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SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES – SPRING STREET COURTHOUSE

RUBEN ALEXANDER, individually, on
behalf of all others similarly situated, and on
behalf of the State of California and other
aggrieved persons,

Plaintiff,

v.

BHI RESIDENTIAL CORPORATION dba
SENTRAL, a corporation; and DOES 1
through 10, inclusive,

Defendants.

Case No.: 24STCV28827

*[Assigned for All Purposes to the Honorable Laura
A. Seigle, Dept. 17]*

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

Preliminary Approval Hearing:

Date: October 20, 2026

Time: 9:00 a.m.

Dept.: 17

Complaint filed: October 31, 2024

FAC filed: January 17, 2025

Trial date: Not Set

1 **TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:**

2 **PLEASE TAKE NOTICE** that on October 20, 2026, at 9:00 a.m., or as soon thereafter
3 as the matter may be heard in Department 17 of the Superior Court of California, County of Los
4 Angeles, located at 312 N Spring Street, Los Angeles, CA 90012, Plaintiff Ruben Alexander
5 (“Plaintiff”) will and hereby does move this Court for an Order:

- 6 1. Granting preliminary approval of the proposed Class Action and PAGA Settlement
7 Agreement and Class Notice (“Settlement Agreement”);
8 2. Conditionally certifying the proposed Class for settlement purposes only;
9 3. Appointing Plaintiff as the Class Representative;
10 4. Appointing Wilshire Law Firm, PLC as Class Counsel;
11 5. Appointing Apex Class Action Administration as the Administrator; and
12 6. Setting a final approval hearing date.

13 Pursuant to Code of Civil Procedure § 382 and California Rules of Court 3.769, *et seq.*,
14 this Motion is made on the grounds that the proposed Settlement satisfies all criteria for
15 preliminary approval and falls well within the range of reasonableness. The Settlement was
16 reached through informed, arm’s length bargaining between experienced attorneys with the
17 assistance of an experienced neutral, and Plaintiff and Plaintiff’s Counsel will fairly and
adequately represent the Class.

18 This Motion is based on this Notice of Motion, the accompanying Memorandum of
19 Points and Authorities (“MPA”), the Declaration of John G. Yslas, the Declaration of Ruben
20 Alexander, and on all records and documents on file, together with such oral and documentary
21 evidence that may be presented at the hearing on this matter.

22
23 Respectfully submitted,

24 Dated: September 21, 2026

WILSHIRE LAW FIRM, PLC

25 By: 

26 John G. Yslas
27 Arrash T. Fattahi
28 Arman A. Salehi
Giancarlo A. Recinos
Attorneys for Plaintiff

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I. INTRODUCTION**

3 Pursuant to Code of Civil Procedure § 382 and California Rules of Court 3.769, *et seq.*,
4 Plaintiff seeks preliminary approval of a class action settlement of wage and hour claims, including
5 representative claims brought under the Labor Code Private Attorneys General Act of 2004
6 (“PAGA”), against Defendant BHI Residential Corporation dba Sentral (“Defendant”). The
7 proposed Class is defined as all persons employed by BHI in California and who was classified as
8 an hourly paid, non-exempt employee during the period of October 31, 2020, to December 8, 2025
9 (“Class Period”). The main terms of the Settlement are as follows:

- 10 1. A Gross Settlement Amount of \$290,000.00, from which the Net Settlement
11 Amount will be distributed to approximately 327 Class Members on a pro rata basis
12 according to the total workweeks worked by each Class Member during the Class
13 Period;
- 14 2. Attorneys’ fees of up to one-third (1/3) of the Gross Settlement Amount (currently
15 \$96,666.67) and up to \$25,000.00 in reimbursement of litigation costs to Plaintiff’s
16 Counsel;
- 17 3. A Class Representative Service Payment of up to \$10,000.00 to Plaintiff;
- 18 4. Costs of settlement administration of up to \$7,990.00; and
- 19 5. Allocation of \$10,000.00 to PAGA penalties, sixty-five percent (65%) of which
20 (\$6,500.00) will be paid to the Labor and Workforce Development Agency
21 (“LWDA”), and thirty-five percent (35%) of which (\$3,500.00) will be paid to a
22 person employed by BHI in California and who was classified as an hourly paid,
23 non-exempt employee (“Aggrieved Employees”) during the period of September
24 13, 2023, to December 8, 2025. (“PAGA Period”).

