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Attorneys for Plaintiffs, BRIANNA TAYLOR and LUIS GARCIA, on behalf of themselves and all others similarly situated and aggrieved

(*Additional Counsel on the next page*)

SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF LOS ANGELES

BRIANNA TAYLOR, LUIS GARCIA and CESAR VELEZ CERNA, individuals, and on behalf of all others similarly situated aggrieved,

Plaintiffs,

v.

SODEXOMAGIC, LLC, a Delaware Limited Liability Company; SDH SERVICES WEST, LLC, a Delaware Limited Liability Company; ASIS IQUECAL, an individual; and DOES 1 through 100, inclusive,

Defendants.

CASE NO.: 24STCV23503

Related Cases: 24STCV34737 and 24STCV00321

[Assigned for all purposes to the Hon. Elihu M. Berle in Dept. 6]

PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS AND REPRESENTATIVE ACTION SETTLEMENT AND PROVISIONAL CLASS CERTIFICATION FOR SETTLEMENT PURPOSES ONLY; DECLARATIONS OF KEATON D. MENDOZA, DAVID D. BIBIYAN, HAROUT MESSRELIAN, BRIANNA TAYLOR, LUIS GARCIA, CESAR VELEZ CERNA, AND JODEY LAWRENCE IN SUPPORT THEREOF

HEARING INFORMATION:

DATE: December 4, 2026
TIME: 9:00 a.m.
DEPT: 6

MESSRELIAN LAW, INC.
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Attorneys for Plaintiff, CESAR VELEZ CERNA,
on behalf of himself and all others similarly situated
and aggrieved

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on December 4, 2026 at 9:00 a.m., or as soon thereafter as they may be heard in Department 6 of the Superior Court of the State of California for the County of Los Angeles, plaintiffs Brianna Taylor, Luis Garcia and Cesar Velez Cerna (collectively, "Plaintiffs"), on behalf of themselves and all others similarly situated and aggrieved, will and hereby do move for this Court for entry of an Order:

1. Preliminarily certifying the following settlement class ("Class," "Settlement Class Members" or "Class Members") for the purpose of settlement only: all persons employed by defendants SodexoMagic, LLC, and SDH Services West, LLC (collectively, "Defendants"), who worked in a non-exempt position in California during the period from September 11, 2020 to March 16, 2023, or an earlier date pursuant to paragraph 4.1 of the Settlement Agreement ("Class Period"). The Class excludes any person who only worked for Defendants in a non-exempt position in California during the Class Period at a federal enclave location.

2. Preliminarily approving Plaintiffs as Class Representatives.

3. Preliminarily approving Bibiyan Law Group, P.C., and Messrelian Law, Inc., as Class Counsel.

4. Preliminarily approving the settlement under the terms set forth in the Settlement Agreement.

5. Preliminarily approving the Gross Settlement Amount of $3,000,000.00.

6. Approving the form and content of the Class Notice submitted herewith.

7. Appointing Phoenix Settlement Administrators ("Phoenix"), to administer the Settlement, including distribution of the Class Notice, as set forth in the Settlement Agreement.

8. Preliminarily approving the payment not to exceed $49,950.00 for settlement administration to Phoenix from the Gross Settlement Amount.

9. Preliminarily approving service awards of up to $10,000.00 each to plaintiffs Brianna Taylor, Luis Garcia and Cesar Velez Cerna, for a total of $30,000.00 to Plaintiffs, in consideration for Plaintiffs' extensive efforts in prosecuting this case.

10. Preliminarily approving payment of reasonable attorneys' fees to Class Counsel in the

amount of thirty-five percent (35%) of the Gross Settlement Amount which amounts to $1,050,000.00.

11. Preliminarily approving reimbursement of Class Counsel's costs in an amount, according to proof, not to exceed $50,000.00.

12. Preliminarily approving PAGA penalties in the amount of $300,000.00, seventy-five percent (75%) or $225,000.00 of which will be paid to the Labor and Workforce Development Agency ("LWDA") out of the Gross Settlement Amount, and twenty-five percent (25%) or $75,000.00 of which will be distributed out of the Gross Settlement Amount to "Aggrieved Employees," defined as all persons employed by Defendants who worked in a non-exempt position in California during the period from October 31, 2022 through the end of the Class Period ("PAGA Period"). Aggrieved Employees excludes any person who only worked for Defendants in a non-exempt position in California during the PAGA Period at a federal enclave location.

13. Entering an Order preliminarily approving the Settlement consistent with the terms of the Settlement Agreement.

Good cause exists for granting this Motion in that the proposed settlement is fair, reasonable and adequate.

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This Motion will be based on this Notice of Motion, the Memorandum of Points and Authorities filed herewith, the Declarations of Keaton D. Mendoza, David D. Bibiyan, Harout Messrelian, Brianna Taylor, Luis Garcia, Cesar Velez Cerna, and Jodey Lawrence, and exhibits attached thereto, arguments of counsel and upon such other materials contained in the file and pleadings of this action.

Dated: November 5, 2026

BIBIYAN LAW GROUP, P.C.

