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SUPERIOR COURT OF THE STATE OF CALIFORNIA

FOR THE COUNTY OF MONTEREY

CHRISTIE MINES, as an individual and on behalf of all others similarly situated, Plaintiff, vs. SOUTHERN MONTEREY COUNTY MEMORIAL HOSPITAL, a California nonprofit corporation; and DOES 1 through 50, inclusive, Defendants.	Case No.: 24CV005289 Assigned to the Honorable Thoman W. Wills, Dept. 15) **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT; AND MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT** Date: November 21, 2025 Time: 8:30 A.M. Dept.: 15 Action Filed: December 12, 2024 Trial Date: Not Set

TO ALL PARTIES AND THEIR ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on November 15, 2025, at 8:30 a.m., or as soon thereafter as the matter may be heard, before the Honorable Thomas W. Wills, judge presiding, in Department 15 of the above referenced Court, located at 1200 Aguajito Road, Monterey, California 93940, Plaintiff Christie Mines ("Plaintiff") will and hereby move this Court for the following relief with respect to the Joint Stipulation of Class and PAGA Settlement ("Stipulation" or "Agreement") entered into by Plaintiff and Defendant Southern Monterey County Memorial Hospital ("Defendant") (Plaintiff and Defendant shall collectively be referred to as the "Parties"):

1. That the Court approve the Stipulation referenced above;

2. That the Court certify the following Class for settlement purposes: all current and former non-exempt employees of Defendant who received during the Class Period both non-discretionary remuneration (including shift differential pay) and overtime/double time during the same pay period (the "Class");

3. That Plaintiff Christie Mines be appointed as the Class Representative and Larry W. Lee, Max W. Gavron, and Kwanporn "Mai" Tulyathan of Diversity Law Group, P.C. and William L. Marder of Polaris Law Group be appointed as Class Counsel;

4. That the Court preliminarily approve the Stipulation and the Gross Settlement Amount in the amount of One Hundred Sixty-Seven Thousand Dollars ($167,000.00);

5. That the Court finds on a preliminary basis that the Stipulation appears to be within the range of reasonableness of a settlement, including the amount of PAGA penalties, Class Representative enhancement award, attorneys' fees and costs, settlement administration costs, and the allocation of payments to Class Members, that could ultimately be given final approval by this Court;

6. That the Court approve the mailing of the proposed Notice of Class Action Settlement ("Class Notice") to be sent to Class Members;

7. That the Court appoint Phoenix Settlement Administrators as the Settlement Administrator; and

8. That the Court schedule the matter for a Final Fairness and Final Approval hearing.

This Motion is made pursuant to Rule 3.769 of the California Rules of Court, which provides for court approval of the settlement of a purported class action and allows the Court to preliminarily certify a class for settlement purposes.

The basis for this Motion, filed without any opposition from Defendant, is that the proposed settlement is fair, adequate, and reasonable, and the procedures proposed by the Parties are adequate to ensure the opportunity of Class Members to participate in, opt-out of, or object to the settlement.

This Motion will be based on the attached Memorandum of Points and Authorities, the Stipulation and the proposed Class Notice, and the supporting Declarations of Larry W. Lee, Max W. Gavron, Kwanporn "Mai" Tulyathan, William L. Marder, and Plaintiff Christie Mines, upon the oral arguments of counsel (should there be any), and on the complete records and file herein.

DATED: October 29, 2025

DIVERSITY LAW GROUP, P.C.

By:______________________________

Larry W. Lee
Max W. Gavron
Kwanporn "Mai" Tulyathan
Attorneys for Plaintiff and the Class

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I. INTRODUCTION

This is a wage and hour class action arising from Defendant Southern Monterey County Memorial Hospital's ("Defendant") alleged Labor Code violations. Specifically, Plaintiff Christie Mines ("Plaintiff") asserted that Defendant failed to pay overtime wages at the regular rate of pay, failed to timely pay all wages when due and upon separation of employment, failed to provide accurate wage statements, and engaged in unfair business practices. Based on these claims, Plaintiff asserts violations of the Labor Code, Business and Professions Code, and the IWC Wage Orders. Defendant denies each, every, and all of the allegations of the operative Complaint and contends that its wage and hour practices comply with the Labor Code.

Prior to the settlement of this action, Plaintiff and Defendant (jointly referred to as the "Parties") thoroughly investigated the facts relating to the claims alleged in the operative Complaint against Defendant, including formal and informal discovery and review of class data and pay records for members of the Settlement Class. Thereafter, the Parties commenced settlement negotiations and were ultimately able to reach the current settlement. **Significantly, this <u>entire amount</u> is non-reversionary, such that no monies will revert to Defendant.**

The Parties believe that this amount is fair, adequate, and reasonable, especially given the risks and uncertainty of class certification and the merits of this case.

