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Attorneys for Plaintiffs and the Putative Class

SUPERIOR COURT OF THE STATE OF CALIFORNIA
FOR THE COUNTY OF LOS ANGELES

BENNY ADAMS, *et al.*,
Plaintiff,
v.
CROSSING, INC, *et al.*,
Defendants.

CLASS ACTION

Case No: 24STCV27904
Assigned to Judge Samantha P. Jessner
Dept. 7

**PLAINTIFF BENNY ADAMS' AND KELSEY
CECO'S NOTICE OF MOTION AND
MOTION FOR CONDITIONAL CLASS
CERTIFICATION AND PRELIMINARY
APPROVAL OF CLASS ACTION AND
PRIVATE ATTORNEY GENERAL ACT
SETTLEMENT**

Filed Concurrently with:

- Declaration of Albro L. Lundy III;
- Declaration of Rolando J. Gutierrez;
- Declaration of Richard Kim;
- Declaration of Benny Adams
- Declaration of Kelsey Ceco;
- Declaration of Billy Bonilla;
- Declaration of Sarina Saluja; and
- [Proposed] Order

Date: October 8, 2026
Time: 10:00 a.m.
Place: Dept. 7

Initial Complaint Filed: October 24, 2024
Initial Trial Date: None Set

1 **TO THE COURT, ALL PARTIES, AND TO THEIR COUNSEL OF RECORD:**

2 PLEASE TAKE NOTICE THAT on October 8, 2026, at 10:00 a.m., in Department 7 of the
3 Superior Court of California for the County of Los Angeles, located at 312 North Spring Street, Los
4 Angeles, California 90012, pursuant to section 382 of the Code of Civil Procedure and rule 3.769, et seq.
5 of the California Rules of Court, Plaintiffs Benny Adams and Kelsey Ceco (“Plaintiffs”) will and hereby
6 do move the Court for an Order granting preliminary approval of the proposed class action and PAGA
7 settlement between Plaintiffs and Defendants Crossing, Inc. and Siliang Di (“Defendants”) (jointly with
8 Plaintiffs, the “Parties”).

9 Plaintiffs will further move for an Order:

- 10 1. Granting preliminary approval of the Class Action and PAGA Settlement Agreement;
- 11 2. Certifying a Class for settlement purposes;
- 12 3. Approving the Notice of Class Action and PAGA Settlement and Hearing Date For Final
13 Court Approval (collectively, the “Class Notice”) and the plan for distribution of the Class Notice to Class
14 Members;
- 15 4. Appointing Plaintiffs Benny Adams and Kelsey Ceco as Class Representatives for
16 settlement purposes;
- 17 5. Appointing Albro L. Lundy, III, and Rolando J. Gutierrez of Baker, Burton & Lundy, P.C.,
18 and Richard Kim of the Law Office of Richard Kim, P.C., as Class Counsel for settlement purposes;
- 19 6. Appointing CPT Group, Inc., as the Settlement Administrator; and
- 20 7. Scheduling a Final Approval Hearing.

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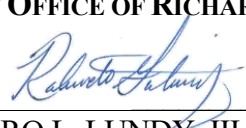
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1 This Motion is based on this Noticed Motion, the Memorandum of Points and Authorities attached
2 hereto, the Declarations of Rolando J. Gutierrez, Albro L. Lundy, III, Benny Adams, Kelsey Ceko, Richard
3 Kim, and Sarina Saluja, filed concurrently herewith, as well as any relevant pleadings, papers, and records
4 on file in this action, any additional papers as may be submitted prior to or at the time of the hearing, and
5 such oral argument as the Court may permit or require.

6
7 Dated: July 2, 2026

BAKER BURTON & LUNDY, P.C.
LAW OFFICE OF RICHARD KIM, P.C.

8
9 By: 

10 ALBRO L. LUNDY, III
11 ROLANDO J. GUTIERREZ
12 RICHARD KIM

Attorneys for Plaintiffs and the Putative Class

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1 **MEMORANDUM OF POINTS AND AUTHORITIES**

2 **I.**

3 **INTRODUCTION**

4 Plaintiffs Benny Adams and Kelsey Ceco (“Plaintiffs”) seek preliminary approval of a non-
5 reversionary settlement (the “Settlement”) on behalf of themselves and approximately 190 other non-
6 exempt current or former employees who work or worked for Defendants Crossing, Inc. and Siliang Di,
7 including Crossing, Inc.’s predecessor entities Crossing Media, Inc., Crossing Cards, and Vernacular
8 English, Inc. (collectively, “Defendants”¹), from October 24, 2020 to February 24, 2026 (the “Class” or
9 “Class Members”). The Settlement is valued at \$575,000.00. For the reasons stated herein, the terms of the
10 Settlement are fair, reasonable, and adequate, and provide the Class with an immediate benefit for claims
11 that may otherwise be extinguished by Defendants.

12 **II.**

13 **STATEMENT OF THE CASE**

14 On October 24, 2024, Plaintiff Benny Adams filed his initial Class Action Complaint against
15 Defendants, alleging causes of action for (1) Failure to Pay Minimum Wages; (2) Failure to Pay Overtime
16 Wages; (3) Failure to Provide Meal Periods; (4) Failure to Provide Rest Periods; (5) Failure to Provide
17 Accurate Wage Statements; (6) Failure to Pay Earned Wages Upon Separation; (7) Penalties Pursuant to
18 the Private Attorneys General Act; and (8) Unfair Competition and Unlawful Business Practices. (Gutierrez
19 Decl., ¶ 3; Kim Decl., ¶¶ 3-4.)

20 On October 24, 2024, prior to filing the Complaint, Plaintiff Benny Adams submitted written notice
21 to the California Labor and Workforce Development Agency (“LWDA”) pursuant to the California Private
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23 _____
24 ¹ Based on open-source research, Crossing Inc., initially incorporated under the name “Vernacular English,
25 Inc.,” on August 13, 2019, and subsequently changed its name to “Crossing Media, Inc.,” on July 16, 2020, and
26 then to “Crossing Inc.,” on July 12, 2022. This action alleges the common law doctrine of successor liability
27 applies because the successor entities here are or were mere continuations or reincarnations of their respective
28 predecessors. *See Ray v. Alad Corp.* (1977) 19 Cal.3d 22, 28 (successor liability attaches where the transaction
amounts to a consolidation or merger of the two corporations, the purchasing corporation is a mere continuation
of the seller, or the transfer of assets to the purchaser is for the fraudulent purpose of escaping liability). In
addition, the operative complaint alleges that Defendant Siliang Di is the owner/shareholder of Crossing Inc.,
and the joint employer of the putative class. (Concurrently Filed Declaration of Rolando J. Gutierrez
 (“Gutierrez Decl.”), ¶ 4.)

1 Attorneys General Act of 2004 (“PAGA”), setting forth his claims on behalf of himself and all those
2 similarly situated. (*Id.*, ¶ 5; Kim Decl., ¶ 3.) Copies of this letter were also sent to Defendants on October
3 24, 2024, via U.S. certified mail. (*Id.*) On January 6, 2025, Plaintiff Benny Adams filed a First Amended
4 Complaint as a matter of right, adding a cause of action for civil penalties pursuant to PAGA. (*Id.*, ¶ 6.)
5 Subsequently, on May 20, 2025, pursuant to a stipulated order, Plaintiff Benny Adams filed a Second
6 Amended Complaint (the “Operative Complaint”), which named Kelsey Ceko as a co-plaintiff and
7 expanded the class definition to include a subclass of non-exempt employees misclassified as independent
8 contractors and/or 1099 employees. (*Id.*; Kim Decl., ¶ 4.)

9 Plaintiffs allege that Defendants operate a business that conducts sales of collectible trading cards
10 through live feeds on streaming platforms, during which non-exempt employees, working as “hosts” and
11 “co-hosts,” promote items for sale, open packs of cards on camera for purchasing customers, and
12 continuously engage with audiences in order to maintain viewership and increase sales. (*Id.*, ¶ 7.) While job
13 classifications and duties may vary among non-exempt employees, including “hosts,” “co-hosts,” and those
14 misclassified as “independent contractors” or “1099 employees,” Plaintiffs allege that Defendants’ policies,
15 procedures, and practices were uniformly enforced against all non-exempt employees. (*Id.*)

16 Plaintiffs allege that Defendants required all non-exempt employees, regardless of classification or
17 duties, to perform substantial pre-stream and post-stream work, including checking in with management,
18 reviewing daily promotions, stocking supplies, preparing order bins, completing inventory counts,
19 organizing and labeling packed orders, cleaning the room, and restocking for the next shift, without
20 compensating employees for that time. (*Id.*, ¶ 8.) Plaintiffs further allege that Defendants tied compensation
21 exclusively to streaming time, such that employees routinely worked nine or more hours per day while
22 being paid for only eight, but Defendants failed to compensate statutory overtime and double-time
23 compensation for hours worked beyond these thresholds. (*Id.*) Plaintiffs also allege that Defendants
24 required employees to attend to the live stream at all times, prohibited employees from leaving the room,
25 and instructed employees to eat during the stream and to take rest breaks only during stream restarts,
26 resulting in systematic meal and rest period violations. (*Id.*) Plaintiffs further allege that Defendants
27 misclassified certain non-exempt employees, including Plaintiff Kelsey Ceko, as “independent contractors”
28 or “1099 employees,” despite those individuals performing the same streaming duties as other class

1 members, being subject to the same written policies and procedures, and being subject to the same pre-
2 stream, post-stream, and meal and rest period restrictions. (*Id.*)

3 Due to Defendants' failure to properly pay employees for all hours worked, including overtime
4 compensation, double time compensation, and meal and rest break premiums, as a derivative result,
5 Plaintiffs allege that employees were not provided with accurate itemized wage statements, nor were they
6 paid all wages due upon termination. (*Id.*, ¶ 9.)

