Kevin A. Lipeles (Bar No. 244275)
kevin@kallaw.com
Thomas H. Schelly (Bar No. 217285)
thomas@kallaw.com
LIPELES LAW GROUP, APC
1060 Aviation Blvd., Suite 100
Hermosa Beach, CA 90254
Telephone: (310) 322-2211
Facsimile: (310) 322-2462

Attorneys for Plaintiff
Tara Denise Michael

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SACRAMENTO

TARA DENISE MICHAEL, an individual, on her own behalf and on behalf of all others similarly situated,

Plaintiffs,

vs.

POINT QUEST INC., a California corporation; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 24CV016886

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR FINAL APPROVAL OF CLASS ACTION SETTLEMENT, ATTORNEYS' FEES, EXPENSES AND ENHANCEMENT AWARD

[Filed concurrently with the Declaration of Thomas Schelly; Declaration of Tara Denise Michael; Declaration of Lluvia Islas, [Proposed] Order Granting Final Approval of Settlement; [Proposed] Judgment

Judge: Hon. Laurie Damrell
Date: July 31, 2026
Time: 9:00 a.m.
Dept.: 22

Complaint filed: August 26, 2024

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NOTICE OF MOTION

PLEASE TAKE NOTICE that, on July 31, 2026 at 9:00 a.m., or as soon thereafter as the matter may be heard, Plaintiff Tara Denise Michael ("Plaintiff") on behalf of herself and all others similarly situated, will move this Court, in Department 22 of the Sacramento Superior Court of the State of California, 720 9th Street, Sacramento, CA 95814, before the Honorable Laurie Damrell, for an order pursuant to section 382 of the California Code of Civil Procedure as follows:

1. Granting final approval of the class action settlement set forth in the Class Action and PAGA Settlement Agreement and Class Notice ("Settlement Agreement"), a true and correct copy of which was filed with the Memorandum of Points and Authorities in Support of Plaintiff's Motion for Preliminary Approval;

2. Finding that the Notice to the Class constituted the best notice practicable under the circumstances to all potential members of the Class, and fully complied with rule 3.769 of the California Rules of Court;

3. Directing payment to the Settlement Class Members pursuant to the terms of the Settlement Agreement;

4. Directing payment of Class Counsel's attorneys' fees in an amount totaling $131,666.67, and reasonably incurred actual litigation costs totaling $21,443.75;

5. Directing payment of the Class Representative Service Payment to Named Plaintiff Tara Denise Michael in the amount of $10,000.00, for her services as class representative;

6. Directing payment to the LWDA in the amount of $25,675; and

7. Directing payment to Phoenix Class Action Administration Solutions ("Phoenix") in the amount of $7,250.00, for its services as Settlement Administrator.

This motion will be based on this Notice; the Memorandum of Points and Authorities; the Settlement Agreement between Plaintiff and Defendant and all exhibits thereto; the Declaration of Thomas Schelly; the Declaration of Tara Denise Michael; the Declaration of Lluvia Islas; the documents and records on file in this matter; and such additional arguments, authorities, and evidence and other matters as may be presented by the parties hereafter.

By separate motion Plaintiff also concurrently moves this Court for approval of Class

Counsel's attorneys' fees, costs, and approval of the $10,000.00 service award to the Named Plaintiff.

Notice: Pursuant to Local Rule 1.06 (A), the court will make a tentative ruling on the merits of this matter by 2:00 p.m., the court day before the hearing. The complete text of the tentative rulings for the department may be downloaded from the Court's public access site. If you do not have online access, you may call the dedicated phone number for the department as referenced in the local telephone directory, between the hours of 2:00 p.m. and 4:00 p.m. on the court day before the hearing and listen to the tentative ruling. If you do not call the court and the opposing party by 4:00 p.m. the court day before the hearing, no hearing will be held.

Dated: June 29, 2026

Respectfully submitted,
LIPELES LAW GROUP, APC

By: ______________________________
Kevin Lipeles, Esq.
Thomas Schelly, Esq.
Attorneys for Plaintiff and the Class

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Tara Denise Michael ("Plaintiff") seeks the Court's final approval of the Class Action and PAGA Settlement Agreement and Class Notice dated in September 2025 ("Settlement Agreement"),[1] submitted in support of Plaintiff's Motion for Preliminary Approval, entered into between Plaintiff on the one hand, and Point Quest Inc. ("Defendant" or "PQ"), on the other hand. On February 20, 2026, this Court granted preliminary approval of the Settlement Agreement and approved distribution of the Class Notice to all Class Members. Class Members were given 60 days to submit Requests for Exclusion, and objections to the Settlement. Now that the 60-day period has passed, **no Class Member objected to the settlement** and no Class Member requested to be excluded from the settlement. *See* Declaration of Lluvia Islas ("Islas Decl.") ¶¶ 8-9. This is an excellent result given that the average award is $777.90. Islas Decl. ¶13. Further, there are one hundred sixty-nine (169) Aggrieved Employees who worked a total of seven thousand seven hundred ninety-four (7,794) PAGA Pay Periods during the PAGA Period. *Id.* at ¶ 14. The highest Individual PAGA Payment to be paid is approximately $234.14, and the average Individual PAGA Payment to be paid is approximately $81.80. *Id.*

The Settlement Agreement requires Defendant to pay the Gross Settlement Amount ("GSA") of $395,000.00 to settle the claims brought by 238 Class Members (current and former employees). Because there are **no funds reverting** to Defendant, Settlement Class Members[2] will collectively receive the Net Settlement Amount ("NSA") of $185,139.58.[3]

This settlement, which resolves all of Plaintiff's claims brought in this case against Defendant, is fair, adequate, and reasonable. The Court should therefore grant final approval based on the terms of the settlement, the Parties' implementation of the Court's February 20, 2026 Preliminary Approval Order and the positive response by the Class Members to the Settlement.