While Plaintiff and her counsel are confident that they could prevail on class certification and on the merits of the claims at trial, they recognize the inherent risks in drawn-out litigation and the specific risk that Plaintiff could fail to establish liability or that certification is appropriate. Based on their own independent investigation and evaluation, the Parties and their respective counsel are of the opinion that the settlement for the consideration and on the terms set forth in the Joint Stipulation of Class and PAGA Settlement (the "Stipulation" or "Agreement") is fair, reasonable, and adequate and is in the best interests of the Settlement Class and Defendant in light of all known circumstances and the expenses and risks inherent in litigation. Therefore, the Parties respectfully request that the Court grant this Motion for Preliminary Approval of Class Action Settlement.

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II. PROCEDURAL HISTORY

On December 12, 2024, Plaintiff filed a class action complaint in the Superior Court of California, County of Monterey on behalf of herself and all similarly situated employees against Defendant. Declaration of Max W. Gavron ("Gavron Decl.") ¶ 2. The initial complaint alleges causes of action for: (1) violation of Labor Code §§ 510,1194,1197, and 1197.1; (2) violation of Labor Code § 226; and (3) violation of Business & Professions Code § 17200, *et seq.* ("UCL"). *Id*. ¶ 2. Specifically, Plaintiff alleges that Defendant failed to pay for overtime wages at the regular rate of pay, incorporating all non-discretionary remuneration, failed to timely pay all wages when due and upon separation of employment, and failed to provide accurate wage statements. *Id*. ¶ 2.

On February 5, 2025, Plaintiff filed a first amended complaint, adding a cause of action for violation of Labor Code § 2698, *et seq*., the Private Attorneys General Act ("PAGA"). *Id*. ¶ 3. The first amended complaint is the operative complaint ("Complaint").

Since the initiation of the lawsuit, the Parties have engaged in formal and informal discovery. Plaintiff has reviewed Defendant's production of class data and pay records for the putative class, which included the number of pay periods where employees were paid overtime/doubletime and any form of non-discretionary remuneration. *Id*. ¶ 4. This investigation enabled Plaintiff to perform an analysis of the putative class and Defendant's potential liability. *Id*.

After thorough investigation and evaluation of the facts and claims, as well as arm's-length negotiations, the Parties reached an agreement in principle and entered into a memorandum of understanding. *Id*. ¶ 5. After further negotiations, the Parties entered the proposed settlement now presented to the Court for preliminary approval. *Id*. ¶ 5.

The Parties recognize the risk, expense, and delay in continuing litigation with the class claims, and believe the settlement to be fair, reasonable, and adequate. Gavron Decl. ¶ 6. Accordingly, the Parties desire to settle, compromise, and discharge all disputes and claims arising from or relating to the afore-referenced claims.

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III. DISCUSSION

Any settlement of a class action lawsuit must be reviewed and approved by the Court. This is done in two steps: (1) an early (preliminary) review by the trial court, and (2) a final review after notice has been distributed to the class members for their comment or objections. The *Manual for Complex Litigation, Third* § 30.41 states:

> Approval of class action settlements involves a two-step process. First, counsel submits the proposed terms of settlement and the court makes a preliminary fairness evaluation. If the preliminary evaluation of the proposed settlement does not disclose grounds to doubt its fairness or other obvious deficiencies, such as unduly preferential treatment of class representatives or of segments of the class, or excessive compensation for attorneys, and appears to fall within the range of possible approval, the court should direct that notice…be given to the class members of a formal fairness hearing, at which arguments and evidence may be presented in support of and in opposition to the settlement.

(Fed. Jud. Ctr., 3rd ed. 1995).

Thus, the preliminary approval by the trial court is simply a conditional finding that the settlement appears to be within the range of acceptable settlements. As Professor Newberg comments, "[t]he strength of the findings made by a judge at a preliminary hearing or conference concerning a tentative settlement proposal may vary. The court may find that the settlement proposal contains some merit, is within the range of reasonableness required for a settlement offer, or is presumptively valid subject only to any objections that may be raised at a final hearing." Alba Conte & Herbert B. Newberg, *4 Newberg on Class Actions* § 11.26 (4th ed. 2002).

The procedures for the parties' submission of a proposed settlement for preliminary approval by the court also are discussed in *4 Newberg on Class Actions*:

> When the parties to an action reach a monetary settlement, they will usually prepare and execute a joint stipulation of settlement, which is submitted to the court for preliminary approval. The stipulation should set forth the central terms of the agreement, including but not limited to, the amount of settlement, form of payment, manner of determining the effective date of settlement and any recapture clause.

Id. § 11.24.

Here, the Parties have reached such an agreement and have submitted to this Court in connection with this Motion a copy of the Stipulation fully setting forth the agreement reached by the Parties. The Stipulation sets forth all terms of the agreement reached by the Parties, which include, among other things, the method for calculating the Class Members' individual portions of the Gross Settlement Amount (or Individual Settlement Payments).

A. Proposed Class Definition & Number of Aggrieved Employees

The current settlement is being settled on behalf of "all current and former non-exempt employees of Defendant who received during the Class Period both non-discretionary remuneration (including shift differential pay) and overtime/double time during the same pay period" (the "Settlement Class" or "Class Members"). *See* Stipulation ¶ 5. The Class Period is defined as "the period from March 8, 2023, through August 31, 2025." *See* Stipulation ¶ 7.[1] The escalator clause provides that Defendant will proportionally increase the Gross Settlement Amount based on the percentage of pay periods above a 10% increase. *Id.* ¶ 46.

