

**BLUMENTHAL NORDREHAUG BHOWMIK
DE BLOUW LLP**

Norman B. Blumenthal (State Bar #068687)
Kyle R. Nordrehaug (State Bar #205975)
Aparajit Bhowmik (State Bar #248066)
2255 Calle Clara
La Jolla, CA 92037
Telephone: (858)551-1223
Facsimile: (858) 551-1232
Email: Kyle@bamlawca.com
Website: www.bamlawca.com

CENTURION TRIAL ATTORNEYS, APC

Ryan Stygar (State Bar #332764)
Email: ryan@centurionta.com
8880 Rio San Diego Dr., Suite 800
San Diego, CA, 92108
Telephone: (888) 225-5792
Facsimile: (858) 275-2889

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF SAN DIEGO

CHEYENNE GARCIA, an individual, on
behalf of herself and on behalf of all persons
similarly situated,

Plaintiff,

vs.

LIBOR MANAGEMENT LLC, a limited
liability company; CHOICE HOTELS
INTERNATIONAL SERVICES CORP., a
corporation; CHOICE HOTELS
INTERNATIONAL, INC., a corporation;
and DOES 1 through 50, inclusive,

Defendants.

CASE NO.: **24CU006073C**

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF MOTION
FOR PRELIMINARY APPROVAL OF
CLASS SETTLEMENT**

Hearing Date: August 21, 2026
Hearing Time: 10:15 a.m.

Judge: Hon. Wendy M. Behan
Dept.: 66

Date Action Filed: August 15, 2024
Trial Date: Not set

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	DESCRIPTION OF THE SETTLEMENT.....	2
III.	CASE BACKGROUND.....	3
IV.	THE SETTLEMENT MEETS THE CRITERIA NECESSARY FOR THIS COURT TO GRANT PRELIMINARY APPROVAL	3
A.	The Role Of The Court In Preliminary Approval Of A Class Action Settlement	4
B.	Factors To Be Considered In Granting Preliminary Approval.....	5
1.	The Settlement is the Product of Serious, Informed and Arm's Length Negotiations by Experienced Counsel.....	5
2.	The Settlement Has No “Obvious Deficiencies” and Falls Within the Range for Approval.....	7
3.	The Settlement Does Not Improperly Grant Preferential Treatment To Class Representatives or Segments Of The Class	10
4.	The Stage Of The Proceedings Is Sufficiently Advanced To Permit Preliminary Approval Of The Settlement	10
V.	THE CLASS IS PROPERLY CERTIFIED FOR SETTLEMENT PURPOSES	11
A.	California Code of Civil Procedure § 382	11
B.	The Proposed Class Is Ascertainable and Numerous	12
C.	Common Issues of Law and Fact Predominate.....	12
D.	The Claims of the Plaintiff Are Typical of the Class Claims	13
E.	The Class Representation Fairly and Adequately Protected the Class	13
F.	The Superiority Requirement Is Met	14
VI.	THE PROPOSED METHOD OF CLASS NOTICE IS APPROPRIATE	14
VII.	CONCLUSION.....	15

TABLE OF AUTHORITIES

<u>Cases:</u>	<u>Page:</u>
<i>Andrews v. Plains All Am. Pipeline L.P.</i> , 2022 U.S. Dist. LEXIS 172183 (C.D. Cal. 2022)	10
<i>Brinker v. Superior Court</i> , 53 Cal. 4th 1004 (2012)	9
<i>Bowles v. Superior Court</i> , 44 Cal.2d 574 (1955)	12
<i>Cellphone Termination Fee Cases</i> , 180 Cal.App.4th 1110 (2009)	3
<i>Cho v. Seagate Tech. Holdings, Inc.</i> , 177 Cal. App. 4th 734 (2009)	4
<i>Dunk v. Ford Motor Co.</i> , 48 Cal.App.4th 1794 (1996)	3, 4, 6
<i>Duran v. U.S. Bank National Assn.</i> , 59 Cal. 4th 1 (2014)	9
<i>Frazier v. City of Richmond</i> , 184 Cal.App.3d 1491 (1986)	4
<i>Gautreaux v. Pierce</i> , 690 F.2d 616 (7th Cir. 1982)	4
<i>Ghazaryan v. Diva Limousine, Ltd.</i> , 169 Cal. App. 4th 1524 (2008)	2
<i>Glass v. UBS Fin. Servs.</i> , 2007 U.S. Dist. LEXIS 8476 (N.D.Cal. 2007)	8, 9, 10
<i>Green v. Obledo</i> , 29 Cal.3d 126 (1981)	4
<i>Hanlon v. Chrysler Corp.</i> , 150 F.3d 1011 (9 th Cir. 1998)	8, 13, 14
<i>In re Tableware Antitrust Litig.</i> , 484 F.Supp. 2d 1078 (N.D. Cal. 2007)	5
<i>In re Wash. Public Power Supply System Sec. Litig.</i> , 720 F. Supp. 1379 (D. Ariz. 1989)	6
<i>Kullar v. Foot Locker</i> , 168 Cal. App. 4th 116 (2008)	5, 6
<i>Linder v. Thrifty Oil Co.</i> , 23 Cal. 4th 429 (2003)	13