25 The Settlement meets all criteria for preliminary approval and falls within the range of
26 reasonableness given the risks and expenses of further litigation. The Settlement was reached
27 through informed, arm’s length bargaining between experienced attorneys with the assistance of
28 an experienced neutral. As such, Plaintiff requests that the Court grant preliminary approval of the

Settlement, conditionally certify the Class for settlement purposes only, appoint Plaintiff as the Class Representative, appoint Plaintiff's Counsel as Class Counsel, appoint Apex Class Action Administration ("Apex") as the Administrator, authorize the Administrator to administer notice of the Settlement to the Class, and set a final approval hearing date.

II. PROCEDURAL HISTORY

On October 31, 2024, Plaintiff filed this putative class action against Defendant alleging: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) unfair business practices. Declaration of John G. Yslas in Support of Plaintiff's Motion for Preliminary Approval of Class Action and PAGA Settlement ("Yslas Decl.") at ¶ 3.

On September 13, 2024, Plaintiff provided written notice to the LWDA and Defendant of the specific provisions of the Labor Code alleged to have been violated, including the facts and theories in support. Yslas Decl. at ¶ 4, Exhibit 1. The LWDA did not notify Plaintiff that it intended to investigate within 65 days of this written notice. *Id.* Therefore, on January 17, 2025, Plaintiff filed a First Amended Complaint in this Class Action adding a cause of action for civil penalties under PAGA ("Operative Complaint"). *Id.*

On November 7, 2025, the Parties participated in a private mediation with Michael Mandel, Esq. *Id.* at ¶ 5. The mediator made a proposal, which was accepted by the Parties. *Id.* The Parties negotiated the terms of the Settlement over the next several months, which was finalized in August 2026. *Id.* at ¶ 6, Exhibit 2. On September 21, 2026, Plaintiff submitted a copy of the Settlement Agreement to the LWDA. *Id.* at ¶ 7, Exhibit 3.

III. SUMMARY OF THE SETTLEMENT TERMS

A. Terms of the Proposed Settlement

The Parties have agreed to settle the claims alleged in this case for a Gross Settlement Amount of \$290,000.00. Settlement Agreement at § 3.1. Subject to Court approval, the following payments will be deducted from the Gross Settlement Amount: (1) a Class

1 Representative Service Payment of up to \$10,000.00 to Plaintiff; (2) attorneys' fees of up to
2 one-third (1/3) of the Gross Settlement Amount (currently \$96,666.67) and reimbursement of
3 litigation costs of up to \$25,000.00 to Plaintiff's Counsel; (3) costs of settlement administration
4 of up to \$7,990.00 to Apex; (4) Individual Class Payments to Class Members; and (5) PAGA
5 Penalties in the amount of \$10,000.00, which will be allocated 65% to the LWDA (\$6,500.00)
6 and 35% to Aggrieved Employees (\$3,500.00). *Id.* at § 3.2 *et seq.* After all requested deductions
7 are made, the remaining Net Settlement Amount is currently estimated to be \$140,343.33.

8 Individual Class Payments will be calculated based on the number of Workweeks worked
9 by each Class Member during the Class Period. *Id.* at § 3.2.4. For tax purposes, the Individual
10 Class Payments will be allocated 20% to wages and 80% to interest and penalties. *Id.* at § 3.2.4.1.
11 Defendant will separately pay employer payroll taxes owed on the wage portions of the individual
12 class payments separate from the Gross Settlement Amount. *Id.* at § 3.1.

13 Individual PAGA Payments to Aggrieved Employees will be calculated based on the
14 number of PAGA Pay Periods worked by each Aggrieved Employee during the PAGA Period. *Id.*
15 at § 3.2.5.1. For tax purposes, the individual PAGA payments will be allocated 100% to penalties.
16 *Id.*

17 Any deductions not approved by the Court will be retained by the Administrator in the Net
18 Settlement Amount. *Id.* at §§ 3.2.1, 3.2.2, 3.2.3, 3.2.5. Funds from any uncashed checks will be
19 transmitted by the Administrator to the California Controller's Unclaimed Property Fund in the
20 name of the Class Member. *Id.* at § 4.4.3. None of the Gross Settlement Amount will revert to
21 Defendant. *Id.* at § 3.1.