Pursuant to the Stipulation, Defendant has represented that 184 Class Members worked approximately 406 pay periods with the payment of overtime/doubletime wages and non-discretionary pay during the same pay period, during the Class Period. *Id.*

Defendant represented that there were approximately 142 individuals falling within the definition of the aggrieved employees who worked approximately 205 pay periods that included non-discretionary remuneration and overtime/doubletime wages. Gavron Decl. ¶ 9.

B. Settlement Terms and Evaluation

Courts presume the absence of fraud or collusion in the negotiation of settlement unless evidence to the contrary is offered. *Priddy v. Edelman*, 883 F.2d 438, 447 (6th Cir. 1989); *Mars Steel Corp. v. Continental Illinois Nat'l Bank & Trust Co*., 834 F.2d 677, 682 (7th Cir. 1987); *In re Chicken Antitrust Litig*., 560 F. Supp. 957, 962 (N.D. Ga. 1980). Courts do not substitute their judgment for that of the proponents, particularly where, as here, settlement has been reached

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[1] The Class Period starts on March 8, 2023, as opposed to four years prior to the filing of the action, because the claims alleged in this case were released in a prior settlement up until that date. *See Hansen-Schoolderman v. Southern Monterey County Memorial Hospital*, Monterey Superior Cour Case No. 21CV003609 (Final Approval Entered November 22, 2023). Gavron Decl. ¶ .

with the participation of experienced counsel familiar with the litigation. *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc*., 221 F.R.D. 523, 528 (C.D. Cal. 2004); *Hammon v. Barry*, 752 F. Supp. 1087 (D.D.C. 1990); *Steinberg v. Carey*, 470 F. Supp. 471 (S.D.N.Y. 1979); *In re Armored Car Antitrust Litig*., 472 F. Supp. 1357 (N.D. Ga. 1979); *Sommers v. Abraham Lincoln Federal Sav. & Loan Ass'n*, 79 F.R.D. 571 (E.D. Pa. 1978).

While the recommendations of counsel proposing the settlement are not conclusive, the court can properly take them into account, particularly where, as here, they have been involved in informal discovery and negotiations for some period of time, appear to be competent, have experience with this type of litigation, and have exchanged substantial evidence from the opposing party. *See Newberg on Class Actions*, *supra* § 11.47; *Nat'l Rural Telecomms. Coop*., 221 F.R.D. at 528 ("[s]o long as the integrity of the arm's length negotiation process is preserved, however, a strong initial presumption of fairness attaches to the proposed settlement…[citations] and 'great weight' is accorded to the recommendations of counsel, who are most closely acquainted with the facts of the underlying litigation").

Here, both Plaintiff's and Defendant's counsel have a great deal of experience in wage and hour class action litigation. Plaintiff's counsel have been approved as class counsel in a number of wage and hour class actions and have extensive litigation experience. Gavron Decl. ¶ 40-42; Declaration of Larry W. Lee ("Lee Decl.") ¶¶ 8-9; Declaration of Kwanporn "Mai" Tulyathan ("Tulyathan Decl.") ¶¶ 7-11; Declaration of William L. Marder ("Marder Decl.") ¶¶ 6-13. Each side has apprised the other of their respective factual contentions, legal theories, and defenses, resulting in negotiations taking place between the Parties. Gavron Decl. ¶ 32. Importantly, Defendant contended that approximately 22% of the putative class were subject to a collective bargaining agreement, which would provide a complete defense to Plaintiff's overtime claims. Gavron Decl. ¶ 17.

Based on the class data provided by Defendant, Plaintiff estimated that Defendant would face potential maximum liability of up to approximately $421,958.00 for Plaintiff's class claims, if Plaintiff was successful on all of her claims and obtained certification. Gavron Decl. ¶ 19. As with most claims premised on the failure to properly calculate the regular rate of pay for purposes of paying overtime, the actual underpayment of wages was likely dwarfed by the potential for penalties associated with the underpayment. Gavron Decl. ¶ 19. For this reason, Plaintiff focuses the exposure analysis below on the potential penalties, as opposed to the underpayment of wages, which likely was less than $10,000 all-in (even estimating a generous $10.00 in underpayment per impacted pay period would only result in approximately $4,060 in underpayment ($10 x 406 pay periods)). Gavron Decl. ¶ 19.

The majority of the exposure comes from these potential penalties:

- $31,400.00 for Labor Code § 226(e) penalties (~406 pay periods x $100 penalty) – (~ 184 employees x $50 initial penalty); and
- $390,528.00 in waiting time penalties (~40 former employees x (30 days x 8 hours x $40.68)).

See Gavron Decl. ¶ 20. These maximum exposures do not discount for Defendant's argument that more than 20% of the putative class was subject to a CBA such that an overtime claim (and the derivative penalties that follow) would fail as a matter of law. Gavron Decl. ¶ 21.

