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**SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF SAN BERNARDINO**

CESAR SANCHEZ and DONNELL
PETETAN, an individual, on behalf of
himself and on behalf of all persons similarly
situated,

Plaintiff,

vs.

CRST LINCOLN SALES, INC., an Iowa
Corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: **CIVSB2518258**

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

Hearing Date: June 16, 2026
Hearing Time: 8:30 a.m.

Judge: Hon. Charlie L. Hill, Jr.
Dept.: 30

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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 Are Sufficiently Advanced To Permit Preliminary Approval Of The Settlement	11
V.	THE CLASS IS PROPERLY CERTIFIED FOR SETTLEMENT PURPOSES	11
A.	California Code of Civil Procedure § 382	12
B.	The Proposed Class Is Ascertainable and Numerous	12
C.	Common Issues of Law and Fact Predominate.....	12
D.	The Claims of the Plaintiffs Are Typical of the Class Claims	13
E.	The Class Representation Fairly and Adequately Protected the Class	14
F.	The Superiority Requirement Is Met	14
VI.	THE PROPOSED METHOD OF CLASS NOTICE IS APPROPRIATE	15
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>Dunleavy v. Nadler (In re Mego Fin. Corp. Sec. Litig.)</i> , 213 F.3d 454 (9 th Cir. 2000)	9
<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>Gerard v. Orange Coast Mem'l Med. Ctr.</i> , 6 Cal. 5th 443 (2018)	7, 8
<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

1	<i>Kullar v. Foot Locker,</i>	
2	168 Cal. App. 4th 116 (2008)	5, 6
3	<i>Linder v. Thrifty Oil Co.,</i>	
4	23 Cal. 4th 429 (2003)	13
5	<i>Louie v. Kaiser Foundation Health Plan, Inc.,</i>	
6	2008 WL 4473183 (S.D.Cal. 2008)	10
7	<i>Ma v. Covidien Holding, Inc.,</i>	
8	2014 WL 2472316, (C.D. Cal. 2014)	8
9	<i>Mathein v. Pier 1 Imps. (U.S.), Inc.,</i>	
10	2018 U.S. Dist. LEXIS 71386 (E.D. Cal. 2018)	10
11	<i>Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.,</i>	
12	221 F.R.D. 523 (C.D. Cal. 2004)	5
13	<i>Naranjo v. Spectrum Sec. Servs., Inc.,</i>	
14	15 Cal. 5th 1056 (2024)	8,9
15	<i>Nordstrom Comm'n Cases,</i>	
16	186 Cal. App. 4th 576 (2010)	3, 8
17	<i>Officers for Justice v. Civil Service Com'n, etc.,</i>	
18	688 F.2d. 615 (9th Cir. 1982)	3, 4, 5
19	<i>Reynolds v. Direct Flow Med., Inc.,</i>	
20	2019 U.S. Dist. LEXIS 149865 (N.D. Cal. 2019)	10
21	<i>Rose v. City of Hayward,</i>	
22	126 Cal.App.3d 926 (1981)	12
23	<i>Sav-On Drug Stores, Inc. v. Superior Court,</i>	
24	34 Cal. 4th 319 (2004)	12, 15
25	<i>Sayaman v. Baxter Healthcare Corp.,</i>	
26	2010 U.S. Dist. LEXIS 151997 (C.D. Cal. 2010)	4
27	<i>Stovall-Gusman v. W.W. Granger, Inc.,</i>	
28	2015 U.S. Dist. LEXIS 78671 (N.D. Cal. 2015)	8
	<i>Tate v. Weyerhaeuser Co.,</i>	
	723 F.2d 598 (8th Cir. 1983)	13
	<i>Valentino v. Carter-Wallace, Inc.,</i>	
	97 F.3d 1227 (9th Cir. 1996)	14
	<i>Vasquez v. Superior Court,</i>	
	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>	