22 **B. Proposed Settlement Administration**

23 The Parties' proposed Class Notice complies with the requirements of California Rules of
24 Court, Rule 3.766(d). *See* Exhibit A to Settlement Agreement. It provides information regarding
25 the nature of this lawsuit, a summary of the settlement terms, the formula used for calculating
26 individual class and PAGA payments and instructions to dispute the calculations, instructions on
27 how to opt-out of or object to the Settlement, the date, time, and location of the final approval
28 hearing, and the amounts sought for the class representative service payment, attorneys' fees and

litigation costs, and settlement administration costs. *See generally, id.* The Class Notice also notifies Class Members that they do not need to submit a claim in order to participate in the Settlement and receive a payment. *See id.* The Administrator will mail Class Members the Class Notice by first-class mail in English and in Spanish. Settlement Agreement at § 7.4.2.

If a Class Notice is returned as undeliverable, the Administrator will re-mail the Class Notice within three (3) business days to the forwarding address provided by the U.S. Postal Service. Settlement Agreement at § 7.4.3. If no forwarding address is provided, the Administrator will conduct a Class Member Address Search and re-mail the Class Notice to the most current address obtained. *Id.* The deadline to opt-out of the Settlement or to submit an objection or dispute will be extended by fourteen (14) days for all Class Members whose Class Notice was remailed. *Id.* at §7.4.4.

C. Proposed Release

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

Release by Participating Class Members:

All Participating Class Members, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, release Released Parties from all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained in the course of the Action including any and all claims for: (1) failure to pay minimum and straight time wages; (2) failure to pay overtime wages; (3) failure to provide meal periods; (4) failure to authorize and permit rest periods; (5) failure to timely pay final wages at termination; (6) failure to provide accurate itemized wage statements; (7) failure to indemnify employees for expenditures; and (8) violation of California's Unfair Competition Law, California Business and Professions Code §§ 17200, et seq. Except as set forth in Section 5.3 of this Agreement, Participating Class Members do not release any other claims, including claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing Act, unemployment insurance, disability, social security, workers' compensation, or claims based on facts occurring outside the Class Period.

Settlement Agreement at § 5.2.

Release by Aggrieved Employees:

1 All Aggrieved Employees are deemed to release, on behalf of themselves and
2 their respective former and present representatives, agents, attorneys, heirs,
3 administrators, successors, and assigns, the Released Parties from all claims for
4 PAGA penalties that were alleged, or reasonably could have been alleged, based
5 on the PAGA Period facts stated in the Operative Complaint, and the PAGA
6 Notice and ascertained in the course of the Action, including any and all claims
7 for: (1) failure to pay minimum and straight time wages; (2) failure to pay
8 overtime wages; (3) failure to provide meal periods; (4) failure to authorize and
9 permit rest periods; (5) failure to timely pay final wages at termination; (6) failure
to provide accurate itemized wage statements; and (7) failure to indemnify
employees for expenditures. Notwithstanding the foregoing, the Release by
Aggrieved Employees does not include claims for vested benefits, wrongful
termination, violation of the Fair Employment and Housing Act, unemployment
insurance, disability, social security, workers' compensation, or claims for PAGA
penalties based on facts occurring outside of the PAGA period.

10 Settlement Agreement at § 5.3.

11 Only Plaintiff will agree to a general release and a waiver of Civil Code § 1542. Settlement
12 Agreement at §§ 5.1, 5.1.1.

13 **IV. THE PROPOSED SETTLEMENT AGREEMENT MEETS ALL CRITERIA FOR**
14 **PRELIMINARY APPROVAL**

15 **A. Provisional Certification of the Class is Appropriate**

16 Class certification is appropriate when there is: (1) an ascertainable and sufficiently
17 numerous class; (2) a well-defined community of interest among class members; and (3) substantial
18 benefits from certification that render proceeding as a class superior to the alternatives. *Brinker*
19 *Restaurant Corp. v. Superior Court*, 53 Cal.4th 1004, 1021 (2012). Although courts still need to
20 review and consider each element for certification, a lesser standard can be used to provisionally
21 certify a settlement class. *Global Minerals & Metals Corp. v. Superior Court*, 113 Cal.App.4th
22 836, 859 (2003).

23 **1. The Proposed Class is Numerous and Ascertainable**

24 “Ascertainability” is determined by examining the class definition and the size of the class
25 and may also involve examining the means available to identify class members. *Noel v. Thrifty*
26 *Payless, Inc.*, 7 Cal.5th 955, 980-981, 985-986 (2019). As the settlement eliminates the need for
27 trial, “the case management issues inherent in the ascertainable class determination need not be
28

1 confronted.” *Global Minerals*, 113 Cal.App.4th at 859. Further, under California law, there is no
2 minimum number of class members for maintenance of a class action. *Hendershot v. Ready to Roll*
3 *Transp., Inc.*, 228 Cal.App.4th 1213, 1222 (2014). Class sizes as small as 10 have been permitted.
4 *Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981), disapproved on other grounds by *Noel*,
5 7 Cal.5th at 986.