1	<i>Louie v. Kaiser Foundation Health Plan, Inc.,</i>	
2	2008 WL 4473183 (S.D.Cal. 2008)	10
3	<i>Ma v. Covidien Holding, Inc.,</i>	
4	2014 WL 2472316, (C.D. Cal. 2014)	8
5	<i>Mathein v. Pier 1 Imps. (U.S.), Inc.,</i>	
6	2018 U.S. Dist. LEXIS 71386 (E.D. Cal. 2018).....	10
7	<i>Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.,</i>	
8	221 F.R.D. 523 (C.D. Cal. 2004).....	5
9	<i>Naranjo v. Spectrum Sec. Servs., Inc.,</i>	
10	15 Cal. 5th 1056 (2024)	8, 9
11	<i>Nordstrom Comm'n Cases,</i>	
12	186 Cal. App. 4th 576 (2010)	3, 8
13	<i>Officers for Justice v. Civil Service Com'n, etc.,</i>	
14	688 F.2d. 615 (9th Cir. 1982)	3, 4, 5
15	<i>Reynolds v. Direct Flow Med., Inc.,</i>	
16	2019 U.S. Dist. LEXIS 149865 (N.D. Cal. 2019)	10
17	<i>Rose v. City of Hayward,</i>	
18	126 Cal.App.3d 926 (1981)	12
19	<i>Sav-On Drug Stores, Inc. v. Superior Court,</i>	
20	34 Cal. 4th 319 (2004)	12, 14
21	<i>Sayaman v. Baxter Healthcare Corp.,</i>	
22	2010 U.S. Dist. LEXIS 151997 (C.D. Cal. 2010).....	4
23	<i>Stovall-Gusman v. W.W. Granger, Inc.,</i>	
24	2015 U.S. Dist. LEXIS 78671 (N.D. Cal. 2015)	8
25	<i>Tate v. Weyerhaeuser Co.,</i>	
26	723 F.2d 598 (8th Cir. 1983)	13
27	<i>Vasquez v. Superior Court,</i>	
28	4 Cal.3d 800 (1971)	4
	<i>Viceral v. Mistras Grp., Inc.,</i>	
	2016 WL 5907869 (N.D. Cal. Oct. 11, 2016).....	8
	<i>Wershba v. Apple Computer, Inc.,</i>	
	91 Cal.App.4th 224 (2001)	4
	<u>Statutes, Rules and Regulations:</u>	
	California Code of Civil Procedure §382	11, 12
	California Labor Code §203	7

1	California Labor Code §226	7
2	California Rules of Court, rule 3.766	15
3	California Rules of Court, rule 3.769	4, 15

Secondary Sources:

2 H. Newberg & A. Conte, <i>Newberg on Class Actions</i> (3d ed. 1992)	4, 12
<i>Manual For Complex Litigation</i> , (Second), §30.44, 41.43 (1993).....	4

1 **I. INTRODUCTION**

2 Plaintiff Cheyenne Garcia (“Plaintiff”) respectfully submits this memorandum in support of the
3 unopposed motion for preliminary approval of the proposed class action and Private Attorney General
4 Act (“PAGA”) settlement with Defendants Libor Management LLC, Choice Hotels International
5 Services Corp, and Choice Hotels International, Inc. (collectively “Defendants”), and seeks entry of
6 an order: (1) preliminarily approving the proposed settlement of this class action with Defendants; (2)
7 for settlement purposes only, conditionally certifying the Class, which is comprised of “all individuals
8 who are or previously were employed by Defendants in California and classified as a non-exempt
9 employee at any time during the Class Period”, which is September 19, 2023 through January 8, 2026;
10 (3) provisionally appointing Plaintiff as the representative of the Class; (5) provisionally appointing
11 Blumenthal Nordrehaug Bhowmik De Blouw LLP and Centurion Trial Attorneys, APC as Class
12 Counsel; (6) approving the form and method for providing class-wide notice; (7) directing that notice
13 of the proposed settlement be given to the Class; (8) appointing Apex Class Action LLC as
14 Administrator, and (9) scheduling a final approval hearing date, proposed for January 15, 2027, to
15 consider Plaintiff’s motion for final approval of the settlement and for approval of attorneys’ fees,
16 expenses and the representative service award. Plaintiff and Defendants (collectively the “Parties”)
17 have reached a full and final settlement of the above-captioned action (the “Settlement”), which is set
18 forth in the Class Action and PAGA Settlement Agreement (“Agreement”) filed concurrently with the
19 Court.¹ A copy of the Agreement is attached as Exhibit #1 to the Declaration of Kyle Nordrehaug
20 (“Decl. Nordrehaug”), served and filed herewith. The form of the Agreement is based upon the Los
21 Angeles County Superior Court model form for a class and PAGA settlement.

22 As consideration for this Settlement, the non-reversionary Gross Settlement Amount of Three
23 Hundred Twenty-Five Thousand Dollars (\$325,000) (the “Gross Settlement Amount”) is to be paid by
24 Defendants, as set forth in the Agreement. The Gross Settlement Amount will settle all issues pending
25 in the Action between the Parties and will be made in full and final settlement of the Released Class
26 Claims in exchange for the payments to Participating Class Members from the Gross Settlement

27 _____
28 ¹ Capitalized terms shall have the same meaning as defined in the Agreement.