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[1] All defined terms referenced in this motion are identical in substance and form to those in the Settlement Agreement.

[2] Settlement Class Members includes all individuals who were employed by Defendant in California in the Pediatric Therapy Division ("PEDS") in a non-exempt, hourly-paid position at any time during the Class Period and who received a "tier stipend" in addition to their hourly base rate of pay at any time from and including November 20, 2021 through February 20, 2026.

[3] Due to the class-favorable settlement structure, none of the NSA or the GSA will revert to Defendant. Settlement Agreement at §3.1.

II. SUMMARY OF THE CASE

A. Overview of the Case

Plaintiff alleged that Defendant failed to pay minimum wages, failed to authorize and permit meal/rest breaks and failed to reimburse business expenses. Based on these allegedly unlawful practices, Plaintiff also brought derivative claims for penalties for Defendant's alleged failure to furnish compliant wage statements and alleged failure to timely pay all final wages to separating employees. Plaintiff contends that the foregoing also violated Cal. Bus. & Prof. Code §17200, *et seq*. Lastly, Plaintiff alleged that Defendant was liable for PAGA remedies pursuant to California Labor Code §2699.

Defendant contends that they have complied with all minimum wage, meal/rest period, reimbursement of business expenses, and wage statement requirements. Defendant vigorously disputes all material allegations and all claims for damages and other relief made by Plaintiff in the First Amended Complaint ("FAC"), or otherwise asserted during the course of the litigation of this action.

B. Plaintiff's Counsel Conducted a Thorough Investigation of the Factual and Legal Issues.

1. Documents

As discussed in detail in Plaintiff's Motion for Preliminary Approval, since filing her Class Action Complaint, the parties exchanged informal discovery, including, *inter alia*, (1) detailed examination and analysis of a 25% sample of timekeeping data relating to putative Class members; (2) review of relevant data regarding the size of the putative class; (3) detailed examination of data related to PQ's PAGA exposure; and (4) research with respect to the applicable law and the potential defenses thereto. Schelly Decl., ¶15. The extensive document and data exchanges have allowed Plaintiff's Counsel to appreciate the strengths and weaknesses of the claims against Defendant and the benefits of the proposed Settlement. *Id.* at ¶¶ 24, 30, 37.

2. Data

From information provided by Defendant and culled from interviews with Class members, Class Counsel constructed a damages model based on the data obtained during the course of informal discovery to model Defendant's exposure and to serve as a basis for settlement discussions. Schelly Decl., ¶20. Plaintiff's damages model shows the following conclusions regarding Defendant's exposure, excluding interest and PAGA penalties:

ALLEGATION	**LIABILITY RISK**
Minimum Wage Claim	$140,191.52
Rest Break Claim	$654,668.00
Meal Break Claim (including meal break violations and interruptions)	$201,663.24
Failure to Issue Accurate Itemized Wage Statement Claim	$1,440,000.00
Failure to Reimburse Business Expenses Claim	$234,640.00
Total, excluding interest	**$2,671,162.76**

C. The Parties Attended Mediation

After the exchange of relevant information, the Parties agreed to enter into private mediation to attempt to resolve the claims in the action. On July 14, 2025, the Parties participated in a virtual mediation with mediator Jill R. Sperber, Esq. Schelly Decl., ¶25. Thomas Schelly, Esq., and Jasmine Badawi, Esq.[4] of Lipeles Law Group, APC, attended on behalf of Plaintiff. Plaintiff also remotely attended the mediation. *Id.* Shauna Correia, Esq. of Weintraub Tobin Chediak Coleman Grodin attended on behalf of Defendant. *Id.* Mediator Jill R. Sperber helped to manage the Parties' expectations and provided a useful, neutral analysis of the issues and risks to both sides.

Liability was hotly contested. Defendant adamantly contended that they maintained compliant minimum wage, meal/rest period, business expense reimbursement, and wage statement requirements. Schelly Decl., ¶¶16-18.

After a full day of negotiations, the parties were able to reach an agreement and ultimately arrived at this Settlement. At all times, the Parties' negotiations were adversarial and non-collusive. The Settlement therefore constitutes a fair, adequate, and reasonable compromise of the claims at issue. Schelly Decl., ¶¶17, 37-38.

III. SUMMARY OF THE PROPOSED SETTLEMENT

As part of this settlement, Defendant agreed to pay a GSA of $395,000.00 to the Class, from which will be deducted Class Counsel Fees Payment and Class Counsel Litigation Expenses

[4] Jasmine Badawi, Esq. no longer works at Lipeles Law Group.

Payment; the Class Representative Service Payment to Plaintiff; Administration Expenses Payment; and a $39,500.00 allocation to penalties pursuant to PAGA (PAGA penalty to the LWDA in the amount of $25,675.00).[5] The Settlement provides for **no reversion** to Defendant of any settlement monies remaining after all Settlement Class Members are paid. The non-reversionary nature of the settlement underscores the non-collusiveness of the settlement as a whole and demonstrates that the results obtained are excellent for those who participated. *Dearaujo v. Regis Corp*., 2016 U.S. Dist. LEXIS 85689 at *34 (E.D. Cal. 2016).