7 Defendants deny Plaintiffs' allegations, deny that they violated any law, and maintain that this
8 Action is not suitable for class-wide adjudication. (*Id.*, ¶ 10; Kim Decl., ¶¶ 5-6.)

9 III.

10 FORMAL DISCOVERY, INVESTIGATION, MEDIATION, AND SETTLEMENT

11 The Parties engaged in a full-day mediation with professional neutral, Kim Deck, Esq., of Judicate
12 West, on January 28, 2026. (*Id.*, ¶ 11; Kim Decl., ¶ 11.) Prior to mediation, Plaintiffs propounded
13 extensive written discovery directed at class issues. (*Id.*; Kim Decl., ¶ 9.) Plaintiffs' Counsel reviewed and
14 analyzed in excess of 4,000 pages of paper and digital documents produced in discovery, including
15 Defendants' written policies and procedures, employee handbooks, the "Co-Hosting Guidelines,"² internal
16 communications, and time and payroll data. (*Id.*; Kim Decl., ¶ 8.) Plaintiffs' Counsel interviewed putative
17 class members to investigate, develop, and substantiate the class claims. (*Id.*; Kim Decl., ¶ 7.)

18 While interviewing putative class members, Plaintiffs discovered that after this action was filed,
19 Defendants obtained signed arbitration agreements and "Pickup-Stix" release agreements from 49
20 individuals, under which they received individual payments totaling \$33,070.00. (*Id.*, ¶ 12; Kim Decl., ¶ 7.)
21 Putative class members provided copies of these arbitration/Pickup-Stix agreements to Plaintiffs' Counsel,
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25 ² In response to written discovery, Crossing produced two employee handbooks, an undated version and a
26 version purportedly revised in April 2022, each of which contains a signature block for the receiving employee to
27 acknowledge receipt. Crossing, however, failed to produce a single handbook signed by any employee, and both
28 Plaintiffs and other putative class members have indicated that they never received either version of these
handbooks during their employment. Instead, employees were provided with "Co-Hosting Guidelines," which set
forth Crossing's compensation, overtime, and meal and rest period policies and procedures, copies of which were
provided to Plaintiffs' Counsel both Plaintiffs and other putative class members. (Gutierrez Decl., ¶ 11, n. 1.)

1 who reviewed and analyzed them in advance of mediation.³ (*Id.*)

2 Plaintiffs retained an expert who analyzed the time and payroll data of 192 putative class members
3 and created damage models detailing Defendants’ wage and hour violations and maximum exposure. (*Id.*,
4 ¶¶ 13 and 37 to 39.) Plaintiffs’ Counsel reviewed and analyzed the expert’s results and prepared a
5 comprehensive mediation brief in advance of mediation. (*Ibid.*; Kim Decl., ¶ 12.)

6 Following productive negotiations during mediation, the Parties reached a settlement, the terms of
7 which were memorialized in the “Class Action and PAGA Settlement Agreement” (the “Agreement”).⁴
8 (*Id.*, ¶ 14; Kim Decl., ¶ 12; Exhibit 1 thereto (“Ex. 1”).)

9 IV.

10 KEY TERMS OF THE SETTLEMENT

11 A. The Class and Aggrieved Employee Definitions.

12 The “Class” is defined as:

13 [A]ll current and former non-exempt employees who work or worked for Crossing, Inc.,
14 Crossing Media, Inc., Crossing Cards, Vernacular English, Inc., and/or Siliang Di, during the
time-period of October 24, 2020, to February 24, 2026.

15 (Gutierrez Decl., ¶ 15; Ex. 1 [¶ 1.5]; *see also*, “Court Approved Notice of Class Action and PAGA
16 Settlement and Hearing Date for Final Court Approval” attached to the Settlement Agreement as “Exhibit
17 A” (the “Class Notice”), p. 1.) The Class also includes a “Subclass,” which is defined as: “all current and
18 former non-exempt employees within the Class who were misclassified as ‘independent contractors’
19 and/or as ‘1099 employees.’” (Gutierrez Decl., ¶ 15; Ex. 1 [¶ 1.46].)

20 “Aggrieved Employee” includes a current or former non-exempt employee who worked for
21 Crossing, Inc., Crossing Media, Inc., Crossing Cards, Vernacular English, Inc., and/or Siliang Di from
22 August 20, 2023, to February 24, 2026 (the “PAGA Period”). (Gutierrez Decl., ¶ 16; Ex. 1 [¶¶ 1.4 and
23 1.34].)

25 ³ Individuals who received a monetary payment for signing a Pickup-Stix Release are also included in the
26 Settlement and will receive a credit against their respective Individual Class Payments as set forth in § IV.D.1.,
27 *infra*.

28 ⁴ A redlined copy of the Agreement, compared against the model agreement from the Los Angeles Superior
Court’s website (v. 2023.02), is attached to the Gutierrez Declaration. (Gutierrez Decl., ¶ 14, n. 2; Exhibit 2
thereto (“Ex. 2”).)

1 **B. The Gross Settlement Amount.**

2 Except as otherwise provided in paragraphs 8 and 9 of the Settlement,⁵ Defendants agree to pay
3 \$575,000.00 to fund the Settlement (the “Gross Settlement Amount”). (Gutierrez Decl., ¶ 17; Ex. 1 [¶¶
4 1.22 and 3.1].) The Gross Settlement Amount does not include Defendants’ share of applicable employer-
5 side payroll taxes, which Defendants shall fund separately. (*Ibid.*)

6 **C. Calculation of the Net Settlement Amount.**

7 The Net Settlement Amount is the Gross Settlement Amount less the following deductions, subject
8 to Court approval:

9 **1. PAGA Allocation.**

10 A PAGA allocation of \$28,750.00, of which 65% (i.e., \$18,687.50) shall be paid to the Labor and
11 Workforce Development Agency (the “LWDA”), which represents the “LWDA PAGA Payment,” and
12 35% (i.e., \$10,062.50) shall be paid to Aggrieved Employees. (Gutierrez Decl., ¶ 18(a); Ex. 1 [¶¶ 1.33 and
13 3.2.5].) Each Aggrieved Employee will receive his or her share of the amount allocated to Aggrieved
14 Employees (i.e., \$10,062.50), which represents the “Individual PAGA Payment.” (*Ibid.*) Each Individual
15 PAGA Payment shall be calculated “by dividing \$10,062.50 by the total number of PAGA Pay Periods
16 and multiplying the result by the number of PAGA Pay Periods each individual Aggrieved Employee
17 worked within the PAGA Period.” (Gutierrez Decl., ¶ 18(a); Ex. 1 [¶ 3.2.5.1].)

18 **2. Class Counsel Fees Payment and Expenses Payment.**

19 Defendants will not oppose Class Counsel’s fee application of up to 33.333% of the Gross
20 Settlement Amount, currently estimated to be \$191,664.75 (“Class Counsel Fee Payment”), plus costs not
21 to exceed \$32,000.00 (“Class Counsel Litigation Expenses Payment”). (Gutierrez Decl., ¶ 18(b); Ex. 1 [¶
22 3.2.2].) As of the filing of this Motion, Class Counsel has incurred \$22,015.40 in Litigation Expenses.
23 (Gutierrez Decl., ¶ 48; Kim Decl; 18.) If the Court approves fees or expense payments less than the amount
24 requested, the remainder will be allocated to the Net Settlement Amount for distribution to the

25 _____
26 ⁵ Paragraph 8 of the Settlement Agreement incorporates an escalator clause that proportionally increases the
27 Gross Settlement Amount if actual workweeks exceed the estimated amount by more than 7%, while Paragraph
28 9 provides a right of withdrawal by Defendants if opt-outs exceed 15% of total Class Members. (Gutierrez
Decl., ¶ 17, n. 3; Ex. 1 [¶¶ 8 and 9].) Prior to filing of this Motion, Defendant’s retained expert has performed a
workweek audit and has confirmed that the current workweeks do not exceed the estimated 9,376 by more than
7%. (Concurrently filed Declaration of Billy Bonilla, ¶ 2.)