1 Amount. The Gross Settlement Amount shall also be used to pay: (a) PAGA Penalties, (b) the costs
2 of administration of the settlement, (c) Class Counsel's attorneys' fees and costs, and (d) the Class
3 Representative Service Payment. (Agreement at ¶ 1.22.) Decl. Nordrehaug at ¶3. The following is
4 a table of the key Settlement terms and the proposed deductions:

5 **\$325,000** (Gross Settlement Amount)
6 - \$10,000 (Plaintiff's proposed service award - not to exceed amount)
7 - \$36,000 (Class Counsel Litigation Expenses Payment - not to exceed amount)
8 - \$108,333 (Class Counsel Fees Payment - not to exceed 1/3 of settlement)
9 - \$10,000 (PAGA Payment - 65% to LWDA / 35% to Aggrieved Employees)
10 - \$6,260 (Administration Expenses Payment - not to exceed amount)
11 **\$154,407** (Net Settlement Amount)

12 Based upon 133 Class Members who worked an estimated 7,200 work weeks (Agreement at ¶ 4.1), the
13 Gross Settlement Amount provides an average value of \$2,443 per Class Member and \$45 per
14 workweek and after deductions the Net Settlement Amount provides an average recovery of \$1,160.95
15 per Class Member and a recovery of \$21.44 per workweek. Decl. Nordrehaug at ¶6.

16 On October 8, 2025, the Parties participated in an all-day mediation with John D. Andrews, a
17 respected and experienced mediator of wage and hour class and representative actions. Following the
18 mediation, the Parties agreed on the basic terms of a settlement pursuant to a mediator's proposal,
19 memorialized in the form of a Memorandum of Understanding. Decl. Nordrehaug at ¶5. The
20 Settlement is fair, reasonable and adequate, and should be preliminarily approved, because there is a
21 fair monetary payment, and there are significant litigation risks. Plaintiff respectfully requests that this
22 Court grant preliminary approval of the Agreement and enter the proposed order submitted herewith.

23 **II. DESCRIPTION OF THE SETTLEMENT**

24 The Gross Settlement Amount is Three Hundred Twenty-Five Thousand Dollars (\$325,000).
25 (Agreement at ¶ 1.22.) Under the Settlement, the Gross Settlement Amount consists of the following
26 elements: (1) payment of the Individual Class Payments to the Participating Class Members; (2) Class
27 Counsel Fees Payment and Class Counsel Litigation Expenses Payment; (3) Administration Expenses
28 Payment; (4) the Class Representative Service Payment to the Plaintiff; and (5) the PAGA Penalties
payment, which is to be allocated 65% to the Aggrieved Employees and 35% to the LWDA.
(Agreement at ¶ 1.22.) The Gross Settlement Amount does not include Defendants' share of employer-
side payroll taxes which will be paid separately. (Agreement at ¶ 3.1.) The Gross Settlement Amount

1 shall not revert to Defendants. (Agreement at ¶ 3.1.) Decl. Nordrehaug at ¶15.

2 The Agreement contains appropriate terms which have been previously approved by this Court
3 and Courts throughout California. (See Agreement at ¶¶ 1.28, 1.38, 3.2, 4.3, 5.1, 6.2.) The proposed
4 Class Notice also provides the required protections for the Class to opt out, object or dispute their
5 weeks worked. (See Agreement at ¶¶ 8.5, 8.6, 8.7, and Exhibit A.) The additional details of the
6 Settlement are addressed in the Decl. Nordrehaug at ¶¶ 16-22. As set forth in the supporting proof of
7 service, the LWDA is being served with this motion and the Agreement.

8 **III. CASE BACKGROUND**

9 The description of the case and claims, along with the procedural history is set forth in the
10 Declaration of Kyle Nordrehaug at ¶¶ 7-14. The Parties engaged in thorough investigation and the
11 exchange of documents and information in connection with the Action for two years which permitted
12 Class Counsel to perform a thorough analysis of the claims. Decl. Nordrehaug, ¶¶ 10, 14. The Parties
13 participated in a mediation on October 8, 2025 with John D. Andrews, which after arms' length
14 negotiations during and after the mediation, resulted in this Settlement. Decl. Nordrehaug, ¶12.

15 **IV. THE SETTLEMENT MEETS THE CRITERIA NECESSARY FOR THIS COURT TO GRANT PRELIMINARY APPROVAL**

16 California "[p]ublic policy generally favors the compromise of complex class action litigation."
17 *Nordstrom Comm'n Cases*, 186 Cal. App. 4th 576, 581 (2010) quoting *Cellphone Termination Fee*
18 *Cases*, 180 Cal.App.4th 1110, 1117-18 (2009). Class action settlements are approved where the
19 proposed settlement is "fair, adequate and reasonable." *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,
20 1801 (1996) (citing *Officers for Justice v. Civil Serv. Comm'n*, 688 F.2d 615, 625 (9th Cir. 1982), cert.
21 denied, 459 U.S. 1217 (1983)).

22 Preliminary approval is the first of three steps that comprise the approval procedure for
23 settlements of class actions. The second step is the dissemination of notice of the settlement to all class
24 members. The third step is a final settlement approval hearing, at which evidence and argument
25 concerning the fairness, adequacy, and reasonableness of the settlement may be presented, and class
26 members may be heard regarding the settlement. *See Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,
27 1801 (1996); *Manual for Complex Litigation, Second* §30.44 (1993); Cal. Rules of Court, rule 3.769.
28

1 The primary question presented on an application for preliminary approval of a proposed class
2 action settlement is whether the proposed settlement is “within the range of possible approval.”
3 *Manual for Complex Litigation*, Second §30.44 at 229; *Gautreaux v. Pierce*, 690 F.2d 616, 621 n.3 (7th
4 Cir. 1982).² Preliminary approval is merely the prerequisite to giving notice so that “the proposed
5 settlement... may be submitted to members of the prospective Class for their acceptance or rejection.”
6 *Sayaman v. Baxter Healthcare Corp.*, 2010 U.S. Dist. LEXIS 151997, *3 (C.D. Cal. 2010). There is
7 “a presumption of fairness . . . where . . . [a] settlement is reached through arms-length bargaining.”
8 *Wershba v. Apple Computer, Inc.*, 91 Cal. App. 4th 224, 245 (2001) (citation omitted); *see also Cho*
9 *v. Seagate Tech. Holdings, Inc.*, 177 Cal. App. 4th 734, 742-45 (2009) (upholding trial court’s
10 determination that settlement was “fair, reasonable and adequate” where the settlement “provided
11 valuable benefits to the class . . . that were ‘particularly valuable in light of the risks plaintiff would
12 have faced if she proceeded to litigate her case.’”); *Newberg*, 3d Ed., §11.41, p.11-88. However, the
13 ultimate question of whether the proposed settlement is fair, reasonable and adequate is made after
14 notice of the settlement to the class members and a final settlement hearing is held by the Court.