/s/ Keaton D. Mendoza

KEATON D. MENDOZA

Attorneys for Plaintiffs, on behalf of themselves and all others similarly situated and aggrieved

MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiffs Brianna Taylor, Luis Garcia and Cesar Velez Cerna (collectively, "Plaintiffs"), on behalf of themselves and all others similarly situated and aggrieved, hereby apply for preliminary approval of the Class Action and PAGA Settlement Agreement ("Settlement," "Agreement" or "Settlement Agreement") upon the terms and conditions set forth in the Settlement Agreement, attached to the Declaration of Keaton D. Mendoza as Exhibit "1."

On October 31, 2023, plaintiff Cesar Velez Cerna filed with the California Labor and Workforce Development Agency ("LWDA") and served on defendant SDH Services West, LLC, a notice under Labor Code section 2699.3, stating he intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations ("Cerna PAGA Notice").

On January 5, 2024, after sixty-five (65) days had passed since the filing and serving of the Cerna PAGA Notice, without any action by the LWDA with respect to the Labor Code violations alleged in the Cerna PAGA Notice, plaintiff Cesar Velez Cerna filed a representative action under PAGA against Defendant SDH Services West, LLC, captioned *Cesar Velez Cerna v SDH Services West LLC, et al.*, in the Los Angeles County Superior Court, Case No. 24STCV00321, for the Labor Code violations set out in the Cerna PAGA Notice (the "Cerna PAGA Action").

On August 20, 2024, plaintiffs Brianna Taylor and Luis Garcia filed with the LWDA and served on Defendants a notice under Labor Code section 2699.3, stating they intended to serve as a proxy of the LWDA to recover civil penalties on behalf of Aggrieved Employees for alleged Labor Code violations ("Taylor-Garcia PAGA Notice"). A true and correct copy of the Taylor-Garcia PAGA Notice is attached to the Declaration of Keaton D. Mendoza as Exhibit "2." The Cerna PAGA Notice and the Taylor-Garcia PAGA Notice are hereinafter collectively referred to as the "PAGA Notices."

On September 11, 2024, plaintiffs Brianna Taylor and Luis Garcia commenced this Action by filing a class action complaint alleging causes of action against Defendants for: (1) failure to pay overtime wages; (2) failure to pay minimum wages; (3) failure to provide meal periods or

compensation in lieu thereof; (4) failure to provide rest periods or compensation in lieu thereof; (5) failure to pay all wages due upon separation; (6) failure to provide accurate wage statements; (7) failure to timely pay wages during employment; (8) failure to indemnify for business expenses; (9) failure to pay unused vested vacation time; and (10) engaging in unfair competition (the "Taylor-Garcia Class Action" or the "Action").

On December 31, 2024, after sixty-five (65) days had passed since the filing and serving of the Taylor-Garcia PAGA Notice, without any action by the LWDA with respect to the Labor Code violations alleged in the Taylor-Garcia PAGA Notice, plaintiffs Brianna Taylor and Luis Garcia filed a separate representative action under PAGA against Defendants, captioned *Brianna Taylor, et al. v. SodexoMagic, LLC, et al*., in the Los Angeles County Superior Court, Case No. 24STCV34737, for the Labor Code violations set out in the Taylor-Garcia PAGA Notice (the "Taylor-Garcia PAGA Action").

Thereafter, the Parties agreed to exchange informal discovery and attend mediation.

Prior to mediation, Plaintiffs obtained, through informal discovery: (a) a random sampling of time and payroll records of putative class members during the class period; (b) data points, including the number of putative class members and workweeks; (c) wage and hour policy documents of Defendants; and (d) all documents pertaining to Plaintiffs available to Defendants.

Plaintiffs' investigation was sufficient to satisfy the criteria for court approval set forth in *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801 and *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129-130 ("*Dunk/Kullar*").

On April 14, 2026, the Parties participated in an all-day mediation presided over by Monique Ngo-Bonnici, Esquire. The mediation was successful, and the Parties agreed to globally resolve all class and PAGA claims in the Action. As part and parcel to the Agreement, the Parties agreed to stipulate to plaintiffs Brianna Taylor's and Luis Garcia's filing a First Amended Complaint in the Taylor-Garcia Class Action, adding plaintiff Cesar Velez Cerna as a named plaintiff and all allegations in the Taylor-Garcia PAGA Action and the Cerna PAGA Action, and after acceptance of the First Amended Complaint, request dismissal without prejudice of the Taylor-Garcia PAGA Action and the Cerna PAGA Action, thereby effectively consolidating the allegations in the three

actions for purposes of the Settlement. The First Amended Complaint in the Taylor-Garcia Class Action is the operative complaint in the Action ("Operative Complaint").

Class Counsel have conducted significant investigation of the law and facts relating to the claims asserted in the Action and the PAGA Notices, and have concluded that the Settlement is fair, reasonable, adequate, and in the best interests of the Settlement Class, taking into account the sharply contested issues involved, the expense and time necessary to litigate the Action through trial and any appeals, the risks and costs of further litigation of the Action, the risk of an adverse outcome, the uncertainties of complex litigation, the information learned through informal discovery regarding Plaintiffs' allegations, and the substantial benefits to be received by Settlement Class Members.