1 Participating Class Members. (Gutierrez Decl., ¶ 18(b); Ex. 1 [¶ 3.2.2].)

2 **3. Class Representative Service Awards.**

3 Plaintiffs will request, and Defendants agree to not oppose, a “Service Award” of \$8,500.00 for
4 each of the two Plaintiffs, in exchange for initiating and providing services in support of the Action.
5 (Gutierrez Decl., ¶ 18(c); Ex. 1 [¶ 3.2.1].) If the Court approves a lesser amount, the Administrator will
6 allocate the unapproved portion to the Net Settlement Amount for distribution to Participating Class
7 Members. (*Ibid.*)

8 **4. Administration Expenses.**

9 The Parties agree to appoint CPT Group, Inc. as the “Administrator.” (Gutierrez Decl., ¶ 18(d); Ex.
10 1 [¶¶ 1.2 and 7.1].) The Administrator will establish a settlement fund that meets the requirements of a
11 Qualified Settlement Fund under US Treasury Regulation section 468B-1. (Gutierrez Decl., ¶ 18(d); Ex. 1
12 [¶ 7.3].) The Parties have allocated an amount not to exceed \$8,000.00 as the “Administrator Expenses
13 Payment,” based on the Administrator’s “not to exceed” bid submitted to the Court in connection with
14 Preliminary Approval. (Gutierrez Decl., ¶ 18(d); Ex. 1 [¶¶ 1.3 and 3.2.3]; *see also*, Gutierrez Decl., ¶ 53;
15 Ex. 3.) If the Court approves the Administrator Expenses Payment in an amount less than \$8,000.00, the
16 Administrator will allocate the remainder to the Net Settlement Amount for distribution to Participating
17 Class Members. (Gutierrez Decl., ¶ 18(d); Ex. 1 [¶ 3.2.3].)

18 The Parties and their Counsel represent they have no interest or relationship with the Administrator
19 other than a professional relationship arising out of prior experiences administering settlements. (Gutierrez
20 Decl., ¶ 55; Kim Decl., 19; concurrently filed Declaration of Benny Adams (“Adams Decl.”), ¶ 18;
21 concurrently filed Declaration of Kelsey Ceco (“Ceco Decl.”), ¶ 19; concurrently filed Declaration of
22 Sarina Saluja (“Saluja Decl.”), ¶ 2.)

23 **5. Total Net Settlement Amount Eligible for Participating Class Members.**

24 If the Court approves the amounts requested for the PAGA Allocation (\$28,750.00), Class Counsel
25 Fees Payment (\$191,664.75), Class Counsel Litigation Expenses Payment (\$32,000.00), Class
26 Representative Service Awards (\$17,000.00), and the Administrator Expenses Payment (\$8,000.00), the
27 Net Settlement Amount eligible for distribution to “Participating Class Members” is \$297,585.25
28 (\$575,000.00 - \$277,414.75). (Gutierrez Decl., ¶ 18(e).)

D. Distribution Formula to Participating Class Members.

The Net Settlement Amount of at least \$297,585.25 will be distributed as follows:

1. Individual Class Payments.

The Administrator will calculate each “Individual Class Payment” by dividing the Net Settlement Amount by the total number of workweeks worked by all Participating Class Members during the Class Period and multiplying the result by the number of workweeks worked by each individual Participating Class Member. (*Id.*, ¶ 19; Ex. 1 [¶ 3.2.4].) Participating Class Members who received a payment pursuant to a “Pre-Class Certification Settlement Agreement”⁶ shall receive a credit for their respective amounts, and the offset of such amounts shall be redistributed on a pro rata basis to Participating Class Members who did not enter into Pre-Class Certification Settlement Agreements.⁷ (Gutierrez Decl., ¶ 19; Ex. 1 [¶ 3.2.4.2].)

2. The Individual PAGA Payments.

The Administrator will calculate each “Individual PAGA Payment” by dividing \$10,062.50 by the total number of PAGA pay periods worked by all Aggrieved Employees and multiplying the result by the number of PAGA Period pay periods worked by each individual Aggrieved Employee. (Gutierrez Decl., ¶ 20; Ex. 1 [¶ 3.2.5.1].)

3. Tax Treatment of Payments to the Class Members.

Each Individual Class Payment shall be reported as 25% towards taxable wages (the “Wage Portion”) and the remaining 75% towards penalties and interest (the “Non-Wage Portion”). (Gutierrez Decl., ¶ 22; Ex. 1 [¶ 3.2.4.1].) The Wage Portion is subject to withholdings, as reported on IRS W-2 Forms. Defendants will separately pay employer payroll taxes on the Wage Portion. (*Ibid.*) The Administrator will report the Individual PAGA Payments and the Non-Wage Portions of the Individual Class Payments on IRS 1099 Forms. (Gutierrez Decl., ¶ 22; Ex. 1 [¶ 3.2.5.1].)

⁶ “Pre-Class Certification Settlement Agreement” means any individual settlement or release agreement entered into between a Class Member and Defendants prior to class certification in connection with the claims alleged in this Action. (Gutierrez Decl., ¶ 19 (Ex. 1, [¶ 1.36])); *see also*, note 3, *supra*.)

⁷ Because the offset and redistribution merely reallocate funds among Participating Class Members, the total amount distributed among the Participating Class Members remains the Net Settlement Amount of \$297,585.25. (Gutierrez Decl., ¶ 19, n. 5.)

1 **4. Distribution Schedule.**

2 The Administrator will disburse payments to Participating Class Members and Aggrieved
3 Employees within 14 days after Defendants fully fund the Gross Settlement Amount. (Gutierrez Decl., ¶
4 21; Ex. 1 [¶ 4.3].)

5 **E. Workweek and Pay Period Challenges.**

6 Class Members and Aggrieved Employees may challenge the number of workweeks during the
7 Class Period and/or PAGA pay periods worked during the PAGA Period. (Gutierrez Decl., ¶ 23; Ex. 1 [¶
8 7.6].) A dispute with documentary support must be received by the Administrator within 45 days of the
9 mailing of the Class Notice (plus an additional fourteen (14) days for Class Members whose Class Notice
10 is re-mailed). (*Ibid.*) In the absence of contrary documentation, the Administrator is entitled to presume
11 that the workweeks and/or PAGA Pay Periods are correct so long as they are consistent with the Class
12 Data. (*Ibid.*) The Administrator's determination of each Class Member's allocation of Workweeks and/or
13 Pay Periods shall be final and not appealable or otherwise susceptible to challenge. (*Ibid.*) The
14 Administrator shall promptly provide copies of all challenges to calculation of Workweeks and/or Pay
15 Periods to Defense Counsel and Class Counsel, along with the Administrator's determination of the
16 challenges. (*Ibid.*)

17 **F. The Releases.**

18 The following releases, releasing the "Released Parties,"⁸ shall become effective when Defendants
19 fully fund the Gross Settlement Amount and fully fund all employer payroll taxes owed on the Wage
20 Portion of the Individual Class Payments (Gutierrez Decl., ¶ 24; Ex. 1 [¶ 5.0]):

21 **1. Participating Class Members' Release.**

22 The class release is limited to:

23 All Participating Class Members, including each Participating Class Member who entered into
24 Pre-Class Certification Settlement Agreements, on behalf of themselves and their respective
25 former and present representatives, agents, attorneys, heirs, administrators, successors and
assigns, release Released Parties from (i) all claims that were alleged, or reasonably could have
been alleged, based on the Class Period facts stated in the Operative Complaint and ascertained

26 ⁸ "Released Parties" means Crossing, Inc., Crossing Media, Inc., Crossing Cards, Vernacular English, Inc.,
27 Siliang Di, and each of their past, present, and future parents, subsidiaries, affiliates, divisions, predecessors,
28 successors, assigns, benefit plans, insurers, reinsurers, administrators, fiduciaries, and each of their respective
past, present, and future officers, directors, members, partners, employees, agents, attorneys, and
representatives. (Gutierrez Decl., ¶ 24, n. 6; Ex. 1 [¶ 1.42].)