Pursuant to the terms of the Settlement Agreement and based on dates of employment, the Settlement Administrator has determined that two hundred thirty-five (235) Participating Class Members are eligible to receive an Individual Class Payment and one hundred sixty-nine (169) Aggrieved Employees are eligible to receive an Individual PAGA Payment. Islas Decl., ¶¶ 7, 14.

The average estimated amount per class member is $770.90.[6] Any unused funds from the Settlement will revert to the NSA for distribution to Participating Class Members.[7]

Employees were not required to submit claim forms, but were automatically opted-in to receive an Individual Class Payment if they did not opt out.[8]

Defendant's employer's share of payroll taxes, which will be paid by Defendant in addition to the GSA, will be calculated by the Settlement Administrator.[9]

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[5] The NSA is calculated as follows:

	Total Amount	**Source**
Gross Settlement Amount	$ 395,000.00	Settlement Agreement, at §3.1.
Class Counsel's Attorneys' Fees (35%)	$ 131,666.67	Settlement Agreement, at §3.2.2.
Actual Litigation Costs	$ 21,443.75	Settlement Agreement, at §3.2.2.
Settlement Administrator Costs	$ 7,250.00	Islas Decl. at ¶16.
Michael Class Representative Service Award	$ 10,000.00	Settlement Agreement, at §3.2.1.
Payment to LWDA	$ 25,675.00	Settlement Agreement, at §3.2.5.
Payment to the Aggrieved Employees	$ 13,825.00	Settlement Agreement, at §3.2.5
Net Settlement Amount	**$ 185,139.58**	Settlement Agreement, §1.29.

[6] Islas Decl. ¶ 13.

[7] Settlement Agreement, §3.2.4.3.

[8] Settlement Agreement, §3.1.

[9] Settlement Agreement §3.1.

The Parties agreed that the NSA shall be divided between all Participating Class Members as follows:

To calculate Individual Settlement Payments, the Administrator, using the Class Data, will calculate the total workweeks for all Class Members. The Individual Class Payment for each Settlement Class Member who does not Opt Out and is deemed a Participating Class Member shall be calculated by summing the total workweeks for each Settlement Class Member during the Class Period. The Net Settlement Amount shall be divided by the Total Workweeks to arrive at the "Workweek Payment Amount." Each Participating Class Member's share of the Settlement shall thereafter be calculated by multiplying that Participating Class Member's total workweeks during the Class Period by the Workweek Payment Amount.[10]

The Court's tentative ruling on preliminary approval, page 11, footnote 2, mentions that if the number of workweeks/pay periods exceeds the estimates contained in the Settlement Agreement, then the Court may require a supplemental exposure analysis at final approval to address the discrepancies. Here, the number of workweeks in the "Class Period" (which, as defined, ended as of the date of preliminary approval) prior to mediation was conservatively estimated to be 13,408. The actual total workweeks is only 12,442 (due to some employees leaving the company, the discovery of some additional employees' arbitration agreements, and individual settlements with certain employees who agreed to "opt out" of the Class, which reduced the putative class from 245 to 238 individuals). Thus, given that the actual workweeks was calculated to be fewer than the estimated workweeks, the settlement remains fair and adequate on a per-workweek basis. In addition, the primary issue in this case (which PQ had offered to resolve via an Early Evaluation Conference and the parties then agreed to mediate) was whether a "tier stipend" (a flat amount paid to certain employees who agreed to accept assignments more remote from their homes) should be included in Class Members' regular rate of pay for purposes of overtime, meal premiums or sick leave. Without conceding that Plaintiff's position is correct PQ represented that the tier stipend program had been eliminated entirely after the March 21, 2025 pay period (four months before mediation) which would eliminate any additional alleged violations after that date. A review of the sample Class Members'

[10] Settlement Agreement, §3.2.4.

pay records after May 21, 2025 confirmed that no additional “tier stipends’ were paid. Finally, most of the Class Members are not current employees. As of March 11, 2026, when PQ uploaded the updated Class List to Phoenix, only ten (10) class member were current employees. Thus, the settlement amount remains fair in spite of ten (10) employees continuing to work between the mediation and preliminary approval dates.

Because PAGA Employees cannot opt out of the PAGA claims, each PAGA Employee, whether or not a Participating Class Member, shall also receive his or her Individual PAGA Payment calculated by a) dividing the amount of the Aggrieved Employees’ 35% share of PAGA Penalties $13,825.00 by the total number of PAGA Period Pay Periods worked by all Aggrieved Employees during the PAGA Period and (b) multiplying the result by each Aggrieved Employee’s PAGA Period Pay Periods.[11] If the Court approves PAGA Penalties of less than the amount requested, the Administrator will allocate the remainder to the Net Settlement Amount.[12]

For tax purposes, Individual Settlement Payments shall be allocated and treated as follows: twenty-five percent (25%) of each Individual Settlement Payment will be allocated to settlement of wage claims and subject to withholdings and taxes, seventy-five percent (75%) will be allocated as non-wages, i.e., penalties and interest, and not subject to withholding. Each Individual PAGA Payment shall be treated as 100% penalties.[13]

IV. ADMINISTRATION OF THE SETTLEMENT AND THE CLASS RESPONSE

A. The Court Preliminarily Approved the Settlement Agreement

In its February 20, 2026 Order, the Court preliminarily approved the Settlement Agreement, including the amounts requested for attorneys’ fees and costs, the Settlement Administrator’s projected expenses, and the notice procedures to the Class Members, and ordered the mailing of the Court-approved Class Notice, describing the terms of the settlement and the rights of Class members to opt-out or object to the settlement, and to appear at the final approval hearing. The Court adopted the notice procedures specified in the Settlement Agreement and ordered they be

[11] Settlement Agreement, § 3.2.5.1.