II. THE SETTLEMENT

Subject to Court approval pursuant to Code of Civil Procedure section 382 and California Rules of Court, rule 3.679, *et seq*., the Parties have agreed to settle the Action by agreement upon the terms and conditions and for the consideration set forth in the Settlement Agreement, a copy of which is attached to the Declaration of Keaton D. Mendoza as Exhibit "1" thereto. A summary of the terms of the settlement are as follows:

Defendants will stipulate, for purpose of this settlement only, as follows:

- Certification of a class ("Settlement Class," "Settlement Class Members" or "Class Members") defined as: all persons employed by defendants SodexoMagic, LLC, and SDH Services West, LLC (collectively, "Defendants"), who worked in a non-exempt position in California during the period from September 11, 2020 to March 16, 2023, or an earlier date pursuant to paragraph 4.1 of the Settlement Agreement ("Class Period"). The Class excludes any person who only worked for Defendants in a non-exempt position in California during the Class Period at a federal enclave location.
- Defendants will pay $3,000,000.00 ("Gross Settlement Amount") to resolve the matter.
- Based on a review of its records to date, Defendants estimate there are a total of 545,000 active Workweeks worked as a non-exempt employee in California at a non-federal enclave from September 11, 2020, to March 16, 2023. In the event the number of

workweeks during the Class Period increases by more than 10%, or 54,500 workweeks, Defendants shall roll back the end of the Class and PAGA Release Periods to the date in which 599,500 active workweeks is met.

- Defendants will pay the employer's share of taxes separate and apart from the Gross Settlement Amount.
- This is a non-reversionary settlement.
- Class Members will be paid their *pro rata* share of the class action settlement based on the total number of Workweeks[1] worked during the Class Period.
- The Settlement Administration costs, estimated not to exceed $49,950.00, will be paid out of the Gross Settlement Amount.
- Class Counsel, comprised of Bibiyan Law Group, P.C., and Messrelian Law, Inc., may apply for, and Defendants will not oppose, attorneys' fees of *up to* thirty-five percent (35%) of the Gross Settlement Amount, which amounts to $1,050,000.00, and actual costs, not to exceed $50,000.00, all of which will be paid out of the Gross Settlement Amount.
- Class Counsel hereby apply for, and Defendants will not oppose, service awards of up to $10,000.00 each to plaintiffs Brianna Taylor, Luis Garcia and Cesar Velez Cerna, for a total of $30,000.00 to Plaintiffs, which will be paid out of the Gross Settlement Amount.
- "Aggrieved Employees" is defined as all persons employed by Defendants who worked in a non-exempt position in California during the period from October 31, 2022 through the end of the Class Period ("PAGA Period"). Aggrieved Employees excludes any person who only worked for Defendants in a non-exempt position in California during the PAGA Period at a federal enclave location.
- Defendants have agreed to pay $300,000.00 as PAGA penalties, seventy-five percent (75%) or $225,000.00 of which will be paid to the LWDA out of the Gross Settlement

[1] "Workweek" means any week during which a Class Member worked for Defendants for at least one day, during the Class Period in a non-exempt position in California at a non-federal enclave location.

Amount, and twenty-five percent (25%) or $75,000.00 of which will be distributed to the Aggrieved Employees out of the Gross Settlement Amount.

- For any Class Member and/or Aggrieved Employee whose Individual Class and/or PAGA Payment check is uncashed and cancelled after the void date (180 days after the date of mailing), the Administrator shall transmit the funds represented by such a check to the California Controller's Unclaimed Property Fund in the name of the Class Member/Aggrieved Employee.

III. THE TWO-STEP APPROVAL PROCESS AND THE PRESUMPTION OF FAIRNESS

Any settlement of class litigation must be reviewed and approved by the Court. (*See* Cal. Rules of Court, rule 3.769). This is done in two steps: (1) an early (preliminary) review by the trial court; and (2) a final review after notice has been distributed to the class members for their comment or objections. (*See id.*). Courts presume the absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered. In short, there is a presumption that the negotiations were conducted in good faith. (Newberg on Class Actions, § 11.51; *In re Volkswagen "Clean Diesel" Marketing, Sales Practices, and Products Liability Litigation* (N.D. Cal. May 17, 2017) No. 16-cv-00295, 2017 WL 2214655, quoting *United States v. Oregon* (9th Cir. 1990) 913 F.2d 576, 580.)

IV. SETTLEMENT AGREEMENT AND ACCOMPANYING DOCUMENTS

A notice of settlement of a class action "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." (Cal. Rules of Court, rule 3.769, subd. (f).)

Attached to the Declaration of Keaton D. Mendoza as Exhibit "1" thereto is the Settlement Agreement between the Parties. Attached to the Settlement Agreement as internal Exhibit "A" is the proposed Class Notice to be distributed to Class Members in English and Spanish. The proposed Class Notice satisfies these requirements.

The Parties respectfully request that this Court approve the above-referenced Class Notice

and dissemination of the Class Notice to the Class Members, consistent with the manner and timing as set forth in the Settlement Agreement. The Parties have agreed to use Phoenix Settlement Administrators ("Phoenix"), an experienced Settlement Administrator, to administer the settlement.

