

**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: norm@bamlawca.com

Website: www.bamlawca.com

Attorneys for Plaintiff

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ORANGE

NANCY JAUREGUI, an individual, on
behalf of herself, and on behalf of all
persons similarly situated,

Plaintiff,

vs.

MERRILL LYNCH, PIERCE, FENNER
& SMITH INCORPORATED, a
Corporation; and DOES 1 through 50,
inclusive,

Defendants.

CASE NO.: **30-2024-01400634-CU-OE-CXC**

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

Hearing Date: November 5, 2026

Hearing Time: 2:00 p.m.

Reservation No. 74915561

Judge: Hon. Melissa R. McCormick

Dept.: CX105

Action Filed: May 20, 2024

Trial Date: Not Set

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1 **I. INTRODUCTION**

2 Plaintiff Nancy Jauregui (“Plaintiff”) respectfully submits this memorandum in support of the
3 unopposed motion for preliminary approval of the proposed class action and PAGA settlement with
4 Defendant Merrill Lynch, Pierce, Fenner & Smith Incorporated (“Defendant”), and seeks entry of an
5 order: (1) preliminarily approving the proposed settlement of this class and PAGA action with
6 Defendant; (2) for settlement purposes only, conditionally certifying the Settlement Class defined
7 as: “all current or former non-exempt employees who worked for Defendant in California from
8 May 20, 2020, through May 28, 2025, but excluding any current or former non-exempt
9 employees who previously released all statutory claims being released in this Settlement
10 Agreement”; (3) provisionally appointing Plaintiff as the representative of the Class; (4)
11 provisionally appointing Blumenthal Nordrehaug Bhowmik De Blouw LLP (“BNBD”) and The
12 Tran Firm (“Tran”) as Class Counsel; (5) approving the form and method for providing class-
13 wide notice; (6) directing that notice of the proposed settlement be given to the class; (7)
14 appointing ILYM Group, Inc. as Settlement Administrator; and (8) scheduling a final approval
15 hearing date for March 25, 2027 to consider Plaintiff’s motion for final approval of the
16 settlement and for approval of attorneys’ fees, expenses and service award. Plaintiff and
17 Defendant (collectively the “Parties”) have reached a full and final settlement of the above-captioned
18 action (“Action”), which is set forth in the Stipulation for Settlement and Release of Class and
19 Representative Action Claims (“Settlement Agreement” or “Agreement”) filed concurrently with the
20 Court.¹ A copy of the fully executed Agreement is attached as Exhibit #1 to the Declaration of Kyle
21 Nordrehaug (“Decl. Nordrehaug”), served and filed herewith.

22 As consideration for this Settlement, the Gross Settlement Fund is Three Million Five Hundred
23 Thousand Dollars and Zero Cents (\$3,500,000.00) (the “Gross Settlement Fund” or “GSF”) to be paid
24 by Defendant, as set forth in the Agreement. The Gross Settlement Fund 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 Settlement Class Members from the Net Settlement Fund, and

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

1 includes (a) the costs of administration of the settlement, (b) all attorneys' fees and costs, (c) an
2 Enhancement Award, and (d) the PAGA Amount allocated 75% to the LWDA and 25% to the
3 Aggrieved Employees. (Agreement at ¶¶ 9-10.) Decl. Nordrehaug at ¶3. The following is a table of
4 the key financial terms of the Settlement and the proposed deductions:

5 **\$3,500,000 (Gross Settlement Fund)**

- 6 - \$15,000 (proposed Enhancement Award - not to exceed amount)
- 7 - \$29,500 (Class Counsel's costs - not to exceed amount)
- 8 - \$1,166,666 (Class Counsel's attorneys' fees - not to exceed 1/3 of settlement)
- 9 - \$100,000 (PAGA Amount - 75% to LWDA / 25% to Aggrieved Employees)
- 10 - \$26,500 (Settlement Administration Costs - not to exceed amount)

11 **\$2,162,334 (Net Settlement Fund)**

12 Based upon 2,862 Class Members who worked an estimated 257,921 work weeks (Agreement at ¶ 38),
13 the Gross Settlement Fund provides an average value of \$1,222 per Settlement Class Member and
14 \$13.57 per workweek and after deductions the Net Settlement Fund provides an average recovery of
15 \$755.53 per Settlement Class Member and a recovery of \$8.38 per workweek. Decl. Nordrehaug at ¶6.