6 The Class here consists of all persons employed by BHI in California and who was
7 classified as an hourly paid, non-exempt employee during the period of October 31, 2020, to
8 December 8, 2025 (“Class Period”). See Settlement Agreement at §§ 1.5, 1.12. The Class is also
9 readily ascertainable from Defendant’s business records, because all Class Members are or were
10 employees of Defendant. *Id.* Defendant’s records show there are approximately 327 Class
11 Members, making joinder of all Class Members impracticable. Yslas Decl. at ¶ 9.

12 2. A Well-Defined Community of Interest Exists

13 The community of interest requirement embodies three factors: (1) predominant common
14 questions of law or fact; (2) class representatives with claims or defenses typical of the class; and
15 (3) class representatives who can adequately represent the class. *Brinker*, 53 Cal.4th at 1021.

16 a. Common Questions Predominate

17 In determining whether common issues “predominate,” courts consider both plaintiff’s
18 legal theories and defendant’s affirmative defenses. *Duran v. U.S. Bank Nat’l Ass’n*, 59 Cal.4th 1,
19 28-29 (2014). The “predominate common questions” factor does not require that all class members
20 have identical claims. *Ayala v. Antelope Valley Newspapers, Inc.*, 59 Cal.4th 522, 530 (2014).
21 Rather, the focus is on whether issues shared by the class members are sufficiently uniform to
22 permit class-wide assessment, and whether individual variations in proof on those issues are
23 manageable. *Id.*

24 Plaintiff has alleged that Defendant maintained common employment policies and/or
25 practices that unlawfully deprived Class Members of wages, meal periods, rest periods,
26 reimbursements for business expenses, accurate wage statements, and timely payment of wages
27 upon separation of employment. Yslas Decl. at ¶ 10. These allegations present common factual
28 and legal questions of, *inter alia*, whether Defendant applied the same scheduling, timekeeping,

1 pay, meal period, rest period, and reimbursement policies to all Class Members, whether these
2 policies and practices resulted in Labor Code violations, whether Defendant's conduct was
3 intentional, and whether Class Members are entitled to damages and/or penalties. *Id.* These
4 common questions could be resolved using Class Members' time records, payroll records,
5 testimony from Defendant's designated representative(s), and Class Members' testimony. *Id.*
6 Therefore, the Court can and should exercise its discretion to grant conditional class certification
7 for settlement purposes.

8 *b. Plaintiff is Typical of the Class*

9 Typicality does not require that the representative plaintiff's claims and those of the class
10 members be identical or perfectly aligned. *Wershba v. Apple Computer, Inc.*, 91 Cal.App.4th 224,
11 228 (2001), disapproved on other grounds by *Hernandez v. Restoration Hardware, Inc.*, 4 Cal.5th
12 260 (2018). Typicality does not require that a plaintiff's claims be identical to those of other class
13 members, only that their claims and the defenses applicable to them are sufficiently similar to those
14 of other class members that a named plaintiff is able to adequately represent the class and focus on
15 common issues. *Medraza v. Honda of North Hollywood*, 166 Cal.App.4th 89, 99 (2008).

16 Plaintiff has alleged that he and Class Members were employed by the same Defendant and
17 injured by Defendant's common wage and hour policies and practices, including Defendant's
18 scheduling, timekeeping, pay, meal period, rest period, and reimbursement policies. *See* Yslas
19 Decl. at ¶ 10. Through informal discovery, Plaintiff confirmed that these challenged policies and
20 practices applied to Plaintiff and Class Members alike. *See id.* at ¶ 8. Therefore, Plaintiff's claims
21 and Class Members' claims arise from the same challenged employment policies and practices and
22 are based on the same legal theories.

23 *c. Plaintiff and Plaintiff's Counsel Will Adequately Represent the Class*

24 Certification requires adequacy of both the proposed class representative and of the
25 proposed class counsel. Cal. Code Civ. Proc. § 382. "Only a conflict that goes to the very subject
26 matter of the litigation will defeat a party's claim of representative status." *Richmond v. Dart*
27 *Industries*, 29 Cal.3d 462, 470 (1981). Only conflicts that are "irreconcilable" can defeat adequacy.
28 *Nat'l Solar Equip. Owners' Ass'n v. Grumman Corp.*, 235 Cal.App.3d 1273, 1286 (1991). The

1 proposed representative Plaintiff and proposed Class Counsel present no such conflict.