V. THE SETTLEMENT IS FAIR AND REASONABLE BASED UPON OBJECTIVE EVIDENCE

A. The Settlement was Negotiated at Arm's-Length and is not Collusive

The Settlement that has been reached, subject to this Court's approval, is a product of substantial efforts by the Parties and their counsel. The Settlement was reached after extensive factual and legal investigation and research; the exchange of informal discovery; substantial negotiation regarding the scope of informal discovery; exchange of documents and information that included review of time and pay records and analysis thereof with the aid of Plaintiffs and expert consultant; analysis of shifts and Workweeks worked by Class Members in the Class Period, analysis of the number of pay periods and number of Aggrieved Employees in the PAGA Period for calculating PAGA penalties, number of Class Members eligible for wage statement penalties and waiting time penalties; an analysis of Plaintiffs' employment records; extensive correspondence and communication between counsel; a review of pleadings, evidence and rulings in similar actions litigated elsewhere in the state; a review of similar cases in the same industry elsewhere in the country; and preparation for and attendance at a full-day mediation, followed by further discussions and coordination to finalize the terms and conditions of the general settlement parameters agreed to by the Parties.

While Class Counsel believe in the chance of success of certifying the claims, Class Counsel recognized the potential risk, expense and complexity posed by further litigation. Moreover, litigating Plaintiffs' claims in this litigation—claims that involve approximately 10,700 Class Members during the Class Period—would require substantial preparation and discovery, and ultimately would involve the deposition and presentation of numerous witnesses (including Class Members and expert witnesses), as well as the consideration, preparation and analysis of expert reports. Therefore, should litigation have progressed any further, there would have been significant expense incurred by each side (above and beyond the expense already incurred).

B. The Settlement Amount is Well Within the Range of Reasonableness

The settlement amount reached in this case provides significant recovery to Class Members and Aggrieved Employees, and easily falls within the range of reasonableness. Based on documents and information provided by Defendants, Class Counsel understand, as of the date of the mediation, there were approximately 545,000 Workweeks during the Class Period.

1. Unpaid Wages for Failure to Pay Off-the-Clock Work

Class Counsel theorized, based on Plaintiffs' narrative evidence, that Defendants failed to pay all wages due to Class Members because Defendants required Class Members to work off-the-clock or Class Members spent time off-the-clock under Defendants' control, including, without limitation, waiting in line at only one (1) timeclock for each of Defendants' location for all employees to clock in at the start of their shifts, without pay.

One theory advanced by Class Counsel alleged, based on Plaintiffs' narrative evidence, that Class Members worked off-the-clock for a conservative estimate of three (3) minutes each shift throughout the Class Period, without pay. Class Counsel understand, based on time and payroll records produced by Defendants and analysis thereof by expert data consultants retained by Class Counsel, that there were approximately 2,749,598 shifts during the Class Period, approximately 38.5% of which were over eight (8) hours in length, and Class Members had an average regular hourly rate of pay of $21.85. Thus, one calculation performed by Class Counsel resulted in **Defendant's exposure for unpaid off-the-clock work in a conservative amount of $5,429,614** ([2,749,598 shifts x 0.385 shifts over 8 hours x 0.05 hour x $21.85 x 1.5 overtime rate] + [2,749,598 shifts x 0.615 shifts less than 8 hours x 0.05 hour x $21.85 x 2 in liquidated damages]).

Defendants contend that their policies specifically prohibit off-the-clock work. Defendants contend that they did not require Class Members to work off-the-clock and, rather, they were paid for all time suffered or permitted to work. Defendants assert that they provided a sufficient number of timeclocks at their facilities, and Class Members would not have been required to wait in line for clocking in before their shifts. Defendants contend that any allegations that Class Members were required to be under Defendants' control off-the-clock would necessitate an individualized inquiry

into when and why, making this claim not subject to class treatment and any trial in this litigation unmanageable. Thus, Defendants contend that no damages can be recovered here, and, even if, *arguendo*, it could, an estimate of three (3) minutes of unpaid time for *every single* shift worked by all Class Members during the Class Period is a *wild* exaggeration of time spent working off-the-clock if *any* such time was spent.

2. Damages for Failure to Include Regular Rate of Pay for the Purpose of Calculating Overtime Pay, Sick Pay and Meal Period Premiums

Class Counsel understand from Plaintiffs' narrative evidence and documents produced by Defendants, that Class Members received non-discretionary bonuses, including, among others, "2ndsft," "Weekend Diff," "Spcl Pay Premium," "Holiday Premn," "On Call," and "Call In," during the Class Period, and that these bonuses were never included in the regular rate of pay for the purpose of calculating overtime pay, sick pay and meal period premiums. Class Counsel theorized, based on documents produced by Defendants and analysis thereof by expert data consultants retained by Class Counsel, that, because of Defendants' failure to include these bonuses in the regular rate of pay for the purpose of calculating overtime pay, sick pay and meal period premiums, **Defendant has an exposure in an approximate amount of $157,620** ($36,975 overtime underpayment + $109,463 sick pay underpayment + $11,182 meal period premium underpayment).

Class Counsel understand that Defendants argued the following in connection with this claim: Defendants contend that any bonuses not included in the regular rate were discretionary, and thus, are not to be included in the regular rate of pay for the purpose of calculating overtime pay, sick pay and meal period premiums under the applicable Wage Order. Defendants further defend that they did properly include all bonuses under the applicable Wage Order in Class Members' regular rate of pay for the purpose of calculating overtime pay, sick pay and meal period premiums, and thus, no monies are owed in connection with this theory either.