[12] Settlement Agreement, § 3.2.5.2.

[13] Settlement Agreement, § 3.2.5.1.

implemented. The Court determined that the Settlement Agreement fell within the range of reasonableness of a settlement that could ultimately be given final approval by this Court and appeared to be fair and reasonable to all Class members.

B. Class Members Were Provided Proper Notice of the Settlement.

1. The Class Received the Best Practicable Notice and the Form of Notice Satisfied Due Process.

The Court-approved Class Notice and the notice process have adequately protected the due process rights of the absent Class Members. "The principal purpose of notice to the class is the protection of the integrity of the class action process …." *Cho v. Seagate Technology Holdings, Inc.* (2009) 177 Cal. App. 4th 734, 745. Class action rules require, *inter alia*, the class notice to contain an explanation of the case, the procedures for class members to follow in requesting exclusion from the class, and a statement that a member who does not request exclusion may enter an appearance through counsel. Cal. Rules of Court 3.766(d); *see also In re Vitamin Cases*, (2003) 107 Cal. App. 4th 820, 828. Similarly, Rule 3.769(f) states:

> If the court has certified the action as a class action, notice of the final approval hearing must be given to the class members in the manner specified by the court. The notice must contain an explanation of the proposed settlement and procedures for class members to follow in filing written objections to it and in arranging to appear at the settlement hearing and state any objections to the proposed settlement.

To satisfy due process, notice to class members must be "the best practicable, 'reasonably calculated, under all the circumstances, to apprise interested parties of the pendency of the action and afford them an opportunity to present their objections.'" *Consumer Cause, Inc. v. Mrs. Gooch's Natural Food Markets, Inc*. (2005) 127 Cal. App. 4th 387, 399, n. 9. "The standard is whether the notice has a reasonable chance of reaching a substantial percentage of the class members." *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 251 (2001). The Class Notice, mailed to Class members, which was previously approved by the Court, fully satisfies these standards. Islas Decl. ¶¶ 2-7. The Class Notice, which was approved in the Preliminary Approval Order, explained the proposed settlement and procedures for Class Members to follow when filing written objections to the settlement, in arranging to appear at the fairness hearing, and in stating any objections to the settlement.

2. The Settlement Administrator Implemented the Court Approved Notice.

The procedures for disseminating notice to the Class Members established by the Court's Order granting preliminary approval have been fully and properly executed. Islas Decl. ¶¶ 2-7. On March 12, 2026, Defendant provided the Settlement Administrator, Phoenix Class Action Administration Solutions ("Phoenix"), with a list containing the names, last known addresses, weeks worked during the Settlement Class Period, for 238 Class Members. *Id.,* ¶ 3.

In compliance with the Court's Order granting Preliminary Approval, on March 26, 2026, after updating all addresses through the National Change of Address ("NCOA") database maintained by the U.S. Postal Service, the Settlement Administrator sent the Court-approved Class Notice, by first class mail to 238 class members for who Defendant had addresses available and whom Defendant identified from their employment records as having worked as a non-exempt hourly employee at any time between November 20, 2021 and February 20, 2026 (hereinafter the "Class Members").[14] Islas Decl. ¶¶2, 5. The NCOA contains requested changes of address filed with the U.S. Postal Service. *Id.* ¶4. In the event that any Class Member had filed a U.S. Postal Service change of address request, the address listed with the NCOA was utilized in connection with the mailing of the Class Notice. *Id*.

Twenty-eight (28) Class Notices were returned to Phoenix. Islas Decl., ¶6. Phoenix performed a skip trace using the services of a professional address search firm. *Id.* Through this skip trace procedure, Phoenix was able to locate twenty-five (25) updated addresses, and promptly mailed a Class Notice to those updated addresses. *Id*. Ultimately, only three (3) Class Notices, out of two hundred thirty-eight (238) originally sent, were undeliverable because Phoenix was unable to find a current address. *Id*. at ¶7.

No claim forms needed to be submitted by current or former employees who were mailed

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[14] The time period from November 20, 2021 and February 20, 2026 is defined in the Settlement Agreement as, and is referred to hereinafter as the "Class Period." Settlement Agreement, §1.13. These dates for the Class Period were used by the Court to define the putative Class conditionally certified by the Court in its preliminary approval order dated February 20, 2026.

the Class Notice, because under the Settlement Agreement, all employees are automatically opted in, unless they request exclusion. Schelly Decl., ¶39.

The Settlement Administrator used the information it received from Defendant regarding each Class Member's "Workweeks" during the Class Period to calculate each Class member's estimated settlement share. Islas Decl., ¶ 2. Each individual Class Member's Class Notice showed the data used to calculate that Class Member's estimated share. *Id*. at ¶5, Ex. A (Class Notice). Class Members had an opportunity to review and dispute the data used to calculate their estimated settlement share, and provide documentation to support those corrections. *Id.* ¶¶ 5, 10, Ex. A. Zero (0) Class Member contacted Phoenix to dispute the number of Workweeks worked stated in their Class Notice. *Id.* at ¶ 10.

The two hundred thirty-five (235) Settlement Class Members for whom Phoenix had valid mailing addresses account for 98.7% of the total Workweeks among the Class. Islas Decl. ¶ 7. The three (3) Settlement Class Members whose Notices were ultimately undeliverable account for 1.3% of the total Workweeks among the Class.[15] *Id.* Thus, if the Settlement is given final approval, the total $185,139.58 sum of the NSA will be distributed to the Class Members with valid mailing addresses, with no reversion to the Defendant. Schelly Decl., ¶43. The average estimated Individual Class Payment per Settlement Class Member is $777.90, the maximum Individual Class Payment to be paid is $3,035.56 for Settlement Class Members who worked for the duration of the Class Period, and the lowest Individual Class Payment is $14.88. Islas Decl., ¶13.