1 in the course of the Action including Failure to Pay Minimum Wages (CAL. LAB. CODE §§
2 1182, 1182.12, 1194, 1194.2, 1197 and 1197.1, 8 CAL. CODE REGS. § 11040(4)); Failure to
3 Pay Overtime and Double Time Compensation (CAL. LAB. CODE §§ 510, 1194, 1198, 8 CAL.
4 CODE REGS. § 11040(3)); Failure to Provide Meal Periods (CAL. LAB. CODE §§ 226.7, 512, 8
5 CAL. CODE REGS. § 11040(11)); Failure to Provide Rest Periods (CAL. LAB. CODE § 226.7,
6 CAL. CODE REGS. § 11040(12)); Failure to Provide Accurate Itemized Wage Statements (CAL.
7 LAB. CODE §§ 226, 226.3, 8 CAL. CODE REGS. § 11040(7)); Waiting Time Penalties (CAL.
8 LAB. CODE §§ 201, 202, and 203); and Unfair Competition and Unlawful Business Practices
9 (CAL. BUS. & PROF. CODE § 17200, *et seq.*). Except as set forth in Section 5.3 of this
10 Agreement, Participating Class Members do not release any other claims, including claims for
11 vested benefits, wrongful termination, violation of the Fair Employment and Housing Act,
12 unemployment insurance, disability, social security, workers' compensation or claims based
13 on facts occurring outside the Class Period. Participating Class Members who entered into Pre-
14 Class Certification Settlement Agreements are also bound by the release set forth in this
15 Paragraph 5.2, notwithstanding the existence of any such Pre-Class Certification Settlement
16 Agreement.

17 (Gutierrez Decl., ¶ 24(a); Ex. 1 [¶ 5.2].)

18 **2. Aggrieved Employees' Release of PAGA Claims.**

19 The PAGA release is limited to:

20 To the fullest extent permitted by law, the State of California and all Aggrieved Employees are
21 deemed to release, on behalf of themselves and their respective former and present
22 representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released
23 Parties from all causes of action and claims for penalties under the California Private Attorneys
24 General Act of 2004 that were alleged or reasonably could have been alleged based on the facts
25 and legal theories contained in the Operative Complaint and PAGA Notice, arising during the
26 PAGA Period, including claims for civil penalties based on the following: (1) all claims for
27 failure to timely pay wages at the appropriate rates; (2) all claims for failure to provide meal
28 periods; (3) all claims for failure to provide rest periods; (4) all claims for failure to provide a
suitable place for resting and/or eating; (5) all claims for failure to indemnify business
expenses; (6) all claims for failure to pay all wages due upon separation of employment; and
(7) all claims for failure to provide accurate itemized wage statements ("Released PAGA
Claims"). All Aggrieved Employees are deemed to release all Released PAGA Claims
regardless of whether the Aggrieved Employees opt out of the Settlement.

(Gutierrez Decl., ¶ 24(b); Ex. 1 [¶ 5.3].)

3. **Plaintiff's Release and Section 1542 Waiver.**

In addition to the Participating Class Members' Release and the Aggrieved Employees' Release:

Plaintiffs and their respective former and present spouses, representatives, agents, attorneys,
heirs, administrators, successors, and assigns generally release and discharge Released Parties
from all claims, transactions or occurrences that occurred during the Class Period, including,
but not limited to: (a) all claims that were, or reasonably could have been, alleged, based on
the facts contained, in the Operative Complaint and (b) all PAGA claims that were, or
reasonably could have been, alleged based on facts contained in the Operative Complaint,
Plaintiffs' PAGA Notice, or ascertained during the Action and released under Paragraph 5.2,
below. ("Plaintiffs' Release.") Plaintiffs' Release does not extend to any claims or actions to
enforce this Agreement, or to any claims for vested benefits, unemployment benefits, disability
benefits, social security benefits, workers' compensation benefits that arose at any time, or
based on occurrences outside the Class Period. Plaintiffs acknowledge that they may discover
facts or law different from, or in addition to, the facts or law that Plaintiffs now know or believe

1 to be true but agree, nonetheless, that Plaintiffs' Release shall be and remain effective in all
2 respects, notwithstanding such different or additional facts or Plaintiffs' discovery of them.
3 (Gutierrez Decl., ¶ 24(c); Ex. 1 [¶ 5.1].) Plaintiffs' Release includes a waiver of rights under section 1542
4 of the California Civil Code. (Gutierrez Decl., ¶ 24(c); Ex. 1 [¶ 5.1.1].)

5 **G. The Settlement is Non-Reversionary.**

6 None of the Gross Settlement Amount will revert to Defendants. (Gutierrez Decl., ¶ 25; Ex. 1 [¶
7 3.1].) For any Class Member whose Individual Class Payment check or Individual PAGA Payment check
8 is uncashed and cancelled after the "Void Date,"⁹ the Administrator shall transmit the funds represented by
9 such checks to the California Controller's Unclaimed Property Fund in the name of the Class Member,
10 thereby leaving no "unpaid residue" subject to the requirements of Code of Civil Procedure section 384,
11 subdivision (b). (Gutierrez Decl., ¶ 25; Ex. 1 [¶ 4.3.3].)

12 **H. Notice of the Settlement.**

13 The Class Notice sets forth in plain terms a statement of the case, the terms of the Settlement
14 Agreement, the approximate amounts of attorneys' fees and costs, the Class Representative Service
15 Payments, and an explanation of how the settlement allocations are calculated. (Gutierrez Decl., ¶ 26; Ex. 1
16 [Ex. A thereto].) The Class Notice will be issued to the Class in English.¹⁰ (Gutierrez Decl., ¶ 26.)

17 The first page of the Class Notice sets forth the approximate amount the Class Member and/or
18 Aggrieved Employee receiving the Class Notice will receive from the Net Settlement Amount (assuming
19 that all Class Members participate in the settlement), as well as the number of workweeks and PAGA Pay
20 Periods calculated for that Class Member and/or Aggrieved Employee. (Gutierrez Decl., ¶ 27; Ex. 1 [¶
21 7.4.2; Ex. A thereto, p. 1].) Class Members will be notified of the settlement by first-class mail. (Gutierrez
22 Decl., ¶ 27; Ex. 1 [¶ 7.4.2].) The Administrator will undertake its best efforts to ensure that the Class Notice
23 is provided to the current addresses of Class Members, including using the National Change of Address
24 database to update any Class Member's information prior to mailing the Class Notice. (*Ibid.*)

25 ⁹ "Void Date" means the date upon which checks for the Individual Class Payments and the Individual
26 PAGA Payments will be voided, as set forth in Paragraph 4.4.1...." (Gutierrez Decl., ¶ 25, n. 7; Ex. 1 [¶ 1.47].)

27 ¹⁰ A Spanish translation is not required because the members of the Class worked as hosts and co-hosts who
28 conducted live-streamed sales in English, continuously engaged with English-speaking audiences, and
moderated English-language chat, all of which require English-language proficiency. (Gutierrez Decl., ¶ 26;
Adams Decl., ¶ 19.)

1 A copy of the Agreement and the Class Notice, along with copies of this Motion and supporting
2 documents, is concurrently submitted to the LWDA. (Gutierrez Decl., ¶ 56.)

3 **V.**

4 **ANALYSIS**

5 **A. The Proposed Settlement is Fair, Reasonable, and Adequate.**

6 A proposed settlement requires court approval to prevent fraud, collusion, or unfairness to absent
7 class members. *Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1800-01; CAL. RULES OF COURT,
8 3.769. The Court’s inquiry “‘must be limited to the extent necessary to reach a reasoned judgment that the
9 agreement is not the product of fraud ..., or collusion’” and “‘the settlement, taken as a whole, is fair,
10 reasonable, and adequate to all concerned.’” *Dunk*, 48 Cal.App.4th at 1801 (quoting *Officers for Justice v.*
11 *Civil Service Com’n of City and County of San Francisco* (9th Cir., 1982) 688 F.2d 615, 625); *see Kullar v.*
12 *Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133 (to approve a class action settlement, “the court
13 must at least satisfy itself that the class settlement is within the ‘ballpark’ of reasonableness[.]”).
14 Importantly, the Court is not making a final fairness determination but instead is making a preliminary
15 assessment to determine whether the settlement *appears* fair, adequate, and reasonable, and thus, whether
16 notice should be sent to class members and scheduling a final approval hearing is warranted. COHELAN ON
17 CALIFORNIA CLASS ACTIONS, 2022-2023 ed. (The Expert Series), § 9.10.

18 **1. The Settlement is Presumptively Fair.**

19 Fairness is presumed when: “(1) the settlement is reached through an arm’s-length bargaining; (2)
20 investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is
21 experienced in similar litigation; and (4) the percentage of objectors is small.”¹¹ *Dunk*, 48 Cal.App.4th at
22 1802.

23 **a. Settlement Is a Product of Serious, Well-Informed, and Non-Collusive Negotiations.**

24 “[I]n the context of class action settlements, ‘formal discovery is not a necessary ticket to the
25 bargaining table’ where the parties had sufficient information to make an informed decision about
26 settlement.” *7-Eleven Owners for Fair Franchising v. Southland Corp.* (2000) 85 Cal.App.4th 1135, 1150
27

28

¹¹ In the preliminary approval stage, the percentage of objectors is not yet known.