2 Plaintiff's interests are coextensive with Class Members' interests. Declaration of Ruben
3 Alexander in Support of Plaintiff's MPA ("Alexander Decl.") at ¶ 6. Plaintiff has demonstrated an
4 ability to advocate for the interests of Class Members by initiating this lawsuit, providing
5 information to his attorneys, meeting with his attorneys regarding the claims, making himself
6 available the day of mediation to answer questions, and reviewing the proposed Settlement. *Id.* at
7 ¶ 11.

8 Likewise, Wilshire Law Firm has expended considerable time and effort on this case and
9 will continue to do so through final approval. *See generally*, Yslas Decl. Therefore, Plaintiff should
10 be appointed Class Representative, and his counsel should be appointed Class Counsel.

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

12 Courts have held that class treatment of wage and hour claims is clearly "superior to the
13 other available methods for the fair and efficient adjudication of the controversy." *Dean Witter*
14 *Reynolds, Inc. v. Superior Court*, 211 Cal.App.3d 758, 772-773 (1989). This is so because "[p]ublic
15 policy has long favored the 'full and prompt payment of wages due an employee.'" *Sav-On Drug*
16 *Stores, Inc. v. Superior Court*, 34 Cal.4th 319, 340 (2004). Here, a class action is superior to a
17 multitude of individual lawsuits. Given the size and amount of each Class Member's claim, Class
18 Members have little incentive to litigate their claims on an individual basis because the out-of-
19 pocket expenses and personal commitment necessary to litigate each claim likely outweigh any
20 potential recovery. Yslas Decl. at ¶ 9. Therefore, a class action is the superior method for seeking
21 relief.

22 **B. The Settlement Meets the Standards for Preliminary Approval**

23 The moving party must demonstrate that "the settlement is fair, adequate and reasonable."
24 *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.App.4th 116, 126 (2008). "In determining whether a
25 class settlement is fair, adequate, and reasonable, the trial court should consider relevant factors,
26 such as the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further
27 litigation, the risk of maintaining class action status through trial, the amount offered in settlement,
28 the extent of discovery completed and the stage of the proceedings, the experience and views of

counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.” *Wershba*, 91 Cal.App.4th at 244-245 (internal quotations and citations omitted).

1. The Settlement is Entitled to a Presumption of Fairness

A settlement is entitled to “a presumption of fairness . . . where: (1) the settlement is reached through arm’s length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small.” *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794, 1801 (1996). The Settlement here satisfies the first three factors. Plaintiff will analyze the fourth factor at final approval after Class Members have been notified of the Settlement and provided with an opportunity to object.

a. The Settlement is the Result of Arm’s Length Negotiation

Courts have recognized that the involvement of a respected mediator provides a high degree of assurance that the settlement is the result of arm’s length bargaining. *See Chavez v. Netflix, Inc.*, 162 Cal.App.4th 43, 52-53 (2008). The Settlement in this matter was the product of a full-day mediation session with a respected mediator. Yslas Decl. at ¶ 5. The negotiations were adversarial, conducted at arm’s length, and tempered by the efforts of both sides to serve the interests of their clients. *Id.*

b. Sufficient Investigation and Discovery Have Been Conducted

Prior to attending mediation, Plaintiff’s Counsel thoroughly investigated the claims, applicable law, and potential defenses. Yslas Decl. at ¶ 8. Plaintiff’s Counsel assessed the value to the class claims using the data and documents that Defendant produced in informal discovery, including class data providing the number of Class Members, the number of workweeks in the Class Period, and the number of pay periods in the PAGA Period, Plaintiff’s personnel file and documents concerning Plaintiff, Defendant’s employee handbook, Defendant’s written wage-and-hour policies, job descriptions, and a random sampling of time and payroll records. *Id.*

c. Plaintiff’s Counsel is Experienced in Similar Litigation

Plaintiff is represented by Wilshire Law Firm, PLC. Yslas Decl. at ¶ 21. Plaintiff’s Counsel

1 has extensive experience litigating wage and hour class actions on behalf of employees. *See id.* at
2 ¶¶ 22-31. Plaintiff's Counsel has been involved as counsel in numerous class actions that have
3 resulted in millions of dollars in recovery. *See id.*

4 **2. *The Settlement is Reasonable Given the Strengths of Plaintiff's Claims***
5 ***and the Risks and Expense of Further Litigation***

6 A settlement does not have to provide 100% of the damages sought to be considered fair
7 and reasonable. *See Rebney v. Wells Fargo Bank*, 220 Cal.App.3d 1117, 1139 (1991). Although
8 the exposure Plaintiff's Counsel calculated is substantial, the various risks at succeeding at class
9 certification and through trial affected the valuation of the claims for settlement purposes. Yslas
10 Decl. at ¶ 12.