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3. Recovery of Damages for Non-Compliant Meal Periods

Class Counsel theorized, based on Plaintiffs' narrative evidence, that Defendants' meal period practices throughout the Class Period were non-compliant because meal periods were late, short or missed due to any or a combination of the following reasons: (1) the requirement of a coverage for his area before an employee could take his meal period; (2) interruptions by managers or co-employees, who were asking work-related questions, during meal periods; (3) the requirement of performing work-related duties even during meal periods; and (4) the practice of recording synthetic time entries for meal periods, i.e., edited time entries for meal periods to make them appear compliant.

Class Counsel theorized, based on documents produced by Defendants and analysis thereof by expert data consultants retained by Class Counsel, that 4.4% of 2,582,722 meal-eligible shifts had unique meal break violations (late, short or missed meal periods) and Defendants made 47,891 meal period premium payments throughout the Class Period. Thus, one calculation advanced at mediation by Class Counsel resulted in **Defendants' exposure for non-compliant meal periods in an approximate amount of $1,436,611** ([0.044 violation rate x 2,582,722 meal-eligible shifts] – [47,891 meal period premium payments] x $21.85/hour).

Class Counsel understand that Defendants make the following defenses in connection with this claim: Defendants argue that they had compliant meal period policies and practices including payment of significant meal period premiums. Defendants argue that Class Members took timely and full meal periods. Defendants contend that their policy require their employees to take timely and full meal periods. Defendants further contend that any instance of a Class Member failing to take a compliant meal period without a meal period premium payment was voluntary, in violation of their meal period policy, would necessitate an individualized inquiry and would not lend itself to a manageable trial. Thus, Defendants contend that *no* monies are owed for this account but, even if any amounts were due, the amount calculated by Class Counsel is excessive.

4. Recovery of Damages for Non-Compliant Rest Periods

Class Counsel theorized at mediation, based on Plaintiffs' narrative evidence, that Defendants' rest period practices throughout the Class Period were non-compliant because rest

periods were late, short or missed due to: (1) like meal periods, the requirement of a coverage for his area before an employee could take his rest period, on one hand, and short staffing, on the other hand; and (2) the need to complete tasks during rest periods before the end of shifts to avoid being written up.

Thus, one calculation performed by Class Counsel resulted in, assuming a 10% violation rate for the 2,727,732 rest-eligible shifts, **Defendants' exposure for failure to provide compliant rest periods in a conservative amount of $5,960,094** (2,727,732 shifts x 0.10 violation rate x $21.85/hour).

Class Counsel understand that Defendants make the following defenses in connection with this claim: Defendants argue that they had compliant rest period policies and practices. Defendants argue that Class Members took timely and full rest periods. Defendants contend that their policy requires their employees to take timely and full rest periods. Defendants further contend that any instance of a Class Member failing to take a compliant rest period was voluntary, in violation of their rest period policy, would necessitate an individualized inquiry and would not lend itself to a manageable trial. Defendants contend that a 10% violation rate is a wild exaggeration of non-compliant rest periods, if there were any. Thus, Defendants contend that *no* monies are owed for this account but, even if any amounts were due, the amount calculated by Class Counsel is excessive.

5. Failure to Indemnify for Business Expenses

Class Counsel theorized, based on Plaintiffs' narrative evidence, that Defendants failed to indemnify Class Members for necessary business expenses because Defendants required Class Members to use their personal cellphones for work-related purposes, such as for scheduling and other work-related matters. Class Counsel theorized, based on Plaintiffs' narrative evidence, that Class Members would incur expenses of approximately $20 for cellphone costs every month, or $5 every Workweek, and that there were 545,000 Workweeks throughout the Class Period. Thus, one calculation performed by Class Counsel, assuming a 10% violation rate, resulted in **Defendants' exposure for failure to indemnify for business expenses of $272,500 (**$5 x 545,000 Workweeks x 0.10 violation rate).

Class Counsel understand that Defendants argued the following: Defendants argued that they

reimbursed their employees for all expenses incurred in furtherance of work. Defendants also argued that Class Members were using their cellphones, for personal use and Defendants have no obligation to reimburse Class Members for such use. Thus, Defendants contend that they owe no monies to Class Members under this theory, either.

6. Wage Statement Violations

Class Counsel theorized that Class Members are entitled to recover penalties for Defendants' alleged failure to issue compliant wage statements under Labor Code section 226, subdivision (e), for the derivative impact of the failure to pay all wages owed on providing accurate information on wage statements. Specifically, Class Counsel theorized that penalties are owed under Labor Code section 226 due to, at minimum, Defendants' failure to pay premium wages. A non-exempt employee suffering injury as a result of a knowing and intentional failure by an employer to comply with Labor Code section 226, subdivision (a), is entitled to recover the greater of all actual damages or fifty dollars ($50) for the initial pay period in which a violation occurs and one hundred dollars ($100) per employee for each violation in a subsequent pay period. Class Counsel understand from the data provided by Defendants that there were 157,973 pay periods during the relevant statutory time period for Class Members. Thus, one calculation performed by Class Counsel, assuming a 10% violation rate, resulted in **Defendants' maximum exposure for wage statement violations in the amount of $1,579,730** (157,973 pay periods x $100/pay period x 0.10 violation rate).