Each of Plaintiff's putative class claims faced unique challenges from Defendant. For one, Defendant would have argued that the waiting time penalties, which comprise a significant portion of the estimated damages, are subject to a complete defense. Defendant would have argued that a good faith dispute exists as to whether the allegedly underpaid wages were due to Plaintiff and the Settlement Class considering Defendant's legally compliant policies. If Defendant was successful on its good faith defense, the Court may not have awarded waiting time penalties at all, reducing the exposure by approximately four hundred thousand dollars. *Hill v. Walmart, Inc.*, 32 F.4th 811 (9th Cir. 2022) (upholding good faith defense because defendant reasonably believed wages were not due and owing at time of separation of employment); *Chavez v. Converse, Inc.,* 2020 WL 1233919, at *l (N.D. Cal. 2020) (holding that an employer's failure to pay is not willful where there is uncertainty in the law or a "good faith mistaken belief that wages are not owed"). On the other hand, Plaintiff argued that Defendant had previously been sued for similar violations and thus any alleged good faith defense would be rejected by the Court. Gavron Decl. ¶ 22.

Similarly, on Plaintiff's wage statement claim, Plaintiff would face the additional burden of demonstrating that any alleged omission of information from the wage statements was a "knowing and intentional failure" by Defendant to comply with Labor Code § 226(a). *See Harris v. Vector Mktg. Corp*., 656 F. Supp. 2d 1128, 1145-46 (N.D. Cal. 2009) (granting summary judgment in favor of employer and finding its conduct was not "knowing and intentional"). Defendant also would have argued that penalties under Section 226 are subject to a similar "good faith" defense as articulated above in the context of Plaintiff's claims for waiting time penalties. *See, e.g., Apodaca v. Costco Wholesale Corp.*, 2014 WL 2533427, at *3 (C.D. Cal. June 5, 2014) ("Where an employer has a good faith belief that it is not in violation of Section 226, any violation is not knowing and intentional."); *Wright v. Adventures Rolling Cross Country, Inc.*, 2013 WL 1758815, at *9 (N.D. Cal. Apr. 24, 2013) (same); *Ricaldai v. U.S. Investigations Servs.*, LLC, 878 F. Supp. 2d 1038, 1047 (N.D. Cal. 2012) (same); *Dalton v. Lee Publ'ns, Inc.*, 2011 WL 1045107, at *5 (S.D. Cal. Mar. 22, 2011) (same). Plaintiff again argued that a prior lawsuit alleging similar claims seriously undermined any purported good faith defense.

Finally, Defendant argued that 20% of the putative class had no claims at all given they were governed by a CBA and thus overtime claims failed as a matter of law. Cal. Lab. Code § 514 ("514. Sections 510 and 511 do not apply to an employee covered by a valid collective bargaining agreement if the agreement expressly provides for the wages, hours of work, and working conditions of the employees, and if the agreement provides premium wage rates for all overtime hours worked and a regular hourly rate of pay for those employees of not less than 30 percent more than the state minimum wage.").

Although Plaintiff believes that the class can be certified, Plaintiff also believes in the fairness of the settlement that is based on factoring in the uncertainty and risks to Plaintiff involved in not prevailing on one or more of the causes of action or theories alleged in the operative Complaint, the possibility of non-certification, and the potential for appeals. Gavron Decl. ¶ 25. These risks on class certification are compounded by the California Supreme Court's holding in *Duran v. U.S. Bank Nat'l Ass'n*, 59 Cal. 4th 1 (2014). There, the plaintiffs obtained class certification and subsequently prevailed at trial after eight years of litigation, but the judgment and the certification ruling were reversed by the California Supreme Court after an additional five years of litigation. The case was remanded to superior court where class certification was denied and plaintiffs' subsequent appeal also was denied.

With respect to potential liability on Plaintiff's PAGA claims, Plaintiff estimated that Defendant could face civil penalties of up to a maximum of $20,500 if Plaintiff were successful at trial, and without any reduction by the Court. Gavron Decl. ¶ 26. This evaluation contemplates that the Court would award a $100 penalty per pay period, as opposed to stacking multiple penalties during the same pay period. *Id.* If the Court were to stack penalties, the exposure could be higher; however courts are typically reluctant to award multiple penalties in the same pay period.

Plaintiff's PAGA claims are derivative of her class claims, and as such, if Plaintiff is unable to prove her class claims, the PAGA claims will fail as well. Moreover, even assuming Plaintiff prevailed on her PAGA claims, the Court still has discretion to reduce any PAGA penalties. Pursuant to Labor Code § 2699(e)(2), the Court can decline to award PAGA penalties where "if, based on the facts and circumstances of the particular case, to do otherwise, would result in an award that is unjust, arbitrary and oppressive, or confiscatory." Indeed, as shown in the Court of Appeal's decision in *Carrington v. Starbucks Corp.*, 30 Cal. App. 5th 504 (2018), while the plaintiff prevailed on his PAGA claim upon trial, the trial court reduced the maximum PAGA penalty amount by 90%, citing the employer's good faith attempt at complying with the law. *Id*. at p. 517. Upon review, the Court of Appeal found such reduction to be proper. *Id*. at p. 539.

