App. 4th 19 .....                                                   | 35       |
| <i>Linder v. Thrifty Oil Co.</i> (2000) 23 Cal. 4th 429 .....                                                             | 42       |
| <i>Ma v. Covidien Holding, Inc.</i> , No. SACV 12-02161-DOC, 2014 WL 360196 (C.D. Cal. Jan. 31, 2014)<br>.....            | 29       |
| <i>Martel v. Valderamma</i> , 2015 U.S. Dist. LEXIS 49830 (C.D. Cal. 2015) .....                                          | 29       |
| <i>McGee v. Bank of Am.</i> (1976) 60 Cal. App. 3d 442 .....                                                              | 42       |
| <i>Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles</i> (2010) 186 Cal. App. 4th 399 .....                              | 24       |
| <i>Nordstrom Com. Cases</i> (2010) 186 Cal. App. 4th 576 .....                                                            | 24       |
| <i>North County Contractor's Assn. v. Touchstone Ins. Services.</i> (1994) 27 Cal. App. 4th 1085 .....                    | 23       |
| <i>Officers for Justice v. Civil Serv. Commission</i> , 688 F.2d 615 (9th Cir.1982) .....                                 | 22, 32   |
| <i>Reyes v. Board of Supervisors of San Diego County</i> (1987) 196 Cal. App. 3d 1263, 1271 .....                         | 39       |

|    |                                                                                                               |        |
|----|---------------------------------------------------------------------------------------------------------------|--------|
| 1  | <i>Road Sprinkler Fitters Local 669 v. G &amp; G Fire Sprinklers, Inc.</i> (2002) 102 Cal. App. 4th 765 ..... | 31     |
| 2  | <i>Serrano v. Priest</i> (1977) 20 Cal.3d 25 .....                                                            | 36     |
| 3  | <i>Tech-Bilt, Inc. v. Woodward-Clyde &amp; Assoc.</i> (1985) 38 Cal.3d 488 .....                              | 26     |
| 4  | <i>Troester v. Starbucks Corp.</i> , 387 F.Supp.3d 1019 (C.D. Cal. 2019) .....                                | 31     |
| 5  | <i>Utility Reform Project v. Bonneville Power Admin.</i> , 869 F.2d 437 (9th Cir. 1989) .....                 | 23     |
| 6  | <i>Vincent v. Hughes Air West, Inc.</i> , 557 F.2d 759 (9th Cir. 1977) .....                                  | 36     |
| 7  | <i>Washington v. Joe's Crab Shack</i> , 271 F.R.D. 629 (N.D. Cal. 2010) .....                                 | 30     |
| 8  | <i>Wilkerson v. Martin Marietta Corp.</i> , 171 F.R.D. 273 (D. Colo. 1997) .....                              | 23     |
| 9  | <i>Williams v. Vukovich</i> , 720 F.2d 909 (6th Cir.1983) .....                                               | 24     |
| 10 | <b>Statutes</b>                                                                                               |        |
| 11 | 8 C.C.R. Section 13520 .....                                                                                  | 31     |
| 12 | California Labor Code Section 226(e) .....                                                                    | 32     |
| 13 | California Labor Code Section 1194.2 .....                                                                    | 31     |
| 14 | <b>Rules</b>                                                                                                  |        |
| 15 | California Rules of Court, Rule 3.769 .....                                                                   | 23     |
| 16 | California Rules of Court, Rule 3.769(b) .....                                                                | 34     |
| 17 | California Rules of Court, Rule 3.769(e) .....                                                                | 37     |
| 18 | Federal Rules of Civil Procedure, Rule 23 .....                                                               | 23, 38 |
| 19 | <b>Treatises</b>                                                                                              |        |
| 20 | 4 William B. Rubenstein, et al., <i>Newberg on Class Actions</i> (5 <sup>th</sup> Ed. 2016) § 8.32 .....      | 37     |
| 21 | 4 William B. Rubenstein, et al., <i>Newberg on Class Actions</i> (5 <sup>th</sup> Ed. 2016) § 11.26 .....     | 23, 38 |
| 22 | 4 William B. Rubenstein, et al., <i>Newberg on Class Actions</i> (5 <sup>th</sup> Ed. 2016) § 11.41 .....     | 24     |
| 23 | 4 William B. Rubenstein et al., <i>Newberg on Class Actions</i> (5th ed. 2016) § 13:15 .....                  | 29     |
| 24 | <i>Manual For Complex Litigation</i> (4th Ed. 2004) § 21.612 .....                                            | 30     |
| 25 | <i>Manual for Complex Litigation</i> (4th Ed. 2004) § 30.41 .....                                             | 23     |
| 26 | Weil and Brown, <i>California Practice Guide: Civil Procedure Before Trial</i> § 14:145 .....                 | 36     |

1 **I. INTRODUCTION**

2 This Motion for Preliminary Approval of Class Action and PAGA Settlement seeks provisional  
3 certification of a settlement class (the “Settlement Class”) of current and former hourly-paid, non-exempt  
4 employees of Montecito Bank & Trust (“Defendant”). The Settlement resolves allegations of California  
5 wage and hour law violations, including failure to pay wages, failure to provide compliant meal and rest  
6 breaks, and failure to issue accurate wage statements. The settlement was reached following extensive  
7 investigation, discovery, and arms-length negotiations during mediation facilitated by a professional  
8 mediator.  
9

10 This Motion also seeks preliminary approval of a common fund settlement, which was reached  
11 after extensive negotiations and a full-day private mediation between the Parties. The Parties agreed to  
12 the Settlement through arms-length bargaining, after conducting sufficient discovery and factual  
13 investigation into the claims and defenses at issue.  
14

15 The main elements of the Agreement, as memorialized in the Parties’ Class Action and PAGA  
16 Settlement Agreement, Release, and Stipulation (Declaration of Danny Yadidsion, Exhibit 1), hereinafter  
17 referred to as “Yadidsion Decl.”, Exhibit 1) are:

18 1. Defendant will pay up to a maximum of \$625,000.00 (“Gross Settlement Amount”  
19 or “GSA”), on a non-reversionary common fund basis to the Class.

20 2. The GSA includes administration fees and costs (estimated not to exceed  
21 \$5,500.00), attorney’s fees to Class Counsel herein (Class Counsel will seek attorney’s fees of no more  
22 than 33.33% of the GSA, or up to \$208,333.31), and litigation costs (Class Counsel will seek costs in an  
23 amount not to exceed \$25,000.00); Service Award to Plaintiff, which Plaintiff will seek not more than  
24 \$12,500.00 and PAGA Payment, totaling \$25,000.00, of which 75% (\$18,750.00) will be paid to the  
25 California Labor & Workforce Development Agency (“LWDA”), and 25% (\$6,250.00) will be distributed  
26 pro rata to the Aggrieved Employees.  
27  
28

1           3.       The “Settlement Class” consists of all current and former non-exempt employees  
2 employed by Defendant in California at any time from June 4, 2020 through February 17, 2025.

3           4.       The “Aggrieved Employees” include all persons employed in a non-exempt  
4 position by Defendant in California at any time during the PAGA Period.

5           5.       The “PAGA Period” shall be from June 4, 2023 through February 17, 2025;

6           6.       Net Settlement Amount (“NSA”) is the portion of the GSA that remains after  
7 deduction of Settlement Administration Costs, Attorneys’ Fees and Costs, Plaintiff’s Service Award, and  
8 the PAGA Payment. This NSA will be distributed to Participating Settlement Class Members who do not  
9 exclude themselves.

10           7.       Settlement payments will be allocated as follows: 10% as unpaid wages, subject to  
11 tax withholdings and reported on IRS Form W-2, 90% as penalties and interest, not subject to payroll tax  
12 withholdings, reported on IRS Form 1099.

13           8.       Individual PAGA Payments to Aggrieved Employees will be calculated and  
14 distributed on a pro rata basis based on the number of Qualifying Pay Periods worked during the PAGA  
15 Period;

16           This Agreement was reached after comprehensive informal discovery and a full-day mediation  
17 session conducted by an experienced mediator. The Agreement ensures substantial relief for class  
18 members while avoiding the risks and delays of further litigation.

19           For these reasons, Plaintiff respectfully requests that the Court grant preliminary approval of the  
20 Settlement, approve the class notice, appoint Apex Class Action as the settlement administrator, and set a  
21 date for the final approval hearing.

## 22       **II.     STATEMENT OF RELEVANT FACTS**

### 23           **A.     Procedural History**

24           On June 4, 2024, Plaintiff Maria Celia Hernandez Campoverde filed a putative class action  
25  
26  
27  
28

1 complaint in Santa Barbara County Superior Court alleging causes of action against Defendant Montecito  
2 Bank & Trust for violations of California Labor Code, including failure to pay wages for all hours worked;  
3 failure to pay overtime wages; failure to provide meal and rest periods; wage statement violations; waiting  
4 time penalties failure to pay all compensation due upon discharge; and unfair and unlawful business  
5 practices, *Maria Celia Hernandez Campoverde v. Montecito Bank & Trust.*, Santa Barbara County  
6 Superior Court Case No. 24CV03118 (the “Action”).  
7

8 On or about June 4, 2024, Plaintiff filed a letter with the California Labor Workforce &  
9 Development Agency (“LWDA”) pursuant to the Private Attorneys General Act (“PAGA”), notifying the  
10 agency and Defendant of the alleged Labor Code violations and her intent to seek civil penalties on behalf  
11 of the State of California and other aggrieved employees.

12 On July 8, 2024, Defendant filed its General Denial and Affirmative Defenses to Plaintiff’s Class  
13 Action Complaint.  
14

15 On November 8, 2024, Plaintiff filed a First Amended Complaint to add a PAGA cause of action,  
16 asserting claims for civil penalties under PAGA on behalf of herself and all similarly aggrieved employees.