1 (quoting *Linney v. Cellular Alaska P'ship* (9th Cir. 1998) 151 F.3d 1234, 1239). The proposed settlement,
2 in this instance, was reached through arm's-length negotiations facilitated by a highly experienced wage
3 and hour class action mediator after thorough investigation, extensive discovery, and after extensive review
4 and analysis of the claims and potential defenses. (Gutierrez Decl., ¶¶ 11-14 and 35-47.)

5 The Parties engaged in a full-day mediation with professional neutral, Kim Deck, Esq., of Judicate
6 West, on January 28, 2026. (*Id.*, ¶ 11.) Prior to mediation, Plaintiffs propounded extensive written
7 discovery directed at class issues, and Plaintiffs' Counsel reviewed and analyzed in excess of 4,000 pages
8 of paper and digital documents produced in discovery, including Defendants' written policies and
9 procedures, employee handbooks, the "Co-Hosting Guidelines," internal communications, and time and
10 payroll data. (*Id.*) Plaintiffs retained an expert who analyzed the time and payroll data and created damage
11 models detailing Defendants' wage and hour violations and maximum exposure. (*Id.*, ¶ 13.) Plaintiffs'
12 Counsel reviewed and analyzed the expert's results and prepared a comprehensive mediation brief in
13 advance of mediation. (*Id.*) Following productive negotiations, the Parties reached a settlement. (*Id.*, ¶ 14.)
14 Although the mediation was conducted in a professional manner, the settlement "was the product of
15 extensive and hard-fought adversarial negotiations between the parties." *Wershba v. Apple Computers, Inc.*
16 (2001) 91 Cal.App.4th 224, 246, disapproved of on other grounds by *Hernandez v. Restoration Hardware,*
17 *Inc.* (2018) 4 Cal.5th 260. This Settlement is indeed the product of well-informed and non-collusive
18 negotiations. (*See id.*, ¶¶ 11-14 and 35-47.)

19 ***b. Class Counsel Are Experienced in Similar Litigation.***

20 Class Counsel are respected members of the bar with strong records of vigorous and effective
21 advocacy and are experienced in complex wage and hour class action litigation. (Gutierrez Decl., ¶¶ 28-34,
22 et seq.; Declaration of Albro Lundy ("Lundy Decl."), ¶¶ 3-17; Kim Decl., ¶¶ 14-17.) Class Counsel's
23 experience and their extensive investigation and discovery allowed Plaintiffs to enter the Settlement aware
24 of the strengths, weaknesses, and uncertainties associated with the case, which permitted Class Counsel to
25 negotiate a fair and reasonable settlement for all Class Members. (*See generally* Gutierrez Decl.; Lundy
26 Decl.; Kim Decl.)

27 **2. The Settlement is a Reasonable Compromise Under the *Dunk/Kullar* Factors.**

28 "Th[e] initial presumption [of fairness] must then withstand the test of the plaintiffs' likelihood of

success,” which turns on “the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement.” *Kullar*, 168 Cal.App.4th at 130. In evaluating whether a proposed settlement is reasonable, courts look to a non-exhaustive list of factors, including:

[1] the strength of plaintiffs’ case, [2] the risk, expense, complexity and likely duration of further litigation, [3] the risk of maintaining class action status through trial, [4] the amount offered in settlement, [5] the extent of discovery completed and the stage of the proceedings, [6] the experience and views of counsel, [7] the presence of a governmental participant, and [8] the reaction of the Class Members to the proposed settlement.

Dunk, 48 Cal.App.4th at 1801; *see Kullar*, 168 Cal.App.4th at 128.

A reasonable compromise considers the “magnitude and apparent merit of the claims being released, discounted by the risks and expenses of attempting to establish and collect on those claims by pursuing litigation.” *Kullar*, 168 Cal.App.4th at 129. “*Kullar* is clear that the most important factor is ‘the strength of the case for plaintiffs on the merits, balanced against the amount offered in settlement.’” *Munoz v. BCI Coca-Cola Bottling Co. of Los Angeles* (2010) 186 Cal.App.4th 399, 409, n. 6 (internal quotations omitted).

a. The Strengths and Weaknesses of Plaintiffs’ Claims, and the Risks Associated with Continued Litigation.

Prior to mediation, Defendants formally produced through written discovery time and payroll data for the class. (Gutierrez Decl., ¶¶ 11 and 37.) Plaintiffs retained an expert who analyzed the data and created damage models detailing Defendants’ wage and hour violations and maximum exposure. (*Id.*, ¶¶ 37-39.) The data Defendants produced span April 8, 2022, through December 31, 2024, and reflect 7,950 shifts, of which 7,199 (90.55%) were meal-eligible. (*Id.*, ¶ 38.) Of those meal-eligible shifts, that data suggested that 7,195 were non-compliant, yielding a 99.94% meal period violation rate. (*Id.*) Because Defendants’ own time records reflect non-compliant meal periods, and the payroll data reflect that no premium wages were ever paid, the meal period claim is supported by a rebuttable presumption of liability.¹² (*Id.*, ¶ 38.) The data further reflected that 7,299 of the 7,950 shifts (91.81%) were rest-break

¹² *Donohue v. AMN Services, LLC* (2021) 11 Cal.5th 58, 74-78 (“Time records showing noncompliant meal periods raise a rebuttable presumption of meal period violations....”); *See also, Naranjo v. Spectrum Security Services, Inc.* (2022) 13 Cal.5th 93, 121 (*Naranjo III*) (an employer’s obligation under Labor Code section 226 to report wages earned includes an obligation to report premium pay for missed breaks,” the upshot of which is that failure to report premium payments “can support monetary liability under section 226 for failure to supply an accurate itemized statement[]”).

1 eligible, and, given Defendants’ facially unlawful rest period policy as set forth in the Co-Hosting
2 Guidelines,¹³ a 100% violation rate is assumed for those shifts. (*Id.*) The data also reflected that Crossing
3 compensated employees only for “Stream Time” and never paid any overtime or double time to any
4 putative class member, such that, of the 7,950 shifts, 4,790 exceeded eight hours by an average of 0.82
5 hours (reflecting unpaid overtime) and 3,160 fell under eight hours by an average of 0.92 hours (reflecting
6 unpaid off-the-clock work). (*Id.*) These figures were extrapolated across the 9,289 workweeks worked
7 during the Class Period.

8 In addition, Defendants misclassified certain non-exempt employees, including Plaintiff Kelsey
9 Ceco, as independent contractors or 1099 employees, despite their performing the same streaming duties as
10 other class members and being subject to the same Co-Hosting Guidelines. (*Id.*, ¶¶ 6-8.)

11 Despite the strengths of Plaintiffs’ case, Plaintiffs and Class Counsel recognize the challenges of
12 proving these class claims, along with the risks, complexity, expense, and duration of further litigation.
13 (Gutierrez Decl., ¶ 40.) As a preliminary matter, this Action is not yet certified. (*Id.*, ¶ 41.) While Plaintiffs
14 have propounded and reviewed extensive written discovery and investigated the class claims, no
15 depositions have been taken and no merits or expert discovery has been completed. (*Id.*, ¶ 42.) And even if
16 Plaintiffs are successful in achieving certification (and in opposing any motion for decertification),
17 Plaintiffs will still face the challenge of proving the existence and nature of these claims. (*Id.*) Notably,
18 Plaintiffs will face the challenge of proving off-the-clock work; given the lack of records to prove such
19 work, individual proof may become necessary, rendering trial unmanageable.¹⁴ (*Id.*) And, given that
20 records for rest breaks are not maintained (and are not required to be maintained), Plaintiffs’ rest break
21 claims face a similar challenge.¹⁵ (*Id.*) If Plaintiffs were to prevail on their underlying claims, they would

22 ¹³ See note 2, *supra*.

23 ¹⁴ See *Deaver v. Compass Bank* (N.D. Cal. Dec. 11, 2015) 2015 WL 8526982, at *7 (approving class
24 settlement in part because of the “difficulties [in] certifying the class and establish[ing] liability on the merits
25 of... [off-the-clock] claims[.]”); *In re Wells Fargo Loan Processor Overtime Pay Litig.* (N.D. Cal. Aug. 2,
26 2011) 2011 WL 3352460, at *6 (recognizing that the potential difficulty in proving off-the-clock hours is a
significant risk that supports approval of a class settlement).