11 Minimum and Overtime Wages: Plaintiff's unpaid minimum and overtime wage claims
12 were based on the allegation that Defendant required Class Members to perform work duties
13 while off the clock, without compensation. Yslas Decl. at ¶ 12. For example, Plaintiff alleged
14 that Defendant required him and other Class Members to perform work-related tasks after
15 clocking out. *Id.* For purposes of calculating Defendant's liability based on a best-case scenario
16 for Plaintiff and the Class, Plaintiff's Counsel assumed that all unpaid worktime should have been
17 paid at the overtime rate of pay and conservatively estimated that Defendant is liable for one (1)
18 hour of unpaid worktime per workweek. *Id.* This results in potential exposure for this claim of
19 approximately \$631,398.08 (15,619 workweeks x \$26.95 average hourly rate of pay x 1
20 hour/workweek x 1.5 overtime rate). Because this claim would have relied heavily on Class
21 Member testimony and would not be evidenced in Defendant's time and payroll records, the risk
22 of succeeding at class certification and trial was substantial. Accordingly, Plaintiff's Counsel
23 applied a risk discount based on a 30% chance of succeeding at class certification and a 20% chance
24 of succeeding at trial on the merits, yielding a realistic damage estimate of approximately
25 \$37,883.88 (\$631,398.08 x 30% x 20%). *Id.*

26 1. Meal Periods: Plaintiff's meal period claim was based on the allegation that
27 Defendant failed to provide Class Members with legally compliant meal periods or pay meal period
28 premiums in lieu thereof. Yslas Decl. at ¶ 13. For example, Plaintiff alleged that Defendant

1 required him and other class members to take short or late meal periods. *Id.* Furthermore, in some
2 instances, Defendant required Plaintiff and other Class members to work through their meal
3 periods. *Id.* Additionally, Plaintiff's Counsel's expert consultant determined there was a 13.7%
4 meal period violation (for shifts over 5 hours) rate from the sampling of Defendant's time and
5 payroll records, where meal periods were short, late, or missed (there was a 2.5% violation rate for
6 shifts over 6 hours that are not waivable). *Id.* Therefore, potential liability for the meal period claim
7 is approximately \$237,826.15 (64,414 shifts over 5 hours x \$26.95 average hourly rate x 13.7%
8 violation rate). *Id.* After taking into account the difficulty of certifying and proving meal period
9 claims, as well as Defendant's contention that the claim lacks merit and that a 13.7% violation rate
10 is unrealistic, Plaintiff's Counsel discounted this figure based on a 30% chance of succeeding at
11 class certification and a 20% chance of succeeding at trial, yielding a realistic damage estimate of
12 approximately \$14,269.57 (\$237,826.15 x 30% x 20%). *Id.*

13 Rest Periods: Plaintiff's rest period claim was based on the allegation that Defendant failed
14 to provide Class Members with legally compliant rest periods or pay rest period premiums in lieu
15 thereof. Yslas Decl. at ¶ 14. For example, Plaintiff alleged that Defendant required him and other
16 Class Members to work through their rest breaks. *Id.* Based on Plaintiff's allegations and Plaintiff's
17 and other Class Members' experience working for Defendant, Plaintiff's Counsel applied a 99%
18 violation rate to all qualifying shifts during the Class Period. Therefore, Defendant's potential
19 liability for the rest period claim is approximately \$1,746,372.13 (65,455 shifts of 3.5 hours or
20 longer x \$26.95 average hourly rate x 99% violation rate). However, Plaintiff's Counsel
21 discounted this figure to account for the difficulty of certifying and proving rest period claims,
22 particularly because rest periods do not have to be recorded, and to account for the possibility of
23 Class Members voluntarily choosing to forego a rest period. *Id.* Because this claim would have
24 relied exclusively on Class Member testimony, Plaintiff's Counsel discounted this claim based on
25 a 30% chance of succeeding at class certification and a 20% chance of succeeding at trial, yielding
26 a realistic damage estimate of approximately \$104,782.33 (\$1,746,372.13 x 30% x 20%). *Id.*

27 Reimbursements: Plaintiff's reimbursement claim was based on the allegation that
28 Defendant failed to indemnify Class Members for expenses incurred as a direct result of performing