16 On May 28, 2025, the Parties participated in an all-day mediation session presided over by Hon.
17 Carl West (Ret.), a respected and experienced mediator of wage and hour class actions. Following the
18 mediation, the Parties agreed on the basic terms of a settlement pursuant to a mediator's proposal which
19 was 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 substantial monetary payment, and there are significant litigation and class-certification risks.
22 Therefore, Plaintiff respectfully requests that this Court grant preliminary approval of the Agreement
23 and enter the proposed order submitted herewith.

24 **II. DESCRIPTION OF THE SETTLEMENT**

25 The Gross Settlement Fund is Three Million Five Hundred Thousand Dollars (\$3,500,000.00).
26 (Agreement at ¶ 9.) Under the Settlement, the Gross Settlement Fund consists of the following
27 elements: (1) all payments to Settlement Class Members; (2) employee-side payroll taxes and
28 withholdings associated with the Individual Settlement Payments; (3) Settlement Administration Costs;
(4) Class Counsel's Court-approved attorneys' fees and costs and expenses; (5) the Court-approved
Enhancement Award to the Plaintiff; and (6) the PAGA Amount. (Agreement at ¶ 10.) The Gross
Settlement Fund does not include Defendant's share of payroll taxes. (Agreement at ¶ 10.) The Gross

1 Settlement Fund shall be all-in with no reversion to Defendant. (Agreement at ¶ 9.) Decl. Nordrehaug
2 at ¶ 15.

3 The Agreement contains appropriate terms which have been previously approved by this Court
4 and Courts throughout California. (See Agreement at ¶¶ 11, 19-21, 25, 29, 32.) The proposed Class
5 Notice also provides the required protections for the Class to opt out, object or dispute their weeks
6 worked. (See Agreement at ¶¶ 22, 23, 24, and Exhibit A.) The additional details of the Settlement are
7 addressed in the Decl. Nordrehaug at ¶¶ 16-22. As set forth in the accompanying proof of service, the
8 LWDA has been served with this motion and the Agreement.

9 **III. CASE BACKGROUND**

10 The description of the case and claims, along with the procedural history is set forth in the
11 Declaration of Kyle Nordrehaug at ¶¶ 7-14. The Parties engaged in thorough investigation and the
12 exchange of documents and information in connection with the Action for more than over a year which
13 permitted Class Counsel to perform a thorough analysis of the claims. Decl. Nordrehaug, ¶¶ 10, 14.
14 The Parties participated in a mediation on May 28, 2025 with Hon. Carl West (Ret.), which after arms'
15 length negotiations during and after the mediation, resulted in this Settlement. Decl. Nordrehaug, ¶ 12.

16 **IV. THE SETTLEMENT MEETS THE CRITERIA NECESSARY FOR THIS COURT TO 17 GRANT PRELIMINARY APPROVAL**

18 California “[p]ublic policy generally favors the compromise of complex class action litigation.”
19 *Nordstrom Comm'n Cases*, 186 Cal. App. 4th 576, 581 (2010) quoting *Cellphone Termination Fee*
20 *Cases*, 180 Cal.App.4th 1110, 1117-18 (2009). Class action settlements are approved where the
21 proposed settlement is “fair, adequate and reasonable.” *Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,
22 1801 (1996) (citing *Officers for Justice v. Civil Serv. Comm'n*, 688 F.2d 615, 625 (9th Cir. 1982), cert.
23 denied, 459 U.S. 1217 (1983)).

24 Preliminary approval is the first of three steps that comprise the approval procedure for
25 settlements of class actions. The second step is the dissemination of notice of the settlement to all class
26 members. The third step is a final settlement approval hearing, at which evidence and argument
27 concerning the fairness, adequacy, and reasonableness of the settlement may be presented, and class
28 members may be heard regarding the settlement. *See Dunk v. Ford Motor Co.*, 48 Cal.App.4th 1794,

1 1801 (1996); *Manual for Complex Litigation, Second* §30.44 (1993); Cal. Rules of Court, rule 3.769.

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

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

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

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 a hypothetical or speculative measure of what might have been achieved by the negotiators.” *Officers*
2 *for Justice*, 688 F.2d at 625, 628.

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

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

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

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

22 This settlement is the result of hard-fought litigation negotiations before an experienced and
23 well-respected mediator. Defendant has expressly denied and continues to deny any wrongdoing or
24 legal liability arising out of the conduct alleged in the Action. Plaintiff and Class Counsel have
25 determined that it is desirable and beneficial to the Class to resolve the Released Claims of the Class
26 in accordance with this Settlement. The Class release is appropriately tethered to factual allegations in
27 the Operative Complaint. (Agreement at ¶ 32.)