1 91 Cal.App.4th 224 (2001) 4

2
3 **Statutes, Rules and Regulations:**

4 California Code of Civil Procedure §382 11, 12

5 California Labor Code §203 7

6 California Labor Code §226 7

7 California Rules of Court, rule 3.766 15

8 California Rules of Court, rule 3.769 4, 15

9 **Secondary Sources:**

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1 **I. INTRODUCTION**

2 Plaintiffs Cesar Sanchez and Donnell Petetan (“Plaintiffs”) respectfully submit this
3 memorandum in support of the unopposed motion for preliminary approval of the Class Action and
4 PAGA Settlement Agreement (“Agreement”) with Defendant CRST Lincoln Sales, Inc. (“Defendant”),
5 and seek entry of an order: (1) preliminarily approving the proposed settlement of this class action with
6 Defendant; (2) for settlement purposes only, conditionally certifying the Class, which is comprised of
7 “all individuals who are or previously were employed by Defendant who were classified as non-exempt
8 or hourly in the State of California at any time during the Class Period”, which is June 25, 2021 through
9 April 16, 2026; (3) provisionally appointing Plaintiffs as the representatives of the Class; (4)
10 provisionally appointing Blumenthal Nordrehaug Bhowmik De Blouw LLP and Brock & Gonzales,
11 LLP as Class Counsel; (5) approving the form and method for providing class-wide notice of the
12 settlement; (6) directing that notice of the proposed settlement be given to the Class; (7) appointing
13 Apex Class Action LLC as the Administrator; and, (8) scheduling a final approval hearing date,
14 proposed for October 27, 2026, to consider Plaintiffs’ motion for final approval of the settlement and
15 for approval of attorneys’ fees, expenses and the service awards. Plaintiffs and Defendant (collectively
16 the “Parties”) have reached a full and final settlement of the above-captioned class and PAGA action
17 (the “Settlement”), which is set forth in the Agreement, attached as Exhibit #1 to the Declaration of
18 Kyle Nordrehaug (“Decl. Nordrehaug”), served and filed herewith. The form of the Agreement is
19 based upon the Los Angeles County Superior Court model form for a class and PAGA settlement.

20 As consideration for this Settlement, the non-reversionary Gross Settlement Amount of One
21 Million Dollars (\$1,000,000) (the “Gross Settlement Amount”) is to be paid by Defendant, as set forth
22 in the Agreement. The Gross Settlement Amount will settle all issues pending in the Action between
23 the Parties and will be made in full and final settlement of the Released Class Claims in exchange for
24 the payments to Participating Class Members from the Net Settlement Amount, and (a) the costs of
25 administration of the settlement, (b) all attorneys’ fees and costs, (c) Class Representative Service
26 Payments, and (d) the PAGA Penalties payment allocated 65% to the LWDA and 35% to the
27 Aggrieved Employees. (Agreement at ¶ 1.22.) Decl. Nordrehaug at ¶3. The following is a table of
28 the key Settlement terms and the proposed deductions:

1 **\$1,000,000** (Gross Settlement Amount)

- 2 - \$30,000 (Plaintiffs' two proposed service awards - not to exceed amount)
3 - \$36,000 (Class Counsel Litigation Expenses Payment - not to exceed amount)
4 - \$333,333 (Class Counsel Fees Payment - not to exceed 1/3 of settlement)
5 - \$50,000 (PAGA Payment - 65% to LWDA / 35% to Aggrieved Employees)
6 - \$7,012 (Administration Expenses Payment - not to exceed amount)

7 **\$543,655** (Net Settlement Amount)

8 Based upon an estimated 281 Class Members who worked an estimated 114,070 work weeks
9 (Agreement at ¶ 4.1), the Gross Settlement Amount provides an average value of \$3,558 per Class
10 Member and \$34 per workweek, and after deductions the Net Settlement Amount provides an average
11 recovery of \$1,934.71 per Class Member and a recovery of \$18.65 per workweek. Decl. Nordrehaug
12 at ¶6.