17 On November 19, 2024, the Parties participated in a full-day, arms-length mediation before  
18 mediator Steven Serratore, during which they reached a settlement in principle. On November 26, 2024,  
19 the parties filed their Case Management Statements in anticipation of the continued Case Management  
20 Conference (CMC).  
21

22 On December 5, 2024, Defendant filed an Answer to the First Amended Complaint.

23 On December 16, 2024, a Case Management Conference (CMC) was held before Hon. Colleen K.  
24 Sterne, during which case management issues were addressed. The Minute Order scheduled the next CMC  
25 for April 14, 2025.

26 The terms of the settlement were later formalized in a Joint Stipulation of Class Action and PAGA  
27 Settlement and Release, executed on March 6, 2025. Per the terms of this agreement, Plaintiff has filed a  
28

1 stipulation to file a Second Amended Complaint to allege a cause of action under Labor Code section  
2 2802.

3 For these reasons, Plaintiff respectfully requests that the Court grant preliminary approval of the  
4 Settlement, approve the class notice, appoint the settlement administrator, and set a date for the final  
5 approval hearing.  
6

7 **B. Statement of the Claims**

8 Plaintiff contends that during the Class Period, which runs from June 4, 2020 through February  
9 17, 2025, and the PAGA Period, June 4, 2023 through February 17, 2025, Defendant Montecito Bank &  
10 Trust violated California wage and hour laws in various ways. Specifically, Plaintiff alleges that  
11 Defendant failed to provide her and other hourly, non-exempt employees with legally compliant overtime  
12 wages, meal and rest break premiums, all wages due to discharged and quitting employees, and minimum  
13 wage. Defendants also failed to timely pay wages, failed to maintain required records and furnish accurate,  
14 itemized wage statements. Defendants further violated California's Business and Professions Code  
15 Section 17200 based on the underlying Labor Code violations alleged in the FAC. Finally, Plaintiff asserts  
16 a representative claim for civil penalties under the PAGA.  
17

18 The proposed class includes all of Defendants' hourly-paid, non-exempt employees throughout  
19 the State of California during the Class period.  
20

21 **C. Discovery and Investigation**

22 Before filing this lawsuit, the Parties engaged in comprehensive pre-filing investigation and  
23 discovery. Class Counsel thoroughly researched and analyzed the relevant wage and hour laws applicable  
24 to the claims alleged in the Action. In preparation for litigation, Class Counsel interviewed Plaintiff and  
25 other employees to understand Defendant's policies, practices, and procedures regarding wages, breaks,  
26 and employee classification. Additionally, Class Counsel reviewed payroll data, timekeeping records,  
27 wage statements, meal and rest period policies, and other employment documents to assess the extent of  
28

1 the alleged violations.

2 Following the initiation of this Action, the Parties engaged in formal and informal discovery,  
3 including the exchange of Defendant's payroll records, employment policies, and data regarding the  
4 putative class members. Class Counsel further analyzed timekeeping records and wage statements to  
5 evaluate the scope of unpaid wages, overtime violations, meal and rest break violations, and other claims  
6 asserted on behalf of the class and Aggrieved Employees under PAGA. Through this investigation, Class  
7 Counsel was able to assess Defendant's legal and factual defenses, the risks of continued litigation, and  
8 the estimated potential recovery for the class.  
9

10 After completing this thorough investigation, Class Counsel determined that Plaintiff's claims  
11 were well-suited for class action adjudication, as the evidence indicated a common course of conduct  
12 affecting a similarly situated group of employees. The information obtained in discovery provided Class  
13 Counsel with sufficient data to meaningfully engage in settlement negotiations, including mediation. This  
14 extensive fact-finding process ensured that the Settlement Agreement was based on a well-informed and  
15 thorough assessment of the strengths and weaknesses of the case.  
16

17 **D. Mediation**

18 On November 19, 2024, the Parties participated in a full-day mediation before experienced neutral  
19 mediator Steven Serratore, who has extensive expertise in resolving complex wage and hour class actions.  
20 Leading up to the mediation, the Parties engaged in substantial informal discovery, allowing both sides to  
21 evaluate the strengths and weaknesses of their respective positions.  
22

23 During the mediation session, the Parties engaged in good-faith, arms-length negotiations,  
24 exchanging detailed settlement discussions based on their legal assessments and factual findings. After  
25 extensive deliberations and further post-mediation discussions, the Parties reached a settlement in  
26 principle, subject to final Court approval. The Settlement reflects a balanced resolution, taking into  
27 account the potential risks and delays of continued litigation, the anticipated costs of trial, and the  
28

uncertainties of class certification.

Based on Class Counsel’s extensive review of the facts, applicable law, and potential damages, as well as their experience in wage and hour class action litigation, Class Counsel believes that the proposed Settlement is fair, reasonable, and in the best interest of the Settlement Class and Aggrieved Employees. The agreed-upon resolution provides substantial monetary relief while avoiding the risks and expenses associated with prolonged litigation.

### **III. SUMMARY OF THE AGREEMENT**

#### **A. The Settlement Classes**

The Settlement Class consists of: all current and former non-exempt employees employed by Montecito Bank & Trust in California at any time from June 4, 2020 through February 17, 2025. (Yadidsion Decl., Exh. 1)

#### **B. The Consideration**

In exchange for a full and final resolution of all claims, Defendant has agreed to pay a maximum amount of \$625,000.00 (“Gross Settlement Amount” or “GSA”) to compensate the Settlement Class and Aggrieved Employees. The Settlement provides for the following payments to be made from this common fund:

|                                                 |                |
|-------------------------------------------------|----------------|
| Gross Settlement Amount                         | \$625,000.00   |
| Class Counsel’s Fees                            | - \$208,333.31 |
| Class Counsel’s Costs                           | - \$25,000.00  |
| Class Representative Service Award to Plaintiff | - \$12,500.00  |
| Settlement Administration Cost                  | - \$5,500.00   |
| PAGA Payment                                    | - \$25,000.00  |
| Net Settlement Amount (“NSA”)                   | \$348,666.69   |

#### **C. Individual Settlement Calculations**

As set forth in the Settlement Agreement, the Individual Settlement Awards to Participating Class Members consist of two components: (1) Individual Class Payments from the Net Settlement Amount,

1 and (2) Individual PAGA Payments from 25% of the PAGA allocation. Both are calculated on a pro-rata  
2 basis based on the number of Compensable Workweeks worked by each Participating Class Member  
3 during the relevant period.

4 **a. Individual Class Payments**

5 The Settlement Administrator will determine the Net Settlement Amount by deducting the Class  
6 Counsel Fees and Costs, the Class Representative's Service Award, the PAGA Payment, and the  
7 Settlement Administration Costs from the Maximum Settlement Amount. The Settlement Administrator  
8 will distribute the Individual Class Payments to the Participating Class Members from the Net Settlement  
9 Amount. The Administrator will calculate each Participating Class Member's Individual Class Payment  
10 by determining the total number of Compensable Workweeks worked by all Participating Class Members  
11 during the Class Period, dividing that number into the Net Settlement Amount to determine the per-  
12 workweek value of each Compensable Workweek, and then multiplying that sum by the number of  
13 Compensable Workweeks worked by each Participating Class Member during the Class Period.  
14

15 **b. Individual PAGA Payments**

16 The Settlement Administrator will calculate each eligible employee's Individual PAGA Payment  
17 by dividing the 25% portion of the PAGA Payment to be distributed to those individuals, i.e. Six-Thousand  
18 Two-Hundred-Fifty Dollars (\$6,250.00), by the total number of Compensable Workweeks worked by all  
19 of the PAGA- Eligible Employees during the PAGA Period to derive the per-workweek value of the  
20 Individual PAGA Payments, and then multiplying that sum by the number of Compensable Workweeks  
21 worked by each such employee during the PAGA Period.  
22

23 Pursuant to the terms of the Settlement, Individual Settlement Awards will be apportioned for tax  
24 purposes in accordance with applicable law. Specifically, ten percent (10%) of each Participating Class  
25 Member's Individual Class Payment shall be allocated as alleged unpaid wages and will be subject to  
26 standard payroll tax withholdings. The remaining ninety percent (90%) of each Individual Class Payment  
27  
28

1 shall be allocated as alleged penalties and interest and will not be subject to tax withholdings. The  
2 Settlement Administrator will issue an IRS Form W-2 for the wage portion of each Individual Class  
3 Payment and an IRS Form 1099 for the non-wage portion. Additionally, the entirety of each Participating  
4 Class Member's Individual PAGA Payment shall be classified as non-wage compensation consisting of  
5 civil penalties and/or interest and will likewise not be subject to payroll tax withholdings. The Settlement  
6 Administrator will issue an IRS Form 1099 for each such PAGA Payment. This allocation is consistent  
7 with prevailing tax authority and customary practice in wage-and-hour class action settlements.  
8

9 The Maximum Settlement Amount is intended to fully resolve, satisfy, and extinguish all monetary  
10 obligations of Defendant arising from or related to the claims asserted in this Action by Class Members.  
11 Notwithstanding the foregoing, Defendant shall remain solely responsible for the employer's share of  
12 payroll taxes attributable to the portion of Individual Settlement Awards allocated as wages. Such payroll  
13 taxes shall be calculated by the Settlement Administrator and paid by Defendant in addition to the  
14 Maximum Settlement Amount. Following Defendant's timely funding of the Maximum Settlement  
15 Amount and the employer's portion of payroll taxes on the wage components of the Individual Settlement  
16 Awards, Defendant shall have no further financial, legal, or equitable obligation of any kind in connection  
17 with any claim released by Class Members or otherwise covered by the Settlement. This includes, but is  
18 not limited to, any claim asserted or assertable by any individual, group, or entity, whether administrative,  
19 governmental, or private, in any jurisdiction  
20

21 **D. Release of Claims**

22 **a. Release by Class Members**

23 As of the Effective Date, all Participating Class Members shall fully and finally release and  
24 discharge Defendant Montecito Bank & Trust and all of its respective former and present parent  
25 companies, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, insurers, successors,  
26 assigns, and any other related persons or entities ("Released Parties") from any and all claims, demands,  
27  
28

1 rights, liabilities, and causes of action of every nature and description, whether known or unknown, arising  
2 under California or federal law, which were or reasonably could have been alleged based on the facts and  
3 legal theories asserted in the operative complaint filed in this Action.