Here, the Notice via direct mail given in this action clearly satisfies the due process requirements of notice. The notice was reasonably calculated under all the circumstances, to apprise interested parties of the pendency of the action and afford them the opportunity to present their objections.

3. The Class Accepted the Settlement Without Objection.

There were no requests for exclusion and **no objections** to the settlement. Schelly Decl.,

[15] Settlement checks which are uncashed after 180 days will be tendered to Legal Aid at Work. Settlement Agreement, §§4.4.1, 4.4.3.

¶43; Islas Decl., ¶¶ 8-9. This response speaks to the fairness, reasonableness and adequacy of the Settlement Agreement.

The Court should thus find that the notice was adequate, proceed to determine the fairness and adequacy of the Settlement Agreement, and order final approval, with the knowledge that absent Class members have been given the opportunity to participate fully in the claims, exclusion, and the approval process.

C. The Court Should Confirm Its Conditional Certification of the Settlement Class for Settlement Purposes Because the Class Meets All of the Requirements for Class Certification Under CCP § 382.

C.C.P. § 382 sets forth the class certification criteria:

> [W]hen the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court, one or more may sue or defend for the benefit of all.

Under Code of Civil Procedure § 382, a class may be certified if: (1) it is ascertainable and its members are too numerous for joinder to be practical; (2) the representative and absent class members share a community of interest and questions of law and fact common to the class predominate over questions unique to individual class members; (3) the representative's claims are typical of the class' claims; and (4) the representative will fairly and adequately represent the class' interests. *See Richmond v. Dart Industries, Inc*. (1981) 29 Cal.3d 462, 470.

Here, this Court found that the Settlement Class meets all the requirements for class certification for settlement purposes when it granted preliminary approval of the Settlement on February 20, 2026. The Parties request that the Court certify the Settlement Class, conditionally, only for purposes of the settlement.

1. The Proposed Class Is Ascertainable.

"The 'ascertainability' inquiry requires an examination of factors such as the class definition, the size of the class, the means of identifying class members, and the geographic dispersion of the class in order to determine whether the class is numerous and whether it is impractical to bring all the class members before the court." *Richmond*, 29 Cal. 3d at 478.

The proposed Settlement Class consists of all individuals who were employed by Defendant in California in the Pediatric Therapy Division ("PEDS") in a non-exempt, hourly-paid position at any time during the Class Period and who received a "tier stipend" in addition to their hourly base rate of pay between November 21, 2021, and ending on February 20, 2026. Here, the proposed Settlement Class is ascertainable, as they have been identified through Defendant's employment records. *See* Schelly Decl., ¶15. *See Rose v. City of Hayward* (1981) 126 Cal. App. 3d 926, 932 ("Class Members are 'ascertainable' where they may be readily identified without unreasonable expense or time by reference to official records.").

2. The Proposed Class Is Sufficiently Numerous.

The numerosity requirement is met if the class is so large that joinder of all members would be impracticable. *See Gay v. Waiters' & Dairy Lunchmen's Union*, 549 F.2d 1330 (9th Cir. 1977). Here, Defendant's personnel records show that the proposed Settlement Class has approximately 238 members. Due to the size of this Settlement Class, joinder of all Settlement Class Members would be impracticable, and a class-wide proceeding is preferable. *Hebbard v. Colgrove*, (1972) 28 Cal. App. 3d 1017, 1030 (noting that there is no set minimum to meet the numerosity prerequisite, but that a class with as few as 28 members is acceptable).

3. The Commonality Requirement Is Satisfied for Class Certification for Purposes of Settlement.

The predominance of common issues criteria is a significant issue, in connection with contested motions for class certification because of the implications of trial management when such issues do not predominate. In a settlement context, that factor is eliminated.

The commonality requirement requires that there be questions of law or fact common to the class. *See Brown v. The Regents of the Univ. of California* (1984) 151 Cal. App. 3d 982, 989; *Caro v. Proctor & Gamble Co*. (1993) 18 Cal. App. 4th 644, 667-668. Here, all Class Members were subject to the common policies or practices regarding minimum wage, meal/rest breaks, reimbursement of business expenses and the issuance of wage statements. The main individualized differences between Settlement Class Members relate to the amount of compensation each Settlement Class Member would be entitled to receive. However, it is well-settled that mere differences as to the amount of damages among Settlement Class Members is not sufficient to prevent certification. *Acree v. Gen. Motors Acceptance Corp*. (2001) 92 Cal. App. 4th 385, 387 ("A class action may be maintained even if each class member must at some point individually show his or her eligibility for recovery or the amount of his or her damages ...). The Settlement Agreement offers an approach that satisfies commonality by reducing each and every Settlement Class Member's claim to one factor: the Workweeks/PAGA Pay Periods worked during the Settlement Class Period or PAGA Period.

4. The Typicality Requirement Is Met.

The typicality requirement requires that the claims of the class representatives be "typical of the claims or defenses of the class." *See Classen v. Weller* (1983) 145 Cal. App. 3d 27, 45; *Caro*, 18 Cal. App. 4th at 664. The typicality requirement does not focus on the individual characteristics or circumstances of the representative plaintiff compared to those of the remainder of the class, but rather upon the typicality of the proposed representative's claims as they relate to the defendant's conduct and activities. *Classen*, 145 Cal. App. 3d at 47. Typicality exists when the representative plaintiff's and the proposed class members challenge the same course of conduct. *California Rural Legal Assistance, Inc. v. Legal Serv. Corp*., 917 F.2d 1171, 1175 (9th Cir. 1990). Here, typicality exists because the same course of conduct gave rise to the Class Representative's and proposed Settlement Class members' claims, and the Class Representative is similarly situated to the members of the proposed Settlement Class. *See* Declaration of Tara Denise Michael ("Michael Decl.") ¶5.