1 their job duties for Defendant, such as mandatory use of personal cell phones for work purposes.
2 Yslas Decl. at ¶ 15. For purposes of calculating Defendant's liability based on a best-case scenario
3 for Plaintiff and the Class, Plaintiff's Counsel estimated that Defendant was liable to each Class
4 Member for \$25.00 per workweek in unreimbursed expenses, for a total amount of approximately
5 \$390,475.00 ($\$25.00 \times 15,619$ workweeks). *Id.* However, Defendant argued that these expenses
6 were not required by Defendant, and that it could not have known that these expenses were being
7 incurred. *Id.* Accordingly, Plaintiff's Counsel discounted this claim based on a 30% chance of
8 succeeding at class certification and a 30% chance of succeeding at trial, yielding a realistic
9 damage estimate of approximately \$35,142.75 ($\$390,475.00 \times 30\% \times 30\%$). *Id.*

10 In sum, Plaintiff's Counsel estimated that Plaintiff's maximum recovery for the off-the-
11 clock claim, meal period violations, and rest period violations (i.e., the wage claims) is
12 approximately \$2,615,596.36 Yslas Decl. at ¶ 16. However, after factoring in the risk and
13 uncertainty of prevailing at certification and trial, Plaintiff's Counsel estimates that Plaintiff's
14 realistic, estimated recovery for these non-penalty wage claims is approximately \$156,935.78. *Id.*

15 Derivative Penalties: Plaintiff alleged that as a result of Defendant's failure to pay all wages
16 owed, Defendant owed waiting time penalties and wage statement penalties. Yslas Decl. at ¶ 17.
17 With respect to Plaintiff's derivative claims for statutory penalties, Plaintiff's Counsel estimated
18 that Defendant's maximum potential liability is approximately \$1,486,702.00. *Id.* Defendant's
19 maximum potential liability for waiting time penalties is approximately \$1,060,752.00 (164
20 employees x \$26.95 average hourly rate of pay x 8.00 hours/day x 30 days) based on approximately
21 164 formerly employed Class Members during the 3-year statute of limitations period and an
22 average shift length of 8 hours. *Id.* Defendant's maximum potential liability for inaccurate wage
23 statements is approximately \$425,950.00 ($[219 \text{ employees} \times 1 \text{ initial violation/employee} \times \50 for
24 $\text{an initial violation}] + [(4,369 \text{ pay periods} - 219 \text{ initial violations}) \times \$100 \text{ for each subsequent}$
25 $\text{violation}]$) based on approximately 219 Class Members who worked during the 1-year statute of
26 limitations period and approximately 4,369 pay periods in that statutory timeframe. *Id.* In light of
27 the foregoing, Plaintiff's Counsel believes that it would be unrealistic to expect the Court to award
28 the full \$1,486,702.00 in statutory penalties given Defendant's defenses, the contested nature of

1 Plaintiff's claims, the challenges of establishing willfulness as applicable, and the discretionary
2 nature of penalties. *Id.* Considering that the underlying wage claims are realistically estimated to
3 be approximately \$156,935.78 such a disproportionate award would also raise due process
4 concerns. *Id.* As such, Plaintiff's counsel discounted these figures to account for the risk and
5 uncertainty of obtaining class certification and prevailing at trial, resulting in a realistic evaluation
6 of approximately \$63,645.12 for waiting time penalty claims ($\$1,060,752.00 \times 30\% \times 20\%$), and
7 approximately \$25,557.00 for wage statement penalty claims ($\$425,950.00 \times 30\% \times 20\%$), or
8 approximately \$89,202.12 total for statutory penalties. *Id.*

9 PAGA: For the PAGA claim, Plaintiff's Counsel determined that Defendant's potential
10 exposure could reach \$462,200.00 assuming the initial \$100 penalty would apply for each of the
11 4,620 pay periods in the PAGA Period. Yslas Decl. at ¶ 18. However, even assuming success on
12 the merits of each claim, PAGA gives the Court discretion to reduce penalties for a variety of
13 reasons, including where to do otherwise would result in an award that is unjust, arbitrary and
14 oppressive, or confiscatory. *Id.* As such, Plaintiff's counsel discounted this figure to account for
15 the risk and uncertainty of prevailing at trial, resulting in a realistic evaluation of approximately
16 \$46,200.00 for PAGA penalties ($\$462,000.00 \times 10\%$). *Id.* The settlement allocates \$10,000.00 of
17 the Gross Settlement Amount to PAGA, therefore the PAGA allocation amounts to 3.4% of the
18 Gross Settlement Amount and approximately 22% of the realistic maximum damages for PAGA
19 penalties ($\$10,000.00 / \$49,130.00$). *Id.*