15 **A. The Role Of The Court In Preliminary Approval Of A Class Action Settlement**

16 The approval of a proposed settlement of a class action suit is a matter within the broad
17 discretion of the trial court. *Wershba, supra*, 91 Cal. App.4th at 234-235; *Dunk*, 48 Cal. App. 4th 1794.
18 In considering a potential settlement for preliminary approval purposes, the trial court does not have
19 to reach any ultimate conclusions on the issues of fact and law which underlie the merits of the dispute,
20 and need not engage in a trial on the merits. *Wershba, supra*, 91 Cal. App. 4th at 239-40; *Dunk, supra*,
21 48 Cal. App. 4th at 1807. The Ninth Circuit explained that, “the very essence of a settlement is
22 compromise, ‘a yielding of absolutes and an abandoning of highest hopes.’” *Officers for Justice*, 688
23 F.2d at 624. Thus, when analyzing the settlement, the amount is “not to be judged against a
24 hypothetical or speculative measure of what might have been achieved by the negotiators.” *Officers*

25
26 ² California courts look to federal authority on class actions. *Vasquez v. Superior Court*, 4 Cal.3d
27 800, 821 (1971). “It is well established that in the absence of relevant state precedents trial courts are
28 urged to follow the procedures prescribed in Rule 23 of the Federal Rules of Civil Procedure for
conducting class actions.” *Frazier v. City of Richmond*, 184 Cal. App.3d 1491, 1499 (1986), *citing*
Green v. Obledo, 29 Cal.3d 126, 145-146 (1981).

1 *for Justice*, 688 F.2d at 625, 628.

2 With regard to class action settlements, the opinions of counsel should be given considerable
3 weight both because of counsel's familiarity with this litigation and previous experience with cases
4 such as these. *Officers for Justice*, 688 F.2d at 625. As a result, courts hold that the recommendation
5 of counsel is entitled to significant weight. *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.*, 221
6 F.R.D. 523, 528 (C.D. Cal. 2004).

7 **B. Factors To Be Considered In Granting Preliminary Approval**

8 A number of factors are to be considered in evaluating a settlement for purposes of preliminary
9 approval. In determining whether to grant preliminary approval, the court considers whether "(1) the
10 proposed settlement appears to be the product of serious, informed, non-collusive negotiations, (2) has
11 no obvious deficiencies, (3) does not improperly grant preferential treatment to class representatives
12 or segments of the class, and (4) falls within the range of possible approval." *In re Tableware Antitrust*
13 *Litig.*, 484 F. Supp. 2d 1078, 1079 (N.D. Cal. 2007). Courts hold that "a presumption of fairness exists
14 where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery
15 are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar
16 litigation; and (4) the percentage of objectors is small." *Kullar v. Foot Locker Retail, Inc.*, 168 Cal.
17 App. 4th 116, 128 (2008). Here, the Settlement meets all of the applicable criteria for preliminary
18 approval and therefore the presumption applies.

19 **1. The Settlement is the Product of Serious, Informed and**
20 **Arm's Length Negotiations by Experienced Counsel**

21 This settlement is the result of hard-fought litigation negotiations before an experienced and
22 well-respected mediator. Defendants have expressly denied and continue to deny any wrongdoing or
23 legal liability arising out of the conduct alleged in the Action. Plaintiff and Class Counsel have
24 determined that it is desirable and beneficial to the Class to resolve the Released Class Claims of the
25 Class in accordance with this Settlement. The Class release is appropriately tethered to factual
26 allegations in the Operative Complaint. (Agreement at ¶¶ 1.38 and 6.2.)

27 Class Counsel are experienced and qualified to evaluate the class claims, the defenses asserted,
28 and the risks and benefits of trial and settlement, and Class Counsel are particularly experienced in

1 wage and hour employment class actions, as Class Counsel has previously litigated and certified similar
2 claims against other employers. Decl. Nordrehaug at ¶31; Declaration of Ryan Stygar at ¶¶ 3-7. The
3 view of qualified and well-informed counsel that a class action settlement is fair, adequate, and
4 reasonable is entitled to significant weight. *See Kullar v. Foot Locker*, 168 Cal. App. 4th 116, 133
5 (2008) (the trial court "undoubtedly should continue to place reliance on the competence and integrity
6 of counsel, the involvement of a qualified mediator, and the paucity of objectors to the settlement.");
7 *Dunk*, 48 Cal. App. 4th at 1802.

8 The Parties attended an arms-length mediation session with John D. Andrews, a respected and
9 experienced mediator of wage and hour class and representative actions, in order to reach this
10 Settlement. In preparation for the mediation, Defendants provided Class Counsel with payroll, time
11 and employment data, along with other information regarding the Class Members, various internal
12 documents, and other compensation and employment-related materials. Class Counsel analyzed the
13 data with the assistance of damages expert Berger Consulting and prepared and submitted a mediation
14 brief to the mediator. The final settlement terms were negotiated and set forth in the Agreement now
15 presented for this Court's approval. Decl. Nordrehaug at ¶ 5. Importantly, Plaintiff and Class Counsel
16 believe that this Settlement is fair, reasonable and adequate.