13 On January 16, 2026, the Parties participated in an all-day mediation with Louis Marlin, a
14 respected and experienced mediator of wage and hour class actions. Following the mediation, the
15 Parties agreed on the basic terms of a settlement pursuant to a mediator's proposal, memorialized in the
16 form of a Memorandum of Understanding. Decl. Nordrehaug at ¶5. The Settlement is fair, reasonable
17 and adequate, and should be preliminarily approved, because there is a substantial monetary payment,
18 and there are significant litigation risks. Plaintiffs respectfully request that this Court grant preliminary
19 approval of the Agreement and enter the proposed order submitted herewith.

20 **II. DESCRIPTION OF THE SETTLEMENT**

21 The Gross Settlement Amount is One Million Dollars (\$1,000,000). (Agreement at ¶ 1.22.)
22 Under the Settlement, the Gross Settlement Amount consists of the following elements: (1) payment
23 of the Individual Class Payments to the Participating Class Members; (2) Class Counsel Fees Payment
24 and Class Counsel Litigation Expenses Payment; (3) Administration Expenses Payment; (4) the Class
25 Representative Service Payments to the Plaintiffs; and (5) the PAGA Penalties payment. (Agreement
26 at ¶ 1.22.) The Gross Settlement Amount does not include Defendant's share of payroll taxes.
27 (Agreement at ¶ 3.1.) The Gross Settlement Amount shall be all-in with no reversion to Defendant.
28 (Agreement at ¶ 3.1.) Decl. Nordrehaug at ¶15.

29 The Agreement contains appropriate terms which have been previously approved by Courts
30 throughout California. (See Agreement at ¶¶ 1.28, 1.38, 3.2, 4.3, 5.1.) The proposed Class Notice also
31 provides the required protections for the Class to opt out, object or dispute their weeks worked. (See

1 Agreement at ¶¶ 8.5, 8.6, 8.7, and Exhibit A.) The additional details of the Settlement are addressed
2 in the Declaration of Kyle Nordrehaug at ¶¶ 16-22. As set forth in the accompanying proof of service,
3 the LWDA has been served with this motion and the Agreement.

4 **III. CASE BACKGROUND**

5 The description of the case and claims, along with the procedural history is set forth in the
6 Declaration of Kyle Nordrehaug at ¶¶ 7-14. The Parties engaged in thorough investigation and the
7 exchange of documents and information in connection with the Action for more than one year which
8 permitted Class Counsel to perform a thorough analysis of the claims. Decl. Nordrehaug, ¶¶ 10, 14.
9 The Parties participated in a mediation on January 16, 2026 with Louis Marlin, which after arms'
10 length negotiations during and after the mediation, resulted in this Settlement. Decl. Nordrehaug, ¶12.

11 **IV. THE SETTLEMENT MEETS THE CRITERIA NECESSARY FOR THIS COURT TO 12 GRANT PRELIMINARY APPROVAL**

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

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

25 The primary question presented on an application for preliminary approval of a proposed class
26 action settlement is whether the proposed settlement is “within the range of possible approval.”
27 *Manual for Complex Litigation, Second* §30.44 at 229; *Gautreaux v. Pierce*, 690 F.2d 616, 621 n.3 (7th
28

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

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

14 The approval of a proposed settlement of a class action suit is a matter within the broad
15 discretion of the trial court. *Wershba, supra*, 91 Cal.App.4th at 234-235; *Dunk*, 48 Cal.App.4th 1794.
16 In considering a potential settlement for preliminary approval purposes, the trial court does not have
17 to reach any ultimate conclusions on the issues of fact and law which underlie the merits of the dispute,
18 and need not engage in a trial on the merits. *Wershba, supra*, 91 Cal.App.4th at 239-40; *Dunk, supra*,
19 48 Cal.App. 4th at 1807. The Ninth Circuit explained that, “the very essence of a settlement is
20 compromise, ‘a yielding of absolutes and an abandoning of highest hopes.’” *Officers for Justice*, 688
21 F.2d at 624. Thus, when analyzing the settlement, the amount is “not to be judged against a
22 hypothetical or speculative measure of what might have been achieved by the negotiators.” *Officers*
23 *for Justice*, 688 F.2d at 625, 628.