5. The Adequacy Requirement Is Satisfied.

The representative parties must fairly and adequately protect the interests of the class. *See City of San Jose v. Super. Ct.* (1974) 12 Cal. 3d 447, 463. The adequacy of representation requirement is met by fulfilling two conditions: first, a named plaintiff must be represented by counsel qualified to conduct the pending litigation; second, a named plaintiff's interests cannot be antagonistic to those of the class. *McGhee v. Crocker-Citizens Nat. Bank* (1976) 60 Cal. App. 3d 442, 451. Plaintiff here meets both of these requirements. First, Plaintiff's interests are co-extensive with those of the proposed Settlement Class since Plaintiff seeks relief identical to that sought by every other Settlement Class Member. *See* Michael Decl. ¶5. Second, Plaintiff has retained Class Counsel experienced in similar litigation and who have extensive class action litigation experience. Schelly Decl., ¶¶4-10. Plaintiff's Counsel has been appointed class counsel in a wide variety of wage and hour class action suits, including in cases similar to the instant case.

Accordingly, this Court should confirm the conditional granting of class certification for settlement purposes only.

V. THE SETTLEMENT MEETS THE CRITERIA FOR APPROVAL OF A CLASS ACTION SETTLEMENT SINCE IT IS FAIR, REASONABLE AND ADEQUATE.

A. The Settlement Is Presumed To Be Fair Based on the Process That Produced the Settlement and the Absence of Objections.

Settlement of a class action requires court approval. Cal. Civ. Code § 1781(f); Cal. Rules of Court Rule 3.769(g). California courts favor settlement. *Stambaugh v. Superior Court* (1976) 62 Cal. App. 3d 231, 236; *Potter v. Pac. Coast Lumber Co. of Cal*. (1951) 37 Cal. 2d 592, 602 ("The law wisely favors settlements ...") (citation and internal quotation marks omitted). Accordingly, the court must give "[due] regard to what is otherwise a private consensual agreement between the parties." *Wershba*, 91 Cal. App. 4th 224 at 245.

"[T]he trial court has broad powers to determine whether a proposed settlement in a class action is fair." *Mallick v. Super. Ct*., (1979) 89 Cal. App. 3d 434, 438. As a threshold matter, fairness is presumed when: (1) the settlement is reached through arm's-length bargaining, (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently, (3) counsel is experienced in similar litigation, and (4) the percentage of objectors is low. *Dunk v. Ford Motor Co.* (1996) 48 Cal. App. 4th 1794, 1802.[16] "Where the settlement terms are fair and

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[16] In *Kullar v. Foot Locker Retail, Inc. (2008)* 168 Cal. App. 4th 116, the Court of Appeal emphasized that this is only an initial presumption; a trial court's approval of a class action settlement will be vacated if the court "is not provided with basic information about the nature and magnitude of the claims in question and the basis for concluding that the consideration being paid for the release of those claims represents a reasonable compromise." *See Munoz v. BCI Coca-Cola Bottling Company of Los Angeles* (2010 186 Cal. App. 4th 399, 408 (quoting *Kullar,* 168 Cal. App. 4th at 130). *Munoz* clearly held, however, that there is no obligation on parties seeking approval of a class action settlement to state a specific sum that would represent the maximum possible recovery if the class prevailed on all theories. *Id.* Rather, the Court must simply have, "an understanding of the amount that is in controversy and the realistic range of outcomes of the litigation." *Munoz*, 186 Cal. App. 4th at 409.

reasonable, the settlement is presumptively valid, subject only to objections that may be raised at a final hearing." Conte & Newberg, *Newberg on Class Actions* § 11.26 (4th ed. 2002). By granting preliminary approval, this Court has already determined that the Settlement is fair and reasonable.

The settlement in the case at bar carries a presumption of fairness. First, the settlement was negotiated at arms' length, and with the assistance an experienced mediator. Schelly Decl., ¶25. Second, Class Counsel engaged in very extensive factual investigation, including informal discovery before settling, and obtained the following documents: a list of all putative class members (238), number of workweeks, shifts and number of pay periods, data relating to the size and scope of the putative class, the average hourly rate, wage and hour policies and procedures, a sampling of timekeeping data, payroll data and time punches and data relating to PAGA exposure. The production of this data led to the creation of detailed damages and recovery models. The above data and documents informed the settlement negotiations. *Id.*, ¶¶14-15. Third, Class Counsel has significant experience in class actions and employment wage and hour matters. *Id.* ¶¶4-10. Class Counsel negotiated the proposed Settlement with ample knowledge as to the strengths and weaknesses of this case, the amounts necessary to compensate Class Members for their damages, and the benefits of the proposed Settlement under the circumstances of this case. Lastly, not a single Class member has objected to the Settlement. Islas Decl. ¶9. Class Counsel has adequately analyzed the strengths of the case for Plaintiff on the merits, balanced against the amount offered in settlement and the presumption of fairness applies. Schelly Decl., ¶24. Thus, final approval is warranted.