17 Class Counsel has conducted a thorough investigation into the facts of the class action as
18 detailed in the Declaration of Kyle Nordrehaug. Based on the Class data and their own independent
19 investigation, evaluation and experience, Class Counsel believes that the settlement with Defendants
20 on the terms set forth in the Agreement is fair, reasonable, and adequate and is in the best interest of
21 the Class in light of all known facts and circumstances, including the risk of significant delay, defenses
22 asserted by Defendants, and potential appellate issues. Decl. Nordrehaug at ¶ 14. Plaintiff and Class
23 Counsel recognize the risks, expense and length of continuing to litigate and trying this Action against
24 Defendants and then litigating possible appeals which could take several years. Plaintiff and Class
25 Counsel have determined that the Settlement set forth in the Agreement is in the best interest of the
26 Class Members. Decl. Nordrehaug, ¶ 23.

27 Here, there can be no dispute that the litigation has been hard-fought with aggressive and
28 capable advocacy on both sides. The Parties were represented by experienced and capable counsel who

1 zealously advocated their positions. Accordingly, “[t]here is likewise every reason to conclude that
2 settlement negotiations were vigorously conducted at arms’ length and without any suggestion of undue
3 influence.” *In re Wash. Public Power Supply Sec. Litig.*, 720 F. Supp. 1379, 1392 (D. Ariz 1989).

4 **2. The Settlement Has No "Obvious Deficiencies" and Falls Well Within**
5 **the Range for Approval**

6 The proposed Settlement herein has no “obvious deficiencies” and is well within the range of
7 possible approval. All Class Members will receive an opportunity to participate in the Settlement and
8 receive payment according to the same formula. (Agreement at ¶ 3.2(e).) Based upon 133 Class
9 Members who worked an estimated 7,200 work weeks (Agreement at ¶ 4.1), the Gross Settlement
10 Amount provides an average value of \$2,443 per Class Member and \$45 per workweek and after
11 deductions the Net Settlement Amount provides an average recovery of \$1,160.95 per Class Member
12 and a recovery of \$21.44 per workweek. Decl. Nordrehaug, ¶6.

13 The calculations to compensate for the amount due for the Class at the time of the mediation
14 were calculated by Berger Consulting, Plaintiff’s damage expert. As to the Class claims at issue in this
15 Action, Plaintiff used this expert to analyze the data and determine the potential damages. The
16 maximum potential damages were calculated to be \$2,920 for the alleged unpaid wages due to
17 rounding, \$125,540 for the alleged unpaid wages for off-the-clock work at 1 hour per week, \$3,405 for
18 the alleged underpaid meal premiums and sick pay due to the miscalculation of the regular rate,
19 \$78,521 for alleged missed meal period damages based upon a 38% violation rate and after deduction
20 of meal premiums already paid by Defendants, \$144,671 for alleged rest period damages based upon
21 the same 38% violation rate, \$5,705 for alleged unreimbursed cell-phone expenses at \$5 per month.
22 Decl. Nordrehaug, ¶6. As a result, the total damage valuation was calculated such that Defendants
23 were subject to a maximum damage claim in the amount of \$361,762. As to potential penalties,
24 Plaintiffs calculated that potential waiting time penalties were a maximum of \$345,799, and potential
25 maximum wage statement penalties were \$223,850.³ Defendants vigorously disputed Plaintiff’s

26 ³ While Plaintiff alleged claims for statutory penalties pursuant to Labor Code Sections 203 and
27 226, at mediation Plaintiff recognized that these claims were subject to additional, separate defenses
28 asserted by Defendants, including, a good faith dispute defense as to whether any premium wages for
meal or rest periods or other wages were owed given Defendants’ position that Plaintiff and Class

1 calculations and exposure theories. Decl. Nordrehaug, ¶6.

2 Consequently, the Gross Settlement Amount of \$325,000 represents more than 89% of the
3 maximum value of the alleged damages at issue in this case at the time this Settlement was negotiated.⁴
4 Importantly, the recent decision that good faith belief of compliance by the employer in *Naranjo v.*
5 *Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056, 1065 (2024), could completely negate the claims for
6 waiting time and wage statement penalties, even if wages were owed to the Class. The above
7 maximum calculations should then be realistically risk-adjusted in consideration for both the risk of
8 class certification and class-wide liability on all claims. Given the amount of the settlement as
9 compared to the potential value of claims in this case and the defenses asserted by Defendants, this
10 settlement is fair and reasonable.⁵ Decl. Nordrehaug, ¶6.

11 Where both sides face significant uncertainty, the attendant risks favor settlement. *Hanlon v.*
12 *Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1998). Here, a number of defenses asserted by
13 Defendants present serious threats to the claims of the Plaintiff and the other Class Members.
14 Defendants asserted that Defendants' practices complied with all applicable Labor laws. Defendants
15 argued that Class Members were paid for all time worked and that all work time was properly recorded
16 and compensation for that time was correctly compensated. Defendant argued that rounding was
17 facially neutral and did not result in unpaid wages. Defendants contend that its meal and rest period

18
19
20 Members were properly compensated. *See Nordstrom Commission Cases*, 186 Cal. App. 4th 576, 584
21 (2010) ("There is no willful failure to pay wages if the employer and employee have a good faith
dispute as to whether and when the wages were due.").