4 The claims released by Participating Class Members include, but are not limited to: (a) failure to  
5 pay for all hours worked, including minimum and regular wages; (b) failure to pay overtime wages at the  
6 correct regular rate of pay; (c) failure to provide compliant meal periods and/or failure to pay meal period  
7 premiums at the correct regular rate of compensation; (d) failure to authorize and permit rest breaks and/or  
8 failure to pay rest break premiums at the correct regular rate of compensation; (e) failure to timely pay  
9 wages during or upon separation of employment; (f) failure to furnish accurate itemized wage statements;  
10 and (g) any and all claims for unfair business practices arising out of the Labor Code violations alleged  
11 under California Business & Professions Code § 17200 et seq.  
12

13 This release includes claims for restitution, interest, penalties (excluding civil penalties under  
14 PAGA), liquidated damages, attorneys' fees and costs, and any other relief under California law or the  
15 Fair Labor Standards Act that arise out of the factual allegations and legal claims asserted in the Action,  
16 during the Class Period, defined as June 4, 2020 through the earlier of February 17, 2025.  
17

18 Participating Class Members who do not timely submit a valid Request for Exclusion will be bound  
19 by the terms of this Settlement, including the release set forth above, and will be deemed to have waived  
20 any right to pursue the released claims against the Released Parties, regardless of whether or not they  
21 claim or receive a payment from the Settlement.  
22

23 **c. PAGA Release by All Aggrieved Employees**

24 Effective only upon the entry of an Order granting Final Approval of the Settlement, entry of  
25 Judgment, and payment by Defendant to the Settlement Administrator of the full Gross Settlement  
26 Amount and Employer's Taxes necessary to effectuate the Settlement, Plaintiff, the Aggrieved  
27 Employees, and, to the extent permitted by law, the State of California, release the Released Parties for  
28

1 the duration of the PAGA Period (June 4, 2023 through February 17, 2025) from all claims alleged in the  
2 FAC for PAGA civil penalties pursuant to Labor Code section 2699 et seq. in connection with alleged  
3 violations of Labor Code sections 201, 202, 203, 204, 218.5, 218.6, 221, 226, 226.2, 226.3, 226.7, 510,  
4 512, 515, 558, 1174, 1174.5, 1194, 1194.2, 1194.3, 1197, 1198, including for alleged: failure to pay  
5 overtime wages; failure to pay minimum or other wages for all hours worked; regular rate of pay violations  
6 (with respect to overtime and meal and rest period premiums); failure to provide meal periods or  
7 compensation in lieu thereof (including, without limitation, break premiums at the regular rate of pay);  
8 failure to provide rest periods or compensation in lieu thereof (including, without limitation, break  
9 premiums at the regular rate of pay); failure to pay all wages due upon separation from employment;  
10 failure to issue accurate wage statements (including, without limitation, for failure to include and/or  
11 accurately itemize the employees' total hours worked, the hours worked at each rate of pay, gross and net  
12 wages, meal and/or rest period premiums, rates of pay including overtime rates); failure to timely pay  
13 wages during employment; and failure to maintain accurate required records including payroll records  
14 (the "PAGA Released Claims").

15  
16  
17 It is further understood and agreed that PAGA-Eligible Employees shall not have the right to opt  
18 out of this release of PAGA claims, even if they elect to exclude themselves from the Class Settlement.  
19 The Parties intend that, to the maximum extent permitted by law, all PAGA-Eligible Employees shall be  
20 deemed to have released the foregoing PAGA claims arising during the PAGA Period upon final approval  
21 of the Settlement.

22  
23 The Class Released Claims and PAGA Released Claims shall be collectively referred to herein as  
24 the "Released Claims."

25 **d. General Release by Plaintiff**

26 In addition to the Class Members' Released Claims and the PAGA-Released Claims, Plaintiff, in  
27 her individual capacity, has agreed to provide a general release of claims in favor of Defendant and the  
28

Released Parties. Specifically, Plaintiff agrees to release and discharge Defendant and all Released Parties from any and all claims, demands, rights, liabilities, and causes of action of every nature and description, known or unknown, that she may have as of the date of execution of the Settlement Agreement. This general release includes, without limitation, any claims arising out of or related to Plaintiff's employment with Defendant, the terms and conditions of her employment, her separation from employment (if applicable), compensation or benefits received or not received, and any and all interactions or dealings Plaintiff has had with Defendant and the Released Parties.

In executing this release, Plaintiff expressly waives the protections of Section 1542 of the California Civil Code, which provides::

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release and that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.  
(Yadidsion Decl., Exh. 1.)

Plaintiff acknowledges that she is aware of and understands the effect of this waiver, and expressly intends that this general release shall extend to all claims she may have, whether known or unknown, suspected or unsuspected, arising through the date of execution of the Settlement Agreement. This waiver is entered into with the understanding that it effectuates a full and final release and discharge of all such claims against the Released Parties.

**e. Notice Program**

**1. Notice to the Participating Class members**

Within forty-five (45) calendar days after the Court grants preliminary approval of the Settlement, to the extent practicable, Defendant will securely provide the Settlement Administrator with the Class Data, including the a.) names, b.) last known addresses and c.) telephone numbers, and d.) social security numbers of the Class Members. In addition, Defendant will provide the Settlement Administrator with data indicating the number of workweeks worked by each Class Member during the relevant Class Period

1 and PAGA Period, as reflected in Defendant's records, or data that will otherwise enable the Settlement  
2 Administrator to compute the number of applicable workweeks. The Settlement Administrator will retain  
3 the Class Data and will not share it with Class Counsel except as otherwise permitted herein.

4       Within fourteen (14) calendar days after receiving the Class Data from Defendant, the Settlement  
5 Administrator shall mail copies of the Court-approved Class Notice to all Class Members via regular First-  
6 Class U.S. Mail. The Settlement Administrator shall exercise its best judgment to determine the current  
7 mailing address for each Class Member as informed by the parties' input. The address identified by the  
8 Settlement Administrator as the current mailing address shall be presumed to be the most current mailing  
9 address for each Class Member. The Settlement Administrator shall perform a search based on the  
10 National Change of Address Database maintained by the United States Postal Service to update and correct  
11 any known or identifiable address changes. The Parties agree that this procedure for notice provides the  
12 best notice practicable to Class Members and fully complies with due process.  
13

14       Any Settlement Notice returned to the Settlement Administrator as non-deliverable on or before  
15 the Response Deadline shall be re-mailed to the forwarding address affixed thereto within five (5) calendar  
16 days of receipt of the returned Class Notice by the Settlement Administrator. If no forwarding address is  
17 provided, the Administrator shall attempt to determine a correct address by the use of skip-tracing, or  
18 other type of automated search, using the name, address and/or Social Security number of the Class  
19 Member involved, and shall then perform a re-mailing to the Class Member whose Class Notice was  
20 returned as nondeliverable within five (5) calendar days of receipt of the returned Notice by the  
21 Administrator, assuming another mailing address is identified by the Administrator. The deadlines for  
22 Class Members to submit written Objections, Requests or Exclusion, or challenges to Compensable  
23 Workweeks will be extended an additional seven (7) calendar days from the date of the re-mailing, even  
24 if this results in an extension of the otherwise-applicable 45-day Response Deadline. If these procedures  
25 are followed, notice to Class Members shall be deemed to have been fully satisfied, and if the intended  
26  
27  
28

1 recipient of the Settlement Notice does not receive the Class Notice, the intended recipient shall  
2 nevertheless remain a Class Member and shall be bound by all terms of the Settlement and the Final Order  
3 and Judgment.

## 4 **2. Disputes Procedure**

5 Class Members who dispute the number of Compensable Workweeks attributed to them in the  
6 Class Notice, or who contend that they were erroneously excluded from the Class, shall have the  
7 opportunity to submit a written dispute to the Settlement Administrator no later than the Response  
8 Deadline. The written statement must identify the number of Compensable Workweeks the Class Member  
9 believes should be credited to them during the applicable Class Period and/or PAGA Period and must  
10 include any available supporting documentation substantiating the claim. Upon receipt of a timely dispute,  
11 the Settlement Administrator shall review the claim in consultation with Class Counsel and Defense  
12 Counsel. Defendant has agreed to make its relevant payroll records available to the Settlement  
13 Administrator for this purpose. In the absence of credible evidence to the contrary, Defendant's records  
14 shall be presumed accurate and controlling. The Settlement Administrator's determination as to the  
15 number of Compensable Workweeks credited to a Class Member shall be final and binding, subject to the  
16 Court's review and approval at the Final Approval Hearing, if necessary.

## 19 **3. Objections Procedure**

20 Any Participating Class Member who wishes to object to the Settlement may do so by submitting  
21 a written objection to the Settlement Administrator no later than the Response Deadline, which is forty-  
22 five (45) calendar days from the initial mailing of the Class Notice, unless extended by a re-mailing. To  
23 be valid, the objection should include: (a) the objector's full name, address, telephone number, and  
24 signature; (b) a written statement specifying the grounds for the objection, including any supporting legal  
25 authority; and (c) copies of any documents, briefs, or other materials the objector wishes the Court to  
26 consider. Objecting Class Members may, but are not required to, appear at the Final Approval Hearing,  
27  
28

1 either in person or through counsel retained at their own expense, to have their objections heard. The Court  
2 shall rule on all objections at the time of the Final Approval Hearing. Any objection may be withdrawn at  
3 any time.