28 Class Counsel are experienced and qualified to evaluate the class claims, the defenses asserted,

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

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

17 Class Counsel has conducted a thorough investigation into the facts of the class and PAGA
18 action as detailed in the Decl. Nordrehaug. Based on the Class data and their own independent
19 investigation, evaluation and experience, Class Counsel believes that the settlement with Defendant on
20 the terms set forth in the Agreement is fair, reasonable, and adequate and is in the best interest of the
21 Class in light of all known facts and circumstances, including the risk of significant delay, defenses
22 asserted by Defendant, 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 Defendant 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 Settlement Class. 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 Settlement Class Members will receive an opportunity to participate in the
8 Settlement and receive payment according to the same formula. (Agreement at ¶ 21.) Based upon
9 2,862 Settlement Class Members who worked an estimated 257,921 work weeks (Agreement at ¶ 38),
10 the Gross Settlement Fund provides an average value of \$1,222 per Class Member and \$13.57 per
11 workweek and after deductions the Net Settlement Fund provides an average recovery of \$755.53 per
12 Settlement Class Member and a recovery of \$8.38 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 whose claims are at
15 issue in this Action, Plaintiff used this expert to analyze the data and determine the potential alleged
16 unpaid wages for the employees. The maximum potential damages were calculated to be \$1,700,020
17 for the alleged unpaid wages for off-the-clock work at 10 minutes per week, \$30,190 for the alleged
18 underpaid overtime due to the miscalculation of the regular rate, \$4,989,818 for the alleged underpaid
19 meal and rest premiums and sick pay due to the miscalculation of the regular rate, \$0 for alleged missed
20 meal period damages because the number of premiums paid exceeded the potential violation rate of
21 2.7% observed in the time records, \$1,329,177 for alleged rest period damages based upon the same
22 2.7% violation rate observed in the meal period records and after deduction of rest premiums already
23 paid by Defendant, \$314,380 for alleged unreimbursed cell-phone expenses at \$5 per month. Decl.
24 Nordrehaug, ¶6. As a result, the total damage valuation was calculated such that Defendant was subject
25 to a maximum damage claim in the amount of \$8,363,585. As to potential penalties, Plaintiff calculated
26 that alleged potential waiting time penalties were a maximum of \$9,056,260, and potential alleged
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1 maximum wage statement penalties were \$4,888,850.³ Defendant vigorously disputed Plaintiff's
2 calculations and exposure theories. Decl. Nordrehaug, ¶6.

3 Consequently, the Gross Settlement Fund of \$3,500,000 represents more than 41% of the
4 maximum value of the alleged damages at issue in this case at the time this Settlement was negotiated.⁴
5 Importantly, the recent decision that good faith belief of compliance by the employer in *Naranjo v.*
6 *Spectrum Sec. Servs., Inc.*, 15 Cal. 5th 1056, 1065 (2024), could completely negate the claims for
7 waiting time and wage statement penalties, even if wages were owed to the Class. The above maximum
8 calculations should then be realistically risk-adjusted in consideration for both the risk of class
9 certification and class-wide liability on all claims. Given the amount of the settlement as compared to
10 the potential value of claims in this case and the defenses asserted by Defendant, this settlement is fair
11 and reasonable.⁵ 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 Plaintiff and the other Settlement Class Members.
15 Defendant asserted that Defendant's practices complied with all applicable Labor laws. Defendant
16

17 ³ While Plaintiff alleges claims for statutory penalties pursuant to Labor Code Sections 203 and 226,
18 at mediation Plaintiff recognized that these claims were subject to additional, separate defenses asserted
19 by Defendant, including, a good faith dispute defense as to whether any premium wages for meal or
20 rest periods or other wages were owed given Defendant's position that Plaintiff and Settlement Class
21 Members were properly compensated. *See Nordstrom Commission Cases*, 186 Cal. App. 4th 576, 584
22 (2010) ("There is no willful failure to pay wages if the employer and employee have a good faith
23 dispute as to whether and when the wages were due.").

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

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

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

28 After arm's length negotiations between experienced and informed counsel, the Parties

1 recognized the potential risks and agreed on the Settlement with a Gross Settlement Fund of
2 \$3,500,000. As the Court held in *Glass*, where the parties faced uncertainties similar to those here:

3 In light of the above-referenced uncertainty in the law, the risk, expense, complexity,
4 and likely duration of further litigation likewise favors the settlement. Regardless of
5 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.