27 ¹⁵ Courts have also recognized the “insurmountable manageability concerns” that have precluded class
28 certification of rest break claims even when an employer’s policy is facially flawed. *E.g.*, *Ordonez v. Radio
Shack, Inc.* (C.D. Cal., Aug. 15, 2014) 2014 WL 4180958, at *6; *Koval v Pacific Bell Telephone Co.* (2015)
232 Cal.App.4th 1050, 1063 (class adjudication would be “totally unmanageable” where plaintiff failed to
show that the employer’s facially lawful policies had been consistently applied in an improper manner);

1 also need to prove that Defendants’ violations of Labor Code sections 203 and 226 were willful, which is a
2 difficult prospect.¹⁶ (*Id.*)

3 ***b. The Value of the Settlement is Reasonable Upon Balancing the Strengths of Plaintiffs’***
4 ***Case against its Weaknesses and Risks with Continued Litigation.***

5 A proposed settlement “is not to be judged against a hypothetical or speculative measure of what
6 might have been achieved had plaintiffs prevailed at trial.” *Wershba*, 91 Cal.App.4th at 246. And “[a]
7 settlement need not obtain 100 percent of the damages sought in order to be fair and reasonable.” *Id.* at
8 250; *see also, Officers for Justice*, 688 F.2d 615, 624, 628 (recognizing that “the very essence of a
9 settlement is compromise, a yielding of absolutes and an abandoning of highest hopes” and that “[i]t is
10 well-settled law that a cash settlement amounting to only a fraction of the potential recovery will not per se
11 render the settlement inadequate or unfair[.]”) (internal quotation omitted). Rather, a party must only
12 provide information that allows “an understanding of the amount that is in controversy and the realistic
13 range of outcomes of the litigation.” *Kullar*, 168 Cal.App.4th at 120; *see Munoz*, 186 Cal.App.4th at 409
14 (the moving party need not show maximum value of all claims; the Court of Appeal “had no doubt that the
15 trial court had ‘an understanding of the amount ... in controversy,’ based on, *inter alia*, the number of
16 Class Members, payroll data, and experiences and treatment particularized to certain Class Members
17 (quoting *Kullar*, 168 Cal.App.4th at 120)).

18 Based on the foregoing benchmarks, data, and assumptions (*see § V.A.2.a., supra*), Defendants’
19 maximum exposure on the class claims is estimated at approximately \$4,865,966.40. (Gutierrez Decl., ¶
20 39.) While Plaintiffs and Class Counsel are aware of the risks and challenges of continued litigation, in
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22
23

24 *Cummings v. Starbucks Corp.* (C.D. Cal., Mar. 24, 2014) 2014 WL 1379119, at *23 (to find that common
25 issues predominate, the court would have to rely on the defective rest period policy to the exclusion of other
evidence).

26 ¹⁶ Proof of an employer’s “good faith belief” that its actions were not violating sections 203 or 226 precludes a
27 finding of a “knowing and intentional violation.” *Naranjo v. Spectrum Security Systems, Inc.* (2023) 88
28 Cal.App.5th 937, 949 (*Naranjo IV*), *aff’d*, 15 Cal.5th 1056, 1065 (*Naranjo V*); *see also, Choate v. Celite Corp.*
(2013) 215 Cal App.4th 1460, 1468 (holding that “an employer’s reasonable, good faith belief that wages are not
owed may negate a finding of willfulness”).

1 recognition of the fact that only approximately 22% of class actions are successfully certified,¹⁷ and that
2 the rest period, off-the-clock, overtime, minimum wage, and derivative penalty claims are inherently more
3 difficult to prove and to certify, those claims are discounted by 78%, while the meal period claim,
4 supported by Defendants' own time records and a rebuttable presumption of liability, is retained at full
5 100% value. (*Id.*, ¶ 43.) Applying these discounts, Defendants' realistic exposure on the class claims is
6 approximately \$1,528,521.59. (*Id.*)

7 Upon balancing the strengths of Plaintiffs' case against the risks associated with continued
8 litigation, Plaintiffs' Counsel is of the opinion that the Gross Settlement Amount of \$575,000.00 represents
9 a substantial recovery for a class of approximately 192 individuals. (Gutierrez Decl., ¶ 44.) *Boyd v. Bechtel*
10 *Corp.* (N.D. Cal. 1979) 485 F.Supp. 610, 622 ("The recommendations of plaintiffs' counsel should be
11 given a presumption of reasonableness."). The Gross Settlement Amount of \$575,000.00 is a reasonable
12 and adequate resolution, as it represents approximately 37.62% of Defendants' realistic exposure.
13 (Gutierrez Decl., ¶ 44.) *See Preddy v. Edelman* (6th Cir. 1989) 883 F.2d 438, 447 ("The fact that a plaintiff
14 might have received more if the case had been fully litigated is no reason to not approve the settlement.").

15 Based on the data provided in advance of mediation and assuming the Court approves the full
16 amount of the Class Counsel Fees Payment, Class Counsel Litigation Expenses Payment, the Class
17 Representative Service Awards, and the Administrator Expenses Payment, and Calculated solely under the
18 workweek formula set forth in paragraph 3.2.4 of the Agreement, the average Individual Class Payment is
19 approximately \$1,549.92, with the highest being approximately \$6,646.54, the lowest being approximately
20 \$32.11, and the median being approximately \$545.85. (Gutierrez Decl., ¶ 45.) Calculated under the Pre-
21 Class Certification Settlement Agreement formula set forth in paragraph 3.2.4.2 of the Agreement, the
22 average recovery remains approximately \$1,549.92, the highest recovery is approximately \$8,161.65, the
23 lowest is \$0.00, and the median is approximately \$670.28.¹⁸ (*Id.*) This recovery is fair, reasonable, and
24

25 ¹⁷ In the Second Interim Report from the Study of California Class Action Litigation, published by the
26 Judicial Council of California in February 2010, only 22% of class actions get certified. (Retrieved from
<https://www.courts.ca.gov/documents/classaction-certification.pdf>).

27 ¹⁸ Four Class Members will receive \$0.00 because the payments they received under their Pre-Class
28 Certification Settlement Agreements exceeded the Individual Class Payments they otherwise would have
received. (Gutierrez Decl., ¶ 45, n. 16.) Because those Class Members are not required to return the difference,
their offset is capped at the amount of their respective Individual Class Payment, and they receive no further

adequate. (*Cf. Gardner v. GC Services, LP* (S.D. Cal., Apr. 2, 2012) 2012 WL 1119534, *4 (a settlement that awarded “an average of around several hundred dollars” to approximately 1,470 individuals for wage and hour violations was reasonable); *Collins v. Cargill Meat Solutions Corp.* (E.D. Cal., Mar. 9, 2011) 274 F.R.D. 294, 302 (a settlement that awarded \$685 per class member for wage and hour violations to approximately 219 class members was fair and appropriate).)

Moreover, the Parties negotiated a good faith amount for PAGA penalties, which is not the product of self-interest at the expense of Class Members. (Gutierrez Decl., ¶ 46.) *See Hopson v. Hanesbrands, Inc.* (N.D. Cal., Apr. 3, 2009) 2009 WL 928133, *9 (where PAGA penalties are negotiated in good faith and “there is no indication that this amount was the result of self-interest at the expense of” the class, such amount is reasonable). The amount allocated to PAGA, \$28,750.00 (of which \$18,687.50 will be paid to the LWDA and \$10,062.50 will be paid to Aggrieved Employees in addition to their respective shares of the Net Settlement Amount), is reasonable and appropriate, as it represents a payment to the LWDA of 3.25% of the Gross Settlement Amount. (Gutierrez Decl., ¶ 46.) *Cf. Contreras v. Worldwide Flight Servers* (C.D. Cal., Apr. 1, 2020) 2020 WL 2083017, *10 (a distribution of 2.14% to the LWDA does not raise a concern that the plaintiff is using PAGA as a bargaining chip). Indeed, courts have approved PAGA payments in lesser amounts. *See, e.g., Nelson v. Avon Products, Inc.* (N.D. Cal., Feb. 24, 2017) 2017 WL 733145, *2, *8 (granting final approval of \$1,800,000 settlement with \$10,000 as the PAGA payment, with \$7,500 going to the LWDA, representing .42% of the settlement amount); *Taylor v. Shippers Transport Express, Inc.* (C.D. Cal. May 14, 2015) 2015 WL 12658458, *19 & n. 15 (settlement of \$11,040,000 with a PAGA payment of \$50,000 representing an allocation of .34% to the LWDA); *Franco v. Ruiz Food Products, Inc.* (E.D. Cal., Nov. 27, 2012) 2012 WL 5941801, *14 (a settlement of \$2,500,000 with \$10,000 as the PAGA payment “comports with settlement approval of PAGA awards in other cases”).

B. Certification For Settlement Purposes is Warranted.

The Court may make an order approving certification of a provisional settlement class at the preliminary approval stage. CAL. RULES OF CT., 3.769(d). It is well-established that trial courts should use a “lesser standard of scrutiny” for determining the propriety of certifying a settlement class, as opposed to a

payment under the Settlement. (*Id.*) These four Class Members are still entitled to a PAGA Payment if they are Aggrieved Employees within the applicable PAGA Period. (*Id.*)

1 litigation class. *Dunk*, 48 Cal.App.4th at 1807, n. 19. This is because “no trial is anticipated in a settlement
2 class case, so the case management issues inherent in the ascertainable class determination need not be
3 confronted.” *Global Minerals & Metals Corp. v. Sup. Ct.* (2003) 113 Cal.App.4th 836, 859.