4 The Settlement Administrator shall promptly provide copies of any objections received to Class  
5 Counsel and Defense Counsel via email within three (3) calendar days of receipt. All objections will be  
6 attached to the Settlement Administrator's declaration of due diligence, to be filed with the Court in  
7 advance of the Final Approval Hearing.

8  
9 Class Members who submit valid objections shall remain eligible to receive their respective  
10 Individual Settlement Awards, provided they do not also submit a timely and valid Request for Exclusion.  
11 Class Members who exclude themselves from the Settlement will have no standing to object. Furthermore,  
12 neither Class Counsel, Defense Counsel, nor any Party shall solicit, encourage, or discourage the filing of  
13 any objection or appeal related to the Settlement or Final Judgment. (Yadidsion Decl., Exh. 1.)

#### 14 **4. Exclusion Procedure**

15  
16 Any Class Member who wishes to be excluded from the Settlement may do so by submitting a  
17 signed, written Request for Exclusion to the Settlement Administrator on or before the Response Deadline,  
18 which is forty-five (45) calendar days from the initial mailing of the Class Notice, unless extended due to  
19 re-mailing. The written request must clearly state the Class Member's intention to be excluded from the  
20 Settlement. To be valid, the Request for Exclusion should include the Class Member's full name, current  
21 mailing address, telephone number or email address, signature, date, and reference to the case name or  
22 number. A Class Member who submits a valid and timely Request for Exclusion will be designated a  
23 "Non-Participating Class Member" and shall not be entitled to any Individual Class Payment under the  
24 Settlement. Non-Participating Class Members will not be bound by the Settlement or the Final Judgment  
25 as to the Class Members' Released Claims and will retain their right to pursue such claims independently,  
26 subject to any applicable defenses. However, as required by law, Non-Participating Class Members who  
27  
28

1 are also PAGA-Eligible Employees will remain bound by the PAGA Release and will receive their  
2 respective share of the Individual PAGA Payments, regardless of their election to opt out of the Class  
3 Settlement. The Settlement Administrator shall accept any Request for Exclusion as valid so long as the  
4 identity of the individual as a Class Member and their intent to be excluded can be reasonably ascertained.  
5 Any Class Member who fails to submit a timely and valid Request for Exclusion shall be deemed a  
6 Participating Class Member and will be bound by all terms and conditions of the Settlement, the releases  
7 set forth therein, and the Final Judgment entered by the Court.(Yadidsion Decl., Exh. 1.)  
8

9 **5. Workweek Dispute and Class Membership Challenge Procedure.**

10 Class Members who wish to dispute the number of Compensable Workweeks attributed to them  
11 as stated in the Class Notice, or who believe they were erroneously excluded from the Class, may submit  
12 a written dispute to the Settlement Administrator on or before the Response Deadline. The written  
13 submission must clearly indicate the number of Compensable Workweeks the Class Member believes  
14 should be credited to them during the applicable Class or PAGA Period and must be accompanied by  
15 documentation or other evidence supporting the asserted discrepancy. Upon receipt of a timely dispute,  
16 the Settlement Administrator shall review the submission in consultation with Class Counsel and Defense  
17 Counsel. Defendant shall make available to the Settlement Administrator all relevant payroll and  
18 employment records necessary to evaluate the claim. Defendant's records shall be presumed accurate  
19 unless the Class Member presents credible evidence demonstrating otherwise. If the parties are unable to  
20 informally resolve the dispute, the Settlement Administrator shall make a final and binding determination  
21 based on the information available. The Settlement Administrator's decision shall be conclusive for  
22 purposes of calculating settlement payments, subject only to the Court's ultimate authority to review and  
23 approve such determinations in connection with Final Approval of the Settlement. (Yadidsion Decl., Exh.  
24 1.)  
25  
26  
27  
28

#### IV. PRELIMINARY SETTLEMENT APPROVAL

As a matter of public policy, settlement is a strongly favored method for resolving disputes. (*See Utility Reform Project v. Bonneville Power Admin.*, 869 F.2d 437, 443 (9th Cir. 1989).) This is especially true in complex class actions such as the one before the Court. (*See Officers for Justice v. Civil Serv. Comm'n*, 688 F.2d 615, 625 (9th Cir. 1982); *Wilkerson v. Martin Marietta Corp.*, 171 F.R.D. 273, 284 (D. Colo. 1997).)

Any class settlement must be reviewed and approved by the Court. California Rules of Court, Rule 3.769; Fed. R. Civ. Proc., Rule 23(e). This is done in two steps: (1) early (preliminary) review by the court and (2) final review after notice has been distributed to the class members for their comments or objections. The *Manual for Complex Litigation* succinctly describes the scope of the preliminary approval inquiry as follows:

Approval of class action settlements involves a two-step process. First, counsel submits the proposed terms of settlement and the court makes a preliminary fairness evaluation. If the preliminary evaluation of the proposed settlement does not disclose grounds to doubt its fairness or other obvious deficiencies, such as unduly preferential treatment of Class Representative or of segments of the class, or excessive compensation for attorneys, and appears to fall within the range of possible approval, the court should direct that notice...be given to the class members of a formal fairness hearing, at which arguments and evidence may be presented in support of and in opposition to the settlement.  
(*Manual for Complex Litigation* (4<sup>th</sup> Ed. 2004) § 30.41.)

Thus, preliminary approval by the trial court is simply a conditional finding that the settlement appears to be within the range of acceptable settlements. As Professor Newberg comments, “[t]he strength of the findings made by a judge at a preliminary hearing or conference concerning a tentative settlement proposal may vary. The court may find that the settlement proposal contains some merit, is within the range of reasonableness required for a settlement offer or is presumptively valid subject only to any objections that may be raised at a final hearing.” (4 William B. Rubenstein, et al., *Newberg on Class Actions* (5th Ed. 2016) § 11.26.)

1 In short, the Court need find only that the settlement falls within the range of possible final  
2 approval, also described as the “reasonable range.” (*See, e.g., North County Contractor's Assn. v.*  
3 *Touchstone Ins. Services.* (1994) 27 Cal. App. 4th 1085.) Trial courts have broad discretion to determine  
4 whether a class action settlement is fair. (*See Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th  
5 116, 128.) The trial court must exercise its discretion through the application of several well-recognized  
6 factors when deciding whether a class action settlement is fair. (*See Clark v. American Residential*  
7 *Services, LLC* (2009) 175 Cal. App. 4th 785, 799.) The list of factors, which “is not exhaustive and should  
8 be tailored to each case,” includes “the strength of Plaintiff’s case, the risk, expense, complexity and likely  
9 duration of further litigation, the risk of maintaining class action status through trial, the amount offered  
10 in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views  
11 of counsel, the presence of a governmental participant, and the reaction of the class members to the  
12 proposed settlement.” (*Nordstrom Com. Cases* (2010) 186 Cal.App.4th 576, 581; *Kullar*, 168 Cal.App.4th  
13 at p. 128, quoting *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) The most important factor  
14 the trial court should consider in determining whether to approve a class action settlement is the strength  
15 of the case for plaintiff on the merits, balanced against the amount offered in settlement. (*See, e.g., Munoz*  
16 *v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal. App. 4th 399, 408; *Kullar*, 168 Cal. App.  
17 4th 116 at p. 130.) In sum, at the preliminary approval stage, the trial court must determine that the  
18 settlement was not the product of fraud, overreaching or collusion, and that the settlement is fair,  
19 reasonable and adequate. (*Nordstrom*, 186 Cal.App.4th. at p. 581.) In order to elicit the class members’  
20 “reaction ... to the proposed settlement,” they must first receive notice of the proposed resolution. The  
21 preliminary approval process allows that to happen.

22  
23  
24  
25 **A. The Settlement Agreement Resulted from Arm’s-Length Negotiations**

26 The presumption is that a proposed settlement is fair and reasonable when it is the result of arm’s-  
27 length negotiations. (*See Williams v. Vukovich*, 720 F.2d 909, 922-923 (6th Cir.1983) (“The court should  
28

1 defer to the judgment of experienced counsel who has competently evaluated the strength of his proofs.”)  
2 *See 4 Rubenstein, et al., Newberg on Class Actions* (5<sup>th</sup> Ed. 2016) §11.41.)

3 The proposed settlement here is the product of arm's-length negotiations, assisted by a well-  
4 respected and independent mediator for which the Parties prepared by exchanging substantial relevant  
5 information and documents.

6 Counsel for the parties have investigated the applicable law, as applied to the facts discovered,  
7 regarding the alleged claims of Plaintiff and potential defenses thereto, and the damages claimed by  
8 Plaintiff. Armed with this extensive body of knowledge and analysis, the Parties engaged in mediation  
9 with a skilled mediator. At all times, the negotiations leading to the Agreement have been adversarial,  
10 non-collusive, and at arm’s length.  
11

12 **B. The Strength of Plaintiff’s Case and Complexities of Further Litigation**

13 Plaintiff believes that the Settlement Class claims in this action are legally meritorious and present  
14 a reasonable probability of a favorable determination on behalf of the class. At the same time, there is  
15 undeniably significant litigation risk avoided by the proposed Agreement, both at class certification  
16 proceedings, at trial, and in the appellate courts.  
17

18 Liability remains highly contested by Defendant, which denies that it engaged in any violations of  
19 the law, and further denies any liability or engagement in wrongdoing of any kind associated with the  
20 claims alleged in the Action by the Named Plaintiff or any Class Members. Defendant contends that at all  
21 times it complied with all wage-and-hour laws in connection with the employment and/or retention of  
22 services of Plaintiff and the Class Members.  
23

24 Plaintiff’s counsel understood and appreciated the defenses and position of Defendant but believed  
25 Plaintiff would ultimately succeed in the action. In light of their strongly divergent views, the Parties, with  
26 the assistance of the mediator, were able to negotiate a fair settlement, considering the costs and risks of  
27 continued litigation. The negotiations were at all times conducted professionally and at arm’s length and  
28

1 have produced a result that the Parties believe to be in their respective best interests.