Class Counsel understand that Defendants make the following defenses in connection with this claim: Defendants contend that the wage statements issued to the employees fully complied with Labor Code section 226. Defendants contend that because they believe no wages are unpaid that, thus, there can be no derivative penalties. Class Counsel also understand the risks inherent in this claim if the above claims were not certified. Class Counsel also had to factor in, and did factor in, the risk that the Court would find there was no injury to Class Members even if the wage statements were inaccurate or that Defendants' conduct was not intentional, both of which are requirements of Labor Code section 226 before penalties can issue. Class Counsel also note that the calculation used does not take into account the first pay period violation only being $50 and

the fact that all Class Members did not work all pay periods and, therefore, do not qualify for the maximum penalty of $4,000 as calculated in Plaintiffs' exposure model used at mediation.

7. Waiting Time Penalties

Pursuant to Labor Code sections 201, 202 and 203, each employee in the relevant statutory period (*i.e.*, three years before the filing of the initial Complaint) is entitled to 30 days' worth of wages as waiting time penalty for not being paid all wages due upon separation from employment. Class Counsel theorized, based on relevant documents provided by Defendants, that, under Labor Code section 203, Defendants are liable to pay each Class Member, who was terminated during the relevant statutory period, a full 30-day worth of wages as waiting time penalty for failure to pay compensation in lieu of compliant meal and rest periods, and failure to timely pay all wages due at the time of termination or resignation. Based on relevant documents provided by Defendants, there were approximately 3,967 Class Members who were terminated or resigned during the relevant statutory period. Thus, one calculation performed by Class Counsel, assuming a 10% violation rate, resulted in **Defendants' exposure for waiting time penalties to be approximately $4,160,590** (3,967 separated Class Members x $21.85/hour x 8 hours x 30 days x 0.10 violation rate).

Class Counsel understand that Defendants contend that there is no credence to Plaintiffs' off-the-clock theory and that, thus, no waiting time penalties are owed based on that theory. Finally, Defendants contend that their actions were not "willful" and that, thus, waiting time penalties cannot be awarded. Thus, Defendants argued that no waiting time penalties are owed.

8. PAGA Penalties

Class Counsel understand, as of the date of mediation, from the time and payroll data provided by Defendants that Aggrieved Employees collectively worked 227,427 Pay Periods in the PAGA Period. Plaintiffs' claims in the Action under PAGA are substantially similar to those described herein. PAGA penalties include penalties for initial violations and subsequent violations. Defendants contend that only initial violation rates may be used instead of the subsequent violation rates initially used by Class Counsel. With this in mind and because Class Counsel through investigation and discovery did not come to the conclusion that Defendants at any time were notified by any governmental entity that it violated any Labor Code sections

presented in the PAGA Notice and PAGA claims, Class Counsel adjusted the exposure model for Defendants to include only initial violation rates.

While Class Counsel are informed and believe that reasonable minds differ with regard to calculation of PAGA penalties, Class Counsel believe it is reasonable to calculate Defendants' maximum exposure in PAGA penalties as follows:

a. Overtime Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations, and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $11,371,350 (227,427 pay periods x $50).

b. Minimum Wage Violations: Labor Code section 1197.1 prescribes penalties of $100 for an initial violation and $250 for each subsequent violation. Using the initial pay period rate for all violations and a violation every single pay period for every single Aggrieved Employee in the PAGA Period, this amounts to a maximum exposure of $22,742,700 (227,427 pay periods x $100).

c. Meal Period Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $11,371,350 (227,427 pay periods x $50).

d. Rest Period Violations: Labor Code section 558 prescribes penalties of $50 for an initial violation and $100 for each subsequent violation. Using the initial pay period rate for all violations and a violation every single pay period for every single non-exempt employee in the PAGA Period, this amounts to a maximum exposure of $11,371,350 (227,427 pay periods x $50).

e. Failure to Reimburse Work Expenses: Labor Code section 2699 would be the appropriate penalty for failure to reimburse work expenses, which prescribes penalties of $100 for an initial violation and $200 for each subsequent violation. Using the initial pay period rate for all violations, and a violation every single pay period for every single Aggrieved Employee in the PAGA Period, this amounts to a maximum exposure of $22,742,700 (227,427 pay periods x $100).

f. Wage Statement Violations: According to *Gunther v. Alaska Airlines, Inc.* (2021) 287 Cal.Rptr.3d 229, in this instance, Labor Code section 2699 would be the appropriate penalty for wage statement violations that are inaccurate, which prescribes penalties of $100 for an initial violation and $200 for each subsequent violation (*Id.* at 247-248). Using the initial pay period rate for all violations and a violation every single pay period for every single Aggrieved Employee in the PAGA Period, this amounts to a maximum exposure of $22,742,700 (227,427 pay periods x $100).

g. Waiting Time Penalties: Labor Code section 2699 prescribes penalties of $100 for an initial violation and $200 for each subsequent violation. Because this violation is merited only at separation of employment, a 100% violation rate would likely include just one violation per employee. The data produced by Defendants indicate that there were 2,527 Aggrieved Employees whose employment was separated during the PAGA Period. This amounts to a maximum exposure of $252,700 (2,527 Aggrieved Employees x $100).