6 2007 WL 221862, at *4.

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

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

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

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

3 The stage of the proceedings at which this Settlement was reached also militates in favor of
4 preliminary approval and ultimately, final approval of the Settlement. Class Counsel has conducted
5 a thorough investigation into the facts of the class action. Class Counsel engaged in informal discovery
6 to obtain necessary information. Class Counsel conducted a review and analysis of the relevant
7 documents and data with the assistance of an expert. Class Counsel was also experienced with these
8 claims. Accordingly, the agreement to settle did not occur until Class Counsel possessed sufficient
9 information to make an informed judgment regarding the likelihood of success on the merits and the
10 results that could be obtained through further litigation. Decl. Nordrehaug at ¶28.

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

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

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

21 All current or former non-exempt employees who worked for Defendant in California
22 from May 20, 2020, through May 28, 2025, but excluding any current or former
23 non-exempt employees who previously released all statutory claims being released in
24 this Settlement Agreement.

25 (Agreement at ¶ 7.)

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

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

Code of Civil Procedure Section 382 authorizes class actions “when the question is one

1 of a common or general interest, of many persons, or when the parties are numerous,
2 and it is impracticable to bring them all before the court....” The “community of
3 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.

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

5 While Defendant reserves all rights to dispute that the Plaintiff can satisfy these requirements,
6 the Parties agree that Defendant will not dispute that these requirements may be satisfied in this case
7 for purposes of settlement only and therefore, the proposed Class should be certified for purposes of
8 settlement only. (Agreement at ¶ 8.)

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

10 Plaintiff brings this Action on behalf of a Class of non-exempt employees of the Defendant
11 during the Class Period. Plaintiff asserts that all of these individuals are ascertainable because the
12 Settlement Class Members can readily be determined through examination of Defendant’s files. Given
13 that the Settlement Class consists of approximately 2,862 individuals, Plaintiff maintains that
14 numerosity is clearly satisfied. *See Bowles v. Superior Court*, 44 Cal.2d 574 (1955) (class with 10
15 members); *Rose v. City of Hayward*, 126 Cal.App.3d 926, 934 (1981) (class of 48 members satisfies
16 numerosity requirement.) Here, Plaintiff asserts that the 2,862 current and former employees that
17 comprise the Settlement Class can be identified based on Defendant’s records and are sufficiently
18 numerous for class certification. Decl. Nordrehaug at ¶30.

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

20 Predominance of common issues of law or fact does not require that the common issues be
21 dispositive of the entire controversy or even that they be dispositive of all liability issues. 1 *Newberg*
22 *on Class Actions*, Section 4.25 at 4-82, 4-83 (1992). “Predominance is a comparative concept, and ‘the
23 necessity for class members to individually establish eligibility and damages does not mean individual
24 fact questions predominate.’” *Sav-On*, 34 Cal. 4th at 334.

25 Commonality exists if there is a predominant common legal question regarding how an
26 employer’s policies impact its employees. *Ghazaryan v. Diva Limousine, Ltd.*, 169 Cal. App. 4th 1524,
27 1536 (2008) (“[T]he common legal question remains the overall impact of Diva's policies on its
28 drivers.”) Whether the plaintiff is likely to prevail on their theory of recovery is irrelevant at the

1 certification stage since the question is “essentially a procedural one that does not ask whether an action
2 is legally or factually meritorious.” *Linder v. Thrifty Oil Co.*, 23 Cal. 4th 429, 439-440 (2003).

3 Here, Plaintiff contends that common questions of law and fact are present, specifically the
4 common questions of whether Defendant’s practices were lawful, whether Defendant failed to provide
5 meal and rest periods to Settlement Class Members, whether Settlement Class Members were lawfully
6 compensated for all hours worked, whether Defendant miscalculated the regular rate when paying
7 overtime, meal and rest premiums and/or sick pay, whether Defendant failed to provide required
8 expense reimbursement, and whether Settlement Class Members are entitled to damages and penalties
9 as a result of these practices. Plaintiff contends that certification of this Settlement Class is appropriate
10 because Defendant allegedly engaged in uniform practices with respect to the Settlement Class
11 Members. As a result, these common questions of liability could be answered on a class wide basis.
12 Decl. Nordrehaug, ¶30. Defendant disputes that common questions predominate but will not oppose
13 such a finding for purposes of this Settlement only.