2 The Parties have also considered the uncertainty and risk of the outcome of further litigation, and  
3 the difficulties and delays inherent in such litigation. Plaintiff is also aware of the burdens of proof  
4 necessary to establish liability for the claims asserted in the action, the defenses thereto, and the difficulties  
5 in establishing damages.

6  
7 In evaluating the settlement, the Court will seek a reasonable estimate of the nature and amount of  
8 recovery that each class member could have obtained if the Plaintiff had prevailed in the litigation.  
9 Numerous decisions summarize a trial court's task when considering whether to approve the settlement  
10 of a putative class action. As one Court stated:

11 The trial court has broad discretion to determine whether the settlement is  
12 fair. [Citation.] It should consider relevant factors, such as the strength of  
13 Plaintiff's case, the risk, expense, complexity and likely duration of further  
14 litigation, the risk of maintaining class action status through trial, the  
15 amount offered in settlement, the extent of discovery completed and the  
16 stage of the proceedings, the experience and views of counsel, the presence  
17 of a governmental participant, and the reaction of the class members to the  
18 proposed settlement. (*Cellphone Fee Termination Cases* (2009) 180 Cal.  
19 App. 4th 1110, 1117-18, quoting *Dunk v. Ford Motor Co.* (1996) 48  
20 Cal.App.4th 1794, 1801.)

21 The court's consideration of relevant factors, however, does not transform the settlement approval  
22 "into a trial or rehearsal for trial on the merits." (*7-Eleven Owners for Fair Franchising v. Southland Corp.*  
23 (2000) 85 Cal. App. 4th 1135, 1145, quoting *Class Plaintiff v. City of Seattle*, 955 F.2d 1268, 1276 (9th  
24 Cir. 1992).) The record need only provide the trial court with an understanding of the amount that is in  
25 controversy and the realistic range of outcomes of the litigation.

26 Because settlements are inherently a compromise, once the parties have provided it with the  
27 requisite "basic information," the trial court must only "satisfy itself that the class settlement is within the  
28 'ballpark' of reasonableness." (*Tech-Bilt, Inc. v. Woodward-Clyde & Assoc.* (1985) 38 Cal.3d 488, 499-  
500.)

Here, in preparation for mediation, Plaintiff calculated Defendant's liability to Class Members to

1 be in excess of the settlement amount. Plaintiff's valuation assumed that Plaintiff: (1) prevailed in certifying  
2 the case and (2) prevailed in establishing liability on the merits.

3 The realistic range of outcomes for this litigation was significantly discounted due to the present  
4 state of the law regarding alleged "off-the-clock" work, failure to pay overtime claims, and the other  
5 claims brought in the Action, Defendant's defenses for each claim, and the likelihood of prevailing on a  
6 class certification motion as well as trial and any appeals. (Yadidsion Decl. ¶¶ 45-77.)

### 8 **1. *Kullar v. Footlocker* Analysis**

9 To allow this Court to make an informed assessment pursuant to *Kullar v. Foot Locker Retail, Inc.*  
10 (2008) 168 Cal.App.4th 116, Plaintiff's Counsel provides the following assessment of the case and  
11 settlement. Plaintiff's Counsel believes the settlement is a very good one for the class members. In this  
12 case, Plaintiff sought unpaid wages and statutory penalties as well as equitable remedies such as  
13 restitution. In advance of mediation, Plaintiff reviewed all relevant facts and legal authority, and in  
14 collaboration with her expert, prepared a damages model for the claims in this action as follows:

#### 16 **Meal and Rest Break Claims**

17 Plaintiff's expert conducted a detailed analysis of Defendant Montecito Bank & Trust's payroll  
18 and timekeeping data for approximately 255 Class Members covering the period from June 4, 2020,  
19 through November 19, 2024. Based on information developed since the Parties' November 2024  
20 mediation, the Parties currently estimate there are approximately 255 Class Members.

21 Plaintiff's expert valued the meal break claims at a maximum of approximately \$633,041,  
22 assuming a violation rate of approximately 20% for meal breaks (including breaks that were late, short, or  
23 entirely missed). The expert valued the rest break claims at approximately \$660,165, assuming a violation  
24 rate of 20%.

26 Plaintiff's expert determined these values based on payroll records and timekeeping data reflecting  
27 approximately 113,006 shifts worked during the relevant class period. These findings underscore the  
28

substantial value of the asserted meal and rest break claims, further supporting the fairness and reasonableness of the proposed class action and PAGA settlement.

### **Unpaid Wages**

After reviewing Defendants' business records, Plaintiff's expert determined that the total damages for unpaid minimum wages, unpaid overtime, liquidated damages, at approximately \$725,303.

### **Waiting Time Penalties**

Plaintiff's expert identified approximately 40 former employees who were not paid all wages due upon separation, triggering waiting time penalties under Labor Code §§ 201–203. The expert assumed an average daily wage of \$232.95 (calculated using a \$29.60 hourly rate) over the statutory 30-day period. Based on this methodology, the expert estimated \$279,559 in potential exposure for waiting time penalties.

### **Wage Statement Damages**

Plaintiff contends that Defendant issued incomplete or inaccurate wage statements in violation of Labor Code § 226(a), affecting approximately 164 employees over 2,983 pay periods. Common violations included omissions of total hours worked, applicable pay rates, and employer information. Applying the statutory penalty framework, Plaintiff's expert calculated potential exposure at approximately \$290,100. These recurring technical violations support classwide treatment and further justify the reasonableness of the proposed settlement

### **Failure to Reimburse for Business Expenses**

Plaintiff estimates that Defendant's maximum total exposure for failure to reimburse for cell phone business expenses is approximately \$140,512, assuming \$10 per pay period incurred by each Class Member as unreimbursed expenses.

### **PAGA Penalties**

Plaintiff seeks civil penalties under the Private Attorneys General Act of 2004 ("PAGA") for alleged Labor Code violations during the PAGA Period, from June 4, 2023 through November 19, 2024.

1 Based on payroll data analysis, Plaintiff's expert estimated \$821,822 in PAGA exposure for one violation.  
2 The proposed Settlement allocates \$25,000 to resolve these claims—\$18,750 to the LWDA and \$6,250 to  
3 Aggrieved Employees. This allocation is fair and reasonable in light of the complexities of proving PAGA  
4 liability at trial and the non-waivable nature of PAGA penalties

5  
6 **Total Recoverable Damages**

7 Based on a comprehensive analysis conducted by Plaintiff's expert, the estimated total value of  
8 potential recoverable damages in this case is approximately \$3,550,502 exclusive of interest.

9 When viewed in the context of the settlement, the proposed \$625,000 non-reversionary common  
10 fund represents a fair, reasonable, and adequate recovery—approximately 17.6% of the total estimated  
11 damages—particularly in light of the litigation risks, evidentiary challenges, and delays that would  
12 accompany continued proceedings. Courts have determined that settlements are, of course, reasonable  
13 even where Plaintiff recover only a portion of her actual losses (*See Behrens v. Wometco Enters., Inc.*,  
14 118 F.R.D. 534, 542 (S.D. Fla. 1988), *aff'd*, 899 F.2d 21 (11th Cir. 1990) (“[T]he fact that a proposed  
15 settlement amounts to only a fraction of the potential recovery does not mean the settlement is unfair or  
16 inadequate.”).) Indeed, “[a] settlement can be satisfying even if it amounts to a hundredth or even - a  
17 thousandth of a single percent of the potential recovery.” *Martel v. Valderamma*, 2015 U.S. Dist. LEXIS  
18 49830, at \* 17 (C.D. Cal. 2015) (approving a settlement of \$75,000 when potential damages were \$1.2  
19 million); *In re Toys R US FACTA Litig.*, 295 F.R.D. 438, 453 (C.D. Cal. 2014) (approving settlement with  
20 vouchers (not cash) potentially worth a maximum of three percent (3%) if all possible claims were actually  
21 made, or \$391.5 million aggregate voucher potential where the class could have recovered \$13.05 billion);  
22 *Ma v. Covidien Holding, Inc.*, No. SACV 12-02161-DOC, 2014 WL 360196 at \*5 (C.D. Cal. Jan. 31,  
23 2014) (finding a settlement worth 9.1% of the total value of the action “within the range of  
24 reasonableness”); *Balderas v. Massage Envy Franchising, LLC*, No. 12-CV-06327 NC, 2014 WL  
25 3610945 at \*5 (N.D. Cal. July 21, 2014) (granting preliminary approval of a net settlement amount  
26  
27  
28

1 representing 5% of the projected maximum recovery at trial); 4 William B. Rubenstein *et al.*, *Newberg on*  
2 *Class Actions* (5th ed. 2016) § 13:15 (the range of reasonableness percentage could be as low as 1/100th  
3 or 1/1000th of 1%).

#### 4 **Risks of Litigation Which Necessitated Settlement Discounts**

5 In determining the reasonable settlement value of the asserted claims, Plaintiff's Counsel  
6 considered a number of issues necessitating deductions to be taken from the maximum potential value to  
7 arrive at the Gross Settlement Amount.