24 With regard to class action settlements, the opinions of counsel should be given considerable

26 ¹ 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).

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

B. Factors To Be Considered In Granting Preliminary Approval

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

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

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

Class Counsel are experienced and qualified to evaluate the class claims, the defenses asserted, and the risks and benefits of trial and settlement, and Class Counsel are particularly experienced in wage and hour employment class actions, as Class Counsel has previously litigated and certified similar

1 claims against other employers. Decl. Nordrehaug at ¶31; Declaration of Joseph Parsons at ¶¶ 28-28.
2 The view of qualified and well-informed counsel that a class action settlement is fair, adequate, and
3 reasonable is entitled to significant weight. See *Kullar v. Foot Locker*, 168 Cal. App. 4th 116, 133
4 (2008) (the trial court "undoubtedly should continue to place reliance on the competence and integrity
5 of counsel, the involvement of a qualified mediator, and the paucity of objectors to the settlement.");
6 *Dunk*, 48 Cal. App. 4th at 1802.

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

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

26 Here, there can be no dispute that the litigation has been hard-fought with aggressive and
27 capable advocacy on both sides. The Parties were represented by experienced and capable counsel who
28 zealously advocated their positions. Accordingly, "[t]here is likewise every reason to conclude that

1 settlement negotiations were vigorously conducted at arms' length and without any suggestion of undue
2 influence.” *In re Wash. Public Power Supply Sec. Litig.*, 720 F. Supp. 1379, 1392 (D. Ariz 1989).

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

5 The proposed Settlement herein has no “obvious deficiencies” and is well within the range of
6 possible approval. All Class Members will receive an opportunity to participate in the Settlement and
7 receive payment according to the same formula. (Agreement at ¶ 3.2(e).) Based upon an estimated
8 281 Class Members who worked an estimated 114,070 work weeks (Agreement at ¶ 4.1), the Gross
9 Settlement Amount provides an average value of \$3,558 per Class Member and \$34 per workweek, and
10 after deductions the Net Settlement Amount provides an average recovery of \$1,934.71 per Class
11 Member and a recovery of \$18.65 per workweek. Decl. Nordrehaug, ¶6.

12 The calculations to compensate for the amount due for the Class at the time of the mediation
13 were calculated by Berger Consulting, Plaintiffs’ damage expert. As to the Class whose claims are at
14 issue in this Action, Plaintiffs used this expert to analyze the data and determine the potential unpaid
15 wages for the employees. The maximum potential damages were calculated to be \$1m295,591 for the
16 alleged unpaid wages for off-the-clock work at one hour per week, \$1,734 for the alleged underpaid
17 overtime wages based on the miscalculation of the regular rate, \$16,670 for the alleged underpaid meal
18 premiums and PTO based on the miscalculation of the regular rate, \$0 for alleged meal period damages
19 based upon a 31,2% potential violation rate for all shifts worked observed in the time records after
20 deducting for meal premiums already paid by Defendant (because the meal premiums paid exceed the
21 potential violations). \$1,007,931 for alleged rest period damages based upon the same 15.5% potential
22 violation rate observed for meal periods, \$36,415 for alleged unreimbursed cell-phone expenses at \$5
23 per month. Decl. Nordrehaug, ¶6. As a result, the total damage valuation was calculated such that
24 Defendant was subject to a maximum damage claim in the amount of \$2,358,340. As to potential
25 penalties, Plaintiffs calculated that potential waiting time penalties were a maximum of \$1,306,512,
26 and potential maximum wage statement penalties were \$505,450.² Defendant vigorously disputed

27 ² While Plaintiffs alleged claims for statutory penalties pursuant to Labor Code Sections 203 and
28 226, at mediation Plaintiffs recognized that these claims were subject to additional, separate defenses

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

2 Consequently, the Gross Settlement Amount of \$1,000,000 represents more than 42% of the
3 maximum value of the alleged damages at issue in this case at the time this Settlement was negotiated.³
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 the risk of establishing class-wide liability on all claims. Given the amount of
9 the settlement as compared to the potential value of claims in this case and the defenses asserted by
10 Defendant, this settlement is fair and reasonable.⁴ Clearly, the goal of this litigation has been met.
11 Decl. Nordrehaug, ¶6.