B. Each of the Relevant California Criteria Support Final Approval of the Settlement.

Rule 3.769(f)-(h) of the California Rules of Court authorizes the Court to conduct an inquiry into the fairness of a class action settlement and finally approve such settlements. The court must determine whether the settlement is fair, adequate, and reasonable. *Dunk.*, 48 Cal. App. 4th at 1801. The trial court has broad discretion to determine whether the settlement is fair. *Rebney v. Wells Fargo Bank*, (1990) 220 Cal. App. 3d 1117, 1138.

A settlement is fair, adequate and reasonable, and therefore merits final approval, when the "interests of the class are better served by the settlement, particularly in class actions and other complex cases where substantial resources can be conserved by avoiding the time, cost and rigors of formal litigation." *Lealao v. Beneficial Cal, Inc.* (2000) 82 Cal. App. 4th 19, 53.

The Court should grant final approval of the Settlement in this case, based on the following factors which evidence the fairness, reasonableness, and adequacy of the Settlement: (1) the value of the settlement; (2) the risks inherent in continued litigation; (3) the extent of discovery completed and the stage of the proceedings when settlement was reached; (4) the complexity, expense, and likely duration of the litigation in the absence of settlement; (5) the experience and views of class counsel; and (6) the reaction of the class members. *See Wershba*, 91 Cal. App. 4th at 244-45; *Dunk*, 48 Cal. App. 4th at 1801. The list of factors is not exhaustive and should be tailored to each case. The inquiry "must be limited to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned." *Id.*

Each of the relevant factors supports final approval of the class action settlement before this Court.

1. The Value of the Settlement Favors Final Approval.

The $395,000 GSA provides a significant monetary recovery to the Class warranting final approval. Class Counsel has provided the Court with sufficient information regarding the amount in controversy and potential outcomes of the case, including a detailed description of Plaintiff's claims and Defendant's defenses and potential exposure, in the papers offered in support of this Motion as well as Plaintiff's preliminary approval papers. Accordingly, the Court has the information it needs in order to evaluate the sufficiency of the Settlement. Plaintiff estimated Defendant's potential liability to be $2,671,162.76, excluding interest and PAGA penalties, for all claims. Plaintiff carefully vetted the claims at issue and reviewed extensive documents relating to minimum wages, meal/rest break data, and reimbursement of business expenses for the Settlement Class and conducted a detailed statistical analysis of the data to arrive at her estimated damages figures. Plaintiff's Counsel negotiated the Settlement amount after conducting thorough discovery and independent investigation of the class claims. Schelly Decl., ¶¶ 14-15. Plaintiff's counsel acted efficiently in achieving an excellent Settlement that is 14.9% of the reasonable value of the exposure. "It is well-settled law that a cash settlement amounting to only a fraction of the potential recovery will not per se render the settlement inadequate or unfair." *Officers for Justice v. Civil Serv. Comm'n of the City and County of San Francisco*, 688 F.2d 615, 628 (9th Cir. 1982); *see also In re Omnivision Techs., Inc*., 559 F. Supp. 2d 1036, 1042 (N.D. Cal. 2008) (approving settlement in which the class received payments totaling 6% of potential damages); *Rebney,* 220 Cal. App. 3d. at 1139 (a settlement need not obtain 100 percent of the damages sought in order to be fair and reasonable). Accordingly, considering the risks of potential recovery, the amount offered in settlement weighs heavily in favor of final approval.

The estimated potential liability includes penalties, other than PAGA penalties, derivative of the underlying violations alleged. The value of these penalties - which are derivative, discretionary, and subject to defenses of their own - could be substantial, but their recovery carried substantial risk.

Plaintiff's Counsel, therefore, had to discount the value of the claims by Defendant's defenses, the chances of certification being denied, the chances of losing at trial, and the chances of winning at trial, but being reversed on appeal. Here, while Plaintiff maintains that the requirements of class certification are met, Defendant proffers various arguments why class treatment is not appropriate, including but not limited to, the fact that individualized inquires among Class Members predominate over common ones. The prospect of certifying a wage and hour action is always uncertain, and the risk of being denied class certification militates in favor of settlement. Consequently, the potential for a finding of liability for Plaintiff's claims was far from certain and thus Defendant's overall liability had to be discounted.

The NSA is approximately $185,139.58, which shall be available for distribution to Class Members in its entirety since the proposed Settlement is non-reversionary and amounts relating to non-participating Class members will be reallocated to Participating Class Members. Schelly Decl., ¶¶27, 43. The average estimated amount per Class Member is $770.90. *Id*. at ¶13.

Moreover, the State of California will receive $25,675.00, a sizable payment to use for education and enforcement of the State's labor laws. Islas Decl., ¶14. The remaining portion of the PAGA settlement amount, $13,825.00, will be part of the NSA distributed to Participating Class Members. *Id.* The monetary recoveries for both the Class and the State of California justify the final approval of the Settlement.

Because the settlement provides immediate and substantial relief, without the attendant risks and delay of continued litigation, Class Counsel believes that the settlement merits the Court's final approval.

2. The Settlement Is Reasonable Given the Strength of Plaintiff's Claims and the Substantial Risks, Expense and Complexity of Further Litigation.

Of the many factors that courts consider in deciding whether to approve a class action settlement, "[t]he most important factor is the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement." *Kullar*, 168 Cal. App. 4th 116 at 130; *see also Munoz*, 186 Cal. App. 4th at 407-8.