8  
9 **Risks of Certification in General:** The great discretion afforded trial courts in electing to grant or  
10 deny class certification, and the resultant possibility that this Court would deny certification of any of the  
11 proposed classes, resulting in no recovery whatsoever for those unnamed class members, further weighed  
12 in favor of settlement. Going into mediation, Class Counsel were realistic about cases wherein class  
13 certification was denied in meal period and rest break cases. (*Washington v. Joe's Crab Shack*, 271 F.R.D.  
14 629 (N.D. Cal. 2010) ("individualized inquiry will be required to determine whether any single employee  
15 failed to take a meal break because he/she was too busy, and also to determine whether a particular  
16 employee signed a waiver based on a decision not to take meal breaks"))

17  
18 **Risk of Non-Certification of Off-The-Clock Claim:** The risk of non-certification of off-the-clock  
19 claims is significant, as courts have consistently denied class certification where individualized inquiries  
20 predominate over common questions. In *Brinker Rest. Corp. v. Superior Ct.*, the California Supreme Court  
21 rejected off-the-clock class certification because liability required individualized proof of who worked off  
22 the clock, the duration of such work, and the employer's knowledge or constructive knowledge of the  
23 practice. (*Brinker Rest. Corp. v. Superior Ct.*, (2012), 53 Cal. 4th 1004, 1052 )(class certification denied  
24 where " proof of off-the-clock liability would have had to continue in an employee-by-employee fashion,  
25 demonstrating who worked off-the-clock, how long they worked, and whether [employer] knew or should  
26 have known of their work.") Here, the challenge is compounded by the fact that different Class Members  
27  
28

1 worked at different locations, which may have had unique operational demands, staffing constraints, or  
2 site-specific requirements that affected whether and how often off-the-clock work occurred, necessitating  
3 case-by-case determinations.

4       Defenses to Claims of Willful Violations: Defendant has asserted a number of defenses to  
5 Plaintiff's claims for willful violations of the Labor Code. Initially, waiting time penalties under Labor  
6 Code Section 203 may not be recoverable in this instance in light of the fact that an employer's good faith  
7 mistaken belief that no wages are owed may negate a finding of willfulness. A good faith dispute that *any*  
8 wages are due "will preclude imposition of waiting time penalties under Section 203," and an employer's  
9 good faith mistaken belief that wages are owed may negate a finding of willfulness. (8 C.C.R. § 13520;  
10 *Road Sprinkler Fitters Local 669 v. G & G Fire Sprinklers, Inc.* (2002) 102 Cal. App. 4th 765, 782.)  
11 Accordingly, on remand from the Supreme Court's decision in *Troester v. Starbucks Corp.*, the district  
12 court granted summary judgment for Starbucks on the waiting time penalty claim, finding that a good  
13 faith dispute existed based on Starbucks' defense to the unpaid wage claim in reliance on the *de minimis*  
14 doctrine that had not previously been addressed by the California courts. (*See Troester v. Starbucks Corp.*,  
15 387 F.Supp.3d 1019, 1030 (C.D. Cal. 2019).)  
16

17  
18       Plaintiff also alleges that Labor Code Section 1194.2 entitles the class to double the amount of  
19 overtime as liquidated damages. But that Section provides that:

20               (b) Notwithstanding subdivision (a), if the employer demonstrates to the  
21 satisfaction of the court or the Labor Commissioner that the act or omission  
22 giving rise to the action was in good faith and that the employer had  
23 reasonable grounds for believing that the act or omission was not a violation  
24 of any provision of the Labor Code relating to minimum wage, or an order  
25 of the commission, the court or the Labor Commissioner may, as a matter  
26 of discretion, refuse to award liquidated damages or award any amount of  
27 liquidated damages not exceeding the amount specified in subdivision (a).  
28

26       The courts have held that pursuant to Labor Code Section 1194.2, an employee who has not  
27 received the overtime is entitled to recover the amounts unlawfully withheld plus additional amounts as  
28

1 penalties and liquidated damages only where *culpable conduct* is shown. (See *Brewer v. Premier Golf*  
2 *Properties* (2009) 168 Cal. App. 4th 1243, fn. 8 (citing *Armenta v. Osmose, Inc.* (2005) 135 Cal.App.4th  
3 314, 325–326).) As with the waiting time penalty claim discussed above, Plaintiff may be unable to prove  
4 willfulness in this instance.

5 Finally, Plaintiff has a claim under Labor Code Section 226(e), which provides that an employee  
6 suffering injury as the result of a knowing and intentional failure to comply with section 226 is subject to  
7 a penalty of up to \$100.00 per pay period up to \$4,000.00 per employee. Similar defenses exist in response  
8 to this claim, however, because Plaintiff may not be able to establish that Defendant’s alleged violation  
9 was “knowing and intentional” as the statute requires. In *Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal.5th  
10 1056, 1087 (2024), the California Supreme Court held that an employer’s good faith belief that it is in  
11 compliance with Section 226 precludes liability for the statutory penalty provided by Section 226(e).  
12

13 Trial and Manageability Issues: While Plaintiff was confident in the strength of her claims, as is  
14 always the case with a trial, Plaintiff needed to accept that there was a possibility that they would not  
15 prevail at trial. (Yadidsion Decl. ¶ 66.)  
16

17 Compromise is inherent and necessary in the settlement process. Thus, even if “the relief afforded  
18 by the proposed settlement is substantially narrower than it would be if the suits were to be successfully  
19 litigated,” this is no bar to a class settlement because the public interest may indeed be served by a  
20 voluntary settlement in which each side gives ground in the interest of avoiding litigation. The Ninth  
21 Circuit observed “the very essence of a settlement is compromise, ‘a yielding of absolutes and an  
22 abandoning of highest hopes.’” (*Officers for Justice v. Civil Serv. Commission*, 688 F.2d 615, 624 (9th  
23 Cir.1982) (citation omitted).) Thus, when analyzing the amount offered in settlement, the Court should  
24 examine “the complete package taken as a whole,” and the amount is “not to be judged against a  
25 hypothetical or speculative measure of what might have been achieved by the negotiators.” (*Id.* at 625,  
26 628.)  
27  
28

1           Given the difficulties Plaintiff and the Class faced, both in terms of certification and in adjudicating  
2 their claims on the merits, the litigation discounts afforded by Plaintiff are reasonable and the proposed  
3 Agreement is fair, reasonable, and adequate.

4           In the present case, it is clear that the proposed Agreement before this Court is the best course of  
5 action as it ensures fair, reasonable, and adequate redress and recovery for the members of the class. Thus,  
6 it was clearly reasonable for Plaintiff to negotiate a smaller certain award rather than seek the full recovery  
7 but risk recovering nothing.

8  
9           **C.     The Agreement Has No Obvious Deficiencies**

10          The proposed Agreement has no obvious deficiencies. The settlement provides no preferential  
11 treatment for the Plaintiff or other Participating Class Members. The Plaintiff will receive distributions  
12 from the settlement proceeds calculated in the same manner as the distributions to all other Participating  
13 Class Members, plus any service payment award approved by the Court.

14  
15          The proposed Agreement does not place the named Plaintiff's interests ahead of the class as a  
16 whole. Apart from a reasonable incentive payment for her efforts on behalf of the class, typical in class  
17 action litigation (and subject to Court approval after notice to the Settlement Class), the named Plaintiff's  
18 personal recovery in this action and settlement will be the same as those with whom they share a common  
19 set of facts among the Settlement Class. The named Plaintiff has not in any way tried to leverage a class  
20 action for personal agenda or gain.

21  
22          Plaintiff contends that the proposed Agreement does not place Class Counsel's interests ahead of  
23 Class Members' interests. Further, the Agreement provides only for a maximum permissible amount of  
24 the request for any award of attorneys' fees and litigation expenses. Any award of fees and expenses  
25 remains to be determined by the Court at the time of the Final Approval Hearing and must necessarily be  
26 found to be fair and reasonable to the Settlement Class based on applicable law.

27          Each Settlement Class Member has the right to object and be heard regarding the amount of fees  
28

1 and expenses requested. Any amounts not awarded by the Court as fees and expenses will remain in the  
2 Net Settlement Amount to be distributed to the Class. Counsel will file a separate motion for approval of  
3 the fee award sought herein, at the time of and in conjunction with the filing of the Motion for Final  
4 Approval, should Preliminary Approval be granted, and a Final Approval Hearing be scheduled by the  
5 Court.

6 **D. The Class Representative's Payment, Class Counsel Fees Payment, and Class**  
7 **Counsel Litigation Expenses Payment**

8  
9 **1. The Enhancement Award Requested by Plaintiff Is Reasonable**

10 In recognition of her time and effort prosecuting this action, Plaintiff will request a Class  
11 Representative Service Award of \$12,500, which Defendant has agreed not to oppose.

12 Plaintiff was formerly employed by Defendant. (Declaration of Maria Celia Hernandez  
13 Campoverde ("Campoverde Decl."), ¶3.) Plaintiff has taken an extraordinary step to challenge her former  
14 employer's actions by bringing this lawsuit. She did so in the belief that they, and the members of the  
15 Settlement Classes, were, in fact, entitled to the relief sought in this case. Plaintiff's actions have resulted  
16 in a substantial recovery for the members of the Class, and the enhancement award she seeks is reasonable.