12 Where both sides face significant uncertainty, the attendant risks favor settlement. *Hanlon v.*
13 *Chrysler Corp.*, 150 F.3d 1011, 1026 (9th Cir. 1998). Here, a number of defenses asserted by
14 Defendant present serious threats to the claims of the Plaintiffs and the other Class Members.
15 Defendant asserted that Defendant's practices complied with all applicable Labor laws. Defendant
16 argued that Class Members were paid for all time worked and that work time was properly recorded.

17 _____
18 asserted by Defendant, including, a good faith dispute defense as to whether any premium wages for
19 meal or rest periods or other wages were owed given Defendant's position that Plaintiff and Class
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
22 dispute as to whether and when the wages were due.").

23 ³ Because the PAGA claim is not a class claim and primarily is paid to the State of California,
24 Plaintiffs have not included the PAGA claim in this discussion of the value of the class claims. The
25 PAGA claim is addressed in the Decl. Nordrehaug at ¶33.

26 ⁴ See *Glass v. UBS Fin. Servs.*, 2007 U.S. Dist. LEXIS 8476 (N.D. Cal. 2007) (approving a
27 settlement where the settlement amount constituted approximately 25% of the estimated overtime
28 damages for the class); *Stovall-Gusman v. W.W. Granger, Inc.*, 2015 U.S. Dist. LEXIS 78671, at *12
(N.D. Cal. 2015) (granting final approval where "the proposed Total Settlement Amount represents
approximately 10% of what 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 Defendant contends that its meal and rest period policies fully complied with California law and that
2 Defendant did not fail to provide the opportunity for legally required meal and rest breaks. Defendant
3 argues that its payment of significant meal period premiums both negates the claimed missed meal
4 period damages and is also evidence of its lawful practices. Defendant contends that there was no
5 failure to pay for business expenses and any cell phone usage was merely convenient and voluntary
6 such that reimbursement was not legally required. Defendant also have an argument that the Supreme
7 Court decision in *Brinker v. Superior Court*, 53 Cal. 4th 1004 (2012), weakened Plaintiffs' claims, on
8 liability, value, and class certifiability as to the meal and rest period claims. Defendant argues that
9 based on its facially lawful practices, Defendant acted in good faith and without willfulness, which if
10 accepted would negate the claims for waiting time penalties and/or inaccurate wage statements. See
11 e.g. *Naranjo v. Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056, 1065 (2024) ("if an employer reasonably
12 and in good faith believed it was providing a complete and accurate wage statement in compliance with
13 the requirements of section 226, then it has not knowingly and intentionally failed to comply with the
14 wage statement law.") If successful, Defendant's defenses could eliminate or substantially reduce any
15 recovery to the Class. While Plaintiffs believe that these defenses could be overcome, Defendant
16 maintains these defenses have merit and therefore present a serious risk to recovery by the Class. Decl.
17 Nordrehaug, ¶ 24.

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

27 After arm's length negotiations between experienced and informed counsel, the Parties
28 recognized the potential risks and agreed on the Settlement with a Gross Settlement Amount of

1 \$1,000,000. As the Court held in *Glass*, where the parties faced uncertainties similar to those here:

2 In light of the above-referenced uncertainty in the law, the risk, expense, complexity,
3 and likely duration of further litigation likewise favors the settlement. Regardless of
4 how this Court might have ruled on the merits of the legal issues, the losing party likely
5 would have appealed, and the parties would have faced the expense and uncertainty of
6 litigating an appeal. ‘The expense and possible duration of the litigation should be
7 considered in evaluating the reasonableness of [a] settlement.’”