22 ⁴ Because the PAGA claim is not a class claim and primarily is paid to the State of California,
23 Plaintiff has not included the PAGA claim in this discussion of the value of the class claims. The
PAGA claim is addressed in the Decl. Nordrehaug at ¶33.

24 ⁵ See *Glass v. UBS Fin. Servs.*, 2007 U.S. Dist. LEXIS 8476 (N.D. Cal. 2007) (approving a
25 settlement where the settlement amount constituted approximately 25% of the estimated overtime
26 damages for the class); *Stovall-Gusman v. W.W. Granger, Inc.*, 2015 U.S. Dist. LEXIS 78671, at *12
27 (N.D. Cal. 2015) (granting final approval where the settlement "represents approximately 10% of what
28 class might have been awarded had they succeeded at trial."); *Viceral v. Mistras Grp., Inc.*, 2016 WL
5907869 (N.D. Cal. 2016) (approving wage and hour class action settlement amounting to 8.1% of full
value); *Ma v. Covidien Holding, Inc.*, 2014 WL 2472316, (C.D. Cal. 2014) (approving wage and hour
class action settlement worth "somewhere between 9% and 18%" of maximum valuation).

1 policies fully complied with California law and Defendants did not fail to provide the opportunity for
2 legally required meal and rest breaks. Defendants could argue that their payment of significant meal
3 premiums is evidence of their lawful practices and good faith. Defendants contend that there was no
4 failure to pay for business expenses and any cell phone usage was merely convenient and voluntary
5 such that reimbursement was not legally required. Finally, Defendants could argue that the Supreme
6 Court decision in *Brinker v. Superior Court*, 53 Cal. 4th 1004 (2012), weakened Plaintiff's claims, on
7 liability, value, and class certifiability as to the meal and rest period claims. Defendants also argue that
8 based on their facially lawful practices, Defendants acted in good faith and without willfulness, which
9 if accepted would negate the claims for waiting time penalties and/or inaccurate wage statements. See
10 e.g. *Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056, 1065 (May 6, 2024) ("if an employer
11 reasonably and in good faith believed it was providing a complete and accurate wage statement in
12 compliance with the requirements of section 226, then it has not knowingly and intentionally failed to
13 comply with the wage statement law.") Defendants' defenses could eliminate or substantially reduce
14 any recovery to the Class. While Plaintiff believes that these defenses could be overcome, Defendants
15 maintain these defenses have merit and therefore present a serious risk to recovery by the Class. Decl.
16 Nordrehaug, ¶ 24.

17 There was also a significant risk that, if the Action was not settled, Plaintiff would be unable
18 to certify a class and maintain that certification through trial, and thereby not recover on behalf of any
19 employees other than themselves. At the time of the mediation, Defendants forcefully opposed the
20 propriety of class certification, arguing that individual issues precluded class certification. Further, as
21 demonstrated by the California Supreme Court decision in *Duran v. U.S. Bank National Assn.*, 59 Cal.
22 4th 1 (2014), there are significant hurdles to overcome for a class-wide recovery even where the class
23 has been certified. While other cases have approved class certification in wage and hour claims, class
24 certification in this action was hotly disputed and the maintenance of a certified class through trial was
25 by no means a foregone conclusion. Decl. Nordrehaug, ¶ 25.

26 After arm's length negotiations between experienced and informed counsel, the Parties
27 recognized the potential risks and agreed on the Settlement with a Gross Settlement Amount of
28 \$325,000. As the Court held in *Glass*, where the parties faced uncertainties similar to those here:

1 In light of the above-referenced uncertainty in the law, the risk, expense, complexity,
2 and likely duration of further litigation likewise favors the settlement. Regardless of
3 how this Court might have ruled on the merits of the legal issues, the losing party likely
would have appealed, and the parties would have faced the expense and uncertainty of
litigating an appeal.

4 2007 WL 221862, at *4.

5 **3. The Settlement Does Not Improperly Grant Preferential Treatment To**
6 **Class Representatives or Segments Of The Class**

7 The relief provided in the Settlement will benefit all members of the Class. The Settlement does
8 not grant preferential treatment to Plaintiff or segments of the Class in any way. Payments to the Class
9 Members are all determined under a neutral methodology. Each Participating Class Member will
10 receive the same opportunity to participate in and receive payment through a neutral formula that is
11 based upon the Workweeks for that individual. Decl. Nordrehaug, ¶4.

12 Plaintiff will apply to the Court for a Class Representative Service Payment in consideration
13 for her service and for the risks undertaken on behalf of the Class. (Agreement at ¶ 3.2(a).) Plaintiff
14 performed her duties admirably by working with Class Counsel over the course of litigation, and
15 undertook the risks of litigation for the Class. The Declaration of the Plaintiff is submitted herewith
16 in support. Decl. Nordrehaug at ¶27. At this stage, the requested service award is within the range of
17 reasonableness for purposes of preliminary approval. *See e.g. Andrews v. Plains All Am. Pipeline L.P.*,
18 2022 U.S. Dist. LEXIS 172183, at *11 (C.D. Cal. 2022) (service awards of \$15,000 each are
19 appropriate); *Louie v. Kaiser Foundation Health Plan, Inc.*, 2008 WL 4473183, *7 (S.D. Cal. 2008)
20 (awarding \$25,000 service award); *Reynolds v. Direct Flow Med., Inc.*, 2019 U.S. Dist. LEXIS 149865,
21 at *19 (N.D. Cal. 2019) (granting request for \$12,500 service award); *Mathein v. Pier 1 Imps. (U.S.)*,
22 *Inc.*, 2018 U.S. Dist. LEXIS 71386 (E.D. Cal. 2018) (awarding \$12,500). As explained in *Glass*,
23 service awards are routinely awarded to compensate for the time and effort expended on the case, for
24 the risk of litigation, for the fear of suing an employer and retaliation there from, and to serve as an
25 incentive to vindicate the statutory rights of all employees. 2007 WL 221862 at *16-17.