h. Conclusion: In sum, Class Counsel calculated Defendants' total maximum exposure for PAGA violations if the Court were to find a 100% violation rate for every Aggrieved Employee every pay period and not exercise its discretion to reduce any of those penalties to be $102,594,850. Class Counsel understand that Defendants argued the following in connection with this claim: Defendants contend that no PAGA penalties are likely to be awarded and, even if they were, the maximum exposure calculated by Class Counsel is vastly overstated. First, Defendants argue that PAGA penalties cannot and should not be stacked. Second, Defendants assert that individualized issues predominate the PAGA claims, making the claims unmanageable for trial. Third, Defendants deny that a violation for each pay period can be established. Fourth, Defendants contend that a Court is unlikely to exercise its discretion to award civil penalties under PAGA where, as here, there is no conduct shown by Plaintiffs that would show any Labor Code violation by Defendants is knowing and intentional. Defendants insist that this is especially true in the Action where class action damages are available to Class Members, rendering an award of PAGA penalties in addition to class action damages to be double recovery.

Class Counsel maintain that it is possible to recover the subsequent violation rate for penalties, that stacking is permissible, and that there is no manageability requirement under PAGA (citing *Estrada v. Royalty Carpet Mills, Inc.*). As such, Class Counsel believe a 90% discount of this claim to be reasonable, resulting in **$10,259,485** as a reasonable estimate of the likelihood of what Plaintiff may recover at trial for PAGA penalties ($102,594,850 x 0.10).

9. Conclusion

When including derivative penalties, such as waiting time penalties, wage statement violations, and discretionary PAGA penalties, Class Counsel theorized Defendants' maximum exposure to be approximately **$29,256,244**. In all, Class Counsel obtained a Gross Settlement Amount of **$3,000,000.00**. Particularly in light of the risks involving obstacles to class certification, all issues and risks related to liability, the issues with manageability at trial, the discretionary nature of PAGA penalties, and considering the case law regarding fair, reasonable and adequate settlements, Class Counsel strongly believe that the settlement reached is fair, reasonable and adequate, and in the best interest of Class Members.

Moreover, $300,000.00 of the Gross Settlement Amount was attributed to PAGA penalties. This allocation was based on: (1) the fact that damages are available for the failure to pay wage claims while only penalties are available for the PAGA claims; (2) the risk that the Court may exercise its discretion to decline to stack PAGA penalties; (3) the risk that the Court may exercise its discretion to not award the full amount of PAGA penalties available; and (4) the risk that the Court may decline to award any PAGA penalties at all in light of the fact that damages are available for Class Members and it may find any further liability against Defendants unnecessarily punitive.

VII. THE PROPOSED ATTORNEYS' FEES AND COSTS ARE REASONABLE

Class Counsel seek an attorneys' fees award of *up to* thirty-five percent (35%) of the Gross Settlement Amount, which would amount to $1,050,000.00. Class Counsel also seek reimbursement of costs not to exceed $50,000.00. The requested fees fall well within the historical range of attorney's fees awards under the common fund theory, which is generally from 25% to 50%. The requested fee is fair compensation for undertaking complex, risky, expensive and time-consuming

litigation on a contingent fee basis. Thus, the Court should preliminarily approve the requested attorneys' fees and costs, which are justified by the results achieved, the complexity of the issues, the difficulty of the case and the great risks undertaken by Class Counsel. The requested attorneys' fees will not be opposed by Defendants and are well within established guidelines.

VIII. THE REQUESTED ENHANCEMENT AWARD TO THE NAMED PLAINTIFFS AND CLASS REPRESENTATIVES IS REASONABLE

Plaintiffs are entitled to an enhancement award for their service as class representative, for answering extensive questions by Class Counsel, for being available and answering questions during mediation, for the risks in being the named plaintiffs and for providing Defendants with a more expansive release of claims, including a waiver based upon California Civil Code section 1542, in exchange for the enhancement award. Defendants do not oppose the requested enhancement to Plaintiffs. Plaintiffs risked intrusive discovery and the payment of employer costs. In the experience of Class Counsel, the typical enhancement award in wage and hour class actions ranges from approximately $10,000.00 to $25,000.00, although some awards are higher. In contrast, Class Counsel seek an extremely limited enhancement of up to $10,000.00 each to plaintiffs Brianna Taylor, Luis Garcia and Cesar Velez Cerna, for a total of $30,000.00 to Plaintiffs.

IX. CONDITIONAL CERTIFICATION FOR SETTLEMENT PURPOSES

A. The Class should be Preliminarily Certified

In California, there are two certification prerequisites: (1) the existence of an "ascertainable class;" and (2) "a well-defined community of interest in the questions of law and fact involved affecting the parties to be represented." (*Sotelo v. MediaNews Group, Inc.* (2012) 207 Cal.App.4th 639, 647.) To certify a class, the party advocating class treatment must demonstrate: (1) a numerous class; (2) predominant common questions of law or fact; (3) class representatives with claims or defenses typical of the class; and (4) class representatives who can adequately represent the class." (*Williams v. Sup. Ct.* (2013) 221 Cal.App.4th 1353, citing *Brinker Restaurant Corp. v. Sup. Ct.* (2012) 53 Cal.4th 1004, 1021.) Each of the criteria for class certification is satisfied in this instance:

1. Ascertainability – "Ascertainability" is a due process requirement that ensures it is possible to decide who will be bound by the judgment (*res judica* effect). The

determination is made by examining the class definition and the size of the class. Here, the Class Members definition (*i.e.*, all persons employed by Defendants, who worked in a non-exempt position in California during the Class Period, excluding any person who only worked for Defendants in a non-exempt position in California during Class Period at a federal enclave location) is derived from the operative complaint, which complains of alleged violations of Labor Code sections that are chiefly and, in some instances, solely applicable to non-exempt employees. There is no difficulty ascertaining who is a person employed by Defendants, who worked in a non-exempt position in California during the Class Period, excluding any person who only worked for Defendants in a non-exempt position in California during Class Period at a federal enclave location, based solely from Defendants' payroll records, which amounts to approximately 10,700 persons.