8 2007 WL 221862, at *4 (quoting *In re Mego Financial Corp. Securities Litigation*, 213 F.3d 454, 458
9 (9th Cir. 2000)).

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

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

17 Plaintiffs will apply to the Court for Class Representative Service Payments in consideration
18 for their service and for the risks undertaken on behalf of the Class. (Agreement at ¶ 3.2(a).) Plaintiffs
19 performed their duties admirably by working with Class Counsel over the course of litigation, and were
20 subject to the risks of litigation on behalf of the Class. The Declarations of the Plaintiffs are being
21 submitted in support. Decl. Nordrehaug at ¶27. At this stage, the requested service award is within
22 the range of reasonableness for purposes of preliminary approval. *See e.g. Andrews v. Plains All Am.*
23 *Pipeline L.P.*, 2022 U.S. Dist. LEXIS 172183, at *11 (C.D. Cal. 2022) (finding that the requested
24 service awards of \$15,000 each are appropriate); *Reynolds v. Direct Flow Med., Inc.*, 2019 U.S. Dist.
25 LEXIS 149865, at *19 (N.D. Cal. 2019) (granting request for \$12,500 service award); *Mathein v. Pier*
26 *1 Imps. (U.S.), Inc.*, 2018 U.S. Dist. LEXIS 71386 (E.D. Cal. 2018) (awarding \$12,500 where average
27 class member payment was \$351); *Louie v. Kaiser Foundation Health Plan, Inc.*, 2008 WL 4473183,
28 *7 (S.D. Cal. Oct. 06, 2008) (awarding \$25,000 service award to each of six plaintiffs in overtime class
action); *Glass v. UBS Fin. Servs.*, 2007 WL 221862, *16-17 (N.D. Cal. 2007) (awarding \$25,000
service award in overtime class action and a pool of \$100,000 in enhancements). As explained in
Glass, service awards are routinely awarded to class representatives to compensate the employees for

1 the time and effort expended on the case, for the risk of litigation, for the fear of suing an employer and
2 retaliation there from, and to serve as an incentive to vindicate the statutory rights of all employees.
3 2007 WL 221862 at *16-17.

4 **4. The Stage Of The Proceedings Are Sufficiently Advanced To Permit**
5 **Preliminary Approval Of The Settlement**

6 The stage of the proceedings at which this Settlement was reached also militates in favor of
7 preliminary approval and ultimately, final approval of the Settlement. Class Counsel has conducted
8 a thorough investigation into the facts of the class action. Class Counsel began investigating the Class
9 Members' claims before the Action was filed, and during the course of litigation, and Class Counsel
10 and engaged in sufficient informal discovery to obtain necessary information. Class Counsel conducted
11 a review and analysis of the relevant documents and data. Class Counsel was also experienced with
12 these claims, as Class Counsel previously litigated and settled similar claims in other actions.
13 Accordingly, the agreement to settle did not occur until Class Counsel possessed sufficient information
14 to make an informed judgment regarding the likelihood of success on the merits and the results that
15 could be obtained through further litigation. Decl. Nordrehaug at ¶28.

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

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

22 Plaintiffs contend that the proposed settlement meet all of the requirements for class
23 certification under California Code of Civil Procedure § 382 as demonstrated below, and therefore, the
24 Court may appropriately approve the Class as defined in the Agreement. This Court should
25 conditionally certify the Class for settlement purposes only, defined as follows:

26 All individuals who are or previously were employed by Defendant who were classified
27 as non-exempt or hourly in the State of California at any time during the Class Period.

28 (Agreement at ¶ 1.5.)

The Class Period is from June 25, 2021 through April 16, 2026. (Agreement at ¶ 1.13).

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

2 Plaintiffs seek certification of this Class for settlement purposes under California Code of Civil
3 Procedure § 382. The California Supreme Court has summarized the standard for determining whether
4 class certification is appropriate as follows:

5 Code of Civil Procedure Section 382 authorizes class actions “when the question is one
6 of a common or general interest, of many persons, or when the parties are numerous,
7 and it is impracticable to bring them all before the court...” The party seeking
8 certification has the burden to establish the existence of both an ascertainable class and
9 a well-defined community of interest among class members. (*citations omitted*). The
“community of 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.