Numerous courts have held that **gross** settlements over 8% of the defendant's potential exposure are fair and reasonable. *See*, *e.g.*, *In re Mego Fin. Corp. Secs. Litig.*, 213 F.3d 454, 459 (9th Cir.2000) (holding that class action settlement recovering 16% of potential exposure was fair and reasonable; "[i]t is well-settled law that a cash settlement amounting to only a fraction of the potential recovery does not per se render the settlement inadequate or unfair. Rather, the fairness and the adequacy of the settlement should be assessed relative to risks of pursuing the litigation to judgment"; noting that whether the settlement is fair and adequate depends on the

"the difficulties in proving the case"); *Bellinghausen v. Tractor Supply Co*., No. 13-CV-02377-JSC, 2015 WL 1289342, at *6 (N.D. Cal. Mar. 20, 2015) (holding that class action settlement recovering between 8.5% and 25% of the Defendants' potential exposure was fair); *Van Ba Ma v. Covidien Holding Inc*., U.S. Dist. Ct. Case No. 8:12-cv-02161 (C.D. Cal. 2014) (court granted preliminary approval of wage and hour class settlement which obtained 9.1% of projected damages, given the risks of continued litigation); *Villegas v. J.P. Morgan Chase & Co*., No. CV 09-00261 SBA EMC, 2012 WL 5878390, at *6 (N.D. Cal. Nov. 21, 2012) (holding that gross class action settlement of approximately 15% of the potential recovery was fair and reasonable). Here, the $167,000.00 Gross Settlement Amount is approximately 38% of the maximum potential class damages and penalties. Gavron Decl. ¶ 28.

Thus, the settlement for each Class Member is fair, reasonable, and adequate, given the inherent risks of litigation, including the substantial risks relative to class certification and the costs of pursuing such litigation. The settlement is the result of extensive arm's-length negotiations between the Parties and their counsel. Gavron Decl. ¶ 29.

Despite the asserted fairness of the settlement terms, as set forth in the Notice of Class Action Settlement ("Class Notice"), should any Class Member wish to pursue his or her own case for the claims being released herein, each Class Member has the right to submit a Request for Exclusion (*i.e*., opt-out) from the settlement. *See* Class Notice, attached as **Exhibit A** to the Stipulation. Moreover, as set forth in the Class Notice, Class Members are advised of their right to attend the final approval hearing and/or object to any of the terms contained in the Stipulation. *Id*.

1. Amount and Manner of Distribution of the Compensation to be Provided to Class Members Including the Amount, or an Estimate, of What Each Class Member Will Receive

The Stipulation provides for One Hundred Sixty-Seven Thousand Dollars ($167,000.00) as the total Gross Settlement Amount. *See* Stipulation ¶ 16. The Net Settlement Amount [calculated after deduction of Attorneys' Fees (up to $56,666.66), Attorneys' Costs (up to $10,000.00), Class Representative Enhancement Award (up to $5,000.00), payment of PAGA penalties (up to $20,000.00), and Settlement Administration Costs (up to $6,750.00)] is estimated to be approximately $68,583.34. *See* Stipulation ¶¶ 2, 3, 14,16, 19, 21, 30. Each Class Member who does not opt-out of the settlement ("Participating Class Member") will be awarded a portion of the Net Settlement Amount on a *pro-rata* basis, based upon the number of workweeks he or she worked during the Class Period. *See* Stipulation ¶ 48s.

Based thereon, on a raw average, each Participating Class Member potentially may recover approximately $372.74. Gavron Decl. ¶ 13. The amount actually paid to each Participating Class Member will increase or decrease depending on the actual number of workweeks or she worked during the Class Period.

Additionally, as part of the payment of PAGA penalties, 35% of the PAGA Award (or $7,000.00) shall be paid to aggrieved employees known as PAGA Settlement Members.[2] Stipulation ¶ 21. The payments to PAGA Settlement Members (or "Individual PAGA Payments") will be paid on a *pro rata* basis, based on the number of pay periods he or she worked during the PAGA Period. *Id*. ¶ 53.a. This amount will be in addition to any Individual Settlement Payment from the Net Settlement Amount, and will be paid to PAGA Settlement Members regardless of whether he or she submits a Request for Exclusion from the class portion of the settlement.

Finally, funds from any checks that have not been cashed within 180 days of issuance shall be paid to the designated *cy pres* recipient: Legal Aid at Work, a non-profit organization that provides free civil legal services to low-income families in California. *See* Stipulation ¶¶ 48.d and 53.d. Class Counsel does not have any conflicts of interest with this designated recipient. Gavron Decl. ¶ 45; Lee Decl. ¶ 10; Tulyathan Decl. ¶ 13; Marder Decl. ¶ 15.

2. Whether, and Under What Circumstances, Amounts Available for Payment in Settlement Might Not Be Paid to Class Members or Might Revert to the Defendants

None of the settlement funds will revert to Defendant. *See* Stipulation ¶ 45.