4 Certification of a class is appropriate when the class is ascertainable and there is “a well defined
5 community of interest in the questions of law and fact involved affecting the parties to be represented[.]”
6 *Dunk*, 48 Cal.App.4th at 1806 (citing *Daar v. Yellow Cab Co.* (1967) 67 Cal.2d 695, 704). Additionally,
7 the court must determine that the class action mechanism is the superior method for the fair and efficient
8 adjudication of the claims. *Caro v. Proctor & Gamble Co.* (1993) 18 Cal.App.4th 644, 657-661.

9 **1. The Class is Ascertainable and Numerous.**

10 A class is ascertainable “when it is defined in terms of objective characteristics and common
11 transactional facts that make the ultimate identification of class members possible,” which “include[es]
12 class definitions that are sufficient to allow a member of [the class] to identify himself or herself as having
13 a right to recover[.]” *Noel v. Thrifty Payless, Inc.* (2019) 7 Cal.5th 955, 980 (internal quotations omitted)
14 (alteration in original). Here, the Class is defined by objective and precise criteria from which each Class
15 Member can self-identify. Moreover, the Class Members may be identified using Defendant’s regular
16 business records. *Rose v. City of Hayward* (1981) 126 Cal.App.3d 926, 932 (disapproved on other grounds
17 in *Noel*, 7 Cal.5th at 985-986, n. 15).

18 There is no minimum number of individuals required as a matter of law to satisfy numerosity under
19 section 382 of the Code of Civil Procedure. *Rose*, 126 Cal.App.3d at 934 (disapproved on other grounds by
20 *Noel*, 7 Cal.5th at 986); *see also, e.g., Bowles v. Sup. Ct.* (1955) 44 Cal.2d 574, 587 (approving a class of
21 10 members); *Collins v. Rocha* (1972) 7 Cal.3d 232, 234 (approving a class of 35 members); *Occidental*
22 *Land, Inc. v. Sup. Ct.* (1976) 18 Cal.3d 355, 364, n. 7 (finding more than 150 individuals too numerous for
23 joinder). According to Defendants’ own records, approximately 192 individuals have been identified
24 within the Class, (Gutierrez Decl., ¶ 37; Ex. 1, ¶ 1.5), which is sufficiently numerous.

25 **2. There Is a Well-Defined Community of Interest.**

26 The community-of-interest requirement “embodies three factors: (1) predominate common
27 questions of law or fact; (2) class representatives with claims or defenses typical of the class; and (3) class
28 representatives who can adequately represent the class.” *Brinker Restaurant Corp. v. Sup. Ct.* (2012) 53

1 Cal.4th 1004, 1021, internal quotations omitted; *see Dunk*, 48 Cal.App.4th at 1806.

2 ***a. Common Questions of Law and Fact Predominate.***

3 “The ultimate question to the element of predominance is whether the issues which may be jointly
4 tried, when compared with those requiring separate adjudication, are so numerous or substantial that the
5 maintenance of a class action would be advantageous to the judicial process and to the litigants.” *Brinker*,
6 53 Cal.4th at 1021 (internal quotations omitted).

7 Plaintiffs’ claims are of the type where “[t]he theory of liability — that [the employer] has a
8 uniform policy, and that the policy, measured against wage order requirements, allegedly violates the law –
9 is by its nature a common question eminently suited for class treatment.” *Id.* at 1033. The class data
10 revealed a high rate of facially non-compliant meal periods, which Plaintiffs contend reflect Defendants’
11 common and systematic practice of failing to provide legally compliant meal and rest periods, as well as
12 data suggesting that Defendants systematically failed to pay all wages due, including overtime. *See*
13 *Bradley v. Networkers International, LLC*, 211 Cal.App.4th at 1150 (a common lack or disregard of
14 written policies and procedures is also amenable to class treatment because the relevant inquiry is uniform
15 companywide conduct that allegedly violates state law). The lawfulness of Defendants’ common policies
16 and business practices is suitable for class treatment, regardless of which side prevails on the merits. *See*
17 *Sav-On Drug Stores, Inc. v. Sup. Ct.* (2004) 34 Cal.4th 319, 338 (the “logic of predominance” does not
18 require a plaintiff to prove the employer’s policy or practice is unlawful as to all members of the class).

19 ***b. Plaintiffs’ Claims are Typical.***

20 “The test of typicality is whether other members have the same or similar injury, whether the action
21 is based on conduct which is not unique to the Plaintiffs, and whether other Class Members have been
22 injured by the same course of conduct.” *Martinez v. Joe’s Crab Shack Holdings* (2014) 231 Cal.App.4th
23 362, 375 (internal quotations omitted). This test is satisfied here. Plaintiffs Benny Adams and Kelsey Ceco
24 are former non-exempt employees of Defendants who were subjected to the same policies, procedures, and
25 practices that resulted in the claims at issue in this Action, for which they seek redress on behalf of
26 similarly situated individuals. Ms. Ceco’s claims are likewise typical of the Subclass, as she was
27 misclassified as an independent contractor while performing the same streaming duties as other class
28 members.

1 **3. Plaintiffs and Their Counsel Meet the Adequacy Requirement.**

2 Whether a named plaintiff and his or her counsel adequately represent a class “depends on whether
3 the plaintiff’s attorney is qualified to conduct the proposed litigation and the plaintiff’s interests are not
4 antagonistic to the interests of the class.” *McGhee v. Bank of America* (1976) 60 Cal.App.3d 442, 451.
5 Both requirements are met. Class Counsel has extensive experience in prosecuting and defending class
6 actions dealing with the specific issues presented here. (Gutierrez Decl., ¶¶ 28-33, *et seq.*; Lundy Decl., ¶¶
7 3-17; Kim Decl., ¶¶ 14-17.) And Plaintiffs’ interests align with the putative Class Members’ interests, as
8 they were employed by Defendants during the Class Period and experienced the same wage and hour
9 policies and practices as other employees. Plaintiffs’ willingness to serve as class representatives and aid
10 Class Counsel further demonstrates their commitment to bringing the best possible result for the Class.
11 (*See generally* Adams Decl.; Ceco Decl.)

12 **4. This Class Action is Superior to Other Means of Resolution.**

13 The superiority analysis turns on a comparison “between the costs and benefits of adjudicating
14 plaintiffs’ claims in a class action and the costs and benefits of proceeding by numerous separate
15 actions[.]” *Sav-On Drugs*, 34 Cal.4th at 339, n. 10. Through this Settlement, “[t]his class suit both
16 eliminates the possibility of repetitious litigation and provide small claimants with a method of obtaining
17 redress for claims which would otherwise be too small to warrant individual litigation.” *Richmond v. Dart*
18 *Industries, Inc.* (1981) 29 Cal.3d 462, 469. This is particularly true given that this is an action involving
19 wage claims. *See Martinez*, 231 Cal.App.4th at 367.

20 **C. The Proposed Attorneys’ Fees Are Reasonable.**

21 At Final Approval, Class Counsel will request a fee award of \$191,664.75, which represents
22 33.333% of the Gross Settlement Amount. (Gutierrez Decl., ¶ 47.) This percentage falls well within the
23 accepted range for class action settlements, as empirical studies demonstrate that fee awards in class actions
24 average approximately one-third of the recovery regardless of the calculation method employed. *Chavez v.*
25 *Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66, n. 11; *see also Van Vranken v. Atlantic Richfield Company*
26 (N.D. Cal. 1995) 901 F.Supp. 294, 298 (citing cases approving fee percentages of 30-50% in “smaller”
27 settlements under \$10 million).

28 Class Counsel has prosecuted this Action entirely on a contingent basis, investing substantial time

1 and resources with no guarantee of recovery. (Gutierrez Decl., ¶¶ 48 and 49; Kim Decl., ¶¶ 3-13.) The
2 contingent risks in these types of cases are very real and occur regularly. (*Ibid.*) As of this Motion's filing,
3 Class Counsel has incurred \$22,015.40 in litigation costs and will require additional hours to monitor
4 preliminary approval proceedings through final approval and to oversee settlement administration.
5 (Gutierrez Decl., ¶ 48; Kim Decl., ¶ 19.) The contingent nature of representation in wage and hour class
6 actions presents significant financial risk, as counsel bears responsibility for all necessary enforcement
7 actions should Defendants fail to perform under the Agreement's terms. (*Id.*)

8 The Court need not resolve the reasonableness of Class Counsel's fee request at the preliminary
9 approval stage, though the request of 33.333% appears presumptively reasonable given prevailing market
10 standards and the substantial risks undertaken in contingent class action representation. In addition, Class
11 Counsel will request reimbursement of costs not to exceed \$32,000.00. (Gutierrez Decl., ¶ 49.)