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

11 While Defendant reserves all rights to dispute that the Plaintiffs can satisfy these requirements,
12 the Parties agree that Defendant will not dispute that these requirements may be satisfied in this case
13 for purposes of settlement only and therefore, the proposed Class should be certified for purposes of
14 settlement only. (Agreement at ¶ 2.7.)

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

16 Plaintiffs bring this Action on behalf of a Class of non-exempt employees of the Defendant
17 during the Class Period. Plaintiffs assert that all of these individuals are ascertainable because the class
18 members can readily be determined through examination of Defendant’s files. Given that the Class
19 consists of approximately 281 individuals, Plaintiffs maintain that numerosity is clearly satisfied. *See*
20 *Bowles v. Superior Court*, 44 Cal.2d 574 (1955) (class with 10 members); *Rose v. City of Hayward*,
21 126 Cal.App.3d 926, 934 (1981) (class of 48 members satisfies numerosity requirement.) Here,
22 Plaintiffs assert that the 281 current and former employees that comprise the Class can be identified
23 based on Defendant’s records and are sufficiently numerous for class certification. Decl. Nordrehaug
24 at ¶30. Defendant disputes that the proposed Class is ascertainable and numerous, but will not oppose
25 such a finding for purposes of this Settlement only.

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

27 Predominance of common issues of law or fact does not require that the common issues be
28 dispositive of the entire controversy or even that they be dispositive of all liability issues. 1 *Newberg*

1 on *Class Actions*, Section 4.25 at 4-82, 4-83 (1992). “Predominance is a comparative concept, and ‘the
2 necessity for class members to individually establish eligibility and damages does not mean individual
3 fact questions predominate.’” *Sav-On*, 34 Cal. 4th at 334.

4 Commonality exists if there is a predominant common legal question regarding how an
5 employer’s policies impact its employees. *Ghazaryan v. Diva Limousine, Ltd.*, 169 Cal. App. 4th 1524,
6 1536 (2008) (“[T]he common legal question remains the overall impact of Diva's policies on its
7 drivers.”) Whether the plaintiff is likely to prevail on their theory of recovery is irrelevant at the
8 certification stage since the question is “essentially a procedural one that does not ask whether an action
9 is legally or factually meritorious.” *Linder v. Thrifty Oil Co.*, 23 Cal. 4th 429, 439-440 (2003).

10 Here, Plaintiffs contend that common questions of law and fact are present, specifically the
11 common questions of whether Defendant’s practices were lawful, whether Defendant failed to provide
12 meal and rest periods to Class Members, whether Class Members were lawfully compensated for all
13 hours worked, whether Defendant miscalculated the regular rate when paying wages, whether
14 Defendant failed to provide required expense reimbursement, and whether Class Members are entitled
15 to damages and penalties as a result of these practices. Plaintiffs contend that certification of this Class
16 is appropriate because Defendant allegedly engaged in uniform practices with respect to the Class
17 Members. As a result, these common questions of liability could be answered on a class wide basis.
18 Decl. Nordrehaug, ¶30. Defendant disputes that common questions predominate but will not oppose
19 such a finding for purposes of this Settlement only.

20 **D. The Claims of the Plaintiffs Are Typical of the Class Claims**

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

27 In this Action, Plaintiffs contend that the typicality requirement is fully satisfied. Plaintiffs, like
28 every other member of the Class, were employed by Defendant as non-exempt employees, and, like

1 every other member of the Class, were subject to the same employment policies and practices.
2 Plaintiffs, like every other member of the Class, also claim owed compensation as a result of the
3 Defendant's uniform company policies and practices. Thus, the claims of Plaintiffs and the members
4 of the Class arise from the same course of conduct by Defendant, involve the same issues, and are
5 based on the same legal theories. Decl. Nordrehaug at ¶30. Plaintiffs assert that the typicality
6 requirement is met as to the common issues presented in this case. Defendant disputes that the
7 typicality requirement is satisfied, however, Defendant does not oppose a finding of typicality for
8 purposes of this Settlement only.