[2] PAGA Settlement Members are "all current and former non-exempt employees of Defendant who during the PAGA Period received both non-discretionary remuneration (including shift differential pay) and overtime/double time during the same pay period." Stipulation ¶ 24. The PAGA Periods is the period from December 2, 2023, through August 31, 2025. *Id*. ¶ 22.

3. Scope of the Release of Class Members' Claims

As a condition of participating in this class action settlement, Participating Class Members shall release:

> all claims asserted in the Action, as amended, and/or reasonably arising from or related to the facts and claims alleged in the Action, as amended, or the PAGA letter sent to the LWDA on Plaintiffs behalf, or that could have reasonably been raised in the Action, as amended, or the December 2, 2024, PAGA letter sent to the LWDA based on the facts and claims alleged, including claims for unpaid overtime wages, including, overtime compensation and interest; the calculation of the regular rate of pay; failure to provide accurate itemized wage statements; unfair business practices related to the Class Released Claims; penalties, including wage statement penalties; and attorneys' fees and costs; all claims related to the Class Released Claims arising under: the Wage Orders of the California Industrial Welfare Commission; and California Business and Professions Code sections 17200, *et seq.* ("Class Released Claims").

See Stipulation ¶¶ 8, 71.

In addition, regardless of their decision to participate in the class portion of the settlement, PAGA Settlement Members will release the following claims:

> all claims for civil penalties under PAGA asserted in the Action, as amended, and/or reasonably arising from or related to the facts and claims alleged in the Action, as amended, or the December 2, 2024, PAGA letter sent to the LWDA, or that could have reasonably been raised in the Action, as amended, based on the facts and claims alleged, including claims for penalties, attorneys' fees, and costs stemming from violation of Labor Code §§ 201-203, 204, 226, 510, 1194, 1197, and 1197.1 ("PAGA Released Claims").

See Stipulation ¶¶ 23, 72

Given that the releases above are tailored to only claims pled or that could arise out of the facts alleged in the operative Complaint and Plaintiff's PAGA letters, the releases are appropriately tailored.

4. Tax Treatment of Settlement Amounts

The Parties have agreed that eighty percent (80%) of the Individual Settlement Payments to Participating Class Members shall be classified as penalties and interest, for which an IRS Form 1099 will issue, and the remaining twenty percent (20%) shall be classified as wages, for which an IRS Form W-2 will issue and from which payroll taxes will be deducted. Stipulation ¶¶ 48.b., 54. Defendant will be responsible for employer side payroll taxes separate and apart from the Gross Settlement Amount. *Id*. ¶ 45.

One hundred percent (100%) of the Individual PAGA Payments to PAGA Settlement Members shall be classified as penalties. Stipulation ¶ 53.b.

5. Affirmative Obligations to be Undertaken by Class Members or Class Counsel and the Reasons for Any Such Obligations

As stated above, Class Members do not need to do anything should they wish to receive their share of the settlement funds. Class Members will not be required to make a submission to participate in the settlement. This substantially decreases the amount of burden each Class Member must bear in order to receive their settlement payment. If a Class Member does not wish to take part in this settlement and be bound by the Class Released Claims, the Class Member must submit a Request for Exclusion. *See* Stipulation ¶¶ 28, 63-65.

C. Notice to Class Members

Should the Court grant the instant Motion, Defendant will provide the Settlement Administrator with a list containing each Class Member's name, last known home address, Social Security number, total number of workweeks worked with payment of overtime wages and non-discretionary remuneration during the same pay period, during the Class Period, and total number of pay periods worked with payment of overtime wages and non-discretionary remuneration during the same pay period, during the PAGA Period ("Class Data") within thirty (30) calendar days of preliminary approval. Stipulation ¶ 57. Upon receipt of the information and prior to mailing the Class Notice to Class Members, the Settlement Administrator shall perform a search based on the National Change of Address Database for information to update and correct for any known or identifiable address changes. *Id.* ¶ 59. Within ten (10) calendar days of receipt of the Class Data from Defendant, the Settlement Administrator will mail the Class Notice out to Class Members. *Id*. Any Class Notice returned to the Settlement Administrator as non-deliverable on or before the opt-out deadline shall be sent via regular first-class U.S. mail to the forwarding address affixed thereto. *Id*. If no forwarding address is provided, the Settlement Administrator shall perform an advanced skip trace to locate the most current address and resend the Class Notice within five (5) calendar days. *Id*. As set forth in the Class Notice, Class Members will be allowed to opt out of the settlement by a certain deadline, or object to the settlement. Stipulation, Ex. A.