2. Numerosity – According to the California Supreme Court, a putative class is sufficiently numerous to achieve the numerosity requirement if their joinder is impracticable and thus substantial benefits accrue both to litigants and the courts if the action proceeds as a class action. (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435, 446.) Numerosity is presumed satisfied if there are forty (40) putative class members. (*Miri v. Dillon* (E.D. MI 2013) 292 F.R.D. 454, 461.) However, as few as 10 class members has been found sufficient. (*See, e.g., Bowles v. Sup. Ct.* (1955) 44 Cal.2d 574.) Class Counsel understand from documents provided that Defendants identified at least 10,700 Class Members. That is sufficiently numerous to establish the numerosity requirement.

3. Commonality – California law also requires that "questions of law or fact common to the class [be] substantially similar and predominate over the questions affecting the individual members." (*In re Steroid Hormone Product Cases* (2010) 181 Cal.App.4th 145, 153.)

This litigation is brought to resolve common issues that include whether Defendants failed to pay for all hours worked; whether Defendants provided full, timely and un-interrupted meal and rest periods; whether Class Members are entitled to premium pay for incomplete, untimely or interrupted meal or rest periods, among other claims as set forth above.

4. Typicality – Typicality requires only that the named plaintiff's interests in the action be significantly similar to those of other class members. (*Williams v. Sup. Ct.* (2013) 221 Cal.App.4th 1353, citing *Brinker Restaurant Corp. v. Sup. Ct.* (2012) 53 Cal.4th 1004, 1021.)

Plaintiffs contend that their claims are typical of those of other Class Members as Plaintiffs: (1) are non-exempt, hourly paid employees like other Class Members; (2) complain of not being paid for all time under Defendants' control or suffered and/or permitted to work for Defendants; (3) did not fully receive premium pay for meal periods that were not compliant with the Labor Code; (4) did not receive premium pay for rest periods that were not provided, among others as set forth above. Thus, Plaintiffs' claims are typical of other Class Members.

5. Adequacy of Representation - To maintain a class action, the representative plaintiff must adequately protect the interests of the class. (*Williams v. Sup. Ct.* (2013) 221 Cal.App.4th 1353, citing *Brinker Restaurant Corp. v. Sup. Ct.* (2012) 53 Cal.4th 1004, 1021.) Adequacy of representation consists of two components. First, there must be no disabling conflicts of interest between the class representatives and the class. Second, the class representative must be represented by counsel who are competent and experienced in the kind of litigation to be undertaken. (*See McGhee v. Bank of Am.* (1976) 60 Cal.App.3d 442, 450; *accord In re Juniper Networks, Inc. Securities Litigation* (N.D. Cal. 2009) 264 F.R.D. 584, 590.) Both criteria are met in this instance:

(i) No Disabling Conflict of Interest Exists Between the Class Representatives and the Class

No conflicts, disabling or otherwise, exists between Plaintiffs and Class Members because Plaintiffs allege to have been damaged by the same alleged conduct of Defendants (*i.e.*, Plaintiffs are classified as non-exempt employees, not paid premium pay, etc.) and thus have the incentive to fairly represent all Class Members' claims to achieve the maximum possible recovery.

(ii) Class Counsel are Experienced Class Action Attorneys

As set forth in the Declarations of Class Counsel, Class Counsel in this matter consist of experienced class action attorneys, have been appointed as class counsel in other class actions and have a successful "track record" in litigating class actions.

6. Superiority of Class Action - Also relevant to the Court's certification decision is whether a class action is the superior method of adjudication. (*Brinker Restaurant Corp. v. Sup. Ct.* (2012) 53 Cal.4th 1004, 1021.)

It deals with common issues that are most efficiently adjudicated together, as indicated

above. Moreover, Plaintiffs assert that, with approximately 10,700 Class Members, presentation of all of them before this Court may be problematic, impractical, and burdensome. On the contrary, a class action allows claims of many individuals to be resolved at the same time, eliminates the possibility of repetitious litigation and affords small claimants with a method of obtaining redress for claims which otherwise would be too insufficient to warrant individual litigation.

7. Conclusion – Thus, because this class action meets all criteria for certification and a lesser standard of scrutiny applies when evaluating these criteria for settlement purposes, it should be certified for purposes of effectuating this settlement.

X. CONCLUSION

Therefore, the Parties request the Court grant preliminary approval of the proposed settlement.

Dated: November 5, 2026

BIBIYAN LAW GROUP, P.C.

/s/ Keaton D. Mendoza

KEATON D. MENDOZA

Attorneys for Plaintiffs, on behalf of themselves and all others similarly situated and aggrieved