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

10 Plaintiffs contend that the Class Members are adequately represented here because Plaintiffs
11 and representing counsel (a) do not have any conflicts of interest with other class members, and (b) will
12 prosecute the case vigorously on behalf of the class. *Hanlon*, 150 F.3d at 1020. This requirement is
13 met here. First, Plaintiffs are well aware of their duties as the representatives of the Class and have
14 actively participated in the prosecution of this case to date. Plaintiffs effectively communicated with
15 Class Counsel, provided documents and information to Class Counsel, and participated in the
16 investigation and resolution of the Action. The personal involvement of the Plaintiffs was essential to
17 the prosecution of the Action and the monetary settlement reached. Second, Plaintiffs retained
18 competent counsel who are experienced in employment class actions and who have no conflicts. Decl.
19 Nordrehaug at ¶ 31; Declaration of Joseph Parsons at ¶¶ 28-28. Third, there is no antagonism between
20 the interests of the Plaintiffs and those of the Class. Both the Plaintiffs and the Class Members seek
21 monetary relief under the same set of facts and legal theories. Under such circumstances, there can be
22 no conflicts of interest, and adequacy of representation is satisfied. *Reaves v. Ketoro, Inc.*, 2020 U.S.
23 Dist. Lexis 167926, *23 (C.D. Cal. 2020).

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

25 To certify a class, the Court must also determine that a class action is superior to other available
26 methods for the fair and efficient adjudication of the controversy. "Where classwide litigation of
27 common issues will reduce litigation costs and promote greater efficiency, a class action may be
28

1 superior to other methods of litigation.” *Valentino v. Carter-Wallace, Inc.*, 97 F.3d 1227, 1234 (9th Cir.
2 1996). As the Supreme Court has previously explained:

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

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

8 Here, Plaintiffs contend that a class action is the superior mechanism for resolution of the
9 claims as pled by the Plaintiffs. While Defendant disputes that the superiority requirement is satisfied,
10 Defendant does not dispute a finding of superiority for purposes of this Settlement only.

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

12 The Court has broad discretion in approving a practical notice program. *7- Eleven Owners for*
13 *Fair Franchising v. Southland Corp.*, 85 Cal. App. 4th 1135, 1164 (2000). The Parties have agreed
14 upon procedures by which the Class Members will be provided with written notice of the Settlement
15 similar to that approved and utilized in hundreds of class action settlements and the Class Notice
16 includes all relevant information. (See Exhibit “A” to the Agreement.) Decl. Nordrehaug at ¶32. The
17 Class Notice will explain that the Class Members shall have sixty (60) days from the date that the Class
18 Notice is mailed to them (the “Response Deadline”) to request exclusion (opt-out) or to submit a
19 written objection. (Agreement at ¶¶ 1.42, 8.5, 8.7.) Class Members shall be given the opportunity to
20 object to the Settlement, and to appear at the Final Approval Hearing. (Agreement at ¶ 8.7.) This
21 notice program was designed to meaningfully reach the Class Members and it advises them of all
22 pertinent information concerning the Settlement. Decl. Nordrehaug at ¶32. The distribution of the
23 Class Notice satisfies the requirements of due process, is the best notice practicable under the
24 circumstances, and complies with Rules of Court 3.766 and 3.769(f).

25 **VII. CONCLUSION**

26 Plaintiffs respectfully request that the Court preliminarily approve the proposed settlement and
27 sign the proposed Preliminary Approval Order, which is submitted herewith, and schedule the final
28 approval hearing for the proposed date of October 27, 2026.

Dated: May 20, 2026

BLUMENTHAL NORDREHAUG BHOWMIK DE BLOUW LLP
By: /s/ Kyle Nordrehaug Attorney for Plaintiffs