D. Typicality and Adequacy of Representation

1. Class Representative's Claims are Typical of the Class

The commonality requirement is met when there are questions of law and fact common to the class. *See Hanlon v. Chrysler Corp*., 150 F.3d 1011, 1019 (1998) ("The existence of shared legal issues with divergent legal factual predicates is sufficient, as is a common core of salient facts couple with disparate legal remedies within the class"). Commonality requires only that some common legal or factual questions exist; the plaintiffs need not show that all issues in the litigation are identical. *See Richmond v. Dart Industries, Inc*., 29 Cal. 3d 462, 473 (1981). Defendant's conduct is central to the commonality inquiry. *See City of San Jose v. Superior Court*, 12 Cal. 3d 447, 460 (1974); *Vasquez v. Superior Court*, 4 Cal. 3d 800, 812-13 (1971). Where the employer's conduct is uniformly directed at a class of employees, as it is here, the class wide impact of the defendant's policies satisfies the commonality requirement. *See Stephens v. Montgomery Ward & Co*., 193 Cal. App. 3d 411, 421 (1987).

Plaintiff alleges that Defendant, as a matter of their corporate policy, practice, or procedure violated the Labor Code by failing to overtime wages at the regular rate of pay, failing to timely pay all wages and upon separation of employment, and failing to provide accurate wage statements. Declaration of Christie Mines ("Mines Decl.") ¶¶ 3-5. Plaintiff contends that she was subjected to the same policy and practice as other Class Members and that her claims are typical to those of the Class.

Moreover, Plaintiff does not have any interests adverse to the Class, nor have any such issues been raised or presented. Mines Decl. ¶ 6. Plaintiff has taken all necessary steps to represent the interests of the Class, and by providing information and documents to Plaintiff's counsel. *Id.* ¶ 7. For such reasons, Plaintiff has adequately represented the Class Members and will continue to do so.

2. Class Counsel Have Adequately Represented the Class and Have Experience with Wage and Hour Class Actions

From the inception of the case, Class Counsel have zealously represented the interests of the Settlement Class. The settlement was obtained for the benefit of the Settlement Class, as opposed to the individual Class Representative. Further, Class Counsel have been approved as class counsel on a number of prior cases, have litigated numerous other class action cases, and are competent to represent the Settlement Class. Lee Decl. ¶¶ 8-9; Gavron Decl. ¶¶ 40-42; Tulyathan Decl. ¶¶ 7-11; Marder Decl. ¶¶ 6-13.

E. Costs and Fees

1. Attorneys' Fees and Costs

California state and federal courts have recognized that an appropriate method for determining award of attorneys' fees is based on a percentage of the total value of benefits to class members by the settlement. *Wershba v. Apple Computer, Inc*., 91 Cal. App. 4th 224, 254 (2001); *Serrano v. Priest*, 20 Cal. 3d 25, 34 (1977); *Boeing Co. v. Van Gemert*, 444 U.S. 472, 478 (1980); *Vincent v. Hughes Air West, Inc*., 557 F.2d 759, 769 (9th Cir. 1997). The purpose of this equitable doctrine is to avoid unjust enrichment of counsel and to "spread litigation costs proportionally among all the beneficiaries so that the active beneficiary does not bear the entire burden alone." *Vincent*, 557 F.2d at 769.

The Common Fund doctrine is predicated on the principle of preventing unjust enrichment. When a litigant's efforts create or preserve a fund from which others derive benefits, she may require the passive beneficiaries to compensate those who created the fund. Both California state and federal courts have embraced this doctrine. *Serrano*, 20 Cal. 3d at 35; *Vincent*, 557 F.2d at 769. Similarly, in *City and County of San Francisco v. Sweet*, 12 Cal. 4th 105, 110 (1995), the California Supreme Court recognized that the common fund doctrine has been applied "consistently in California when an action brought by one party creates a fund in which other persons are entitled to share." The reasons for applying the common fund doctrine include: "fairness to the successful litigant, who might otherwise receive no benefit because his recovery might be consumed by the expenses; correlative prevention of an unfair advantage to the others who are entitled to share in the fund and who should bear their share of the burden of its recovery; encouragement of the attorney for the successful litigant who will be more willing to undertake and diligently prosecute proper litigation for the protection or recovery of the fund if he is assured that he will be properly and directly compensated should his efforts be successful." *Id*.

Indeed, most recently, the California Supreme Court has also now held that the award of attorneys' fees in common fund wage and hour class action settlements should start with the percentage method. *See Laffitte v. Robert Half Int'l*, 1 Cal. 5th 480, 503 (2016) ("We join the overwhelming majority of federal and state courts in holding that when class action litigation establishes a monetary fund for the benefit of the class members, and the trial court in its equitable powers awards class counsel a fee out of that fund, the court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created").

The California Supreme Court in *Laffitte* affirmed a fee award representing 33 1/3 percent of the fund. *Laffitte*, 1 Cal. 5th at 506. And this was based on a lodestar amount that required a multiplier of 2.13. *Id*. at 487. As the Court held, only when the multiplier is "extraordinarily high or low [should] the trial court [] consider whether the percentage method should be adjusted so as to bring the imputed multiplier within a justifiable range." *Id*. at 505.

The Parties have agreed to a payment of a maximum of one-third of the Gross Settlement Amount, or $56,666.66, for payment to Class Counsel as attorneys' fees. Stipulation ¶ 3. The Parties have agreed to a payment of the foregoing attorneys' fees and, thus, this payment should be presumed to be fair. Further, the Parties have agreed to reimbursement of Class Counsel's litigation costs up to $10,000.00. *Id*. ¶ 2. Class Counsel have, at their own risk, expended costs, for example, to file this instant action, effectuate service of process, and pay other litigation-related costs. Based on the foregoing, the Court should preliminarily approve the attorneys' fees and costs being requested by the Parties.