Plaintiff was cautiously optimistic about the chances of certifying the putative Class and of prevailing at trial. Nevertheless, Plaintiff recognizes that if the litigation had continued, she may have encountered significant legal and factual hurdles that could have prevented the Class from obtaining any recovery. Of particular relevance to the proposed Settlement's reasonableness is the fact that Defendant has legal and factual grounds for defending this action. *See infra*, V.B.1. Defendant consistently asserted that, throughout the relevant time period, it adhered to the legal requirements for paying minimum wages and affording meal/rest breaks to its employees and complied with California's labor laws at all times. Defendant also contended that a class action could not be properly maintained because Plaintiff could not satisfy the criteria to certify a class under C.C.P. §382.

The complexity of the case also weighs in favor of the fairness of the Settlement, as it entails uncertain minimum wage, meal/rest break and expense reimbursement, claims and penalties derived therefrom, which are subject to reduction at the Court's discretion. For example, Defendant adamantly contended that they maintained compliant minimum wage, meal/rest break and expense reimbursement practices. If successful, Defendant's defenses could eliminate or substantially reduce any recovery to the Class. While Plaintiff believes that these defenses could be overcome, Defendant maintains these defenses have merit and therefore present a serious risk to recovery. Thus, there was significant risk that, if the Action was not settled, Plaintiff would be unable to obtain class certification and thereby not recover on behalf of any other employees.

In addition to these formidable risks, Plaintiff would also have to prove various issues regarding damages. Moreover, an appeal would likely follow even if the Class were successful at trial, and any recovery would only be attained through litigation many years after Class Members suffered the violations alleged. Since the Settlement instead provides for prompt and substantial relief without the attendant risks and delay of continued litigation, it warrants this Court's final approval.

3. Sufficient Discovery and Investigation Has Been Completed

The stage of the proceedings and the amount of discovery completed is an important factor which the Courts consider in determining the fairness, reasonableness, and adequacy of a settlement. *Boyd v. Bechtel Corp*., 485 F. Supp. 610, 616-17 (N.D. Cal. 1979). Plaintiff's counsel conducted meaningful informal discovery. The litigation reached a stage where "the parties certainly ha[d] a clear view of the strengths and weaknesses of their cases." *Id.* at 616-17.

Plaintiff's Counsel and the Class Representative have litigated this matter for more than one and one half years. The parties engaged in substantial informal discovery prior to resolving the action including, but not limited to, analysis of data produced by Defendant, conferences between Class Counsel and Defendant's counsel and a formal mediation as part of the settlement process. The parties had a full day virtual mediation on July 14, 2025, with Jill R. Sperber, Esq. Schelly Decl., ¶25. The fact that the settlement was negotiated with the assistance of a mediator supports approval. *Alberto v. GMRI, Inc*., 252 F.R.D. 652, 666 (E.D .Cal. Jun 24, 2008); *Glass v. UBS Fin. Servs*., 2007 U.S. Dist. LEXIS 8476 (N.D. Cal. 2007) ("The settlement was negotiated and approved by experienced counsel on both sides of the litigation, with the assistance of a well-respected mediator with substantial experience in employment litigation…this factor supports approval of the settlement.”). The parties were able to reach an agreement at the July 14, 2025, mediation which culminated in this Settlement. Schelly Decl., ¶25.

4. Class Counsel Is Experienced and Endorses the Settlement.

The settlement negotiations were conducted by highly capable and experienced counsel. The case was vigorously prosecuted by Thomas Schelly and Jasmine Badawi. Defendant has been represented by Shauna Correia, Esq. of Weintraub Tobin Chediak Coleman Grodin, a renowned defense firm with a significant wage and hour defense practice. Thus, the firms representing the Parties in this case have extensive experience in similar wage and hour actions. *See*, for example, Schelly Decl., ¶¶ 4-10. As such, Class Counsel is experienced, knowledgeable and qualified to evaluate the Class claims and viability of the defenses *Id.*

The endorsement of qualified and well-informed counsel of a settlement as fair, reasonable, and adequate is entitled to significant weight by the Court in its final approval determination. *See Dunk,* 48 Cal. App. 4th at 1802; *Boyd*, 485 F. Supp. at 622 (recommendations of plaintiff’s counsel should be given a presumption of reasonableness). The recovery for each Class Member is substantial, given the risks inherent in litigation and the defenses asserted. Similarly, counsel for Defendant is also in favor of this settlement. Class Counsel supports the settlement as fair, reasonable and adequate, and in the best interest of the Class Members as a whole. Schelly Decl., ¶¶ 27, 37-38, 40.

5. The Absence of Any Objections Confirms That the Settlement Is Fair, Adequate, and Reasonable.

The response of class members to a settlement is relevant in evaluating whether it merits final approval. *Dunk*, 48 Cal. App. 4th at 1801. Notably, the absence of objections and no requests for exclusion supports the reasonableness of the Settlement. *See 7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal. App. 4th 1135, 1152-53 (finding that 9 objections and 80 opt-outs, from a class of 5,454, showed a “particularly impressive” favorable response from class members supporting final approval); *Wershba*, 91 Cal. App. 4th 250-51 (final approval granted despite 20 objectors).

Here, no Settlement Class member has opted-out of the Settlement. Islas Decl., ¶8.

Importantly, after direct mail notice was provided to 238 Class members of the estimated amount that each Class member would receive, not a single member of the Settlement Class filed an objection to the Settlement. *Id*. at 9. Thus, the overwhelmingly positive response of the Settlement Class confirms that the Class members themselves view the Settlement as fair, adequate, and reasonable and it therefore merits final approval.

VI. CONCLUSION

For the reasons stated herein, Plaintiff's motion should be granted.

Dated: June 29, 2026

Respectfully submitted,

LIPELES LAW GROUP. APC

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Kevin Lipeles, Esq.
Thomas Schelly, Esq.
Attorneys for Plaintiff and the Settlement Class