26 **4. The Stage Of The Proceedings Is Sufficiently Advanced To Permit**
27 **Preliminary Approval Of The Settlement**

28 The stage of the proceedings at which this Settlement was reached also militates in favor of
preliminary approval and ultimately, final approval of the Settlement. Class Counsel has conducted

1 a thorough investigation into the facts of the class action. Class Counsel engaged in informal discovery
2 to obtain necessary information. Class Counsel conducted a review and analysis of the relevant
3 documents and data with the assistance of an expert. Class Counsel was also experienced with these
4 claims. Accordingly, the agreement to settle did not occur until Class Counsel possessed sufficient
5 information to make an informed judgment regarding the likelihood of success on the merits and the
6 results that could be obtained through further litigation. Decl. Nordrehaug at ¶28.

7 Based on the foregoing data and their own independent investigation and evaluation, Class
8 Counsel is of the opinion that the Settlement with Defendants for the consideration and on the terms
9 set forth in the Agreement is fair, reasonable, and adequate and is in the best interest of the Class in
10 light of all known facts and circumstances, including the risk of significant delay, defenses asserted by
11 Defendants, and numerous potential appellate issues. Decl. Nordrehaug at ¶29.

12 **V. THE CLASS IS PROPERLY CERTIFIED FOR SETTLEMENT PURPOSES ONLY**

13 Plaintiff contends that the proposed settlement meets all of the requirements for class
14 certification under California Code of Civil Procedure § 382 as demonstrated below, and therefore, the
15 Court may appropriately approve the Class as defined in the Agreement. This Court should
16 conditionally certify the Class for settlement purposes only, defined as follows:

17 All individuals who are or previously were employed by Defendants in California and
18 classified as a non-exempt employee at any time during the Class Period.

19 (Agreement at ¶ 1.5.)

20 The Class Period is from September 19, 2023 through January 8, 2026. (Agreement at ¶ 1.13).

21 **A. California Code of Civil Procedure § 382**

22 Plaintiff seeks certification of this Class for settlement purposes under California Code of Civil
23 Procedure § 382. The California Supreme Court explained the standard for determining whether class
24 certification is appropriate as follows:

25 Code of Civil Procedure Section 382 authorizes class actions “when the question is one
26 of a common or general interest, of many persons, or when the parties are numerous,
27 and it is impracticable to bring them all before the court....” The “community of
28 interest” requirement embodies three factors: (1) predominant common questions of law
or fact; (2) class representatives with claims or defenses typical of the class; and (3)
class representatives who can adequately represent the class.

Sav-On Drug Stores, Inc. v. Superior Court, 34 Cal. 4th 319, 326 (2004).

1 While Defendants reserve all rights to dispute that the Plaintiff can satisfy these requirements,
2 the Parties agree that Defendants will not dispute that these requirements may be satisfied in this case
3 for purposes of settlement only and therefore, the proposed Class should be certified for purposes of
4 settlement only. (Agreement at ¶ 2.7.)

5 **B. The Proposed Class Is Ascertainable and Numerous**

6 Plaintiff brings this Action on behalf of a Class of non-exempt employees of the Defendants
7 during the Class Period. Plaintiff asserts that all of these individuals are ascertainable because the
8 Class Members can readily be determined through examination of Defendants' files. Given that the
9 Class consists of approximately 133 individuals, Plaintiff maintains that numerosity is clearly satisfied.
10 *See Bowles v. Superior Court*, 44 Cal.2d 574 (1955) (class with 10 members); *Rose v. City of Hayward*,
11 126 Cal.App.3d 926, 934 (1981) (class of 48 members satisfies numerosity requirement.) Plaintiff
12 asserts that the 133 current and former employees that comprise the Class can be identified based on
13 Defendants' records and are sufficiently numerous for class certification. Decl. Nordrehaug at ¶30.

14 **C. Common Issues of Law and Fact Predominate**

15 Predominance of common issues of law or fact does not require that the common issues be
16 dispositive of the entire controversy or even that they be dispositive of all liability issues. 1 *Newberg*
17 *on Class Actions*, Section 4.25 at 4-82, 4-83 (1992). "Predominance is a comparative concept, and 'the
18 necessity for class members to individually establish eligibility and damages does not mean individual
19 fact questions predominate.'" *Sav-On*, 34 Cal. 4th at 334.

20 Commonality exists if there is a predominant common legal question regarding how an
21 employer's policies impact its employees. *Ghazaryan v. Diva Limousine, Ltd.*, 169 Cal. App. 4th 1524,
22 1536 (2008) ("[T]he common legal question remains the overall impact of Diva's policies on its
23 drivers.") Whether the plaintiff is likely to prevail on their theory of recovery is irrelevant at the
24 certification stage since the question is "essentially a procedural one that does not ask whether an action
25 is legally or factually meritorious." *Linder v. Thrifty Oil Co.*, 23 Cal. 4th 429, 439-440 (2003).