12 **D. The Proposed Service Award is Fair and Reasonable.**

13 At Final Approval, each Plaintiff will request a Service Award of \$8,500.00, for a total of
14 \$17,000.00. (Gutierrez Decl., ¶ 50.) This amount is to compensate Plaintiffs for initiating and providing
15 their services in this Action resulting in this favorable Settlement, for individually releasing all claims
16 against Defendants, known or unknown, pursuant to Civil Code section 1542, which is beyond the releases
17 applicable to other class members, and for delaying the resolution of their individual claims against
18 Defendants. (*Id.*; Adams Decl., ¶¶ 4-14; Ceko Decl., ¶¶ 4-15) The requested amounts appear presumptively
19 appropriate given Plaintiffs' substantial contributions to achieving this Class-wide recovery. (*See* Gutierrez
20 Decl., ¶¶ 50-51; Kim Decl., ¶¶ 7-8, 10, 13; Adams Decl., ¶¶ 4-14; Ceko Decl., ¶¶ 4-15.) Throughout this
21 litigation, Plaintiffs have cooperated with Class Counsel and have taken many actions to protect the
22 interests of the Class. (*Ibid.*) Plaintiffs provided valuable information regarding their pre-stream and post-
23 stream work, unpaid wages and overtime, and missed meal and rest periods, and kept Class Counsel
24 informed of developments and information relevant to this Action. (*Ibid.*) The information and
25 documentation provided by Plaintiffs were instrumental in establishing the wage and hour violations
26 alleged in this Action, and the recovery provided for in the Settlement would not have been possible
27 without their participation. (*Ibid.*)

28 While the Court need not decide at the preliminary approval stage, the Service Awards are

presumptively fair and reasonable, as each represents only 1.48% of the Gross Settlement Amount, and jointly they represent 2.96% of the Gross Settlement Amount. (Gutierrez Decl., ¶ 52.) See *Singer v. Becton Dickinson & Co.* (S.D. Cal. June 1, 2010) 2010 WL 2196104, *9 (awarding \$25,000 to class representative from \$1 Million wage and hour case settlement (2.5% of fund)); *Thieriot v. Celtic Inc. Co.* (N.D. Cal., April 21, 2011) 2011 WL 1522385, *8 (awarding \$25,000 service award from class settlement of \$1.375 Million (1.8% of fund)).

E. The Class Notice is Adequate.

Trial courts are vested with broad discretion to fashion a notice that is constitutionally adequate. *Cartt v. Sup. Ct.* (1975) 50 Cal.App.3d 960, 973-974; *7-Eleven Owners for Fair Franchising*, 85 Cal.App.4th at 1164; see CAL. RULES OF CT, 3.776. The “fundamental purpose” of the class notice is “to apprise Class Members of the terms of the proposed settlement.” *Duran v. Obesity Research Institute, LLC* (2016) 1 Cal.App.5th 636, 638. “The notice must fairly apprise the Class Members of the terms of the proposed compromise and of the options open to dissenting Class Members.” *Id.* at 644 (quoting *Cho v. Seagate Technology Holdings, Inc.* (2009) 177 Cal.App.4th 734, 745 (internal quotations omitted). The language of the class notice should be neutral, simple, and understandable, as well as “describe the formula or plan for computing individual settlement Class Member recoveries.” *Ibid.*

The Class Notice summarizes the proceedings, and terms and conditions of the Settlement Agreement, in a neutral, informative, and cogent manner. It provides a background of the Action, a breakdown of each Class Member’s estimated recovery under the Settlement (both Individual Class Payments and Individual PAGA Payments), how that amount will be determined, the tax treatment of the amount received, and the amounts of costs and fees requested by Class Counsel. The Class Notice further enumerates Class Members’ rights and options under the Settlement, including the right to opt-out and the procedure to do so,¹⁹ and that all members who do not opt-out will be bound by the releases contemplated in the Settlement. The Class Notice confirms final approval of the settlement has yet to be made, and that any member who does not opt-out may appear at the fairness hearing.

Due process also requires notice to Class Members to be “the best practicable, reasonably

¹⁹ Rule 3.766(d) of the California Rules of Court sets forth the minimum requirements to be contained in a class notice where Class Members are permitted to opt-out of the settlement.

1 calculated, under all the circumstances, to apprise interested parties of the pendency of the action and
2 afford them an opportunity to present their objections.” *Duran*, 1 Cal.App.5th at 648 (internal quotations
3 and citation omitted). Here, the Class Notice will be directly mailed to each Class Member, via United
4 States Postal Service First-Class mail, to addresses confirmed by the Administrator prior to the mailing of
5 the Class Notice. *Wershba*, 91 Cal.App.4th at 251 (quoting *Cartt*, 50 Cal.App.3d at 974) (the standard for
6 the manner in which the class notice will be disseminated is “whether the notice has a ‘reasonable chance
7 of reaching a substantial percentage of the Class Members.’”). And, given that the cost to mail the Class
8 Notice represents approximately .14% of the Gross Settlement Amount,²⁰ the cost of notifying Class
9 Members will not be excessive. *See* Cal. Rules of Court, rule 3.766(e) (in evaluating a class notice, the
10 court must also consider “[t]he cost of notifying Class Members”).

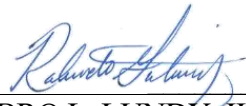
11 **VI.**

12 **CONCLUSION**

13 For the foregoing reasons, Plaintiffs respectfully ask that the Court grant this Motion.

14
15 Dated: July 2, 2026

BAKER BURTON & LUNDY, P.C.
LAW OFFICE OF RICHARD KIM, P.C.

16
17 By: 

ALBRO L. LUNDY, III
ROLANDO J. GUTIERREZ
RICHARD KIM

Attorneys for Plaintiffs and the Putative Class

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28 ²⁰ Based on the estimates provided by CPT Group, Inc., the cost to mail notice to the Class, including a
second notice mailing, is approximately \$784.35. (Gutierrez Decl., ¶ 54; Ex. 3.)

1 **PROOF OF SERVICE**

2 **RE: Benny Adams v. Crossing, Inc., et al.**
3 **Case No: 24STCV27904**
4 **LWDA Case No: LWDA-CM- 1058105 -24**

5 I am employed in the State of California, County of Los Angeles. I am over the age of 18 and
6 not a party to this action. My business address is 515 Pier Avenue, Hermosa Beach, CA 90254.

7 On **July 2, 2026**, I served true and correct copies of the following document(s) described as:

8 **PLAINTIFF BENNY ADAMS' AND KELSEY CECO'S NOTICE OF MOTION AND MOTION**
9 **FOR CONDITIONAL CLASS CERTIFICATION AND PRELIMINARY APPROVAL OF CLASS**
10 **ACTION AND PRIVATE ATTORNEY GENERAL ACT SETTLEMENT**

11 on the interested parties as follows:

12 Labor and Workforce Development Agency
13 800 Capital Mall, Suite 500
14 Sacramento, California 95814

15 ☒ **BY ELECTRONIC SUBMISSION:** Complying with CAL. LAB. CODE §§ 2699(l)(4) and
16 2699.3, I caused true and correct copies of the documents to be served on the Labor and
17 Workforce Development Agency through its online platform at <https://www.dir.ca.gov/Private-Attorneys-General-Act/Private-Attorneys-General-Act.html>.

18 I declare under penalty of perjury under the laws of the State of California that the foregoing is true
19 and correct.

20 Executed on **July 2, 2026** at Hermosa Beach, California.

21 Kally Imaicela-Lopez
22 Type or Print Name

23 
24 Signature

1 **PROOF OF SERVICE**

2 **RE: Benny Adams v. Crossing, Inc., et al.**
3 **Case No: 24STCV27904**

4 I am employed in the State of California, County of Los Angeles. I am over the age of 18 and
not a party to this action. My business address is 515 Pier Avenue, Hermosa Beach, CA 90254.

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on the interested parties as follows:

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Co-Counsel for Plaintiff and the Putative Class

- 18 [] **VIA MAIL (ENCLOSED IN A SEALED ENVELOPE):** I deposited the envelope(s) for
19 mailing in the ordinary course of business at Hermosa Beach, California. I am "readily
20 familiar" with this firm's practice of collection and processing correspondence for mailing.
21 Under that practice, sealed envelopes are deposited with the U.S. Postal Service that same day
in the ordinary course of business with postage thereon fully prepaid at Hermosa Beach,
California.
- 22 [✓] **VIA CASE ANYWHERE:** Complying with California Rule of Court 2.251 and Code of Civil
23 Procedure § 1010.6, *et. seq.*, and in compliance with the Court's Order Authorizing Electronic
24 Service, I caused true and correct copies of the documents to be served through Case Anywhere
25 at www.caseanywhere.com to the email address(es) of the person(s) identified above.

26 I declare under penalty of perjury under the laws of the State of California that the foregoing is
27 true and correct.

28 Executed on **July 2, 2026** at Hermosa Beach, California.

Kally Imaicela-Lopez
Type or Print Name


Signature