2. Proposed Payment to the Class Representative

Class Representative Christie Mines requests an enhancement award of $5,000.00. Stipulation ¶ 14. The Class Representative met and conferred with Class Counsel on a number of occasions to discuss the case, provided documents and information to Class Counsel, and reviewed the Stipulation. As part of her duties as the Class Representative, Plaintiff provided invaluable information, evidence, and documents that resulted in this settlement. Mines Decl. ¶ 7. In addition to the invaluable services that she provided, Plaintiff also took a significant risk, both professionally and monetarily, in acting as the Class Representative and seeking benefits on behalf of the Settlement Class. Because the claims alleged by the Class Representative involved the payment of costs to the prevailing party, Plaintiff could have possibly faced paying the costs of Defendant, had she not prevailed in this action.

Plaintiff also agreed to provide a more comprehensive release than Class Members by agreeing to provide a general release and waiver of the protections of Civil Code § 1542. Settlement ¶ 70.

Furthermore, given that future employers are much less likely to hire individuals who have filed suit against their prior employer, particularly cases of this nature, Plaintiff may face prejudice in the future from other potential employers. Plaintiff took this risk upon herself and the whole Settlement Class benefited from these risks taken by Plaintiff. Class Members did not have to file individual lawsuits and bear the risks of payment of costs if they did not prevail, nor did they have to face the potential for retaliation and not getting future employment had they filed a public lawsuit.

3. Settlement Administration Costs

The Parties have agreed to an estimated payment of $6,750.00 to the Settlement Administrator, Phoenix Settlement Administrators, to send notices and administer this settlement, which shall be paid out of the Gross Settlement Amount. Stipulation ¶¶ 30, 31. Phoenix Settlement Administrators is a well-recognized class action settlement administrator. The Parties believe that the administration fee is reasonable and should be approved. This results in a distribution cost of approximately $36 per class member. Because this settlement encompasses a relatively small number of individuals, the cost per class member is slightly higher than would be the case in a larger class because of the static costs associated with the administration process. Plaintiff's counsel believes this is a reasonable cost for administration given the size of the putative class. Gavron Decl. ¶ 44.

IV. CONCLUSION AND ACTION REQUESTED AS PART OF THE MOTION FOR PRELIMINARY APPROVAL

Here, the proposed settlement is fair, adequate, and reasonable. It will result in both substantial monetary benefits to Class Members; it is non-collusive; and it was achieved as the result of informed, extensive, and arm's length negotiations conducted by counsel for the respective parties who are experienced in wage and hour class action litigation. For the foregoing reasons, Plaintiff respectfully requests that the Court grant preliminary approval of the proposed settlement, sign the proposed Order, approve and authorize mailing of the proposed Class Notice, and set a date for a final approval hearing.

DATED: October 29, 2025

DIVERSITY LAW GROUP, P.C.

By:______________________________

Larry W. Lee
Max W. Gavron
Kwanporn "Mai" Tulyathan
Attorneys for Plaintiff and the Class

PROOF OF SERVICE

(Code of Civil Procedure Sections 1013a, 2015.5)

STATE OF CALIFORNIA]
]ss.
COUNTY OF LOS ANGELES]

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 515 S. Figueroa Street, Suite 1250, Los Angeles, California 90071.

On October 29, 2025, I served the following document(s) described as:

1. **PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT; AND MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT**

2. **DECLARATION OF MAX W. GAVRON IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

3. **DECLARATION OF KWANPORN "MAI" TULYATHAN IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

4. **DECLARATION OF WILLIAM L. MARDER IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

5. **DECLARATION OF LARRY W. LEE IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

6. **DECLARATION OF CHRISTIE MINES IN SUPPORT OF PLAINTIFF'S MOTION FOR PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT**

7. **[PROPOSED] ORDER GRANTING PRELIMINARY APPROVAL OF CLASS ACTION SETTLEMENT AND SETTING A SETTLEMENT FAIRNESS HEARING**

on the interested parties in this action as follows:

Daniel J. McQueen Brett D. Young Amanda Peterson Arentfox Schiff LLP 555 S. Flower Street, 43rd Floor Los Angeles, California 90071	*Attorneys for Defendant Southern Monterey County Memorial Hospital* Daniel.mcqueen@afslaw.com Brett.young@afslaw.com Amanda.peterson@afslaw.com

__X__ BY ELECTRONIC SERVICE: Based on a court order I caused the above-entitled document(s) to be served through the Odyssey eFileCA E-Filing System at the website www.california.tylerhost.net, addressed to all parties appearing on the electronic service list for the above-entitled case. The service transmission was reported as complete and a copy of the filing receipt/confirmation will be filed, deposited, or maintained with the original document(s) in this office.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on October 29, 2025, at Los Angeles, California.

Erika Mejia