20 Using these estimated figures, Plaintiff's Counsel predicted that the realistic maximum
21 recovery for all claims, including penalties, would be approximately \$327,480.65. Yslas Decl. at
22 ¶ 19. This means that the gross settlement amount represents approximately 89% of the realistic
23 maximum recovery ($\$290,000.00 / \$327,480.65$). *Id.* Considering the risk and uncertainty of
24 prevailing at class certification and at trial, this is an excellent result for the Class. *Id.* Indeed,
25 because of the proposed Settlement, Class Members will receive timely, guaranteed relief and will
26 avoid the risk of an unfavorable judgment. *Id.*

27 Based on the figures in the Settlement Agreement, the Net Settlement Amount available for
28 class settlement payments is currently estimated to be \$140,343.33 for approximately 327 Class

Members. Yslas Decl. at ¶ 20. As a result, each Settlement Class Member would be eligible to receive an average net benefit of approximately \$429.18. *Id.* Based on the estimated Net Settlement Amount available for individual class payments and there being approximately 15,619 workweeks in the Class Period, the estimated weekly valuation for Individual Class Payments is \$8.99 (\$140,343.33 / 15,619 workweeks). *Id.*

C. The Requested Service Payment is Reasonable

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

Throughout this case, Plaintiff assisted counsel in providing information necessary to prosecute the claims, meeting with counsel regarding the claims, maintaining regular contact with counsel, making himself available the day of mediation to answer questions, and reviewing the Settlement to ensure it was fair to the Class. Alexander Decl. at ¶ 11. No action would likely have been taken by Class Members individually and no compensation would have been recovered for them, but for Plaintiff's services on behalf of the Class. By actively pursuing this action, Plaintiff furthered the California public policy goal of enforcing the State's wage-and-hour laws. *See Say-On*, 34 Cal.4th at 340. The requested Class Representative Service Payment is reasonable and should be preliminarily approved. Plaintiff has provided a declaration regarding his work performed to date and will provide additional information as requested or required by the Court at final approval.

D. The Requested Attorneys' Fees and Costs Are Reasonable

The purpose of an attorneys' fee award in class action litigation is to reward counsel who invested in a case despite the risk of non-payment and achieved a substantial positive result for the class. California courts routinely award attorneys' fees equaling one-third or more of the potential value of the common fund. *See Chavez*, 162 Cal.App.4th at 66, fn. 11 ("Empirical studies show

1 that, regardless of whether the percentage method or the lodestar method is used, fee awards in
2 class actions average around one-third of the recovery.”).

3 Plaintiff seeks appointment of Wilshire Law Firm, PLC as Class Counsel. The attorneys
4 performed significant work and expended litigation costs in prosecuting this matter with no
5 guarantee of payment. Yslas Decl. at ¶ 21. Plaintiff’s Counsel seeks preliminary approval for up
6 to one-third (1/3) of the Gross Settlement Amount in attorneys’ fees, currently estimated to be
7 \$96,666.67 and up to \$25,000.00 in reimbursement of litigation costs. Given the work performed
8 in this matter, the extensive information exchange, and the substantial recovery obtained on behalf
9 of the Class, Plaintiff’s Counsel achieved a settlement through efficient and diligent work. *See*
10 *generally*, Yslas Decl. At final approval, Plaintiff’s Counsel will fully brief the merits of its request
11 for the award of attorneys’ fees and litigation costs.

12 **E. The Administration Costs Are Reasonable**

13 The Parties have agreed upon using Apex to administer this Settlement. Settlement
14 Agreement at §§ 1.2, 7.1. Plaintiff seeks preliminary approval of \$7,990.00 for Apex to administer
15 this Settlement pursuant to Apex’s will-not-exceed bid. *See* Yslas Decl. at ¶ 34. The services
16 covered by this payment are extensive and necessary to carry out the Settlement administration.

17 **V. CONCLUSION**

18 The Parties have negotiated a fair and reasonable settlement of the class claims in light of
19 the risks presented in this case. Plaintiff has presented the materials and information necessary to
20 demonstrate that the requirements for preliminary approval have been met, and therefore
21 respectfully requests that the Court preliminarily approve the Settlement and schedule a date for
22 the final approval hearing.

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28 *[Signature on the following page]*

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2 Dated: September 21, 2026

Respectfully submitted,

WILSHIRE LAW FIRM, PLC

3
4 By: 

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