17  
18 Plaintiff fully participated in the analysis and planning of this action throughout the pendency of  
19 the litigation. (Campoverde Decl., ¶¶6, 10-17.) She was kept well informed of the nature and extent of  
20 settlement discussions and attended numerous meetings with Plaintiff's counsel prior to the mediation.  
21 (*Id.*) Additionally, she was available to answer questions during the entire day long mediation and was  
22 instrumental in providing critical factual support for the class claims during the mediation settlement  
23 discussions. (*Id.*)  
24

25 The service payment award sought for Plaintiff is entirely reasonable, consistent with awards in  
26 this Court, and represents a small portion of the Gross Settlement Fund. Absent the actions taken by  
27 Plaintiff, none of the Class Members would have reaped the rewards of this action.  
28

1                               **2.     The Fees and Costs Requested by Class Counsel Are Reasonable**

2                               As for the fees to be awarded to Class Counsel, California Rules of Court, Rule 3.769 (b) provides,  
3 in pertinent part:

4                               Any agreement, express or implied, that has been entered into with respect to the  
5 payment of attorney's fees ... must be set forth in full in any application for of the ...  
6 settlement of an action that has been certified as a class action.  
7

8                               The proposed Class Notice provides Class Members with information as to the amount of  
9 attorneys' fees and litigation-expense reimbursement that will be sought in this matter. Although Class  
10 Counsel will provide further argument when they file their motion for the award of fees and expenses in  
11 connection with the Final Approval Hearing, the following is a brief statement of the law concerning the  
12 same.  
13

14                              As noted, *supra*, the Agreement provides for Class Counsel to apply to the Court for an award of  
15 fees in the maximum amount of 33.33% of the Gross Settlement Fund, or \$208,333.31, plus  
16 reimbursement of their litigation expenses in an amount not to exceed \$25,000.00. This percentage award  
17 is commensurate with (1) the risk Class Counsel took in commencing this action, (2) the time, effort and  
18 expense dedicated to the case, (3) the skill and determination they have shown, (4) the results they have  
19 achieved throughout the litigation, (5) the value of the Agreement which they have achieved for Class  
20 Members, and (6) the other cases they have turned down in order to devote their time and efforts to this  
21 matter.  
22

23                              California encourages attorneys to take the risks of time and money necessary to vindicate the  
24 public interest. To fulfill this policy, California law provides that attorneys' fees awards should be  
25 equivalent to fees paid in the legal marketplace to compensate for the result achieved and risk incurred.  
26 (*See Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal.App.4th 19.) Accordingly, Class Counsel's request is  
27 based on marketplace standards. In *Lealao*, the First Appellate District held that when an action leads to  
28

1 a recovery that can be “monetized” with a reasonable degree of certainty, the trial court should “ensure  
2 that the fee awarded is within the range of fees freely negotiated in the legal marketplace in comparable  
3 litigation.” (*Id.* at 50.)

4         The governing principles, as well as a survey of attorneys’ fees jurisprudence (both in California  
5 and throughout the country), are set out in *Lealao*. As *Lealao* notes, trial courts have “wide latitude” in  
6 assessing the value of attorneys’ fees and their decisions will “not be disturbed on appeal absent a manifest  
7 abuse of discretion.” (82 Cal. App. 4th at 41.) Indeed, it is long settled that the “experienced trial judge  
8 is the best judge of the value of professional services rendered in his court ....” (*Ketchum v. Moses* (2001)  
9 24 Cal.4th 1122, 1132.) As the court in *Lealao* explained, in determining an attorney fee request, courts  
10 should strive to award fees equivalent to those “freely negotiated in the legal marketplace in comparable  
11 litigation.” (82 Cal.App.4th at 50.) “If courts were to ask what fee structure an informed, sophisticated  
12 client would use to compensate his attorney when close monitoring is not feasible, they would at least  
13 have focused on the correct question.” (*Id.* at 48.) As *Lealao* recognizes, fee awards that are too small  
14 will “chill the private enforcement essential to the vindication of many legal rights and obstruct the  
15 representative actions that often relieve the courts of the need to separately adjudicate numerous claims.”  
16 (*Id.* at 53.) Finally, an attorneys’ fees motion should not turn into “a second major litigation.” (*Id.* at 31  
17 (citing *Hensley v. Eckerhart*, 461 U.S. 424, 437 (1983).)

18         As in many cases of this type, Class Counsel seek a fee award for their successful prosecution and  
19 resolution of this action, calculated as a percentage of the total value of benefits afforded the Class  
20 Members by the Agreement. (See *Serrano v. Priest* (1977) 20 Cal.3d 25, 49 (*Serrano III*); *Boeing Co. v.*  
21 *Van Gemert*, 444 U.S. 472, 478 (1980); see also *Vincent v. Hughes Air West, Inc.*, 557 F.2d 759, 769 (9th  
22 Cir. 1977).) The purpose of this equitable doctrine is not only to avoid unjust enrichment of counsel, but  
23 also to spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does  
24 not bear the entire burden alone. (See *Vincent*, 557 F.2d at 769.) Where the amount of a settlement is a  
25  
26  
27  
28

1 “certain easily calculable sum of money,” California courts may calculate attorney fees as a reasonable  
2 percentage of the settlement created. (Weil and Brown, *California Practice Guide: Civil Procedure*  
3 *Before Trial* § 14:145; *see also Dunk*, 48 Cal.App.4th at 1808.)

4 **E. Claims Administration**

5 Plaintiff seeks the appointment of Apex Class Action LLC (“Apex”) as the Settlement  
6 Administrator. Apex is a well-established class action administration company that has served as  
7 administrator in hundreds of wage and hour cases throughout the country. (*See* Declaration of Sean  
8 Hartranft (“Hartranft Decl.”), ¶ 7-9.) The Settlement Administrator has estimated the cost for  
9 administering the settlement will not exceed \$5,500.00.  
10

11 **F. The Proposed Class Notice is Adequate**

12 Rule 3.769(e) of the California Rules of Court provides:

13 If the court grants preliminary approval, its order must include the time,  
14 date, and place of the final approval hearing; the notice to be given to the  
15 class; and any other matters deemed necessary for the proper conduct of a  
16 settlement hearing.

17 Here, the parties have negotiated the form of a notice (the “Class Notice,” attached as Exhibit A  
18 to the Settlement Agreement, which is attached as Exhibit 1 to the Yadidsion Declaration). The Class  
19 Notice will be disseminated to all Class Members and will be provided in English. Class Notices returned  
20 as undeliverable will be subjected to a further follow-up and re-mailing procedure. (Yadidsion Decl. ¶¶84,  
21 87.)

22 The content of the proposed Class Notice meets all requirements for appropriately providing full  
23 disclosure and information to the Class Members. “Notice is satisfactory if it generally describes the terms  
24 of the settlement in sufficient detail to alert those with adverse viewpoints to investigate and to come  
25 forward and be heard.” (4 *Newberg on Class Actions* § 8.32.)

26 In light of the foregoing, the Class Notice is proper and affords the best possible notice under the  
27 circumstances presented in this case.  
28

1 **V. CLASS CERTIFICATION IS APPROPRIATE**

2 As part of their negotiations, the Parties have stipulated to class certification for the purposes of  
3 settlement only. Should this Court decline to approve the Parties' settlement, Defendant reserves all rights  
4 to challenge class certification, and nothing contained in this motion or the documents submitted in  
5 connection with the settlement shall be a waiver by Defendant of any argument as to why the class should  
6 not be certified. Additionally, in the event approval of the proposed Agreement is denied, this Motion and  
7 the documents submitted for settlement may not be used as evidence against Defendant's argument that  
8 the class should not be certified.  
9

10 California has a very strong public policy favoring the use of class actions to resolve claims  
11 asserting violations of its strict wage and hour laws. In light of this well-settled California public policy,  
12 the conditional certification of the proposed Class for purposes of settlement only is appropriate.  
13

14 **A. Standard for Pre-Certification Settlements**

15 Pre-certification settlements are routinely approved if found to be fair and reasonable. *See Dunk*,  
16 48 Cal.App.4th at 1803 (although the settlement was reached before any "adversary certification," the  
17 court was satisfied that it was "fair, adequate and reasonable"); *see also In re Baldwin-United Corp.*, 105  
18 F.R.D. 475, 478 (S.D.N.Y. 1984) ("many courts have employed this practice in the name of judicial  
19 efficiency in order to facilitate apparently beneficial settlement proposals").)  
20

21 "The strength of the findings made by a judge at a preliminary hearing or conference concerning  
22 a tentative settlement proposal... may be set out in conditional orders granting tentative approval to the  
23 various items submitted to the court. Three basic rulings are often conditionally entered at this preliminary  
24 hearing. These conditional rulings may approve a temporary Settlement Class, the proposed settlement,  
25 and the class counsel's application for fees and expenses." (4 *Newberg on Class Actions* § 11.26.)

26 The standard for class certification in the settlement context is a significantly lower threshold than  
27 in a contested proceeding or a trial context:  
28

1 The two basic purposes for the Rule 23 certification requirements, as they  
2 relate to questions of a nationwide class are: (1) to keep the lawsuit  
3 manageable for trial; and (2) to protect the interests of the nonrepresentative  
4 members. The first purpose is inapposite in the settlement context, and the  
5 second, as it relates to the commonality of issues, only makes a difference  
6 if the nonrepresentative class members would do much better by litigating  
on their own or in their own jurisdiction. The second category concerns are  
protected by the trial court's fairness review of the settlement.”

7 (*Dunk*, 48 Cal.App.4th at 1807, fn. 19 (*emphasis added*).) The reason for this is that no trial is anticipated  
8 in the settlement context, so any case management issues inherent in determining if the class should be  
9 certified need not be confronted. (*See Amchem Prods., Inc. v. Windsor*, 521 U.S. 591, 620 (1987).)