14 **D. The Claims of the Plaintiff Are Typical of the Settlement Class Claims**

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

22 In this Action, Plaintiff contends that the typicality requirement is fully satisfied. Plaintiff, like
23 every other member of the Settlement Class, was employed by Defendant as a non-exempt employee,
24 and, like every other member of the Settlement Class, was subject to the same employment policies and
25 practices. Plaintiff, like every other member of the Settlement Class, also claims owed compensation
26 as a result of the Defendant’s allegedly uniform company policies and practices. Thus, the claims of
27 Plaintiff and the members of the Settlement Class arise from the same course of conduct by Defendant,
28 involve the same issues, and are based on the same legal theories. Decl. Nordrehaug at ¶30. Plaintiff

1 asserts that the typicality requirement is met as to the common issues presented in this case. Defendant
2 disputes that the typicality requirement is satisfied but do not oppose a finding of typicality for purposes
3 of this Settlement only.

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

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

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

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

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

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

26 Here, Plaintiff contends that a class action is the superior mechanism for resolution of the claims
27 as pled by the Plaintiff. While Defendant disputes that the superiority requirement is satisfied,
28 Defendant does not dispute a finding of superiority for purposes of this Settlement only.

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

2 The Court has broad discretion in approving a practical notice program. The Parties have
3 agreed upon procedures by which the Settlement Class Members will be provided with written notice
4 of the Settlement similar to that approved and utilized in hundreds of class action settlements. In
5 accordance with the Agreement, Defendant will provide to the Settlement Administrator a confidential
6 electronic spreadsheet containing the Class List. (Agreement at ¶ 30.) Within 14 calendar days after
7 receiving the Class List, the Settlement Administrator will mail the Notice to all Settlement Class
8 Members via first-class U.S. Mail using the most current mailing address information available.
9 (Agreement at ¶ 31.) The Notice will include a Request for Exclusion form, an Objection form and a
10 Dispute form in the mailing. (Agreement at ¶ 18.) The Parties agree that the Notice need only be in
11 English as the Settlement Class Members were expected to be able to understand English as a condition
12 of their employment.

13 The Notice, drafted jointly and agreed upon by the Parties through their respective counsel and
14 to be approved by the Court, includes all relevant information. (See Exhibit “A” to the Agreement.)
15 The Notice will include, among other information: (i) information regarding the Action; (ii) the impact
16 on the rights of the Settlement Class Members if they do not opt out, including a description of the
17 applicable release; (iii) information to the Settlement Class Members regarding how to opt out and how
18 to object to the Settlement; (iv) the estimated Individual Settlement Payment for each of the Settlement
19 Class Members; (v) the amount of attorneys’ fees and expenses to be sought; (vi) the amount of the
20 Plaintiff’s service award request; and (vii) the anticipated expenses of the Settlement Administrator.
21 Decl. Nordrehaug at ¶32.

22 The Notice will state that the Settlement Class Members shall have sixty (60) days from the date
23 that the Notice is mailed to them to request exclusion (opt-out), submit a dispute, or to submit a written
24 objection. (Agreement at ¶¶ 22-24.) Settlement Class Members shall be given the opportunity to object
25 to the Settlement and/or requests for attorneys’ fees and expenses and to appear at the Final Approval
26 Hearing. (Agreement at ¶ 23.) Settlement Class Members who do not submit a timely and proper
27 request to opt-out will automatically receive a payment of their Individual Settlement Payment. This
28 notice program was designed to meaningfully reach the Settlement Class Members and it advises them

1 of all pertinent information concerning the Settlement. Decl. Nordrehaug at ¶32. The mailing and
2 distribution of the Class Notice satisfies the requirements of due process and is the best notice
3 practicable under the circumstances and complies with Rules of Court 3.766 and 3.769(f).

4 **VII. CONCLUSION**

5 Plaintiff respectfully requests that the Court preliminarily approve the proposed settlement and
6 sign the proposed Preliminary Approval Order, and schedule the final approval hearing for March 25,
7 2027, which is at least one hundred twenty (120) days from the date of Preliminary Approval.

8 Dated: July 30, 2026

**BLUMENTHAL NORDREHAUG BHOWMIK
DE BLOUW LLP**

9 By: /s/ Kyle Nordrehaug
10 Kyle R. Nordrehaug, Esq.
11 Attorney for Plaintiff
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