26 Here, Plaintiff contends that common questions of law and fact are present, specifically the
27 common questions of whether Defendants' practices were lawful, whether Defendants failed to provide
28 meal and rest periods to Class Members, whether Class Members were lawfully compensated for all

1 hours worked, whether Defendants rounding practices were lawful, whether Defendants failed to
2 provide required expense reimbursement, and whether Class Members are entitled to damages and
3 penalties as a result of these practices. Plaintiff contends that certification of this Class is appropriate
4 because Defendants allegedly engaged in uniform practices with respect to the Class Members. As a
5 result, these common questions of liability could be answered on a class wide basis. Decl. Nordrehaug,
6 ¶30. Defendants dispute that common questions predominate but will not oppose such a finding for
7 purposes of this Settlement only.

8 **D. The Claims of the Plaintiff Are Typical of the Class Claims**

9 The typicality requirement requires the Plaintiff to demonstrate that the members of the Class
10 have the same or similar claims as the Plaintiff. “The typicality requirement is met when the claims
11 of the [p]laintiff arise from the same event or are based on the same legal theories.” *Tate v.*
12 *Weyerhaeuser Co.*, 723 F.2d 598, 608 (8th Cir. 1983). In *Hanlon*, *supra*, 150 F.3d at 1020, the Ninth
13 Circuit held that “[u]nder the rule’s permissive standards, representative claims are ‘typical’ if they are
14 reasonably coextensive with those of absent class members; they need not be substantially identical.”

15 In this Action, Plaintiff contends that the typicality requirement is fully satisfied. Plaintiff, like
16 every other member of the Class, was employed as a non-exempt employee, and, like every other
17 member of the Class, was subject to the same employment policies and practices. Plaintiff, like every
18 other member of the Class, also claims owed compensation as a result of the Defendants’ allegedly
19 uniform company policies and practices. Thus, the claims of Plaintiff and the members of the Class
20 arise from the same course of conduct by Defendants, involve the same issues, and are based on the
21 same legal theories. Decl. Nordrehaug at ¶30. Plaintiff asserts that the typicality requirement is met
22 as to the common issues presented in this case. Defendants dispute that the typicality requirement is
23 satisfied but do not oppose a finding of typicality for purposes of this Settlement only.

24 **E. The Class Representation Fairly and Adequately Protected the Class**

25 Plaintiff contends that the Class Members are adequately represented here because Plaintiff and
26 Class Counsel (a) do not have any conflicts of interest with other class members, and (b) will prosecute
27 the case vigorously on behalf of the class. *Hanlon*, 150 F.3d at 1020. This requirement is met here.
28 First, Plaintiff is well aware of her duties as the representative of the Class and has actively participated

1 in the prosecution of this case to date. Plaintiff effectively communicated with Class Counsel, provided
2 documents and information to Class Counsel, and participated in the investigation and resolution of the
3 Action. The personal involvement of the Plaintiff was essential to the prosecution of the Action and
4 the monetary settlement reached. Second, Plaintiff retained competent counsel who are experienced
5 in employment class and representative actions and who have no conflicts. Decl. Nordrehaug at ¶ 31;
6 Declaration of Ryan Stygar at ¶¶ 3-7. Third, there is no antagonism between the interests of the
7 Plaintiff and those of the Class. Both the Plaintiff and the Class Members seek monetary relief under
8 the same set of facts and legal theories. Under such circumstances, there can be no conflicts of interest,
9 and adequacy of representation is satisfied. *Reaves v. Ketoro, Inc.*, 2020 U.S. Dist. Lexis 167926, *23
10 (C.D. Cal. 2020).

11 **F. The Superiority Requirement Is Met**

12 To certify a class, the Court must also determine that a class action is superior to other available
13 methods for the fair and efficient adjudication of the controversy. As the Supreme Court has explained:

14 Absent class treatment, each individual plaintiff would present in separate, duplicative
15 proceedings the same or essentially the same arguments and evidence, including expert
16 testimony. The result would be a multiplicity of trials conducted at enormous expense
to both the judicial system and the litigants.

17 *Sav-On*, 34 Cal. 4th at 340.

18 Here, Plaintiff contends that a class action is the superior mechanism for resolution of the Class claims.

19 **VI. THE PROPOSED METHOD OF CLASS NOTICE IS APPROPRIATE**

20 The Court has broad discretion in approving a practical notice program. *7- Eleven Owners for*
21 *Fair Franchising v. Southland Corp.*, 85 Cal. App. 4th 1135, 1164 (2000). The Parties have agreed
22 upon procedures by which the Class Members will be provided with written notice of the Settlement
23 similar to that approved and utilized in hundreds of class action settlements and the Class Notice
24 includes all relevant information. (See Exhibit “A” to the Agreement.) Decl. Nordrehaug at ¶32. The
25 Class Notice will explain that the Class Members have sixty (60) days from the date that the Class
26 Notice is mailed to them (the “Response Deadline”) to request exclusion (opt-out) or to submit a
27 written objection. (Agreement at ¶¶ 1.42, 8.5, 8.7.) This notice program was designed to meaningfully
28 reach the Class Members providing notice of all pertinent information concerning the Settlement, and

1 is the best notice practicable in compliance with Rules of Court 3.766 and 3.769(f). Decl. Nordrehaug
2 at ¶32.

3
4 **VII. CONCLUSION**

5 Plaintiff respectfully requests that the Court preliminarily approve the proposed settlement and
6 sign the proposed Preliminary Approval Order, which is submitted herewith, and schedule the final
7 approval hearing for the proposed date of January 16, 2027.

8 Dated: July 28, 2026

BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP

By: /s/ Kyle Nordrehaug

Kyle R. Nordrehaug, Esq.,
Attorney for Plaintiff