10 The very liberal standard expressed in *Dunk* is plainly satisfied here. The requirements for class  
11 certification in the settlement context – ascertainability, numerosity, predominance of common questions  
12 of law and fact, typicality, and adequacy – all are met. It certainly cannot be said that the class members  
13 would do “much better by litigating on their own.” (*Dunk*, 48 Cal.App.4th at 1807, fn. 19.) The Settlement  
14 Class should be conditionally certified as requested.  
15

16 **B. The Requirements for Class Certification in the Settlement Context Are Satisfied**

17 **1. Ascertainability and Numerosity**

18  
19 The proposed Settlement Class is ascertainable and sufficiently numerous. A class is ascertainable  
20 if it identifies a group of unnamed Plaintiff by describing a set of common characteristics sufficient to  
21 allow a member of that group to identify herself or herself as having a right to recover based on the  
22 description. The class definition, the size of the class and the means for identifying the members of the  
23 class determine whether the class is ascertainable. (*Reyes v. Board of Supervisors of San Diego County*  
24 (1987) 196 Cal. App. 3d 1263, 1274.)  
25

26 Whether a class is ascertainable is determined by examining the class definition, the size of the  
27 class and the means available for identifying class members. *See Vasquez*. Class members are  
28 “ascertainable” where they may be readily identified without unreasonable expense or time. Plaintiff

1 contends that the requirements of numerosity and ascertainable class membership are met here, and for  
2 settlement purposes only, Defendant does not dispute that both of these requirements are met. The Class  
3 Period is defined as the period from June 4, 2020 to February 17, 2025. (Yadidsion Decl., Exh. 1.)  
4 “Participating Class Members” means all Participating Class members who do not submit a timely and  
5 valid Request for Exclusion. Participating Class members who are not Participating Class Members will  
6 still be eligible to receive an Individual PAGA Payment if such individual(s) qualify as an “Aggrieved  
7 Employee” within the meaning of this Settlement Agreement. (*Id.*, Exh. 1.)  
8

9 In this case, the members of the proposed Settlement Class are identifiable from Defendant’s own  
10 records. (Yadidsion Decl., ¶17.) The Participating Class members are also sufficiently numerous to justify  
11 class certification. Defendant has preliminarily identified at least 255 employees comprising the  
12 Settlement Class.  
13

## 14 **2. Predominance of Common Questions of Law and Fact**

15 The interrelated commonality and predominance requirements are satisfied if common issues  
16 predominate. At its heart, this is a procedural inquiry asking “whether... the issues which may be jointly  
17 tried, when compared with those requiring separate adjudication, are so numerous or substantial that the  
18 maintenance of a class action would be advantageous to the judicial process and to the litigants.” (*Sav-On*  
19 *Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 326 (citing *Collins v. Rocha* (1972) 7 Cal.3d  
20 232, 238).) Under the lower threshold applicable in the settlement context, “commonality of issues only  
21 makes a difference if the non-representative class members would do much better by litigating on their  
22 own.” (*Dunk*, 48 Cal.App.4th at 1807, fn. 19.)  
23

24 The Participating Class members’ claims here all stem from a common set of facts, circumstances  
25 and occurrences. Common questions of law and fact relevant to adjudication of the Class Members’ claims  
26 include the following:

- 27 • Whether Defendant violated Labor Code §§ 226.2 and 1194 and Wage Order No. 4 2001,  
28

§ 4 by failing to pay Plaintiff and the Class overtime premium pay for their overtime work as defined by the Labor Code during the Class Period;

- Whether Defendant is liable for liquidated damages to Plaintiff and the Class under Labor Code § 1194.2 for its failure to pay overtime premium pay during the Class Period;

- Whether Defendant violated Labor Code § 226.7 and Wage Orders by failing to pay one hour of premium pay to each member of the Class for each day that a paid rest and meal period was not provided during the Class Period;

- Whether Defendant violated Labor Code § 226(a) and 226.2 by failing to issue accurate itemized wage statements to Wage Statement Subclass Members;

- Whether Defendant's violation of Labor Code § 226(a) was knowing and intentional;

- Whether Wage Statement Subclass Members suffered injury for the purposes of Labor Code § 226(e);

- Whether Defendant violated Labor Code § 203 by failing to pay Waiting Time Penalty Subclass for all of their wages due to them upon separation of their employment, including the wages owed to them for their time spent on rest periods;

- Whether these violations constitute unfair, unlawful, and fraudulent business practices, in violation of UCL;

- Whether Plaintiff and Class Members are entitled to restitution under Bus. & Prof. Code § 17200 et seq.

The complex common questions implicated by the facts and law in this case strongly suggest that Participating Class members could not do substantially better than this Agreement by litigating individually. (*See Dunk*, 48 Cal.App.4th at 1807, fn. 19.) Commonality and predominance requirements for certification, particularly in the less intensive context of a Settlement Class, are therefore satisfied.

1                   **3.     Typicality**

2           Typicality means merely that the class representative is similarly situated to the members of the  
3 class, not that her claims are identical. (*See Classen v. Weller* (1983) 145 Cal. App. 3d 27, 45-46.) The  
4 typicality requirement is satisfied if the class representative’s claims arise from the same events or course  
5 of conduct that gives rise to the class claims, and are premised upon the same legal theories. (*Id.*)

6           The Class Representative has claims or defenses typical of the class and can adequately represent  
7 the class. (*See Linder v. Thrifty Oil Co.* (2000) 23 Cal. 4th 429.) Section 382 of the Code of Civil  
8 Procedure authorizes class suits in California when “the question is one of a common or general interest,  
9 of many persons, or when the parties are numerous, and it is impracticable to bring them all before the  
10 court.” To obtain certification, a party must establish the existence of both an ascertainable class and a  
11 well-defined community of interest among the class members, which involves three factors: predominant  
12 common questions of law or fact, a Class Representative with claims or defenses typical of the class, and  
13 a Class Representative who can adequately represent the class.” (*Id.* at 435.)

14           In this case, Plaintiff’s claims are typical of the members of the Non-exempt Class. Plaintiff worked  
15 for Defendant in a non-exempt position in California during the relevant time period. Like the other Class  
16 Members, she was subject to Defendant’s uniform policies and practices. Plaintiff alleges that she was not  
17 paid for all hours worked, was not properly compensated for overtime, and was not provided with  
18 compliant meal and rest periods, among other wage-and-hour violations. Apart from seeking a moderate  
19 incentive, common in class litigation, Plaintiff seeks to gain beyond what is available to other Class  
20 Members. She has actively participated in the litigation, including in communications, discovery, and  
21 mediation. At all times, she has demonstrated a willingness and ability to vigorously advocate for the Class  
22 and would have continued to do so but for this Settlement.

23                   **4.     Adequacy**

24           “Adequacy of representation depends on whether the plaintiff’s attorney is qualified to conduct the  
25  
26  
27  
28

1 proposed litigation and the plaintiff's interests are not antagonistic to the interests of the class." (*McGee*  
2 *v. Bank of Am.* (1976) 60 Cal.App.3d 442, 487.) Plaintiff's counsel are experienced class action litigators,  
3 with particular experience in litigating similar wage and hour class cases. (Yadidsion Decl., ¶¶ 3-8.) In  
4 addition, the proposed Class Representative has at all times been willing and able to aggressively and  
5 competently assert the interests of the Participating Class members. (Campoverde Decl., ¶¶ 3-6, 8-13.)  
6 Adequacy of representation exists here.  
7

## 8 **VI. CONCLUSION**

9 Based upon the foregoing, Plaintiff respectfully requests that this Court issue an Order:

- 10 1. Granting preliminary approval to the class action Agreement achieved in this matter;
- 11 2. Certifying the Settlement Class for settlement purposes, pending final approval of the  
12 Agreement;
- 13 3. Preliminarily approving Plaintiff Maria Celia Hernandez Campoverde as the Class  
14 Representative of the Settlement Class;
- 15 4. Preliminarily approving Plaintiff's counsel as Class Counsel for the Settlement Class;
- 16 5. Preliminarily approving Apex Class Action LLC as the Settlement Administrator and  
17 preliminarily approving the costs of the settlement administration;
- 18 6. Setting this matter for hearing on the issues of final approval, approval of the service  
19 payment award, and approval of Class Counsel's application for attorney's fees and  
20 expenses; and,  
21
- 22 7. Granting such other and further relief as the Court deems just and proper.  
23  
24  
25  
26  
27  
28

Respectfully Submitted,

DATED: July 18, 2025

LABOR LAW PC

By: 

Danny Yadidsion, Esq.

Attorney for Plaintiff MARIA CELIA HERNANDEZ  
CAMPOVERDE, individually and on behalf of the  
putative class and aggrieved employees

MARIA CELIA HERNANDEZ CAMPOVERDE  
v MONTECITO BANK & TRUST., et al.

I am over the age of 18 and not a party to the within action; my business address is 100 Wilshire Blvd, Suite 700, Santa Monica, CA 90401. My email address is [Arc.Salopagio@LaborLawPC.com](mailto:Arc.Salopagio@LaborLawPC.com).

**NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS  
ACTION SETTLEMENT**

Jared W. Speier,  
Jeffrey A. Dinkin  
Lindsay Bowden  
Jessica Dzamba

800 Anacapa Street, Suite A  
Santa Barbara, CA 93101  
[jspeier@stradlinglaw.com](mailto:jspeier@stradlinglaw.com),  
[jdinkin@stradlinglaw.com](mailto:jdinkin@stradlinglaw.com),  
[cbaker@stradlinglaw.com](mailto:cbaker@stradlinglaw.com),  
[lbowden@stradlinglaw.com](mailto:lbowden@stradlinglaw.com),  
[jdzamba@stradlinglaw.com](mailto:jdzamba@stradlinglaw.com).

( ) (BY FEDERAL EXPRESS) I caused said envelope(s) to be sent by Federal Express [Priority Overnight] to the offices of the addressee(s).

1 (XX) ((BY ELECTRONIC MAIL) Per local rules, I delivered such documents by electronic  
2 mail. My email address is [Arc.Salopagio@laborlawpc.com](mailto:Arc.Salopagio@laborlawpc.com).

3 ( ) ((BY OVERNIGHT MAIL) I caused said envelope(s) to be sent by overnight mail to the  
4 offices of the addressee(s).

5 //  
6 //  
7 //

8 Executed on July 18, 2025

9 I declare under penalty of perjury under the laws of the State of California that the above is true  
10 and correct.

11 Arc Deniele Salopagio

12 Print Name

/s/ Arc Deniele Salopagio

Signature